



ANNUAL REPORT 2021



The background is a deep blue underwater scene. Sunlight rays stream down from the top right. In the lower half, there are ancient stone ruins, including a building with arches and several columns. Small fish are visible swimming in the water.

HU NETA

The background of the image is a deep blue underwater scene. A bright sunbeam enters from the top left, creating a shimmering effect. In the lower right, there are faint, dark outlines of ancient stone ruins, possibly columns or walls, partially submerged.

JNM WORK

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Vision

Inspired by the finest cultural, corporate and creative values to present content which entertains and enriches audiences.

Mission

To enable the organization of outstanding content on subjects of interest and relevance to a range of audiences while using the best professional practices and ensuring long term continuity.



Duraid Qureshi

CEO's MESSAGE

It is a privilege to present another year's performance of Hum Network. Despite challenging circumstances, I am proud of what our company and our employees achieved, collectively and individually.

The year 2020 once again saw resurgence of COVID-19, and as always, the health and safety of our employees became our top priority. The entire team worked hard to provide maximum care and facilitation to ensure implementation of government issued directives regarding COVID SOPs.

Despite truncated work environment our employees never lost focus in providing the very best of entertainment and information to our audiences. Under lockdowns we labored to make sure that our viewers on linear broadcast and digital platforms have a healthy supply of entertainment content. Our News channel increased its momentum of growth not only in ratings and revenue but also in creating social impact. Our growing digital outreach has also contributed significantly to our results this year. I am happy to report that as an ever-evolving organization we are adapting to the changes in our business model by responding to the challenges of post Covid new normal.

The financial results this year reiterate our commitment in providing value to our shareholders at the heart of all our operations. These results would not have been possible without the patronage of our clients and suppliers. It is a feeling of satisfaction that we are not only creating profitability in the company but also bringing the community together by positively contributing through CSR activities.

We are looking at the next year with renewed optimism. The relaxing Covid SOPs enable us to bring back public events with the full force of their glamour and fanfare. Award Shows, fashion events and Masala Family festival will be back in full swing. The film business will also benefit from audiences returning to malls and cinema halls. We have planned bigger initiatives this year to make our brand stronger than ever.

Hum Network has always been a leader of the industry. It will keep up with its tradition of innovation, service and creating value for our viewers, clients, vendors, employees, shareholders and community. Hum Network is also helping the regulatory bodies and governing ministries by providing best practices to be included in policy papers for tv, film and digital media.

I would like to thank the entire Hum Family for keeping a positive attitude in trying times and adopting a can-do attitude which makes us the most loved media brand of Pakistan.

Journey of Success

Hum Network Limited was launched on January 17, 2005, with its flagship channel Hum TV in 2005 to revive the demand for quality content in Pakistan at a time when Indian serials were quite popular amongst the masses. Since then, Hum Network has proudly produced ground-breaking serials and dramas that are highly popular in the South Asian diaspora. We have not only provided the audience with quality entertainment but also educated them on social issues with dramas like Udaari and Sammi which are now gaining international praise and recognition.

HUM was also launched in the Middle East and North African region via its beam HUM MENA. Which has not only provided superior content but we also believe in showcasing the true essence of the region. Our localized programming and presence at local events prove Hum MENA to be a great platform for people from different countries and regions. The channel's high-quality programming and launch of specialized channels globally, marks the beginning of even better things to come.

Hum Europe won the Best Urdu Channel Award at the Asian Viewers Television Awards 2015 and 2017. Hum Europe was also nominated in 2015 and 2016 as "TV channel of the year" in Asian Media Awards.

In 2006 Hum Network launched Pakistan's only successful 24-hour live cooking channel. Many competitors came but were unable to compete with Masala TV and were discontinued. With an excellent team of experienced and talented chefs and home cooks, Masala TV became the only channel in its category outgrowing competition. With its international launch Masala leads in its category in Hindi/urdu speaking diaspora. Masala Film Festival attracts hundreds of thousands of footfall in Karachi and Lahore. The event provides them with an opportunity to interact with their favorite chefs and enjoy a fun day with their families.

Hum Films was launched in 2014 which instantly became the first choice for local & international film producers and studios for distribution and marketing of movies in Pakistan. In the pre COVID-19 era Hum Films was the leading box office banner in Pakistan.

Hum Network has always played a key role in supporting and developing the fashion industry in Pakistan. For the past few years we have regularly been holding events like Bridal Couture Week, Hum Style awards, Hum Showcase and Miss Veet Pakistan contest which give a platform to the entertainment fraternity to showcase their talent and gain recognition.

Hum Network has been constantly syndicating its dramas internationally. After syndicating the content to Zee in India, Colors & Rishtey in the UK and MBC in UAE; Hum Network has touched the Malaysian borders by syndicating blockbuster drama serial 'Zindagi Gulzar Hai' on mainstream Malaysian channel 'TV3'. Mauritius Broadcast Corporation (A Mauritius based channel) and Sharjah TV (UAE based channel) are also acquiring content on regular basis.

HUM network has a well-established digital wing to entertain the ever-increasing number of broadband users within the country as well as the audience worldwide, who are increasingly turning to online sources for viewing and purchasing of content through video on demand platforms.

HUM Network has been the first Pakistani channel to have its content available on Netflix and Iflix, first to collaborate with Eros Now and first to have direct channels on YouTube & Daily Motion. Hum Network has strong footholds on social media platforms like YouTube with over 16 million subscribers and Facebook with 10 million followers respectively.

Masala TV Food Magazine is a monthly magazine for all food lovers who want to collect their favourite recipes by their favourite Masala chefs. It is a home maker's guide to becoming a domestic expert.

Hum Network launched its 24 hour news brand Hum News in May 2018. Dedicated to professional journalism, we aim to report the truth without sensationalism and become the audiences' preferred source of trusted information. Hum News has recently launched in the UK and has started to gain attention among Pakistanis residing there due to its unique, independent, investigative and inspirational approach. Hum News is the fastest growing channel in the news category in Pakistan.

Hum Network has adopted a diversified business strategy by investing in ventures like HUM Mart, an online shopping platform which offered hassle free grocery shopping experience.

Hum Awards has been the un-official ambassador of Pakistan throughout the world attracting thousands of expatriates in Dubai, Toronto and Houston. Hum Awards is now looking at London and New York as next destinations. Hum Network also collaborates with IPPA Awards to conduct events in UK, Norway and Turkey. Hum Women's Award is one of its kind recognition of women leaders not only in Pakistan but all over the world. It has been appreciated by President of Pakistan and foreign delegates in Pakistan. The last event was held in the President House as first ever private event held in Pakistani media.

Hum Network is synonymous with creativity, professionalism and quality. It is one of the most beloved brand of Pakistan and prides itself in giving the best image of Pakistan.

Company Information

BOARD OF DIRECTORS

Chairman

Mr. Mazhar-ul-Haq Siddiqui

Directors

Ms. Sultana Siddiqui
 Mrs. Mahtab Akbar Rashdi
 Mr. Shunaid Qureshi
 Lt. Gen. (R) Asif Yasin Malik
 Mr. Sohail Ansar
 Ms. Nabigha Nasser Masood
 Mr. Muhammad Ayub Younus Adhi

Chief Executive Officer
 Chief Financial Officer
 Company Secretary
 Head of Internal Audit

Mr. Duraid Qureshi
 Mr. Muhammad Abbas Hussain
 Mr. Mohsin Naeem
 Mr. Kamran Shamshad Ahmed

AUDIT COMMITTEE

Chairman

Mr. Sohail Ansar

Members

Mr. Shunaid Qureshi
 Mrs. Mahtab Akbar Rashdi
 Lt. Gen. (R) Asif Yasin Malik

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairperson

Mr. Sohail Ansar

Members

Ms. Sultana Siddiqui
 Mrs. Mahtab Akbar Rashdi

AUDITORS

M/s. EY Ford Rhodes
 Chartered Accountants
 7th Floor Progressive Plaza,
 Beaumont Road, Karachi

INTERNAL AUDITORS

M/s. KPMG Taseer Hadi & Company
 Chartered Accountants
 1st Floor, Sheikh Sultan Trust Building
 No.2, Beaumont Road, Karachi

LEGAL ADVISOR

M/s. Ijaz Ahmed & Associates
 No.7, 11th Zamzama Street Phase-V
 D.H.A. Karachi.

BANKERS

Bank Alfalah Limited
 Faysal Bank Limited
 National Bank of Pakistan
 The Bank of Punjab
 Allied Bank Limited
 United Bank Limited
 Askari Bank Limited
 Habib Metropolitan Bank
 MCB Bank Limited
 Boston Private Bank & Trust
 Barclays Bank PLC
 Dubai Islamic Bank
 Wells Fargo Bank

REGISTERED & HEAD OFFICE

Hum TV, Plot No. 10/11, Hassan Ali Street,
 Off. I.I Chundrigar Road, Karachi -74000 UAN: 111 -486-111

REGISTRAR/TRANSFER AGENT

M/s. F.D. Registrar Services (SMC-Pvt.) Ltd
 17th Floor, Saima Trade Tower-A,
 I.I. Chundrigar Road Karachi-74000

WEBSITE

www.humnetwork.tv

PAKISTAN STOCK EXCHANGE LIMITED

HUMNL

Notice Of The 17th Annual General Meeting

Notice is hereby given that the 17th Annual General Meeting of HUM Network Limited will be held on Tuesday, November 23, 2021 at 3:00 p.m. at ICAP Auditorium, Chartered Accountants Avenue, ICAP, Clifton, Karachi to transact the following businesses:

Ordinary Business:

- 1- To confirm the minutes of the 16th Annual General Meeting held on July 16, 2021 and 9th Extraordinary General Meeting held on August 22, 2020.
- 2- To receive, consider and adopt Annual Audited Financial Statements of the Company together with the Directors' and Auditors' reports thereon for the year ended June 30, 2021 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Report thereon for the year ended June 30, 2021.
- 3- To appoint Auditors of the Company for the financial year ending June 30, 2022 and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed the name of retiring auditors M/s. EY Ford Rhodes, Chartered Accountants, for their appointment as external auditors for the year ending June 30, 2022.

By Order of the Board
Sd/-
Mohsin Naeem
Company Secretary

Dated: November 2, 2021
Place: Karachi

Notes:

1. Notice of Book Closure:

The Share Transfer Books of the Company will remain closed from November 16, 2021 to November 23, 2021 (both days inclusive). Transfer received in order by our Share Registrar, M/s. F.D. Registrar Services (Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000 at the close of business on November 15, 2021 will be considered in time for any entitlement, as recommended by the Board of Directors and for the purpose of attending the AGM.

2. Coronavirus Contingency - Participation in AGM through electronic means

- i) In view of the Coronavirus situation, the Securities and Exchange Commission of Pakistan (SECP) has, vide Circular No. 04 dated February 15, 2021 directed listed companies to provide facility for attending general meetings through electronic means as a regular feature.
- ii) Considering the above the Company has made arrangement to provide video-link facility to members who wish to participate in the AGM through electronic means.
- iii) To attend the AGM through video-link, Members are requested to register their following particulars by sending an email at mohsin.naeem@hum.tv with subject 'Video-Link Registration for HUM AGM scheduled on November 23, 2021'

Name of Member (s)	Folio / CDC Account Number/ CDC Participant ID	Number of Shares Held	CNIC/ Passport Number	Cell/Mobile Number	Email ID

- iv) The Video link and login credentials will be shared with the Members whose emails, containing all the required particulars as mentioned, are received at the given email address before the close of business hours i.e., 05:00 p.m. on November 15, 2021
- v) In case any Members who want to attend the AGM personally are advised to follow SOPs for COVID-19 as prescribed by the Government.
- vi) For any queries, the Members may please contact at the aforesaid email.

3. Appointment of Proxies and Attending AGM:

- i) A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
- ii) A blank instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours or can be downloaded from the Company's website.
- iii) A duly completed instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarized certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 working hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.
- iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted with proxy form.
- v) The owners of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport (in case of foreign nationals) for identification purpose at the time of attending the meeting.
- vi) CDC account holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

A. For Attending the Meeting:

- (i) In case of individuals, the account holder or sub-account holder and/ or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC), or original passport at the time of attending the meeting.
- (ii) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) the time of the meeting.

B. For Appointing Proxies:

- (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account, and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iv) The proxy shall produce his original CNIC or original passport at the time of meeting.
- (v) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

- vi) In case of attending meeting by proxy through electronic means i.e., video-link facility, Cell Number and Email Id of proxy, shall be provided on the duly signed proxy form.

4. Video-Conferencing Facility for attending AGM

If members holding ten percent of the total paid up capital, are resident in any other city, the company shall provide the facility of video-conferencing to such members for attending annual general meeting of the company, if so, required by such members in writing to the company at least seven days (7) before the date of the meeting.

The Company will intimate members regarding venue of conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

Consent for Video-Conferencing Facility

I/We, _____ of _____, being a member of Hum Network Limited, holder of _____ ordinary share (s) as per Register Folio/CDC Account No _____ hereby opt for video conference facility at _____, for participation at the Annual General Meeting to be held on November 23, 2021 or any adjournment thereof

Signature of member(s)

Date: _____

5. Change in Members Addresses:

Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s. F.D. Registrar Services (Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000.

6. Submission of Copies of Valid CNICs/NTN:

Members are requested to submit a copy of their valid CNICs/NTN Certificates along with the folio numbers to the Company's Share Registrar, if not already provided, otherwise payment of dividend would be withheld in terms of section 243 of the Companies Act, 2017 ('the Act') and clause 6 of the Companies (Distribution of Dividends) Regulations, 2017 (the Regulations").

7. Availability of Financial Statements and Reports on the Website:

The Annual Report of the Company for the year ended June 30, 2021 has been placed on the Company's website at the below link: http://www.humnetwork.tv/Annual_Financial_Reports.html

8. Circulation of Annual Financial Statements for the year ended June 30, 2021 through CD/DVD/USB:

The Securities and Exchange Commission of Pakistan (SECP) vide SRO No. 470(I)/2016 dated May 31, 2016, has allowed listed companies to circulate their Annual Audited Accounts (i.e., the annual balance sheet and profit and loss account, auditor's report and director's report) to its members through CD/DVD/USB at their registered addresses instead of sending them in hard copies, subject to approval obtained from shareholders in General Meeting. Accordingly, the company has obtained approval from members in the 12th Annual General Meeting held on October 20, 2016. Pursuant to the approval of shareholders, as aforesaid, the Annual Audited Financial Statements of the Company for the year ended June 30, 2021, are being circulated to the members through CD/DVD/USB.

9. Transmission of Annual Financial Statements and Reports and notice of meeting through Email:

In terms of SRO No 787(I)/2014 dated September 8, 2014, shareholders can opt to obtain annual balance sheet and profit and loss account, auditor's report and directors report etc. alongwith the notice of Annual General Meeting through email. The Companies Act, 2017 also allow electronic circulation of annual financial statements and reports thereon. Accordingly, we are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future.

For the convenience of shareholders, a Standard Request Form has been made available at our website -www.humnetwork.tv, to opt receiving of future annual reports through email or in hard copies or otherwise request for any hard copy of any accounts. The scanned copy of the duly filled & signed form may be emailed to the Company Secretary at mohsin.naeem@hum.tv or the same can be submitted through post/courier to Company's Share Registrar - Central Depository Company of Pakistan Limited, CDC House, Block B, SMCHS, Main Shahrah-e-Faisal, Karachi – 74400.

Members who do not provide their email ids or request for a hard copy shall continue to receive their future Annual Financial Statements and reports through CD/ DVD/USB at the registered address.

10. E-DIVIDEND MANDATE (MANDATORY)

Under section 242 of Companies Act, 2017(Act), every listed company is required to pay dividend if any to their members compulsorily through electronic mode by directly crediting the same in their bank account provided by them. In terms of SRO No. 1145(I)/2017 dated 06 November 2017, it is mandatory for shareholders to provide their bank account details to receive their cash dividend directly into their bank accounts, failing which the company shall be bound to withhold dividend of those members who do not provide their bank details.

All members are required to provide to the Company's Share Registrar, particulars relating to name, folio number, bank account number, title of account, complete mailing address of the bank. CDC account holders should submit their request directly to their broker (participant)/CDC. A Form is available at the Registered Office of the Company and the same are also placed on the Company's website.

11. Unclaimed Dividend / Shares

Pursuant to Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the company, which remain unclaimed or unpaid for a period of three years from the date it became due and payable shall vest with the Federal Government after compliance of procedures prescribed under the Companies Act, 2017.

All valued members of the Company, who by any reason, could not claim their dividend/shares, if any, are requested to contact Company's Share Registrar, to file their claims with Company's Share Registrar for any unclaimed dividend or shares outstanding in their name.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

12. Conversion of physical shares into book-entry form

Pursuant to Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017.

The shareholders having physical shares are encouraged to convert their physical shares into book-entry form by depositing shares into Central Depository Company Pakistan Limited by opening CDC sub-account with any broker or investor accounts directly with CDC.

Pattern Of Shareholding

As on June 30, 2021

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
394	1	to	100	9407
763	101	to	500	361262
992	501	to	1000	985445
2574	1001	to	5000	8100928
1236	5001	to	10000	10516005
479	10001	to	15000	6384470
378	15001	to	20000	7178402
247	20001	to	25000	5889000
189	25001	to	30000	5449786
105	30001	to	35000	3524650
108	35001	to	40000	4222100
51	40001	to	45000	2219010
196	45001	to	50000	9711750
43	50001	to	55000	2289501
47	55001	to	60000	2765600
25	60001	to	65000	1567500
32	65001	to	70000	2191065
27	70001	to	75000	2001500
24	75001	to	80000	1893500
12	80001	to	85000	1001000
19	85001	to	90000	1685500
16	90001	to	95000	1499630
124	95001	to	100000	12383700
8	100001	to	105000	823500
9	105001	to	110000	977500
14	110001	to	115000	1603000
15	115001	to	120000	1780500
8	120001	to	125000	1000000
10	125001	to	130000	1280500
6	130001	to	135000	804500
9	135001	to	140000	1257500
3	140001	to	145000	430500
29	145001	to	150000	4343468
4	150001	to	155000	615500
4	155001	to	160000	634950
6	160001	to	165000	980500
10	165001	to	170000	1694000
9	170001	to	175000	1567000
7	175001	to	180000	1246000
2	180001	to	185000	363000
6	185001	to	190000	1132000
7	190001	to	195000	1353000
30	195001	to	200000	5999000
1	200001	to	205000	202000

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
3	205001	to	210000	624500
2	210001	to	215000	423000
2	215001	to	220000	439850
5	220001	to	225000	1121500
2	225001	to	230000	455500
1	230001	to	235000	233000
1	235001	to	240000	240000
1	240001	to	245000	241500
11	245001	to	250000	2739500
2	250001	to	255000	506000
1	255001	to	260000	260000
3	260001	to	265000	789500
4	270001	to	275000	1096500
3	275001	to	280000	840000
2	280001	to	285000	567500
2	285001	to	290000	578000
15	295001	to	300000	4500000
2	300001	to	305000	603500
2	305001	to	310000	615000
2	315001	to	320000	640000
2	320001	to	325000	646000
2	325001	to	330000	656000
3	345001	to	350000	1050000
5	355001	to	360000	1791250
2	370001	to	375000	750000
1	385001	to	390000	388500
6	395001	to	400000	2400000
1	400001	to	405000	403000
1	410001	to	415000	415000
2	420001	to	425000	850000
1	425001	to	430000	430000
1	445001	to	450000	448000
1	450001	to	455000	450500
1	455001	to	460000	456000
1	460001	to	465000	462000
2	470001	to	475000	948000
1	475001	to	480000	477000
14	495001	to	500000	7000000
1	515001	to	520000	519500
2	520001	to	525000	1049900
1	530001	to	535000	532000
2	550001	to	555000	1106000
2	555001	to	560000	1113000
1	570001	to	575000	575000

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From	To		
1	575001	to	580000	580000
3	595001	to	600000	1800000
1	620001	to	625000	622000
1	630001	to	635000	633150
1	645001	to	650000	650000
1	650001	to	655000	652000
1	660001	to	665000	660200
2	670001	to	675000	1347000
1	680001	to	685000	683500
1	690001	to	695000	693600
1	720001	to	725000	724000
1	730001	to	735000	735000
1	750001	to	755000	750500
1	770001	to	775000	775000
1	775001	to	780000	780000
1	780001	to	785000	783000
3	795001	to	800000	2400000
1	820001	to	825000	825000
1	845001	to	850000	850000
2	850001	to	855000	1703500
1	855001	to	860000	856500
4	895001	to	900000	3597000
2	945001	to	950000	1900000
1	960001	to	965000	965000
1	980001	to	985000	981500
8	995001	to	1000000	8000000
1	1015001	to	1020000	1017060
1	1020001	to	1025000	1025000
1	1025001	to	1030000	1026500
1	1070001	to	1075000	1075000
3	1095001	to	1100000	3300000
1	1110001	to	1115000	1115000
1	1135001	to	1140000	1136500
1	1310001	to	1315000	1311000
1	1415001	to	1420000	1418000
1	1480001	to	1485000	1482000
3	1495001	to	1500000	4500000
1	1540001	to	1545000	1541000
1	1595001	to	1600000	1600000
1	1650001	to	1655000	1653750
1	1745001	to	1750000	1750000
1	1795001	to	1800000	1800000
1	1965001	to	1970000	1970000
1	1995001	to	2000000	2000000

Number Of Shareholders	Shareholding Slab			Total Shares Held
	From		To	
1	2010001	to	2015000	2011000
1	2025001	to	2030000	2026500
1	2245001	to	2250000	2248500
1	2290001	to	2295000	2292500
1	2495001	to	2500000	2500000
1	2660001	to	2665000	2660500
1	2990001	to	2995000	2993000
1	3000001	to	3005000	3001500
1	3095001	to	3100000	3100000
1	3230001	to	3235000	3234000
1	3545001	to	3550000	3550000
1	3750001	to	3755000	3753000
1	3795001	to	3800000	3796500
1	4100001	to	4105000	4104000
1	4310001	to	4315000	4311500
1	4395001	to	4400000	4400000
1	4875001	to	4880000	4877500
2	4995001	to	5000000	10000000
1	5580001	to	5585000	5584000
1	6755001	to	6760000	6760000
1	7845001	to	7850000	7848000
1	8195001	to	8200000	8200000
1	10045001	to	10050000	10047000
1	11545001	to	11550000	11549000
1	11970001	to	11975000	11973500
1	12995001	to	13000000	13000000
1	13680001	to	13685000	13684500
1	25795001	to	25800000	25799000
1	26445001	to	26450000	26450000
1	26585001	to	26590000	26587500
1	30230001	to	30235000	30232501
1	35895001	to	35900000	35900000
1	50865001	to	50870000	50865620
1	65995001	to	66000000	66000000
1	70675001	to	70680000	70680000
1	226960001	to	226965000	226961490
8502				945,000,000

Additional Information

As of June 30, 2021

Shareholders' Category	Shareholders	Shares Held	Percentage
Directors, heir Spouse(s) and Minor Children			
Duraidd Qureshi	3	229,622,000	24.30
Sultana Siddiqui	2	219,860	0.02
Mazhar Ul Haq Siddiqui	1	10	0.00
Mehtab Akbar Rashdi	1	10	0.00
Asif Yasin Malik	1	10	0.00
Sohail Ansar	1	1,000	0.00
Shunaid Qureshi	1	50,865,620	5.38
MUHAMMMAD AYUB	1	10,000	0.00
Nabigha Nasser Masood	1	10	0.00

Associated Companies, Undertakings and related parties	1	35,900,000	3.80
Executives	3	566,750	0.06
Public Sector Companies and Corporations	-	-	-
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance, Takaful, Modaraba and Pension Funds	9	46,697,000	4.94
Mutual Funds	12	43,841,000	4.64
General Public			
a. Local	8376	257,641,219	27.26
b. Foreign	4	81,000	0.01
Foreign Companies	2	505,000	0.05
Others	83	279,049,511	29.53
Totals	8502	945,000,000	100.00

Shareholders holding 10% or more voting interest	Share Held	Percentage
Mr. Duraidd Qureshi	229,622,000	24.30

Six Years At A Glance

Key Financial Data

OPERATING DATA

	2016	2017	2018	2019	2020	2021
Revenue-Net	3,942,824,460	4,643,648,317	4,609,478,886	3,979,099,138	3,679,468,088	4,327,326,066
Cost of production	(2,313,660,029)	(2,669,283,288)	(2,853,147,800)	(3,495,240,846)	(2,756,142,547)	(2,614,343,566)
Transmission Cost	(86,465,867)	(86,925,178)	(177,878,025)	(193,223,194)	(139,069,102)	(90,436,188)
Gross profit	1,542,698,564	1,887,439,851	1,578,453,061	290,635,098	784,256,439	1,622,546,312

PROFIT AFTER TAXATION

(Loss)/Profit before taxation	773,237,291	1,095,402,936	812,155,067	(454,725,557)	(136,120,065)	1,107,143,492
Taxation	(236,301,365)	(80,019,958)	(82,661,579)	(81,157,536)	22,881,574	(92,746,807)
Profit after taxation	536,935,926	1,015,382,978	729,493,488	(535,883,093)	(113,238,491)	1,014,396,685

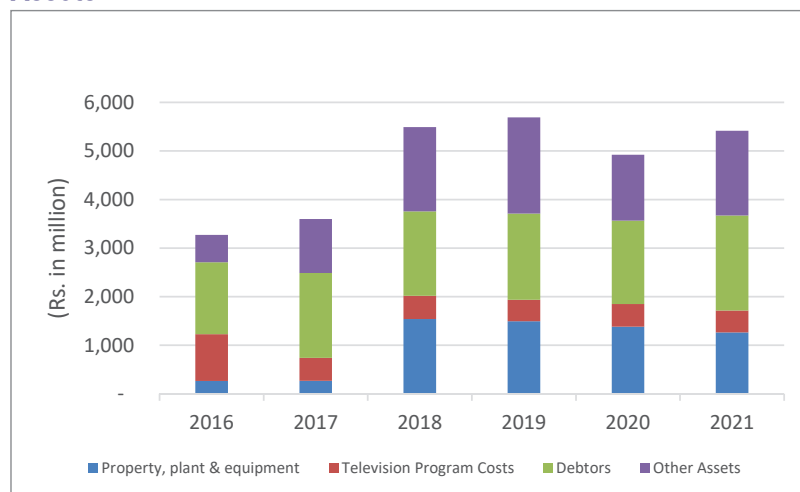
Financial Ratios

	2016	2017	2018	2019	2020	2021
Current Ratios	1.80	5.07	4.68	2.25	2.85	3.40
Quick ratio	1.80	5.06	4.65	2.24	2.83	3.38
Debt/ Equity Ratio	0.26	0.01	0.31	0.53	0.44	0.18
Cash flow per share- Rs.	0.01	0.40	0.18	0.16	0.15	0.38
Return on equity - %	26.29	33.20	19.75	(16.97)	(3.71)	24.96
Share Price per share - Rs.	10.28	11.74	8.09	3.17	12.55	8.02
Break-up value per share - Rs.	2.16	3.24	3.91	3.34	3.23	4.30
Gross Profit / (Loss) to Sales - %	39.13	40.65	34.24	7.30	21.31	37.50
Cost of Production To Sales- %	58.68	57.48	61.90	87.84	74.91	60.41
Administrative Expenses to Sales - %	11.04	12.02	11.50	12.54	12.91	15.33
Net profit / (Loss) to Sales - %	13.62	21.87	15.83	(13.47)	(3.08)	23.44
Interest Cover - number of times	21.25	58.30	28.38	(2.27)	0.43	12.03
Debtors Turnover (number of days)	117	127	138	161	173	155
Price earning ratio	18.09	10.93	10.48	(5.59)	(104.73)	7.47
Turn Over to Total Asset Ratio	1.24	1.33	0.86	0.71	0.77	0.82
Earnings/(Loss) per share Rs.	0.57	1.07	0.77	(0.57)	(0.12)	1.07

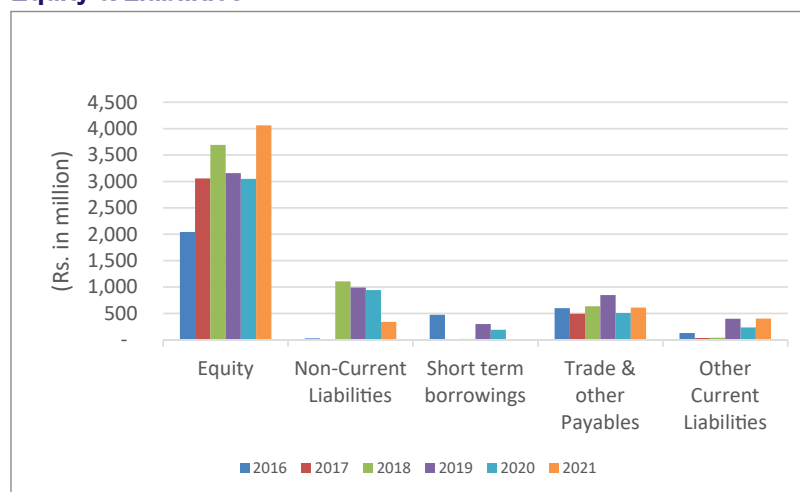
Graphical Presentation

Analysis of Statement of Financial Position and Profit & Loss Account

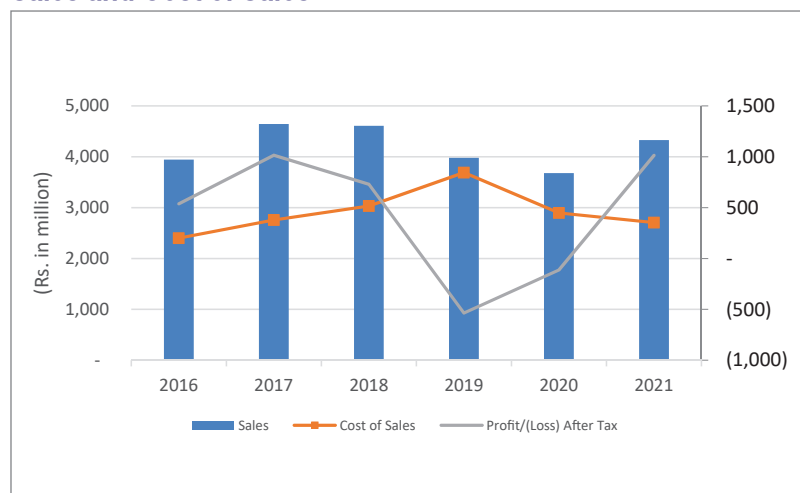
Assets



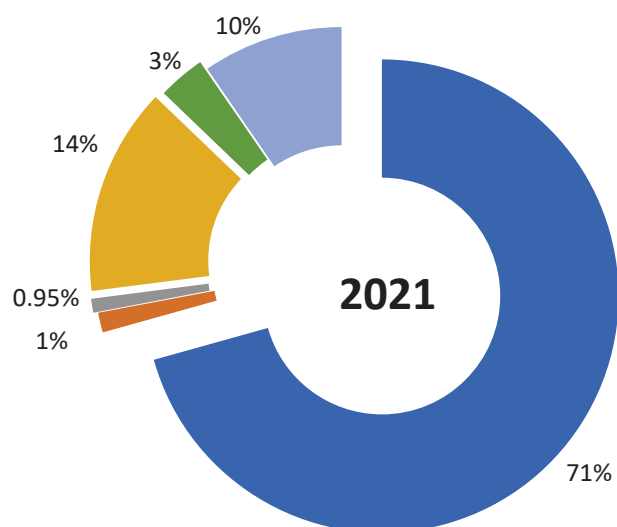
Equity & Liabilities



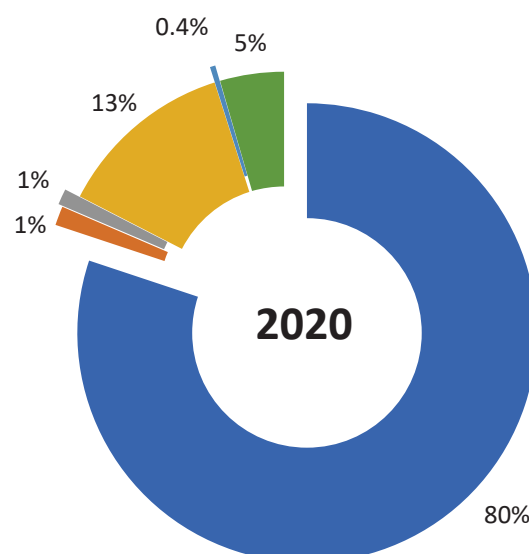
Sales and Cost of Sales



Break-up of Revenue Streams

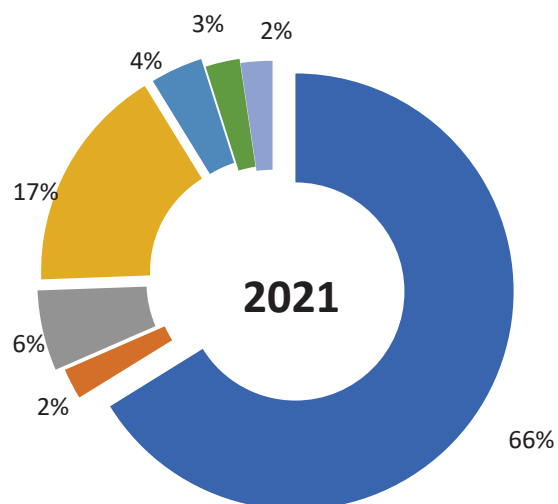


- Advertisement revenue - net
- Production revenue - net
- Digital revenue - net
- Subscription income - net
- Other Income
- Gain on sale of NCA held for sale

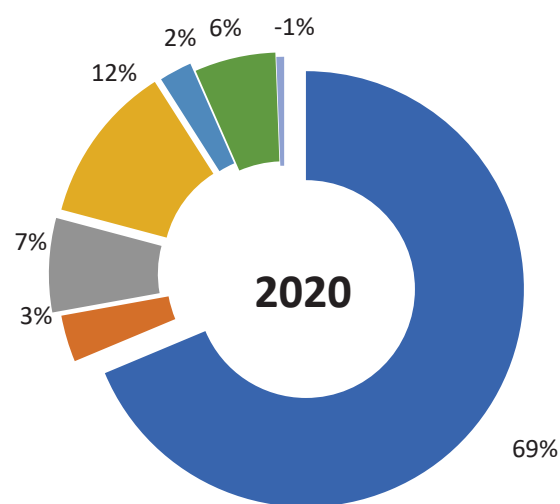


- Advertisement revenue - net
- Production revenue - net
- Digital revenue - net
- Subscription income - net
- Film distribution revenue - net
- Other Income

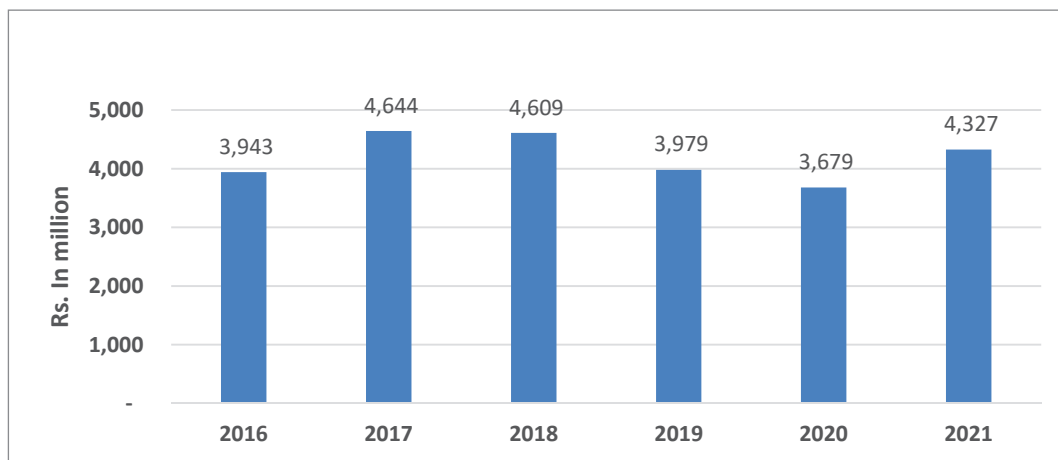
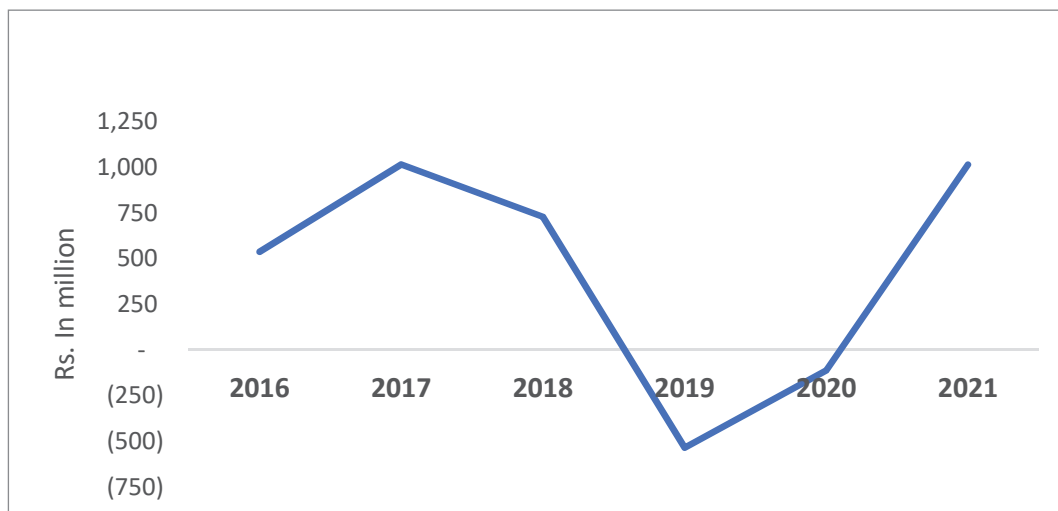
Break-up of Cost



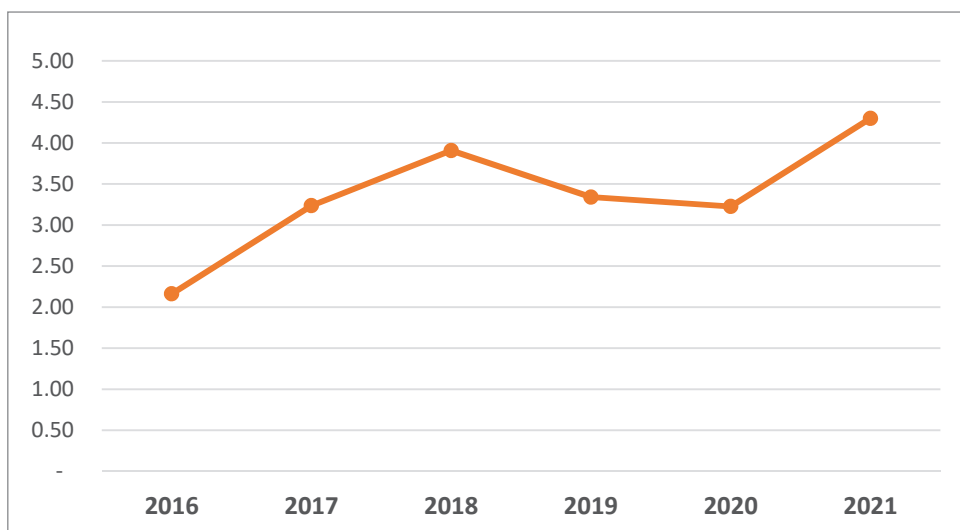
- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation



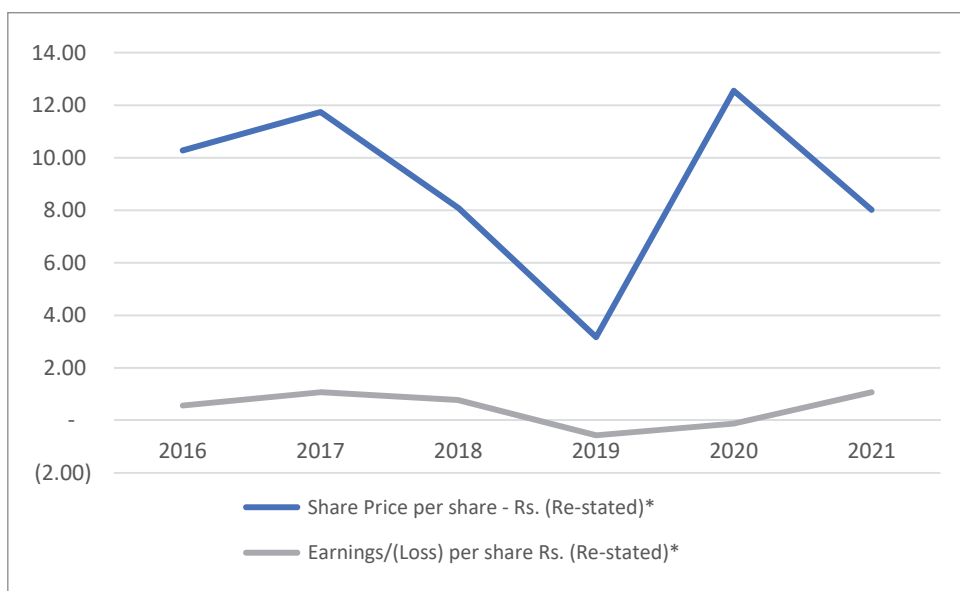
- Cost of production
- Transmission cost
- Distribution costs
- Administrative expenses
- Other expenses
- Finance costs
- Taxation

Net Revenue**Profit After Tax**

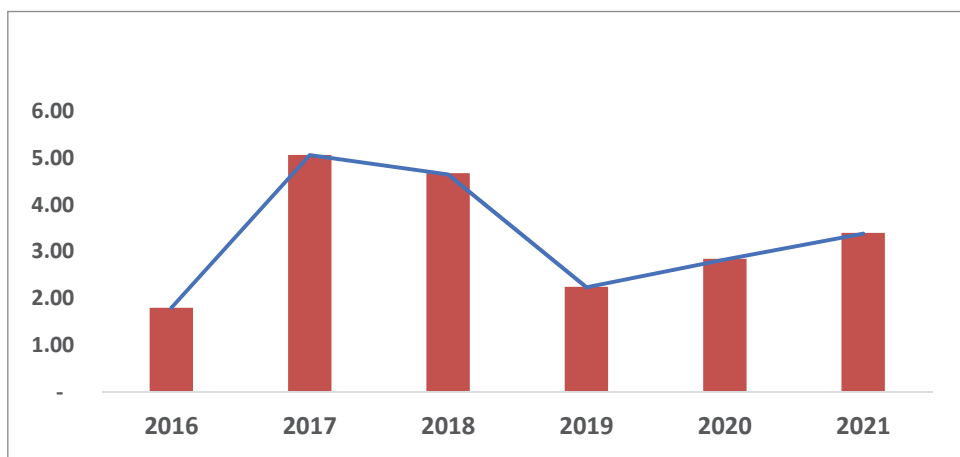
Breakup Value Per Share



EPS Vs Share Price



Current Ratio





Building a better
working world

Independent Auditors' Review Report

To the members of HUM Network Limited

Review Report on the Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), prepared by the Board of Directors of HUM Network Limited (the Company) for the year ended 30 June 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2021.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph 18 in the Statement of Compliance:

Paragraph	Description
18(e)	The Company was unable to comply with the regulations 27, 28 and 34(1) of the Regulations with respect to the time in which these were to be conducted. Subsequent to the SECP clarification, these were conducted immediately after the clarification.

Sd/-
Ey Ford Rhodes
Chartered Accountants
Place: Karachi
Date: October 22, 2021

Statement Of Compliance With The Listed Companies (Code Of Corporate Governance) Regulations, 2019 (“The Regulations”)

HUM Network Limited (“the Company”)

for the year ended June 30, 2021

The Company has complied with the requirements of the Regulations in the following manner:

1. The total of number of directors are 09 as per the following (As at June 30,2021):

Male	Six (6)
Female	Three (3)

2. The composition of the board is as follows (As at June 30, 2021):

Category	Name
Independent director	Mr. Sohail Ansar Ms. Nabigha Nasser Masood Mr. Muhammad Ayub Younus Adhi
Non-executive directors	Mr. Mazhar ul Haq Siddiqui Mr. Shunaid Qureshi Mrs. Mahtab Akbar Rashdi Lt. Gen.(R) Asif Yasin Malik
Executive directors	Ms. Sultana Siddiqui Mr. Duraid Qureshi
Female directors	Ms. Sultana Siddiqui Mrs. Mahtab Akbar Rashdi Ms. Nabigha Nasser Masood

3. The directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their dates of approval or updating is maintained by the Company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations;
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
9. The Company is compliant with the requirements of Directors' Training Program provided in these Regulations. All the Directors except one have either attended the required training in prior years or stand exempted, as per criteria mentioned in the Code;
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a. Audit Committee - Mr. Sohail Ansar – Chairman (Independent) - Mr. Shunaid Qureshi (Non-Executive) - Mrs. Mahtab Akbar Rashdi (Non-Executive) - Lt. Gen. (R) Asif Yasin Malik (Non-Executive)	b. Human Resource and Remuneration Committee - Mr. Sohail Ansar – Chairman (Independent) - Ms. Sultana Siddiqui (Executive) - Mrs. Mahtab Akbar Rashdi (Non-Executive)
---	---
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of the meetings of the committees were as follows:
 - a. Audit Committee – One (1) quarterly meeting during the financial year ended June 30, 2021.
 - b. Human Resource and Remuneration Committee – No meeting during the financial year ended June 30, 2021.
15. The Board has set up an effective internal audit function and has also outsourced the internal audit function to M/s. KPMG Taseer Hadi & Co. Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
18. We confirm that all requirements of regulations including 3, 6, 7, 8, 32, 33 and 36 of the Regulations have been complied with except 27, 28 and 34(1) due the following reasons:
 - a. The term of Board expired on August 22, 2020 and fresh election was scheduled for August 2020. Since the number of eligible candidates were equal to the number of directors fixed for election, the Company made the announcement on August 13, 2020 under section 159(4) of the Companies Act, 2017. The aforesaid election of directors was questioned by the ineligible candidates. Consequently, the elected directors also filed Suit. The Honourable Sindh High Court through Order dated: 21.08.2020 has directed the Company that the elections scheduled to be held on August 22, 2020 would be postponed and rescheduled subject to the final decision by the learned single Judge of CMA No. 6787 of 2020 in Suit No. 968/2020.

- b. Due to the pending proceedings and various interim orders being in the field, the Company was not in a position to decide as to whether the previous board can still approve the accounts or meeting of the new board will need to be called for such purpose.
- c. The Company sought clarification from Securities and Exchange Commission of Pakistan as well as filed an application before the Hon'ble High Court of Sindh as to whether the Company can hold a board meeting for the approval of the financial statement and convening the annual general meeting.
- d. On that the Commission has provided clarification that the previous board can continue to act in the performance of its functions. The aforesaid letter of the Commission has been placed on the record of the Hon'ble High Court of Sindh during the hearing on May 24, 2021 and was taken on record by the Hon'ble High Court of Sindh in the presence of the counsels of the parties.
- e. Due to the above mentioned facts, the Company was unable to comply with the regulations 27, 28 and 34(1) of the Regulations with respect to the time in which these were to be conducted. Subsequent to the SECP clarification, these were conducted immediately after the clarification.

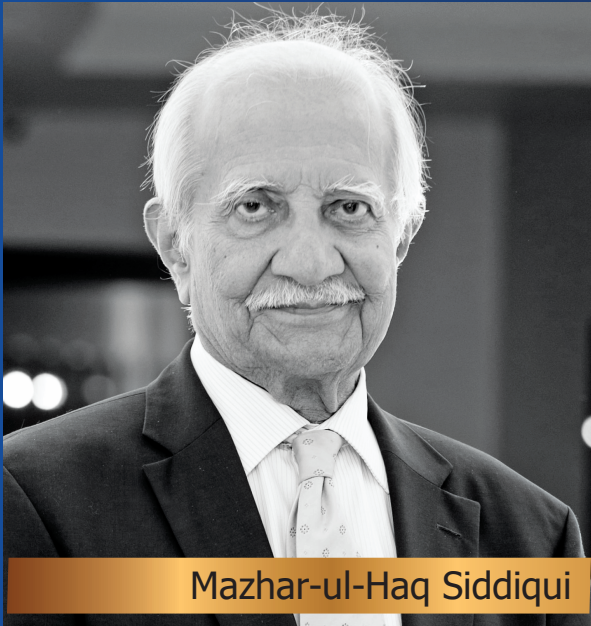


DURAID QURESHI
Chief Executive

Date: October 22, 2021
Place: Karachi



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director



Mazhar-ul-Haq Siddiqui

Chairman's Review Report

I am pleased to present annual review as Chairman of the Board of Directors of HUM Network Limited for the year ended June 30, 2021.

The Board has played a pivotal role in achieving the Company's objectives and safeguarding interests of the shareholders. Furthermore, BOD members ensure that the financial disclosures are accurate and truly represent the affairs of the company. This accountability is enforced by the International Financial Reporting Standard (IFRS), Companies Act, 2017, Listing Regulations and others relevant laws and regulations. The Board has fulfilled all of their mandatory responsibilities including providing strategic direction to the management and ensuring compliance with all legal and regulatory requirements by the management of the Company. The Board has constituted Audit Committee and Human Resource and Remuneration Committee. These committees provided valuable input and assistance to the Board. The Audit Committee particularly focused on detailed review of financial statements and effectiveness of internal controls. Further, an annual evaluation of the Board of Director's overall performance is conducted to in compliance with the requirement of the Code of Corporate Governance and the Companies Act, 2017. On the basis of the feedback received through this mechanism overall role of the Board has been found to be effective.

I would like to take this opportunity to express my appreciation that the strategic direction of the organization for the long term is clear and appropriate and also express gratitude to all the stakeholders including our valued clients, suppliers, banks, and shareholders for their continued cooperation and support.

Mr. Mazhar-ul-Haq Siddiqui

Chairman of the Board

Date: October 22, 2021

چیرمین کی جائزہ رپورٹ

مجھے ہم نیٹ ورک لمیٹڈ کے بورڈ آف ڈائریکٹرز کے چیرمین کے طور پر ۳۰ جون ۲۰۲۱ء کو ختم ہونے والے سال کے لیے سالانہ جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

بورڈ نے کمپنی کے مقاصد کو حاصل کرنے اور شیئرز ہولڈرز کے مفادات کے تحفظ میں اہم کردار ادا کیا ہے۔ مزید برآں، بورڈ آف ڈائریکٹرز کے ممبران اس بات کو یقینی بناتے ہیں کہ مالیاتی انکشافات درست ہیں اور کمپنی کے معاملات کی صحیح معنوں میں نمائندگی کرتے ہیں۔ یہ احتساب بین الاقوامی مالیاتی رپورٹنگ اسٹینڈرڈ (آئی ایف آر ایس) کمپنیز ایکٹ ۲۰۱۷ء فہرست سازی کے ضوابط اور دیگر متعلقہ قوانین اور ضوابط کے ذریعے نافذ کیا جاتا ہے۔ بورڈ نے اپنی تمام اہم ذمہ داریوں کو پورا کیا ہے جس میں انتظامیہ کو حکمت عملی فراہم کرنا اور کمپنی کی انتظامیہ کی جانب سے تمام قانونی اور ریگولیٹری تقاضوں کی تعمیل کو یقینی بنانا شامل ہے۔ بورڈ نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریٹرنیشن کمیٹی تشکیل دی ہے۔ ان کمیٹیوں نے بورڈ کو قیمتی ان پٹ اور تعاون فراہم کیا ہے۔ آڈٹ کمیٹی نے خاص طور پر مالی بیانات کے تفصیلی جائزے اور انٹرنل کنٹرول کی تاثیر پر توجہ مرکوز کی۔ مزید برآں، بورڈ آف ڈائریکٹرز کی مجموعی کارکردگی کا سالانہ جائزہ کوڈ آف کارپوریٹ گورننس اور کمپنیز ایکٹ ۲۰۱۷ء کے تقاضوں کے مطابق لیا جاتا ہے۔ اس طریقہ کار کے ذریعے موصول ہونے والے تاثرات کی بنیاد پر بورڈ کا مجموعی کردار موثر پایا گیا ہے۔

میں اس موقع پر طویل مدت کے لیے انتظامیہ کی حکمت عملی کی بھی تعریف کرنا چاہوں گا کہ جو کہ واضح اور مناسب ہے اور تمام اسٹیک ہولڈرز بشمول ہمارے قابل قدر کلائنٹس، سپلائرز، بینکوں اور شیئرز ہولڈرز کے مسلسل تعاون پر ان کا شکریہ ادا کرتا ہوں۔



جناب مظہر الحق صدیقی

چیرمین بورڈ

کراچی مورخہ: ۲۲ اکتوبر ۲۰۲۱ء

Directors' Report

The Directors of Hum Network Limited (HNL) present the Annual Report together with the Company's audited financial statement for the year ended 30 June 2021.

Financial Performance

FY2021 was an unprecedented year on all counts, and it challenged us at several levels. Despite the disruption caused by the COVID-19 pandemic, we tried our best to ensure normal operations and were able to insulate the business from the economic slowdown. During the year, our net revenues increased by 18% due to positive growth in all revenue streams especially the subscription revenue which witnessed a comparable growth of 46% from last year. This shows the resilience of our business and our ability to navigate temporary setbacks created by external factors however, as the competition in all the segments we operate in remained intense, we did not reduce our investments in quality content.

The gross profit of the Company increased by Rs. 838 million compared to last year resulting in gross profit margin of 37% (FY2020: 21.3%). The reason of significant increase was mainly due to efficient cost management strategies and effective cost cuttings which resulted in maintaining the cost within the required parameters.

The Company earned a profit after tax of Rs. 1,014 million in FY2021 as compared to loss after tax of Rs. 113 million in FY2020 resulting in earnings per share of Re. 1.07 in FY2021 compared to loss per share of Re. 0.12.

Principal Activities

HNL is undoubtedly one of the leading media networks of Pakistan and has predominantly been an entertainment provider for more than a decade now. HUM is already Pakistan's most admired media brand, and our content reaches millions of people through our domestic and international bouquet of channels and multiple distribution platforms worldwide, films, digital, print media and live events. Broadcasting portfolio consists of satellite channels namely HUM TV, HUM News, HUM Sitaray, HUM Masala and HUM World (including separate beams for North America, UK & Middles East).

The External Environment

The outbreak of Coronavirus (COVID-19) pandemic globally and in Pakistan caused significant disturbance and slowdown of economic activity. In many countries, businesses were being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Company demonstrated its ability & potential to stay ahead of the industry, with a sharp focus on keeping its viewers entertained and well informed during these times of crisis.

HNL implemented strict measures at its offices to combat and reduce the spread of virus as the health and well-being of the staff is of paramount importance to HNL. In line with the guidelines issued by the Government, the Company implemented key measures across every touch point to safeguard its Human Capital. HNL has always been agile in adapting to change, which made the transition to 'Work from Home' operations swift and smooth, ensuring minimal disruption to the viewers and maintaining business continuity. All meetings across business verticals and functions were conducted seamlessly, with optimal utilization of digital solutions. We ensured that the employees had access to all critical business applications with uninterrupted support while working from home, with zero compromise on data and content security. Strong proactive steps were taken in transforming the workspace, keeping social distancing norms at the fore. All the necessary safety and hygiene protocols were followed for the critical verticals functioning from office, including alternate seating arrangements, implementing a clean desk policy and temperature screening at all entry points. Frequent sanitization of all surfaces was maintained, and hand sanitizers were placed at all strategic locations within the office premises.

Operational Performance

Despite pricing challenges and overall downward trend in the industry, the network maintained and grew its dominance.

Hum Tv

Through all of its growing years, HUM TV has played a major role in empowering women, showcasing stigmas and issues that people shy away from, presenting them with sensitivity and gaining acceptability with the masses. This year we continued to offer viewers with the best of Pakistani dramas. TRP-topping dramas like "Qurbatein", "Tera Ghum Aur Hum", "Zebaish", "Mushk", "Saraab", "Phaans", "Raqs-e-Bismil", "Sitam" were the most watched prime time dramas.

Ramzan special series "Chupke Chupke" and "Taana Baana" became season hits. These rom-coms did the rounds on our TV screens this year with many loving the sizzling chemistry between the characters. These dramas have shifted towards

light-hearted comedy, steering away from the typical depiction of pre-marital affairs, divorce, domestic abuse and family disputes. The bright family comedies were lauded by the audiences for their uniqueness.

Hum News

HUM News is following the precedent that was set by the flagship channel – HUM Entertainment by focusing mainly on the most neglected issues of society such as women empowerment, youth and minorities affairs. HUM News is thus paying special attention to the data-based-journalistic stories. This helps in explaining the problem and with the help of relevant data collected painstakingly ultimately gives a better understanding of the issue to our viewers. HUM News is not only striving to give hope to our society but also revamping the Pakistan news industry by objective reporting methods. HUM News aims to articulate dreams and aspirations of the 21st century Pakistan and to raise the bar of broadcast journalism through factual, objective, balanced and fair coverage.

During the COVID-19 pandemic, HUM News fulfilled its responsibility by providing timely news to its audience and increasing awareness about the pandemic amongst the masses.

Hum Sitaray

The channel is positioned as a hybrid channel offering both narrative as well as format based entertainment shows. The content mix consists of Dramas, Soap operas, fashion lifestyle shows, Celebrity talk shows and international contents.

Hum Masala

South Asia's first and Pakistan's only 24-hour cooking channel HUM Masala celebrated its 14th anniversary in a special transmission on October 24, 2020. HUM Masala is not only immensely popular in Pakistan but has received overwhelming response from South Asian food lovers from around the globe. The 14th anniversary celebration is a testament of the channel's dedication to provide its audience with a wide range of Pakistani and continental cuisines. As the pioneer 24-hour cooking channel in South Asia, Masala has set high standards for its current and future competitors.

Digital Media Division

Digital Media has continued its consistent growth in the year 2020-21. One of the major breakthroughs includes significant growth on social media platforms (Facebook, Instagram, Twitter and YouTube) following the implementation of revamped Social Media Strategy. Another milestone is the major digital sponsorship by huge brands like Kashmir, Singer Pakistan, Master Paints and OPPO for Awards and Dramas.

Direct sales (local web advertisers) have been another business avenue that has grown significantly this year as we have open opportunities for digital sponsorship.

"Chupke Chupke" emerged as a worldwide hit, with multiple episodes trending on YouTube and hashtags trending not just in Pakistan, but in India and Bangladesh too.

Events & Brand Activation

Over the last decade HNL has played a key role in supporting and developing the drama, fashion, food and music industry in Pakistan.

Bridal Couture week (BCW)

The 18th edition of the country's biggest and most sought-after bridal extravaganza, HUM Bridal Couture Week unveiled its red carpet here in the City of Gardens, Lahore in February 2021 which is the most opulent and highest profile bridal show in Pakistan. It leads the bridal fashion industry with its creative influence and has been strategically repositioning Pakistani bridal fashion in the global fashion economy for the last ten years. It has become the most aspired presentation for Pakistan's top designers, couture lovers, influential individuals, buyers, celebrities, socialites, and legacy brands.

Hum Style Awards

The 5th Hum Style Awards took place in July 2021 in Lahore, celebrating the best of fashion and style from television, film, music, sports and fashion fraternity. It was a night of glitz and glamour as stars walked on the red carpet, dressed to their nines, after a long hiatus.

HUM Women Leaders Awards

The second edition of Hum Women Leaders Awards held at the Aiwan-e-Sadar in March 2021, celebrating national and international women icons for their contributions and achievements in the fields of diplomacy, social work, education, healthcare, human rights, journalism and women's rights. The awards ceremony was graced by President Dr Arif Alvi, dignitaries and crème de la crème of the entertainment industry of Pakistan.

HUM Social Media Awards

COVID-19 has also changed the way the awards are held. The first-ever digital award was held in October 2020, it was a show different from the many award shows held all the year round is the fact that HUM Social Media Awards 2020 was the largest internationally recognized social media platform. Not only it was the first digitally based award show that has Facebook onboard, it is also the first one to recognize deserving individuals working in different fields on the basis of their social media presence.

Human Resource Management

The Network views its human resource as the most valuable asset and pays special attention towards developing an atmosphere which fosters growth, high performance, adherence to organizational values and business ethics.

Core Values

HUM Network Limited is continuously striving to provide an enabling corporate and social work environment to its employees as this helps them to work in complete harmony in a healthy and professional way.

For this very purpose the HUM Network Family has developed the following core values.

1. Integrity & Honesty
2. Respect for All
3. Commitment/Dedication/ Ownership
4. Accountability & Objectivity
5. Team Work
6. Discipline
7. Safety/Health & Hygiene

We adhere to the above core values in all the initiatives that we undertake as this helps in promoting a culture of fairness, objectivity and teamwork.

Risk Management

The Company has a robust Risk Management framework to identify, measure and mitigate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

Corporate Social Responsibility

In its ongoing efforts to empower Pakistanis from every walk of life, HUM Network has partnered with Telenor Pakistan to support SIUT (Sindh Institute for Urology and Transplant), in its fund-raising campaign. The organization will support SIUT's fund-raising efforts by matching public donations made to the institution via Momina and Duraid Foundation's EasyPaisa account. A telethon was held in April 2021 on HUM News to encourage people to donate to this noble cause.

The collaboration between HUM Network and Telenor Pakistan to support SIUT is yet another effort to lend a helping hand to the nation's healthcare system and to support fellow Pakistanis in this time of need.

This partnership is all set to provide relief to hundreds of thousands of Pakistanis in need and will make it possible for patients to receive free treatment for COVID-19. As a responsible corporate citizen, HUM Network continues to ensure the safety, empowerment, inclusion, and well-being of every Pakistani.

Employee Training & Development

As part of our annual appraisal exercise, each employee is assessed and counseled on individual basis. Training sessions are arranged on the basis of needs identified which creates growth opportunities for employees and provide us with highly motivated and trained resource.

Status Of The Board During The Year

The term of Board expired on August 22, 2020 and fresh election was scheduled for August 2020. Since the number of eligible candidates were equal to the number of directors fixed for election, the Company made the announcement on August 13, 2020 under section 159(4) of the Companies Act, 2017. The aforesaid election of directors was questioned by the ineligible candidates. Consequently, the elected directors also filed Suit. The Honourable Sindh High Court through Order dated: 21.08.2020 has directed the Company that the elections scheduled to be held on August 22, 2020 would be postponed and rescheduled subject to the final decision by the learned single Judge of CMA No. 6787 of 2020 in Suit No. 968/2020.

As detailed above, the election of directors was subjudiced and the aforesaid orders were still in-force, the management of the Company was not in a position to prejudge the outcome of the cases and call a board meeting for approval of the financial statements.

In this regard, the Company sought clarification from Securities and Exchange Commission of Pakistan as well as filed an application before the Hon'ble High Court of Sindh as to whether the Company can hold a board meeting for the approval of the financial statement and convening the annual general meeting

On that the Commission provided clarification that the previous board can continue to act in the performance of its functions. The aforesaid letter of the Commission has been placed on the record of the Hon'ble High Court of Sindh during the hearing on May 24, 2021 and was taken on record by the Hon'ble High Court of Sindh in the presence of the counsels of the parties.

In view of the aforesaid, the Company proceeded with the previous Board and the board meeting for approval of the financial statements for the year ended June 30, 2020 was held on June 14, 2021 and the annual general meeting (AGM) for laying the financial statements for the year ended June 30, 2020 before the shareholders was convened on July 16, 2021. Thereafter, the board meetings for the approval of financial statements for the periods ended September 30, 2020, December 31, 2020 and March 31, 2021 were held on September 23, 2021.

As mentioned above, the last AGM was held on July 16, 2021 wherein the Audited Financial Statements for year ended June 30, 2020 were laid. The aforementioned reasons resulted in the delay in commencement of audit of the financial statements of year ended June 30, 2021 and the holding of AGM for the year ended June 30, 2021 within stipulated timeline.

Future Prospects & Challenges

We have taken difficult decisions to deal with the COVID-19 crisis, but this has enabled us to continue to invest in and successfully execute our strategies. We have implemented new strategies during these crisis to drive more efficiencies and effectiveness. We monitored our performance very carefully and the risks associated with COVID-19 and were extremely focused on tightly managing our costs and cash flows.

Delivering quality content has positioned us to better respond to the changing viewers' habits and to take advantage of the continued strong demand for quality content internationally.

By investing in our products and services, we will deliver our content in ways that work for all our stakeholders, now and in the future, which means continuing to provide premium quality broadcasting in order to satisfy stakeholders' demand for greater flexibility in future

Our business and financial strategies, and the operational decision are designed to move HNL from strength to strength, and to ensure that its independence is preserved in a sustainable way. As an enterprise we are well placed to deliver much better growth forward backed by our well-defined business strategies, excellent infrastructure and robust board are confident about what we need to do to ensure that we emerge as an even more resilient, digital and future focused media and entertainment business.

We have a proud past, a vibrant present and an exciting future.

Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) maintained the long-term and short-term entity ratings of Hum Network Limited at "A+" and "A1", respectively. These ratings denote a low expectation of credit risk and the network's established market position.

Board Composition & Remuneration

Composition of the Board and the names of members of Board Committees may be referred to Statement of Compliance with CCG.

Furthermore, the Board of Directors has a formal policy and transparent procedures for remuneration of its directors in accordance with Companies Act 2017 and the Listed Companies (Code of Corporate Governance) Regulations 2019.

Pattern Of Shareholding

Pattern of shareholding as on June 30, 2021 is annexed with the annual report.

Meeting Of The Directors

During the year, two (2) Board of Directors and one (1) Audit Committee meetings were held however, no Human Resource & Remuneration (HR & R) Committee meeting was held. The reasons for non-holding of the Board and Committee meetings may be referred to Statement of Compliance with CCG.

Attendance by each Director was as follows:

Name of Director	Board of Directors Attendance	Audit Committee Attendance
Mr. Mazhar-ul-Haq Siddiqui	2	-
Ms. Sultana Siddiqui	2	-
Mr. Sohail Ansar	2	1
Mrs. Mahtab Akbar Rashdi	2	1
Mr. Shunaid Qureshi	1	1
Ms. Nabigha Nasser Masood	2	-
Lt. Gen. (R) Asif Yasin Malik	2	1
Mr. Duraid Qureshi	2	-
Mr. Hasan Reza-ur-Rahim	1	-

Mr. Hasan Reza-ur-Rahim resigned as the director and Mr. Muhammad Ayub Yunus Adhi has been appointed as the director of the Company with effect from June 14, 2021.

Auditors

The present auditors Messer EY Ford Rhodes Chartered Accountants shall retire and may be considered for re-appointment for the year 2021-22.

Corporate Governance And Financial Reporting Framework

- The financial statements, prepared by the management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.
- Outstanding taxes and levies are given in the Notes to the Financial Statement.
- There were no trading of shares by the Chief Executive Officer, Directors, Chief Financial Officer and Company Secretary, their spouse and minor children:

Dividend And Appropriations

Based on these results, the Board announced a final cash dividend of Re. NIL per share (i.e. Nil %).

October 22, 2021
Karachi



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

ڈائریکٹرز رپورٹ

ہم نیٹ ورک لمیٹڈ (ایچ این ایل) کے ڈائریکٹرز ۳۰ جون ۲۰۲۱ء کو ختم ہونے والے مالیاتی سال کیلئے سالانہ رپورٹ جمع کمپنی کے آڈٹ شدہ مالیاتی حسابات پیش کرتے ہیں۔

مالیاتی کارکردگی:

مالیاتی سال ۲۰۲۱ ہر لحاظ سے ایک بے مثال سال تھا، اور اس نے ہمیں کئی سطحوں پر چیلنج کیا۔ کورونا و باء کی رکاوٹ کے باوجود، ہم نے معمول کے آپریشنز کو یقینی بنانے کی پوری کوشش کی اور کاروباری معیشت کو سست روی سے بچانے میں کامیاب رہے۔ دوران سال ہماری خالص آمدنی میں ۱۸ فیصد اضافہ ہوا کیونکہ تمام ریونیو اسٹریٹجیز میں مثبت اضافہ ہوا خاص طور پر سبسکرپشن ریونیو میں گذشتہ سال کے مقابلے میں ۳۶ فیصد کا اضافہ ہوا۔ یہ ہمارے کاروباری چلک اور بیرونی عوامل سے پیدا ہونے والے عارضی دباؤ پر ہماری صلاحیت کو ظاہر کرتا ہے، تاہم، جیسا کہ ہم کام کرتے ہیں ان تمام شعبوں میں شدید مقابلہ رہا، ہم نے معیاری مواد میں اپنی سرمایہ کاری کو کم نہیں کیا۔

گذشتہ سال کے مجموعی منافع کے مارجن ۳۷ فیصد (مالیاتی سال ۲۰۲۰: ۳۳-۲۱ فیصد) کے نتیجے میں کمپنی کے مجموعی منافع میں مبلغ ۸۳۸ ملین روپے کا اضافہ ہوا۔ نمایاں اضافے کی وجہ بنیادی طور پر موثر لاگت کے انتظام کی حکمت عملی اور موثر لاگت میں کمی تھی جس کے نتیجے میں مطلوبہ پیرامیٹرز کے اندر لاگت کو برقرار رکھا گیا۔

کمپنی نے مالیاتی سال ۲۰۲۰ کے بعد از ٹیکس خسارہ مبلغ ۱۱۳ ملین روپے کے مقابلے میں مالیاتی سال ۲۰۲۱ میں بعد از ٹیکس منافع مبلغ ۱،۰۱۴ ملین روپے حاصل کیا جس کے نتیجے میں مالیاتی سال ۲۰۲۱ میں فی شیئر آمدنی ۷۔۰ روپے رہی جس کا موازنہ گذشتہ سال کے فی شیئر خسارہ مبلغ ۱۲۔۰ روپے سے کیا جاسکتا ہے۔

اہم سرگرمیاں:

ایچ این ایل بلاشبہ پاکستان کے معروف میڈیا میٹ ورکس میں سے ایک ہے اور ایک دہائی سے زائد عرصے سے بنیادی طور پر تفریح فراہم کرنے والا رہا ہے۔ ہم پہلے ہی پاکستان کا سب سے زیادہ پسند کیا جانے والا میڈیا برانڈ ہے، اور ہمارا کوٹینٹ ہمارے ملکی اور بین الاقوامی چینلز اور دنیا بھر میں ایک سے زیادہ ڈسٹری بیوشن پلیٹ فارمز، فلموں، ڈیجیٹل، پرنٹ میڈیا اور لائیو اینٹس کے ذریعے لاکھوں لوگوں تک پہنچتا ہے۔ براڈ کاسٹنگ پورٹ فولیو سمیٹل ٹی چینلز پر مشتمل ہے جن میں ہم ٹی وی، ہم نیوز، ہم ستارے، ہم مصلح اور ہم ورلڈ (بشمول شمالی امریکہ، برطانیہ اور مشرق وسطیٰ کے الگ الگ ایگٹیم) شامل ہیں۔

بیرونی ماحول:

عالمی سطح پر اور پاکستان میں کورونا و باء کے پھیلاؤ سے معاشی سرگرمیوں میں نمایاں خلل اور سست روی پیدا ہوئی۔ بہت سے ممالک میں کاروباری اداروں کو طویل یا غیر معینہ مدت کے لیے اپنے آپریشنز بند کرنے یا محدود کرنے پر مجبور کیا جا رہا تھا۔ و باء کے پھیلاؤ پر قابو پانے کے لیے کیے گئے اقدامات، بشمول سفری پابندی، قرنطینہ، سماجی دوری اور غیر ضروری خدمات کی بندش نے دنیا بھر کے کاروبار میں نمایاں رکاوٹ پیدا کی، جس کے نتیجے میں معاشی سست روی پیدا ہوئی۔ کمپنی نے اس بحران میں اپنے ناظرین کو تفریح اور اچھی طرح باخبر رکھنے کے لیے انڈسٹری سے آگے کیلئے اپنی صلاحیت کا بہترین مظاہرہ کیا۔

ایچ این ایل نے اپنے دفاتر میں و باء کے پھیلاؤ کو کم کرنے اور اس پر قابو پانے کیلئے سخت اقدامات نافذ کئے کیونکہ اسٹاف کی صحت اور فلاح و بہبود ایچ این ایل کے لیے انتہائی اہمیت کی حامل ہے۔ حکومت کی طرف سے جاری کردہ ہدایات کے مطابق، کمپنی نے اپنے انسانی سرمائے کی حفاظت کے لیے ہرچیز پوائنٹ پر کلیدی اقدامات نافذ کیے۔ ایچ این ایل ہمیشہ تبدیلی کو اپنانے میں مستعد رہا ہے، جس نے ”گھر سے کام“ کے آپریشنز کو تیز اور ہموار بنادیا، ناظرین کے کم سے کم تعطل کو یقینی بنایا اور کاروباری تسلسل کو برقرار رکھا۔ تمام کاروباری مینڈنگز ڈیجیٹل حل کے زیادہ سے زیادہ استعمال کے ساتھ بغیر کسی رکاوٹ کے منعقد کی گئیں۔ ہم نے اس بات کو یقینی بنایا کہ ملازمین کو تمام اہم کاروباری ایپلی کیشنز تک رسائی حاصل ہو جب کہ گھر سے کام کرتے ہوئے ڈیٹا اور کوٹینٹ کی حفاظت پر کوئی سمجھوتہ نہ کیا جائے۔ سماجی فاصلوں کے اصولوں کو سامنے رکھتے ہوئے، کام کی جگہ کو تبدیل کرنے کے لیے مضبوط فعال اقدامات کیے گئے۔ تمام ضروری حفاظتی اور حفظان صحت کے اصولوں پر عمل کیا گیا جس میں دفتر سے کام کرنے والی اہم عمارات بشمول بیٹھنے کے متبادل انتظامات، صاف ڈیسک پالیسی پر عمل درآمد اور تمام داخلی مقامات پر درجہ حرارت کی جانچ شامل ہیں۔ تمام جگہوں کی صفائی ستھرائی کو برقرار رکھا گیا تھا،

اور دفتر کے احاطے کے اندر تمام اسٹریٹجک مقامات پر ہینڈ سینیٹائزر رکھے گئے تھے۔

عملی کارکردگی:

قیمتوں کے اتار چڑھاؤ اور انڈسٹری میں مجموعی طور پر گراؤٹ کے رجحان کے باوجود، نیٹ ورک نے اپنا تسلط برقرار رکھا اور اسے آگے بڑھایا۔

ہم ٹی وی:

آنے والے سالوں میں، ہم ٹی وی خواتین کو باختیار بنانے، بدنامیوں اور مسائل کو ظاہر کرنے، جن سے لوگ شرماتے ہیں، انہیں حساسیت کے ساتھ پیش کرنے میں اہم کردار ادا کیا کر رہا ہے اور عوامی مقبولیت حاصل کر رہا ہے۔ دوران سال، ہم ناظرین کو بہترین پاکستانی ڈرامے پیش کرتا رہا۔ ٹی آر پی ٹاؤنگ ڈرامے جیسا کہ ”قربتیں“، ”تیرا غم اور ہم“، ”زیبا کش“، ”مشک“، ”پھانس“، ”رقص ہنس“، ”ستم“ سب سے زیادہ دیکھے گئے پرائم ٹائم ڈرامے تھے۔

رمضان کی خصوصی سیریز ”چپکے چپکے“ اور ”مٹانا بانا“ سیزن ہٹ ہوا۔ اس سال کرداروں کے درمیان جذباتی محبت، رومانک اور کامیڈی سے بھرپور ڈرامے ہماری ٹی وی اسکرینز پر چھائے رہے، یہ ڈرامے شادی سے قبل کے معاملات، طلاق، گھریلو زیادتی اور خاندانی جھگڑوں کی عام عکاسی سے بٹ کر ہلکی پھلکی کامیڈی پر مبنی تھے جنہیں سامعین کی جانب سے کافی پزیرائی ملی۔

ہم نیوز:

ہم نیوز اس مثال کی پیروی کر رہا ہے جو کہ فلیگ شپ چینل، ہم انٹرنیٹ منٹ نے بنیادی طور پر معاشرے کے انتہائی نظر انداز مسائل جیسے کہ خواتین کو باختیار بنانا، نوجوانوں اور اقلیتوں کے امور پر اپنی نظر مرکوز کر کے قائم کی تھی۔ اس طرح ہم نیوز ڈیٹا کی بنیاد پر صحافتی کہانیوں پر خصوصی توجہ دے رہا ہے۔ اس سے مسئلہ کی وضاحت کرنے میں مدد ملتی ہے اور متعلقہ اعداد و شمار کی مدد سے بڑی محنت سے جمع کیا جاتا ہے جو بالآخر ہمارے ناظرین کو اس مسئلہ کی بہتر تفہیم فراہم کرتا ہے۔ ہم نیوز نہ صرف ہمارے معاشرے کو امید دلانے کے لیے کوشاں ہے بلکہ پاکستان نیوز انڈسٹری کو معروضی رپورٹنگ کے طریقوں سے نئی شکل دے رہا ہے۔ ہم نیوز کا مقصد ۲۱ ویں صدی کے پاکستان کے خوابوں اور خواہشات کو بیان کرنا اور حقائق پر مبنی، معروضی، متوازن اور منصفانہ کوریج کے ذریعے نشریاتی صحافت کا بار بلند کرنا ہے۔

کورونا وباء کے دوران، ہم نیوز نے اپنے سامعین کو بروقت خبریں فراہم کر کے اور عوام میں اس وباء کے بارے میں آگاہی دے کر اپنی ذمہ داری پوری کی۔

ہم ستارے:

چینل اس پوزیشن میں ہے کہ عوام کو بہترین تفریح کے مواقع فراہم کرے جس میں کئی ڈرامے، سوپ اوپیراز، فیشن لائف اسٹائل شو، ٹاک شو اور انٹرنیشنل پروگرام پیش کئے گئے ہیں۔

ہم مصالحہ:

جنوبی ایشیا کا پہلا اور پاکستان کا صرف ۲۴ گھنٹے کھانا پکانے والے چینل، ہم مصالحہ نے ۲۴ اکتوبر ۲۰۲۰ کو ایک خصوصی ٹرانسمیشن میں اپنی 14 ویں سالگرہ منائی۔ ہم مصالحہ نہ صرف پاکستان میں بے حد مقبول ہے بلکہ اسے دنیا بھر سے جنوبی ایشین فوڈ پرییمز کی طرف سے کافی پزیرائی حاصل ہوئی ہے۔ چینل کی جانب سے ۱۴ ویں سالگرہ کا جشن اپنے ناظرین کو پاکستانی اور براعظمی کھانوں کی ایک وسیع رینج مہیا کرنے کا ثبوت ہے۔ جنوبی ایشیا میں ۲۴ گھنٹے کھانا پکانے کے چینل کے طور پر، مصالحہ نے اپنے موجودہ اور مستقبل کے حریفوں کے لیے اعلیٰ معیار قائم کیا ہے۔

ڈیجیٹل میڈیا ڈویژن:

ڈیجیٹل میڈیا نے سال ۲۰۲۰-۲۰۲۱ میں مسلسل ترقی جاری رکھی۔ ایک اہم پیش رفت میں سوشل میڈیا پلیٹ فارمز (فیس بک، انسٹاگرام، یوٹیوب) پر نظر ثانی شدہ سوشل میڈیا حکمت عملی کے نفاذ کے بعد نمایاں اضافہ شامل ہے۔ بڑے برانڈز جیسا کہ کشمیر، سنگر پاکستان، ماسٹر پیٹنس اور اوپو کی جانب سے اہم ڈیجیٹل اسپانسر شپ برائے ایوارڈز اور ڈرامے ایک اور سنگ میل ہے۔

براہ راست فروخت (مقامی ویب مشہرین) ایک اور کاروباری راستہ رہا ہے جس میں اس سال نمایاں اضافہ ہوا ہے کیونکہ ہمارے پاس ڈیجیٹل اسپانسر شپ کے کھلے مواقع ہیں۔ ”چیکے چیکے“ دنیا بھر میں ایک ہٹ سیریز کے طور پر ابھر کر سامنے آیا، جس میں متعدد اقساط یوٹیوب پر ٹرینڈ کر رہی ہیں اور پیش ٹیگز صرف پاکستان میں ہی نہیں بلکہ ہندوستان اور بنگلہ دیش میں بھی ٹرینڈ کر رہے ہیں۔

تقاریب اور برانڈ کی سرگرمیاں:

گزشتہ دہائی کے دوران ایچ این ایل نے ڈرامہ، فیشن، فوڈ، پاکستان کی میوزک انڈسٹری میں سپورٹنگ کے حوالے سے اہم کردار ادا کیا ہے۔

برائڈل کوچر ویک (بی سی ڈبلیو):

فروری ۲۰۲۱ء میں سٹی گارڈنز لاہور میں ملک کے سب سے بڑے اور سب سے زیادہ مقبول برائڈل اسٹریو گنزا کی 18 ویں تقریب، ایچ یو ایم برائڈل کوچر ویک نے اپنے ریڈ کارپٹ تقریب رونمائی کی جو کہ پاکستان کا سب سے مقبول ترین برائڈل شو ہے۔ یہ اپنے تخلیقی اثر و رسوخ کے ساتھ برائڈل فیشن انڈسٹری کی رہنمائی کرتا ہے اور گزشتہ دس سالوں سے حکمت عملی کے ساتھ پاکستانی برائڈل فیشن کو گلوبل فیشن انڈسٹری میں جگہ دے رہا ہے۔ یہ پاکستان کے ٹاپ ڈیزائنرز، کوچرز سے محبت کرنے والوں، بااثر افراد، خریداروں، مشہور شخصیات، سوشلائٹس اور لیگی برانڈز کے لیے سب سے زیادہ پریزنٹیشن بن گیا ہے۔

ہم اسٹائل ایوارڈز:

۵۱ واں ہم اسٹائل ایوارڈز جولائی ۲۰۲۱ء کو لاہور میں منعقد ہوا، جس میں ٹیلی ویژن، فلم، موسیقی، کھیل اور فیشن انڈسٹری کے بہترین فیشن اور اسٹائل کا جشن منایا گیا۔ یہ چمک اور گلیمر کی رات تھی جب ستاروں نے طویل وقفے کے بعد ریڈ کارپٹ پر کپڑے زیب تن کر کے چہل قدمی کی۔

ہم دو مین لیڈرز ایوارڈز:

مارچ ۲۰۲۱ء میں ایوان صدر میں ہم خواتین لیڈرز ایوارڈز کا دوسرا ایڈیشن منعقد ہوا، جس میں سفارتکاری، سماجی کام، تعلیم، صحت، انسانی حقوق، صحافت اور خواتین کے حقوق کے شعبوں میں ان کی شرکت اور کامیابیوں کے لیے قومی اور بین الاقوامی خواتین کا آنکھوں منایا گیا۔ ایوارڈز کی تقریب صدر ڈاکٹر عارف علوی، معززین اور پاکستان کی انٹرنیشنل انڈسٹری کے کریم ڈی لاکریم نے منعقد کی۔

ہم سوشل میڈیا ایوارڈز:

کوروناباء نے ایوارڈز کے انعقاد کا طریقہ کار بھی تبدیل کر دیا ہے۔ پہلا ڈیجیٹل ایوارڈ اکتوبر ۲۰۲۰ء میں منعقد ہوا، یہ ایک ایسا شو تھا جو تمام ایوارڈ شوز سے بہت مختلف تھا جو کہ سارا سال منعقد ہوتے تھے۔ حقیقت یہ ہے کہ ہم سوشل میڈیا ایوارڈز ۲۰۲۰ء بین الاقوامی سطح پر تسلیم شدہ سوشل میڈیا پلیٹ فارم میں سے ایک تھا۔ نہ صرف یہ پاکستان کا پہلا ڈیجیٹل ایوارڈ شو تھا جس میں فیس بک آن بورڈ تھا، بلکہ یہ وہ پہلا شو تھا جس نے مختلف شعبوں میں کام کرنے والے مستحق افراد کو سوشل میڈیا کی بنیاد پر پہچانا۔

ہیومن ریسورس مینجمنٹ:

نیٹ ورک اپنے انسانی وسائل کو سب سے قیمتی اثاثہ کے طور پر دیکھتا ہے اور ایسی فضا قائم کرنے کی طرف خصوصی توجہ دیتا ہے جو ترقی، اعلیٰ کارکردگی، تنظیمی اقدار اور کاروباری اخلاقیات پر عمل پیرا ہو۔

بنیادی اقدار:

ہم نیٹ ورک لمیٹڈ اپنے ملازمین کو معاشی اور اقتصادی خدمات فراہم کرنے کیلئے مسلسل کوشاں ہے کیونکہ اس سے انہیں صحت مند اور پیشہ ورانہ طریقہ سے مکمل ہم آہنگی میں کام کرنے میں مدد ملتی ہے۔

اس مقصد کیلئے ہم نیٹ ورک فیملی نے درج ذیل بنیادی اقدامات قائم کئے ہیں:-

- ۱- دیانتداری و ایمانداری
- ۲- سب کی عزت کرنا
- ۳- عہد/لگن/ملکیت
- ۴- محاسبہ اور مقاصد
- ۵- ٹیم ورک
- ۶- تہذیب
- ۷- صحت/حفاظت اور حفظان صحت

ہم تمام اقدامات میں مذکور بالا بنیادی اقدام پر کاربند ہیں اور ہم یہ اقرار کرتے ہیں کہ یہ انصاف، معروضیت اور ٹیم ورک کے کلچر کو فروغ دینے میں مدد کرتا ہے۔

رسک مینجمنٹ:

کاروباری خطرات اور مواقع کی شناخت، پہچان اور تخفیف کے لیے کمپنی کے پاس ایک مضبوط رسک مینجمنٹ فریم ورک ہے۔ یہ فریم ورک شفافیت پیدا کرنے، کاروباری مقصد پر منفی اثرات کو کم کرنے اور کمپنی کے مسابقتی فائدہ کو بڑھانے کی کوشش کرتا ہے۔ یہ رسک فریم ورک اس طرح ماریٹ، کریڈٹ اور آپریشن کے خطرات کے انتظام میں مدد کرتا ہے اور کمپنی کی سطح پر نمائش اور ممکنہ اثرات کو کم کرتا ہے۔

کارپوریٹ معاشرتی ذمہ داری:

پاکستانیوں کو زندگی کے ہر شعبے میں باختیار بنانے کے لیے جاری کوششوں میں، ہم نیٹ ورک نے ٹیلی نار پاکستان کے ساتھ شراکت داری کی تاکہ ایس آئی یوٹی (سندھ انسٹی ٹیوٹ فار یورولوجی اینڈ ٹرانسپلانٹ) کو سپورٹ کیا جاسکے۔ یہ تنظیم مومنہ اور درید فاؤنڈیشن کے ایزی پیسہ اکاؤنٹ کے ذریعے ادارے کو دیے گئے عوامی عطیات سے مل کر ایس آئی یوٹی کی فنڈ ریزنگ کوششوں کی حمایت کرے گی۔ ۱ اپریل ۲۰۲۱ء میں، ہم نیوز پر ایک ٹیلی تھون کا انعقاد کیا گیا تاکہ لوگوں کو اس نیک مقصد کے لیے عطیہ کرنے کی ترغیب دی جائے۔

ہم نیٹ ورک اور ٹیلی نار پاکستان کے مابین ایس آئی یوٹی کو سپورٹ کرنے کے لیے تعاون ملک کی صحت کی دیکھ بھال کے نظام اور اس مشکل وقت میں ساتھی پاکستانیوں کی مدد کرنے کی ایک کوشش ہے۔

یہ شراکت داری لاکھوں پاکستانیوں کو ریلیف فراہم کرنے کے لیے پوری طرح تیار ہے اور کووید باء سے متاثرین کے مفت علاج کو ممکن بنائے گی۔ ایک ذمہ دار کارپوریٹ شہری کی حیثیت سے، ہم نیٹ ورک ہر پاکستانی کی حفاظت، اسے باختیار بنانے، شمولیت اور فلاح و بہبود کو یقینی بناتا رہتا ہے۔

ملازمین کی تربیت اور ترقی:

ہماری سالانہ تشخیصی مشق کے حصے کے طور پر، ہر ملازم کا انفرادی بنیادوں پر جائزہ اور مشاورت کی جاتی ہے۔ تربیتی سیشنز کا تعین ضروریات کی بنیاد پر کیا جاتا ہے جو ملازمین کے لیے ترقی کے مواقع پیدا کرتا ہے اور ہمیں انتہائی حوصلہ افزاء اور تربیت یافتہ وسائل فراہم کرتا ہے۔

دوران سال بورڈ کا اسٹیٹس:

بورڈ کی میعاد ۲۲ اگست ۲۰۲۰ء کو ختم ہوئی اور نئے انتخابات اگست ۲۰۲۰ء میں ہونے تھے۔ چونکہ اہل امیدواروں کی تعداد انتخابات کے لیے مقرر کردہ ڈائریکٹرز کی تعداد کے برابر تھی، لہذا کمپنی نے کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۱۵۹(۴) کے تحت نئے انتخابات کا اعلان مورخہ ۱۳ اگست ۲۰۲۰ء کو کرانے کا اعلان کیا۔ نااہل امیدواروں کی جانب سے ڈائریکٹرز کے مذکورہ انتخاب پر سوال اٹھایا گیا۔ چنانچہ منتخب ڈائریکٹرز نے بھی مقدمہ دائر کیا۔ محترمہ سندھ ہائیکورٹ نے آرڈر مورخہ ۲۱/۸/۲۰۲۰ء کے ذریعے کمپنی کو ہدایت کی کہ مقدمہ نمبر ۹۶۸/۲۰۲۰ میں سنجل جج کے سی ایم اے نمبر ۲۰۲۰/۲۰۲۰ کے حتمی فیصلے

کے تحت ۲۲ اگست ۲۰۲۰ء کو ہونے والے انتخابات ملتوی اور شیڈول کیے جائیں۔

جیسا کہ اوپر بیان کیا گیا ہے، ڈائریکٹرز کا انتخاب عدالت سے فیصلہ طلب تھا اور مذکورہ بالا احکامات ابھی تک نافذ تھے، کمپنی کا انتظام اس حالت میں نہیں تھا کہ وہ مقدمات کے نتائج سے قبل از وقت فیصلہ کر سکے اور مالیاتی بیانات کی منظوری کے لیے بورڈ کا اجلاس بلا سکے۔

اس سلسلے میں، کمپنی نے سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان سے وضاحت طلب کی اور ساتھ ہی معزز ہائی کورٹ سندھ کے سامنے درخواست دائر کی کہ آیا کمپنی مالیاتی بیان کی منظوری اور سالانہ عام اجلاس بلانے کے لیے بورڈ کا اجلاس منعقد کر سکتی ہے۔

اس پرمیشن نے وضاحت دی کہ سابقہ بورڈ اپنی کارکردگی کو جاری رکھ سکتا ہے۔ کمیشن کا مذکورہ خط ۲۴ مئی ۲۰۲۱ء کو دوران سماعت سندھ ہائی کورٹ کے ریکارڈ پر رکھا گیا ہے اور فریقین کے وکلاء کی موجودگی میں سندھ ہائی کورٹ نے ریکارڈ پر لیا۔

مذکورہ بالا کے پیش نظر، کمپنی نے گزشتہ بورڈ کے ساتھ آگے بڑھا اور ۳۰ جون ۲۰۲۰ء کو ختم ہونے والے سال کے مالی بیانات کی منظوری کے لیے بورڈ کا اجلاس ۱۴ جون ۲۰۲۱ء کو منعقد ہوا اور شیئر ہولڈرز کے سامنے ۳۰ جون ۲۰۲۰ء کو ختم ہونے والے سال کے لیے مالی بیانات پیش کرنے کیلئے سالانہ جنرل میٹنگ (اے جی ایم) ۱۶ جولائی ۲۰۲۱ء کو منعقد ہوئی۔ بعد ازاں ۳۰ ستمبر ۲۰۲۰ء، ۳۱ دسمبر ۲۰۲۰ء اور ۳۱ مارچ ۲۰۲۱ء کو ختم ہونے والے سالوں کے لئے مالی بیانات کی منظوری کے لیے بورڈ کا اجلاس ۲۳ ستمبر ۲۰۲۱ء کو منعقد ہوا۔

جیسا کہ اوپر ذکر کیا گیا ہے، آخری سالانہ جنرل میٹنگ ۱۶ جولائی ۲۰۲۱ء کو منعقد ہوئی تھی جس میں ۳۰ جون ۲۰۲۰ء کو ختم ہونے والے سال کے آڈٹ شدہ مالی بیانات پیش کئے گئے تھے۔ مذکورہ بالا وجوہات کے نتیجے میں ۳۰ جون ۲۰۲۱ء کو ختم ہونے والے سال کے مالی گوشواروں کے آڈٹ کے آغاز میں تاخیر ہوئی اور ۳۰ جون ۲۰۲۱ء کو ختم ہونے والے سال کے لیے سالانہ جنرل میٹنگ کا انعقاد مقررہ وقت کے اندر نہیں ہوا۔

مستقبل کی حکمت عملی اور چیلنجز:

ہم نے کورونا واء سے نمٹنے کے لیے مشکل ترین فیصلے کیے ہیں، لیکن اس واء نے ہمیں سرمایہ کاری جاری رکھنے اور اپنی حکمت عملیوں کو کامیابی سے عملی جامہ پہنانے کے قابل بنایا ہے۔ ہم نے اس افراتفری کے دوران نئی حکمت عملی نافذ کی ہے تاکہ زیادہ افادیت اور تاثیر حاصل کی جاسکے۔ ہم نے اپنی کارکردگی اور کورونا واء سے وابستہ خطرات پر نظر رکھی اور اپنے اخراجات اور نقد رقم کو احتیاط سے سنبھالنے پر بہت زیادہ توجہ دی۔

معیاری مواد کی فراہمی نے ہمیں دیکھنے والوں کی بدلتی عادات کا بہتر جواب دینے اور بین الاقوامی سطح پر معیاری مواد کی مسلسل مضبوط مانگ سے فائدہ اٹھانے کی پوزیشن میں رکھا ہے۔

اپنی پروڈکٹس اور خدمات میں سرمایہ کاری کر کے، ہم اپنے مواد اپنے تمام اسٹیک ہولڈرز تک پہنچائیں گے جو ہمارے لئے کام کرتے ہیں، جس کا مطلب ہے مستقبل میں زیادہ سے زیادہ چمک کے لیے سٹیک ہولڈرز کی مانگ کو پورا کرنے کے لیے پریمیم معیاری نشریات فراہم کرنا۔

ہماری کاروباری اور مالیاتی حکمت عملی، اور کارکردگی کے فیصلے کے اقدامات ایچ این ایل کو مضبوط کرنے اور اس بات کو یقینی بنانے کے لیے کئے گئے ہیں کہ اس کی آزادی مستحکم طریقے سے محفوظ رہے۔ ایک انٹرپرائز کے طور پر ہم بہتر طریقے سے اپنی متعین کاروباری حکمت عملیوں کی مدد سے آگے بڑھنے اور ترقی کے منازل طے کرنے کیلئے بہترین پوزیشن میں ہیں اور بورڈ اس بات پر یقین رکھتا ہے کہ ہمیں زیادہ چمکدار، ڈیجیٹل میڈیا اور تفریحی کاروبار اور مستقبل پر توجہ مرکوز کرنے کے لیے کیا کرنے کی ضرورت ہے۔

ہمارے پاس ایک قابل فخر ماضی، ایک متحرک حال اور ایک دلچسپ مستقبل ہے۔

کریڈٹ کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پاکرا) نے طویل مدتی اور مختصر مدتی ریٹنگ برائے ایچ این ایل اے + اور اے 1 مرتب کی ہے، یہ درجہ بندیاں کریڈٹ کے خطرے کی کم توقع اور مارکیٹ میں نیٹ ورک کی مضبوط پوزیشن کو ظاہر کرتی ہیں۔

بورڈ کی تشکیل اور معاوضے:

بورڈ کی تشکیل اور بورڈ کمیٹیوں کے ممبران کے نام کا حوالہ CCG کے ساتھ تفصیل کے بیان کیلئے دیا گیا ہے۔

مزید برآں، بورڈ آف ڈائریکٹرز کے پاس کمپنیز ایکٹ ۲۰۱۷ء اور سیکورٹیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ء کے مطابق اپنے ڈائریکٹرز کے معاوضے کے لیے باقاعدہ پالیسی اور شفاف طریقہ کار موجود ہے۔

شیئر ہولڈنگ کا پیٹرن:

۳۰ جون ۲۰۲۱ء تک شیئر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

ڈائریکٹرز کی میٹنگ:

دوران سال بورڈ آف ڈائریکٹرز کی دو اور آڈٹ کمیٹی کی ایک میٹنگ منعقد کی گئی تھیں، ہیومن ریسورس اور ریونیو نیشن کمیٹی کی کوئی میٹنگ منعقد نہیں ہوئی۔ بورڈ اور کمیٹی کی میٹنگز منعقد نہ کرنے کی وجوہات کا حوالہ CCG کے ساتھ تفصیل کے بیان کیلئے دیا گیا ہے۔

ہر ڈائریکٹر کی شرکت درج ذیل ہے:

ڈائریکٹر کے نام	بورڈ آف ڈائریکٹرز کی شرکت	آڈٹ کمیٹی کی شرکت
جناب مظہر الحق صدیقی	۲	-
مس سلطانہ صدیقی	۲	-
جناب سہیل انصار	۲	۱
مسز مہتاب اکبر راشدی	۲	۱
جناب شنید قریشی	۱	۱
مس عبیدہ نصیر مسعود	۲	-
لیفٹننٹ جنرل (ریٹائرڈ) آصف یاسین ملک	۲	۱
جناب درید قریشی	۲	-
جناب حسن رضا الرحیم	۱	-

جناب حسن رضا الرحیم نے بطور ڈائریکٹر استعفیٰ دے دیا اور جناب محمد ایوب یونس آدھی کو مورخہ ۱۴ جون ۲۰۲۱ء سے کمپنی کا ڈائریکٹر مقرر کیا گیا۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز ای وائی فورڈ رھوڈز چارٹرڈ اکاؤنٹنٹس جو کہ ریٹائر ہوئے ہیں ممکن ہے کہ اس سال ۲۰۲۱-۲۰۲۲ کے لئے ان کا دوبارہ تقرر کیا جائے۔

نظم وضبط اور مالیاتی رپورٹنگ کا فریم ورک:

- ☆ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کے حالات، اس کے آپریشنز کے نتائج، کیش فلو اور ایکوٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- ☆ کمپنی کے کھاتے مناسب طریقہ سے رکھے جا رہے ہیں۔
- ☆ مناسب اکاؤنٹنگ پالیسیوں کے تسلسل کو مالیاتی گوشوارے کی تیاری میں لاگو کیا گیا ہے۔ اکاؤنٹنگ کے اندازے ماہرانہ اور محتاط فیصلوں پر مبنی ہوتے ہیں۔
- ☆ مالیاتی گوشوارے کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات، جو کہ پاکستان میں نافذ العمل ہیں، ان کی پیروی کی گئی ہے۔
- ☆ انٹرل کنٹرول کے نظام مضبوط ہیں اور اس کی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- ☆ آنے والے سالوں میں کمپنی کی کاروباری تسلسل پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- ☆ نظم و نسق کے حوالے سے کمپنی میں کارپوریٹ گورننس کو مکمل طور پر نافذ کیا ہے جو کہ لسٹنگ ریگولیشن میں درج ہے اور اس سے کوئی انحراف نہیں کیا گیا ہے۔
- ☆ ٹیکسز، ڈیوٹیز اور دیگر چارجز کے اکاؤنٹ پر کوئی ادائیگی واجب الادا نہیں ہے جو کہ مالیاتی سال سے متعلق ہے۔
- ☆ زیر جائزہ مدت کے دوران بورڈ آف ڈائریکٹرز کی دو میٹنگز منعقد ہوئیں۔
- ☆ چیف ایگزیکٹو آفیسرز، ڈائریکٹرز، چیف فنانشل آفیسر اور کمپنی سیکریٹری، ان کی بیگمات اور بچے تجارتی شیئرز میں اہل نہیں ہو گئے۔

ڈویڈنڈ اور مناسبت:

بورڈ نے حتمی کیش ڈویڈنڈ مبلغ صفر روپے فی شیئر (صفر فیصد) کا اعلان کیا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

مورخہ ۲۲ اکتوبر ۲۰۲۱ء

کراچی:



مظہر الحق صدیقی
چیئر مین و ڈائریکٹر



درید قریشی
چیف ایگزیکٹو

Report Of The Directors On Consolidated Financial Statements

On behalf of the Board of Directors, we are pleased to submit the Annual Consolidated Financial Statements along with the Auditor's Report thereon for the year ended June 30, 2021.

The Group consists of another wholly owned local subsidiary Skyline Publications (Private) Limited and three wholly owned foreign subsidiaries in US, UK and UAE namely HUM TV Inc., Hum Network UK Limited and HUM Network FZ-LLC respectively. Another subsidiary by the name of HUM Mart (Private) Limited is an entirely different field i.e. an e-commerce operations by the brand name of Hum Mart.

The group recorded revenue of Rs. 4,994 million and profit after tax of Rs. 961 million for the financial year ended 2021. The results translate into earnings per share of Rs. 1.05.

The Directors' Report on HUM Network Limited for the year ended June 30, 2021 has been separately presented in the annual report.

October 22, 2021
Karachi



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman & Director

مجموعی مالیاتی گوشواروں پر ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں مالیاتی سال ۲۰۲۱ء کے لئے سالانہ مجموعی مالیاتی گوشوارے بمع آڈیٹرز رپورٹ پیش کر رہا ہوں۔

مندرجہ بالا کمپنی کے علاوہ ایک اور اندرون ملک مکمل ذیلی کمپنی اسکاٹ لین پبلیکیشن (پرائیویٹ) لمیٹڈ اور بیرون ملک الحاق شدہ جس میں یو ایس، یو کے اور یو اے ای شامل ہیں جہاں پر نیٹ ورک بنام ہم ٹی وی انکارپوریشن، ہم نیٹ ورک یو کے لمیٹڈ اور ہم نیٹ ورک ایف ڈیڈ۔ ایل ایل سی ہیں۔ ہم مارٹ (پرائیویٹ) لمیٹڈ کے نام سے ایک اور مکمل ذیلی کمپنی ہے یہ مکمل طور پر ایک نئی اور مختلف فیلڈ ہے جو کہ ہم مارٹ کے برانڈ نیم ای کامرس آپریشن ہے۔

مالیاتی سال ۲۰۲۱ء میں گروپ نے منافع ۹۹۴ ملین روپے اور بعد از ٹیکس منافع مبلغ ۹۶۱ ملین روپے حاصل کیا۔ یہ نتائج آمدنی ۰۵۔ روپے فی شیئر کے تحت ترتیب دی گئی ہے۔

ہم نیٹ ورک لمیٹڈ پر مالیاتی سال ۲۰۲۱ء کی ڈائریکٹر رپورٹ سالانہ رپورٹ میں علیحدہ سے پیش کی گئی ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

مورخہ ۲۲ اکتوبر ۲۰۲۱ء
کراچی



مظہر الحق صدیقی
چیئر مین و ڈائریکٹر



درید قریشی
چیف ایگزیکٹو

Code of Conduct

1. Introduction

The provisions of this code as set forth in sections 1 to 15 are mandatory, and full compliance is expected under all circumstances.

Every director and every employee is responsible for complying with this code. Directors/Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their supervisor or to the Board, who, if necessary, should seek appropriate legal advice.

Failure to comply with the code could result in severe consequences for both the individual and the company. The company will impose appropriate discipline which may include discharge for violation of the code. Furthermore, conduct that violates the code may also violate federal or provincial law and could subject both the company and the individual to prosecutions and legal sanctions.

2. Conflicts of Interest:

The Company expects that directors/employees will perform their duties conscientiously, honestly, and in accordance with the best interests of the Company. Directors/Employees must not use their positions or the knowledge gained as a result of their positions for private or personal advantage. Regardless of the circumstances, if directors/employees sense that a course of action they have pursued, or are presently pursuing, or are contemplating pursuing may involve them in a conflict of interest with their employer, they should immediately communicate all the facts to their supervisor or to the Board.

3. Gifts and Entertainment

Employees shall not on behalf of the company, furnish directly or indirectly, expensive gifts or provide excessive entertainment or benefits to other persons.

Employees whose duties permit them to do so, may furnish modest gifts, favors and entertainment to persons other than public officials, provided all of the following criteria are met:

- i. The gifts are not in form of cash, bonds or other negotiable securities and are of limited value so as not to be capable of being interpreted as a bribe, payoff or other improper payment;
- ii. they are made as a matter of general and accepted business practice;
- iii. they do not contravene any laws and are made in accordance with generally accepted ethical practices; and
- iv. if subsequently disclosed to the public, their provision would not in any way embarrass the company or the recipients.

For example, reasonable expenses of the entertainment of current or prospective business associates or customers are permissible by employees whose duties embrace the providing of such entertainment, provided prior approval from the supervisor is obtained and proper accounting is made.

4. Relationships With Clients and Suppliers

Employees should avoid investing in or acquiring a financial interest for their own accounts in any business organization that has a contractual relationship with the Company, or that provides goods or services, or both, to the Company if such investment or interest could influence or create the impression of influencing their decisions in the performance of their duties on behalf of the Company.

5. Public Officials

All dealings between employees or directors of the company and public officials should be transparent.

Even the appearance of impropriety in dealing with public officials is improper and unacceptable. Any participation directly or indirectly, in any bribes, kickbacks, illegal gratuities indirect contributions or similar payments is expressly forbidden, whether or not they might further the business interest of the company. Maintenance of a high standard of integrity is of the utmost importance to the company.

Since the furnishing, on behalf of the company, of even an inexpensive gift or a modest entertainment or benefit to a public official may be open to the interpretation that it was furnished illegally to secure the use of his/her influence as public official, no such gift, entertainment or benefit may be furnished by an employee or director.

6. Political Contributions

The use of the company's funds, goods or services as contributions to political parties, candidates or campaigns is specifically forbidden.

Contributions include money or anything having value, such as loans, services, entertainment, trips and the use of the company's facilities or assets.

7. Personal Gain

Employees and Directors shall not use their status to obtain personal gain from those doing or seeking to do business with the company.

Except as hereinafter provided, employees and directors should neither seek nor accept gifts, payments, services, fees, special valuable privileges, pleasure or vacation trips or accommodations or loans from any persons (except, in the case of loans, from persons in the business of lending and then only on conventional terms) or from any Company or group that does or is seeking to do business with the company or any of its affiliates, or from a competitor of the company or any of its affiliates. However, employees and directors may accept modest gifts, favors or entertainment upto the maximum limits prescribed by the Board of Directors of the Company from time to time provided that doing so is consistent with the tests relating to the furnishing of gifts set forth in Section 3.

8. Inside Information

Employees and Directors shall not use for their own financial gain or disclose for the use of others, inside information obtained as a result of their position within the company.

Employees and Directors may find themselves in violation of the applicable securities laws if they misuse information not generally known to the public and either trade or induce others to trade in the stock of the company or in the stock of another company. Specific confidential information would include financial information, information concerning acquisitions or dispositions of properties and proposed acquisition or mergers with other companies.

In furtherance of this policy, the company has adopted a statement of policy regarding insider trading, which each director, officer and employee who has access to material non-public information will be requested to sign.

9. Disclosure of confidential Information

Certain records, reports, papers, processes, plans and methods of the company or to which the company has been permitted access are considered to be secret and confidential by the company or the party who has permitted access thereto, and employees and Directors are prohibited from revealing information concerning such matters without proper authorization.

Directors, individuals, clients, agencies, investors and the public should have information about the company as is necessary for them adequately to judge the company and its activities. The company believes that full and complete reporting to governmental agencies and the provision of information to the public as required constitutes a responsible and workable approach to disclosure. However, the company except as required by law, will not disclose information important to its competitive effectiveness or which might violate the private rights of individuals, enterprises or institutions. Employee and Directors are therefore prohibited from discussing or disclosing any secret or confidential information about the company or in the possession of the company unless such disclosure has been authorized by the Board of Directors.

Employees shall comply with departmental policies and procedures relating to the retention and orderly destruction of the company's documents.

10. Authorization and Recording of Transactions and safekeeping of Assets

The company's books and records must reflect, in an accurate, fair and timely manner, the transactions and disposition of assets of the company. Employees responsible for the company's books and records must ensure that this occurs.

All transactions must be authorized and executed in accordance with the instructions of management and the Board of Directors. They must be recorded so as to permit the accurate preparation of financial statements in conformity with generally accepted accounting principles and other generally accepted laws applicable to such statements and to maintain accountability for assets. Access to assets is permitted only in accordance with the authorization of management.

The use of company funds or assets for any unlawful or improper purpose is strictly prohibited and those responsible for the accounting and record keeping functions are expected to be vigilant in ensuring enforcement of this prohibition. The recorded

accountability for assets will be compared with the existing assets at reasonable intervals and appropriate action will be taken with respect to any differences.

11. Discrimination-Free Work Environment

The policy of the company is to provide a working environment free of discrimination and harassment in which individuals are accorded equality of employment opportunity based upon merit and ability.

Discriminatory practices based on race, sex, color, national or ethnic origin, religion, marital status, family status, age or disability will not be tolerated. Employees are entitled to freedom from sexual and all other forms of personal harassment in the work place.

It is not a discriminatory practice to make a distinction between persons based on bona fide occupational requirements. Since bona fide occupational requirements are narrowly defined, such distinctions should not be undertaken without first obtaining express authorization.

12. Protection of the Environment

The company and its directors and employees shall treat the protection of the environment as an integral factor in all decision making.

The company is committed to the protection of the environment. To comply with this commitment, the company's policy is to meet or exceed all applicable governmental requirements. Employees must report to their superior all circumstances in which toxic substances are spilled or released into the environment. Violations of environmental laws, even if unintentional, can carry severe penalties, and could result in the prosecution of the company or the employees involved or both.

Failure to comply with the company's instructions for the protection of the environment may result in disciplinary actions.

13. Competition and Trade Practice Standards

The company shall compete vigorously and creatively in its business activities, but its efforts in the marketplace shall be conducted in a fair and ethical manner in strict compliance with applicable competition and trade practice laws and regulations.

Under no circumstances shall any employee or Director of the company be a party to any collusion or concerted effort of any type involving any competitor vendor, supplier, customer or other party, which is in restraint of trade or violation of laws and regulations designed to foster competition. Because laws relating to competition are complex, employees and Directors should refer matters about what they are in doubt to their superior or should seek the advice of the company's counsel.

14. Standards of Conduct

Although the various matters dealt with in this code do not cover the full spectrum of employee or Director activities, they are indicative of the company's commitment to the maintenance of high standards of conduct and are to be considered descriptive of the type of behavior expected from employees and Directors in all circumstances.

15. Distribution

Each director and each employee of the company who has executive, managerial or supervisory responsibilities, or deals with governmental officials or political parties or candidates on behalf of the company, or who has access to confidential information, will be provided with a copy of this code. To ensure proper understanding of the code, any questions as to its application to the area of responsibility and jurisdiction of the Director or employee will be explained fully by his / her superior or by the audit committee.

At commencement of employment and at least once a year thereafter each such employee shall sign the prescribed form of acknowledgement which will be retained by the Chief Financial Officer or the Chairman of the audit committee that each such individual under his / her jurisdiction has completed the required form acknowledging that he / she has read or reread, as the case may be, the current version of the code of ethics & business policies and has complied with its terms.

Each director shall sign such an acknowledgment to the audit committee at the commencement of his or her term.

Whistle-Blowing Policy

1. Purpose

To encourage employees to disclose any malpractice or misconduct of which they become aware and to provide protection for employees who report allegations of such malpractice or misconduct. The main purpose of this whistle blowing policy is to give all employees an opportunity to disclose matters they feel need to be reported in the interest of fair-play and larger benefit of the organization; high standard of corporate governance; compliance with legal requirements and protection of the Company's interest.

2. Policy

The whistle blowing policy is designed to encourage employees to report alleged malpractice or misconduct, to ensure that all allegations are thoroughly investigated and suitable action taken where necessary. Any whistle-blowing employee is protected against adverse employment actions (discharge, demotion, suspension, harassment, or other forms of discrimination) for raising allegations of business misconduct. An employee is protected even if the allegations prove to be incorrect or unsubstantiated as long as there is no evidence of willful misreporting. Employees who participate or assist in an investigation will also be protected.

3. Requirement of policy

This document thus sets out a formal whistle-blowing policy, consisting of safe and effective procedures for misconduct disclosure or reporting so that appropriate remedial action can be taken. A written, formal policy is also a means of preventing and deterring misconduct that might be contemplated but has not yet taken place. It is also a transparent method of addressing issues relating to whistle blowing, such as answering standard questions, giving assurances, providing information and offering explanations.

4. On what should one blow the whistle

What is reportable misconduct?

Any serious concerns you may have about any aspect of the operations of the Hum Network Limited (the Company) and those who work in the Company can be reported under this policy. This may be a conduct that:

- Is against the governing rules, procedures, and policies, or established standards of practice of the Company. amounts to improper, unethical, or unlawful conduct;
- Amounts to waste of company's resources; makes you feel uncomfortable in terms of your experience with the standards you believe; or
- Amounts to an attempt to cover up any of these types of actions. Conduct becomes reportable when it happens or when it is reasonably likely to occur. Harm to the Company or to its integrity may occur when any of this conduct is unchecked or unaddressed. Importantly, in determining whether to report conduct, harm is not only measured in terms of monetary loss to the organization, or damage to a particular program or initiative, but the harm may also be done to the integrity and reputation of the Company itself, or its survival and/or growth.

Reportable conduct falls into the following categories:

4.1 Illegal or unlawful conduct

Conduct may be illegal or unlawful in terms of the Rules and Regulations of the Company and other applicable laws. We all have legal responsibilities, obligations or duties. Criminal offences - such as theft, fraud, corruption (for example, bribery), or money laundering - are in breach of legal duties and therefore constitute reportable misconduct.

4.2 Un-procedural conduct

Conduct may be un-procedural since it violates clearly communicated procedures (in the form of policies, regulations, or rules) governing the operations of the Specific rules and processes, together with other best practice procedures, guide accounting practices and controls, financial reporting, auditing matters, the transfer of funds to recipients, approved recipient accounts, and the like. Such procedures are important for good governance and breaching them may expose the application of funds to risk of loss or real loss.

4.3 Unethical conduct

Conduct may be unethical since it undermines universal, core ethical values, such as integrity, respect, honesty, responsibility, accountability, fairness. For example one could exert undue pressure on a person in position of power in order to gain an advantage. That would be unfair to others and as such unethical, although neither unlawful nor un-procedural. But not all unethical conduct is reportable. For example, some kinds of conduct may be disrespectful and therefore undesirable, without harming any serious interests other than personal feelings. This would not be reportable misconduct.

4.4 Wasteful conduct

Conduct constituting a gross waste of resources is a reportable category in its own right since responsible stewardship of resources is as crucial to the success of the Company as all employees have an obligation to ensure that all resources are used prudently and efficiently. If resources are spent in a wasteful manner, and in breach of the public trust under which they are provided, and an employee knows about this then this would be reportable under the whistle-blowing mechanism.

5. Whistle-blower protection

HNL shall take all necessary actions to safeguard the interests of the whistle-blower. Where an individual makes a report under this policy in good faith, reasonably believed to be true, there will be no retaliation (please read detail below) against the reporter should the disclosure turn out to be misguided. Retaliation means any direct or indirect detrimental action recommended, threatened or taken because an individual reported conduct described in Section 4 of this policy. When established, retaliation is by itself misconduct which may be pursued under the appropriate mechanisms - for example, through disciplinary action initiated through mechanisms of HR Policy or more broadly and as appropriate, through other mechanisms of the company's rules. Reporting under this policy, however, in no way immunizes or shields a whistle-blower against action following from his or her own misconduct, which includes willfully making allegations through the whistle-blowing mechanism that the individual knows to be false or makes with an intent to misinform.

6. Whistle-blowing procedures

HNL encourages all its employees to act responsibly at all times and protect themselves and the company against any illegal or immoral acts (see section 4) by immediately reporting any such actions to the Designated Person.

Designated Persons (DPs)

The

- **Company secretary, and**
- **Head of Internal Audit**

Shall be the "Designated Persons" (DPs), and all information shall be directly conveyed to the DPs by the whistle-blower.

Access to the Designated Person

The whistle-blower shall have direct access to the Designated Persons at all times. This right of the whistle-blower shall be upheld under all circumstances and respected by the management of the Company.

Medium of Reporting

Reports to the Designated Persons can be made by: Official email address of the Designated Persons.

Follow up Procedure

The DPs will initiate an investigation and take any consequent action as deemed appropriate and will record the same for information of the Board of Directors, keeping at all times, the confidentiality of the Whistle Blower's identity.

UNCONSOLIDATED FINANCIAL STATEMENTS



Building a better
working world

INDEPENDENT AUDITOR'S REPORT To the members of Hum Network Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Hum Network Limited (the Company), which comprise the unconsolidated statement of financial position as at 30 June 2021, and the unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended and notes to the unconsolidated 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 unconsolidated statement of financial position, unconsolidated statement of profit or loss, unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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 30 June 2021 and of the profit, the other comprehensive income, the changes in equity 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 (the Code) 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

Key audit matters	How the matter was addressed in our audit
1. Net realizable value of television program costs	
As of the year end, the balance of television program costs amounted to Rs. 452,449,811 (30 June 2020: 466,123,750) which represents unamortized cost of completed television programs and television programs in production. As per the accounting policy of the Company, television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis. Allocation of television program costs over several accounting periods based on estimates of revenue involve significant judgement of the management which may have a significant impact on the unconsolidated financial statements. For this reason, we have identified this area as key audit matter. Refer notes 3.5, 8 and 25 to the unconsolidated financial statements.	Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Company. In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including: • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; • rates used by the Company and its fluctuation based on the trend analysis; and • we also considered subsequent events which may have an impact on unamortized cost. We also evaluated whether adequate disclosures have been made in the accompanying unconsolidated financial statements in accordance with the applicable financial reporting standards.
2. Impairment assessment of investment in subsidiaries	
As disclosed in note 6, the Company carries investment in subsidiary companies amounting to Rs 188.898 million. In respect of the above investment in subsidiary companies, the impairment triggers were identified by the management and accordingly, impairment tests were carried out in accordance with the requirements of the applicable accounting standards. Such impairment tests involve estimation of future cash flows from the operations of the above entities to determine the recoverable amount in respect of the above referred investments. Due to the management judgments and estimates and other uncertain factors involved in these impairment tests carried out by the management, we have considered the determination of the recoverable amount of investments as a Key Audit Matter.	Our key procedures in relation to the impairment tests carried out by the management for investment in subsidiary companies were as follows: • we considered the triggers and indicators requiring impairment assessment in respect of the above assets; • we assessed the appropriateness of the methodology used by the management for carrying out the impairment test in accordance with the requirements of the applicable accounting standards; • we reviewed the key inputs and assumptions used to prepare the future cash flow projection of the respective entities including the commercial assumptions used for this purpose. We involved our internal specialists to perform such review. In this regard, we also considered the business plan of the subject entities and the actual results achieved in relation to the previous plan; and • we also applied sensitivity analysis on key assumptions and evaluated the results; We also assessed the adequacy of the related disclosures in the unconsolidated financial statements in accordance with the financial reporting standards.

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the unconsolidated financial statements and our auditor's report thereon.

Our opinion on the unconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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.

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

Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the unconsolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- 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 Omer Chughtai.

Sd/-
EY Ford Rhodes
Chartered Accountant
Place: Karachi
Date: October 22, 2021

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021 ----- Rupees -----	2020 -----
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,263,816,621	1,365,363,429
Intangible assets	5	20,007,542	32,107,487
Long term investments	6	188,898,481	328,898,481
Long term deposits and prepayments	7	31,120,555	27,917,160
Television program costs	8	352,064,012	360,737,951
Deferred tax asset	9	121,432,046	144,885,503
		<u>1,977,339,257</u>	<u>2,259,910,011</u>
CURRENT ASSETS			
Inventories		16,660,901	16,984,145
Current portion of television program costs	8	100,385,799	105,385,799
Trade debts	10	1,956,785,375	1,716,753,677
Short term investments	11	502,415,157	241,505,092
Advances	12	129,006,777	90,637,954
Trade deposits and short-term prepayments	13	21,102,013	19,119,741
Other receivables	14	144,616,512	129,893,353
Taxation – net		211,788,308	182,756,633
Cash and bank balances	15	355,827,585	141,629,483
		<u>3,438,588,427</u>	<u>2,644,665,877</u>
Non-current asset held for sale	16	-	16,507,087
TOTAL ASSETS		<u>5,415,927,684</u>	<u>4,921,082,975</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 1,500,000,000 (2020: 1,500,000,000) Ordinary shares of Re.1/- each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, subscribed and paid-up capital	17	945,000,000	945,000,000
Unappropriated profit		<u>3,118,470,793</u>	<u>2,104,074,108</u>
		<u>4,063,470,793</u>	<u>3,049,074,108</u>
NON-CURRENT LIABILITIES			
Long term lease liabilities	18	92,051,392	103,701,273
Long term financing	19	248,521,449	837,839,369
Deferred Income - Government grant	20	560,658	-
		<u>341,133,499</u>	<u>941,540,642</u>
CURRENT LIABILITIES			
Trade and other payables	21	581,944,377	492,872,413
Advance from customers		28,593,206	13,629,128
Accrued mark-up		8,092,693	2,860,434
Short term borrowings	22	-	189,067,264
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of deferred income - Government grant	20	4,495,607	-
Current portion of long term lease liabilities	18	29,564,860	29,573,737
Current portion of long term financing	19	352,479,000	196,311,600
		<u>1,011,323,392</u>	<u>930,468,225</u>
CONTINGENCIES AND COMMITMENTS			
	23		
TOTAL EQUITY AND LIABILITIES		<u>5,415,927,684</u>	<u>4,921,082,975</u>

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer
HUM NETWORK LIMITED

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- Rupees -----	2020 -----
Revenue	24	4,327,326,066	3,679,468,088
Cost of production	25	(2,614,343,566)	(2,756,142,547)
Transmission cost		(90,436,188)	(139,069,102)
		(2,704,779,754)	(2,895,211,649)
Gross profit		1,622,546,312	784,256,439
Distribution costs	26	(235,410,544)	(279,841,775)
Administrative expenses	27	(663,205,199)	(475,129,826)
Other income	28	160,572,097	173,651,157
Gain on sale of non-current asset held for sale	16	476,832,913	-
Other expenses	29	(153,826,920)	(97,605,189)
Operating profit		1,207,508,659	105,330,806
Finance costs	30	(100,365,167)	(241,450,871)
Profit / (loss) before taxation		1,107,143,492	(136,120,065)
Taxation	31	(92,746,807)	22,881,574
Profit / (loss) for the year		1,014,396,685	(113,238,491)
Earnings / (loss) per share – basic and diluted (Rupee)	32	1.07	(0.12)

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2021

	2021 ----- Rupees -----	2020 -----
Profit / (loss) before taxation	1,014,396,685	(113,238,491)
Other comprehensive income		
Items that will not be subsequently reclassified to statement of profit or loss		
Remeasurement gains on defined benefits plan - net of tax	-	5,191,764
Total comprehensive profit / (loss) for the year	<u>1,014,396,685</u>	<u>(108,046,727)</u>

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid-up capital	Revenue Reserve	
		Unappropriated profit	Total
	-----Rupees-----		
Balance as at June 30, 2019	945,000,000	2,212,120,835	3,157,120,835
Loss for the year	-	(113,238,491)	(113,238,491)
Other comprehensive income	-	5,191,764	5,191,764
Total comprehensive loss for the year	-	(108,046,727)	(108,046,727)
Balance as at June 30, 2020	945,000,000	2,104,074,108	3,049,074,108
Profit for the year	-	1,014,396,685	1,014,396,685
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,014,396,685	1,014,396,685
Balance as at June 30, 2021	945,000,000	3,118,470,793	4,063,470,793

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



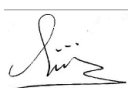
MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- Rupees -----	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	33	787,935,953	280,429,530
Taxes paid		(98,325,024)	(71,831,296)
Finance costs paid		(95,132,908)	(244,080,531)
Profit received on deposit accounts	28	16,634,989	13,005,882
Long term deposits	7	(3,203,395)	(302,167)
Television program costs	8	8,673,939	(133,509,334)
Net cash generated from / (used) in operating activities		616,583,554	(156,287,916)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(110,529,571)	(40,798,620)
Additions to intangible assets	5	(292,400)	(1,008,000)
Short term investments - net		(162,756,066)	593,856,977
Dividend received	28	177,973	150,000
Proceeds from disposal of operating fixed assets	4.4	16,481,506	45,841,494
Proceeds from sale of non-current asset held for sale	16	493,340,000	-
Net cash generated from investing activities		236,421,442	598,041,851
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		(21,645,375)	(24,977,232)
Long term financing – net		(428,094,255)	(316,404,093)
Net cash used in financing activities		(449,739,630)	(341,381,325)
Net increase in cash and cash equivalents		403,265,366	100,372,610
Cash and cash equivalents at the beginning of the year		(47,437,781)	(147,810,391)
Cash and cash equivalents at the end of the year		355,827,585	(47,437,781)
Cash and cash equivalents:			
Cash and bank balances		355,827,585	141,629,483
Short-term running finance		-	(189,067,264)
		355,827,585	(47,437,781)

The annexed notes from 1 to 41 form an integral part of these unconsolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

1 THE COMPANY AND ITS OPERATIONS

- 1.1** HUM Network Limited (the Company) was incorporated in Pakistan as a public limited company on 25 February 2004 under the repealed Companies Ordinance, 1984 (the Ordinance) now Companies Act, 2017. The shares of the Company are quoted on Pakistan Stock Exchange.
- 1.2** The Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

1.3 Geographical location and address of business units

Registered office	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
Head office – Karachi	B.R.R Tower, Hassan Ali Street, Off. I.I. Chundrigar Road
City offices – Karachi	Alfalah Court, I.I Chundrigar Road
City office – Islamabad	2A, I&T center, sector G-6/1
City office – Lahore	House # 58, R-24, Masson Road
City office – Peshawar	Plot No. 7-A, 29 The Mall, Peshawar Cantonment
City office – Quetta	House # 3, Phase II, Shahbaz town

- 1.4** These are separate financial statements of the Company in which investments in subsidiaries are stated at cost less impairment, if any.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017 (the Act); and
- Provisions of and directives issued under the Act

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention except for:

- Property, plant and equipment which are carried at revalued amount in accordance with IAS 16 "Property, Plant and Equipment" as disclosed in note 3.1 and 4.1; and
- Employees' retirement benefits which is carried at present value of defined benefit obligation net of fair value of plan assets in accordance with the requirements of IAS 19 "Employee Benefits", as disclosed in note 3.11 and 21.1.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial year except that the Company has adopted the following standards, amendments, interpretation and improvements to IFRS which became effective for the current year:

IFRS 3	Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7	Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8	Definition of Material (Amendments)

Improvement to accounting standards issued by the IASB (2018 – 2020 cycle)		Effective date (annual periods beginning on or after)
IFRS 3	Reference to the Conceptual Framework (Amendments)	January 01, 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	January 01, 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	January 01, 2022
IAS 1	Classification of Liabilities as Current or Non-Current (Amendments)	January 01, 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet finalised
IFRS 9, IAS 39, IFRS 16	Interest Rate Benchmark Reform - Phase 2 (Amendment)	January 01, 2021
	Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)	April 01, 2021
IAS 1	Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 01, 2023

Improvement to accounting standards issued by the IASB (2018 – 2020 cycle)		IASB effective date (annual periods beginning on or after)
IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities	January 01, 2022
IAS 41	Agriculture - Taxation in fair value measurement	January 01, 2022
IFRS 16	Leases: Lease incentives	January 01, 2022

The above standards, amendments of IFRSs and improvements to accounting standards are not expected to have any material impact on the Company's unconsolidated financial statements in the period of initial application.

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

Standard		IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRSs	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the unconsolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgment, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates, assumptions and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Property, plant and equipment and intangible assets (note 4 & 5)

The Company reviews appropriateness of the rate of depreciation / amortisation, useful life and residual value used in the calculation of depreciation / amortisation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment and intangible assets, with corresponding effects on the depreciation / amortisation charge and impairment.

Investment in subsidiaries (note 6)

The Company value its investment in subsidiaries at cost less impairment, if any. The Company determines whether objective evidence of impairment exists for individual investments. The determination of fair value of unquoted subsidiaries involves inherent subjectivity, key assumptions (such as future cash flow forecasts, discount and growth rates and volatility), and estimation relation to valuation inputs and techniques. Any change in these assumptions and estimates may have significant impact on the fair value of investments with corresponding impact in statement of profit or loss.

Television program costs (note 8)

Television program costs represent unamortized cost of completed television programs and television programs in production. In order to determine the amount to be charged to statement of profit or loss, the management estimates future revenues from each program. Estimates of future revenues can change significantly due to a variety of factors, including advertising rates and the level of market acceptance of the production in different geographical locations. Accordingly, revenue estimates are reviewed periodically and amortisation is adjusted, if necessary. Such adjustments could have a material effect on results of operations in future periods.

Income taxes (note 9)

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past.

Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of financial assets (note 3.7)

The Company uses a provision matrix to calculate ECLs for trade debts and other receivables. The provision rates are based on days past due for Company's various customer that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's financial assets exposed to credit risk is disclosed in note 38.5.

Contingencies (note 23)

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

Leases- Estimating the incremental borrowing rate (note 17)

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Leases- Determination of the lease term for lease contracts with extension and termination options (note 17)

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination option. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment

3.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to statement of profit or loss using straight line method so as to write off the historical cost of the assets over their estimated useful lives. Depreciation on additions is charged from the month in which the asset is available to use and no depreciation is charged for the month in which asset was disposed of.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Company.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss in the year the asset is derecognized.

The assets' residual values, useful lives and method of depreciation are revised, and adjusted if appropriate, at each statement of financial position date.

3.1.2 Right-of-use assets

The Company recognises a right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of lease term or useful life, except for the leases in which ownership of the underlying assets transfer to the lessee by the end of the lease term or cost of right of use assets reflects that the lessee will exercise a purchase option, the Company depreciate those right of use asset over the useful life of the underlying asset.

3.1.3 Capital work-in-progress

These are stated at cost less accumulated impairment and consist of expenditures incurred and advances made in respect of specific assets during the construction period. These are transferred to specific assets as and when assets are available for use.

3.2 Non current assets held for sale

Non current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than continuing use and sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment are not depreciated once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the unconsolidated statement of financial position.

3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in statement of profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of profit or loss when the asset is derecognized.

3.4 Investments in subsidiaries

Subsidiary is a entity over which the Company has control. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Generally, there is presumption that a majority of voting rights result in control. In assessing control, potential voting rights that are currently exercisable are taken into account.

Investment in subsidiary is initially recognised at cost. At subsequent reporting dates, the Company reviews the carrying amount of the investment to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Such impairment losses or reversal of impairment losses are recognised in the statement of profit or loss. These are classified as 'long term investment' in the unconsolidated financial statements.

3.5 Television program costs

Television program costs represent unamortized cost of completed television programs and television programs in production. These costs include direct production costs, cost of inventory consumed, and production overheads and are stated at the lower of cost, less accumulated amortisation and net realizable value (NRV). NRV is estimated by the management on the basis of future revenue generation capacity of the program. Acquired television program licenses and rights are recorded when the license period begins and the program is available for use.

Television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues less cost expensed in prior years on an individual program basis.

3.6 Inventories

These are valued on weighted average cost basis and are stated at the lower of cost and NRV.

3.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- (a) at amortised cost
- (b) at fair value through profit or loss (FVTPL); and
- (c) at fair value through other comprehensive income (FVTOCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

(a) At amortised cost

A financial asset is measured at amortised if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

(b) At fair value through profit or loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(c) At fair value through other comprehensive income

A debt instruments is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the unconsolidated statement of financial position at fair value with net changes in fair value recognised in unconsolidated statement of profit or loss.

This category also includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognised as other income in profit or loss when the right of payment has been established.

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

These assets are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses (equity instruments)

These assets are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

As at the date of statement of financial position, Company is not having any equity instrument designated at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's unconsolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, borrowings and payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. Exchange gain or losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.8 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.9 Advance from customers (Contract Liability)

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability are recognised as revenue when the Company performs under the contract.

3.10 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3.11 Deposits, advances, prepayments and other receivables excluding financial assets

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.12 Current versus non-current classification

The Company presents assets and liabilities in the unconsolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.13 Taxation

Current

Provision for current tax is based on the taxable income in accordance with the Income Tax Ordinance, 2001.

Deferred

Deferred tax is recognised using the balance sheet liability method, on all major temporary differences arising at the statement of financial position date between tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax asset 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 asset to be recognized.

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

3.14 Cash and cash equivalents

These are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and short term running finance.

3.15 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.16 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.16.1 Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Company uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

ii) Determination of the lease term for lease contracts with extension and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

iii) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

iv) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.17 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently carried at amortized cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the statement of financial position date.

3.18 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. As the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

3.19 Unclaimed and unpaid dividend

Dividend declared by the Company, in the preceding three years, which remains unclaimed or unpaid as on the statement of financial position date is recognized as unpaid dividend. Dividend declared and payable prior to the preceding three years from the statement of financial position date are recognized as unclaimed dividend.

3.20 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

3.21 Revenue recognition

Advertising revenues are recognized at a point in time when the related advertisement or commercial appears before public i.e aired.

Production revenue: Production revenue is recognised at a point in time when production work appears before public.

Digital revenue: Advertising revenues from digital properties are recognized on the basis of number of impressions on the advertisement aired on website.

Subscription income arises from the monthly billing to subscribers for services provided by the Company. Revenue is recognised in the month the service is rendered.

Film Distribution Revenues: Revenue from film distribution is recognized at a point in time upon receipt of related sales reports from cinemas.

Credit limits in contract with customers ranges from 2 to 90 days.

3.22 Other income

Sale of magazine and DVD's is recognized on receipt basis.

Profit on bank deposits is accounted for on effective interest method.

Dividend income is recognized when it is declared and right to receive is established.

Interest / markup income is recognized on accrual basis.

Other revenues are accounted for on an accrual basis.

3.23 Expenses

Expenses are recorded when incurred based on the accrual basis of accounting. Distribution costs and administrative expenses include direct and indirect costs not specifically part of cost of production. Allocations between cost of production, distribution and administrative expenses, when required, are made on a consistent basis.

3.24 Staff retirement benefits**Defined contribution plan**

The Company operates a funded and approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 8.33% of the basic salary.

3.25 Foreign currency transactions and translations

Foreign currency transactions are translated into Pakistani Rupees using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees using the exchange rate at the statement of financial position date. Non-monetary assets and liabilities are translated using exchange rate that existed when the values were determined. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to unconsolidated statement of profit or loss currently.

3.26 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are capitalized as a part of the cost of related asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3.27 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

3.28 Contingencies

Contingencies are disclosed when the Company has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because 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.

3.29 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.30 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation

3.31 Segment Reporting

Segment reporting is based on the reporting operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the senior management of the Company to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4	PROPERTY, PLANT AND EQUIPMENT	Note	June 30,	June 30,
			2021	2020
			----- Rupees -----	
	Operating fixed assets	4.1	1,067,367,531	1,219,674,736
	Right of use assets	4.5	109,028,621	129,754,816
	Capital work-in-progress	4.6	87,420,469	15,933,877
			<u>1,263,816,621</u>	<u>1,365,363,429</u>

4.1 Operating fixed assets

	Cost			Accumulated depreciation			Book value as at	Depreciation Rate
	As at	Additions** /	As at	As at	Charge /	As at		
	July 01,	transfers from	June 30,	July 01,	transfers from	June 30,		
	2020	ROUA*** / (disposals) transfers	2021	2020	(disposals) for the year	2021	2021	% per annum
Rupees								
Owned								
Leasehold land*	794,147,376	-	794,147,376	45,649,573	16,237,867	61,887,440	732,259,936	2.04 - 2.13
Building on leasehold land*	109,890,511	-	109,890,511	51,568,038	7,609,387	59,177,425	50,713,086	10
Leasehold improvements	182,342,754	8,146,761 **	190,489,515	155,709,502	25,445,616	181,155,118	9,334,397	33
Furniture and fittings	40,059,637	-	40,059,637	19,840,327	3,479,784	23,320,111	16,739,526	10
Vehicles	81,213,819	8,306,622 **	74,207,446	56,651,491	8,642,690	54,122,554	20,084,892	33
		15,164,322 ***			9,273,775 ***			
		(30,477,317)			(20,445,402)			
Audio visual equipment	560,035,905	8,309,492 **	567,243,353	318,969,423	86,246,015	404,629,146	162,614,207	25
		(1,102,044)			(586,292)			
Uplinking equipment	75,484,263	1,822,496 **	77,306,759	46,692,680	3,654,749	50,347,429	26,959,330	10
Office equipment	115,099,656	2,853,141 **	115,444,317	67,635,184	11,918,121	78,142,285	37,302,032	15
		(2,508,480)			(1,411,020)			
Computers	175,462,211	9,604,467 **	182,250,805	151,345,178	22,281,291	170,890,680	11,360,125	33
		(2,815,873)			(2,735,789)			
June 30, 2021	2,133,736,132	39,042,979 **	2,151,039,719	914,061,396	185,515,520	1,083,672,188	1,067,367,531	
		15,164,322 ***			9,273,775 ***			
		(36,903,714)			(25,178,503)			
Rupees								
	Cost			Accumulated depreciation			Book value as at	Depreciation Rate
	As at	Additions** /	As at	As at	Charge /	As at		
	July 01,	transfers from	June 30,	July 01,	transfers from	June 30,		
	2019	(reclassification)*** */ (disposals) transfers	2020	2019	(disposals) for the year	2020	2020	% per annum
Owned								
Leasehold land *	756,571,184	59,434,093 **	794,147,376	35,225,961	15,774,426	45,649,573	748,497,803	2.04 - 2.13
		(21,857,901) ****			(5,350,814) ****			
Building on leasehold land *	108,035,404	1,855,107 **	109,890,511	43,695,854	7,872,184	51,568,038	58,322,473	10
Leasehold improvements	188,134,558	3,823,116 **	182,342,754	129,454,459	35,773,814	155,709,502	26,633,252	33
		(9,614,920)			(9,518,771)			
Furniture and fittings	40,059,637	-	40,059,637	16,316,634	3,523,693	19,840,327	20,219,310	10
Vehicles	119,771,101	50,667 **	81,213,819	63,310,048	17,154,385	56,651,491	24,562,328	33
		43,489,295 ***			28,578,912 ***			
		(82,097,244)			(52,391,854)			
Audio visual equipment	556,239,801	10,665,802 **	560,035,905	235,882,685	86,724,488	318,969,423	241,066,482	25
		(6,869,698)			(3,637,750)			
Uplinking equipment	75,484,263	-	75,484,263	42,947,419	3,745,261	46,692,680	28,791,583	10
Office equipment	129,742,605	1,015,779 **	115,099,656	62,715,064	13,415,593	67,635,184	47,464,472	15
		(15,658,728)			(8,495,473)			
Computers	169,571,397	6,188,514 **	175,462,211	124,231,384	27,411,494	151,345,178	24,117,033	33
		(297,700)			(297,700)			
June 30, 2020	2,143,609,950	83,033,078 **	2,133,736,132	753,779,508	211,395,338	914,061,396	1,219,674,736	
		43,489,295 ***			28,578,912 ***			
		(21,857,901) ****			(5,350,814) ****			
		(114,538,290)			(74,341,548)			

* Includes asset under common ownership under Diminishing Musharaka arrangement.

** Additions of Rs. 39,042,979 (2020: Rs. 83,033,078), as shown above, include an amount of Rs. Nil (2020: Rs. 59,434,093) transferred from capital work in progress during the period.

*** Includes transfers from right of use assets to owned assets. (Refer note 4.5)

**** Reclassified to non-current assets held for sale (Refer note 16)

4.2 Particular of Immovable Asset in the name of the Company are as follows:

Location	Addresses	Total Area
Karachi	Plot No. 10/11 hassan ali street, off I.I. Chundrigar road.	2,070 sq yards
Islamabad	Plot No.2A, I&T centre sector G-6/1.	30,610 sq.ft
Islamabad	6-7 km, kashmir highway, adjacent to Sector H-17	303 sq yards

4.3 Depreciation for the period on operating fixed assets has been allocated as follows:

	Note	2021 Rupees	2020 Rupees
Cost of production	25	148,330,676	168,740,193
Distribution costs	26	870,964	1,141,360
Administrative expenses	27	36,313,880	41,513,785
		185,515,520	211,395,338

4.4 The details of operating fixed assets disposed / written off, during the period are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Modes of Disposals	Particulars of Buyer
Office equipment							
	2,508,480	1,411,020	1,097,460	1,371,550	274,090	Negotiation	Akbar Engineering
Vehicles							
	6,189,718	4,332,369	1,857,349	2,196,604	339,255	As per Company Policy	Mr. Badar Ikram, an employee.
	6,219,893	4,353,490	1,866,403	2,210,616	344,213	As per Company Policy	Mr. Muhammad Abbas Hussain, Chief Financial Officer
	2,500,200	1,652,745	847,455	974,595	127,140	As per Company Policy	Mr. Nasir Jamal, an employee
	5,777,091	4,043,964	1,733,127	1,944,513	211,386	As per Company Policy	Mr. Duraid Qureshi, Chief Executive
	2,713,640	1,899,548	814,092	992,900	178,808	As per Company Policy	Mr. Khalid Soorty, an employee
	1,629,889	1,045,741	584,148	918,381	334,233	As per Company Policy	Mr. Kamran Shamshad Ahmed, an employee
	2,999,794	1,633,058	1,366,736	1,852,386	485,650	As per Company Policy	Mr. Amir Zia, an employee
Items having book value of less than Rs. 500,000	1,153,474	493,381	660,093	1,197,000	536,907	Insurance claim	Adamjee Insurance
	5,211,535	4,313,187	898,348	2,822,961	1,924,613	Negotiation	Various
2021	36,903,714	25,178,503	11,725,211	16,481,506	4,756,295		
2020	114,538,290	74,341,548	40,196,742	45,841,494	5,644,752		

	Note	2021 ----- Rupees -----	2020 -----
4.5 Right of use assets			
Year ended June 30			
Opening net book value		129,754,816	205,224,716
Additions in lease liabilities		9,951,424	4,701,600
Change due to modification during the year		35,193	(31,925,299)
Transfer to operating fixed assets- book value		(5,890,547)	(14,910,383)
Less: Depreciation charge for the year	4.5.3	(24,822,265)	(33,335,818)
Closing net book value		<u>109,028,621</u>	<u>129,754,816</u>
As at June 30			
Cost		169,937,566	165,841,496
Accumulated depreciation		(60,908,945)	(36,086,680)
Net book value		<u>109,028,621</u>	<u>129,754,816</u>

4.5.1 Breakup of net book value of right-of-use assets by class of underlying asset is as follows:

	2021 ----- (Rupees) -----	2020 -----
Land and building	89,984,187	108,023,399
Vehicles	20,476,037	21,731,417
	<u>110,460,224</u>	<u>129,754,816</u>

4.5.2 The right-of-use assets are depreciated on straight line basis over the lease term.

4.5.3 Depreciation for the period on right of use assets has been allocated as follows:

	Note	2021 ----- Rupees -----	2020 -----
Cost of production	25	13,400,475	20,321,304
Distribution costs	26	2,639,022	2,120,139
Administrative expenses	27	8,782,768	10,894,375
		<u>24,822,265</u>	<u>33,335,818</u>

Breakup of depreciation of right-of-use assets by class of underlying asset is as follows:

	2021 ----- Rupees -----	2020 -----
Land and building	18,074,403	19,037,661
Vehicles	6,747,862	14,298,157
	<u>24,822,265</u>	<u>33,335,818</u>

4.6 Capital work-in-progress

Leasehold Land

	2021	2020
	----- Rupees -----	
	<u>87,420,469</u>	<u>15,933,877</u>

4.6.1 Movement in capital work-in-progress during the period:

Balance at beginning of the year	15,933,877	59,031,934
Additions during the period	71,486,592	16,336,036
Transfers during the period	-	(59,434,093)
Balance at end of the period	<u>87,420,469</u>	<u>15,933,877</u>

5 INTANGIBLE ASSETS

	Cost			Accumulated amortization			Book value	Amortisation
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	For the period	As at June 30, 2021	as at June 30, 2021	rate % per annum
Computer softwares	58,335,718	130,400	58,466,118	37,492,085	7,708,595	45,200,680	13,265,438	20 – 33
License fee	10,500,000	-	10,500,000	9,385,424	366,850	9,752,274	747,726	6.67
Trade mark	33,721,500	162,000	33,883,500	23,572,222	4,316,900	27,889,122	5,994,378	20
June 30, 2021	102,557,218	292,400	102,849,618	70,449,731	12,392,345	82,842,076	20,007,542	

	Cost			Accumulated amortization			Book value	Amortisation
	As at July 01, 2019	Additions	As at June 30, 2020	As at July 01, 2019	For the year	As at June 30, 2020	as at June 30, 2020	rate % per annum
Computer softwares	58,335,718	-	58,335,718	29,077,132	8,414,953	37,492,085	20,843,633	20 – 33
License fee	10,500,000	-	10,500,000	8,909,880	475,544	9,385,424	1,114,576	6.67
Trade mark	32,713,500	1,008,000	33,721,500	18,019,055	5,553,167	23,572,222	10,149,278	20
June 30, 2020	101,549,218	1,008,000	102,557,218	56,006,067	14,443,664	70,449,731	32,107,487	

5.1 Amortisation for the period has been allocated as follows:

	Note	2021	2020
		----- Rupees -----	
Cost of production	25	9,598,124	10,649,802
Administrative expenses	27	2,794,221	3,793,862
		<u>12,392,345</u>	<u>14,443,664</u>

6 LONG TERM INVESTMENTS – unquoted subsidiaries

	Country of incorporation	Holding / Note	2021 ----- Rupees -----	2020 ----- Rupees -----
HUM TV, Inc	United States of America	100%		
10,000 Common stock at \$ 0.01 (\$ 100)			8,603	8,603
Advance for future issue of shares (\$ 200,000)			18,716,750	18,716,750
			18,725,353	18,725,353
HUM Network UK Ltd	United Kingdom	100%		
553,677 Ordinary Share of 1 GBP (GBP 553,677)			95,923,751	95,923,751
Sky Line Publication (Private) Limited	Pakistan	100%		
3,999,997 Ordinary Shares of Rs. 10 each			39,999,970	39,999,970
Provision for impairment		6.1	(39,999,970)	(39,999,970)
			-	-
HUM Network FZ LLC	United Arab Emirates	100%		
2,400 Ordinary Shares of AED 1000 each (AED 2,400,000)			69,802,371	69,802,371
Advance for future issue of shares (AED 175,431)			4,446,966	4,446,966
			74,249,337	74,249,337
HUMM Co. (Private) Limited	Pakistan	100%		
4 ordinary shares of Rs. 10 each			40	40
HUM Mart (Private) Limited	Pakistan	70%		
14,000,000 ordinary shares of Rs. 10 each			140,000,000	140,000,000
Provision for impairment		6.2	(140,000,000)	-
			-	140,000,000
			188,898,481	328,898,481

- 6.1 The Company owns 100% shareholding of Sky Line Publication (Private) Limited (Skyline) as at 30 June 2021 100% (2020: 100%). The principle business of the subsidiary is publishing a monthly English magazine and production and sales of documentary films. The subsidiary company has earned a profit after tax amounting to Rs. 1,090,782 (2020: incurred loss of Rs. 12,085,550) and accumulated loss amounting to Rs. 87,436,109 (2020: Rs. 88,526,891). As at year end the Company is carrying its investment in Skyline as a subsidiary company at cost less impairment losses, if any.

Skyline is not generating sufficient cashflows and profits and there is no recoverability of investment foreseen in future period by the Company therefore, the management has decided to impair the full cost of investment.

- 6.2 The Company carried out a review of the recoverable amount of the investment in subsidiaries. The Company estimated the recoverable amount by using value-in-use method and market approach and based on that amount concluded that the recoverable amount is higher than the carrying amount. The key assumptions in the value-in-use calculations are the terminal growth rate and the risk-adjusted pre-tax discount rate.

- 6.3 As at the year end date, HUM Mart is not generating sufficient cash flows and profits. The Management is changing the existing business model of the Company to make it profitable. Due to the existing losses and in accordance with the requirements under applicable financial reporting framework, the management has recorded the impairment loss against investment in these unconsolidated financial statements. Management will reconsider the recoverability of investment at each reporting date and provisioning for impairment will be re-assessed accordingly.

7 LONG TERM DEPOSITS AND PREPAYMENTS

Security deposits

- Lease	-	1,322,057
- Rent	6,761,458	6,921,458
- Trade	15,975,435	15,400,141
- Others	4,173,504	4,273,504
	26,910,397	27,917,160

Prepayments

- Software development fee	4,210,158	-
	31,120,555	27,917,160

	Note	2021	2020
		----- Rupees -----	-----
8 TELEVISION PROGRAM COSTS			
Unreleased / released less amortisation		430,167,561	427,380,500
In production		22,282,250	38,743,250
		<u>452,449,811</u>	<u>466,123,750</u>
Less: Current portion		<u>(100,385,799)</u>	<u>(105,385,799)</u>
		<u>352,064,012</u>	<u>360,737,951</u>
9 DEFERRED TAX ASSET			
Taxable temporary differences arising in respect of:			
Unrealised loss on short term investments - net		(14,003,897)	-
Deductible temporary differences arising in respect of:			
Unused tax credits on subscription income		-	89,558,636
Provisions		98,532,348	46,431,207
Unrealised loss on short term investments - net		-	1,388,007
Long term lease liabilities - net		3,512,963	830,469
Accelerated tax depreciation and amortisation		33,390,632	6,677,184
		<u>135,435,943</u>	<u>144,885,503</u>
		<u>121,432,046</u>	<u>144,885,503</u>
10 TRADE DEBTS – unsecured			
Considered good	10.4 & 10.5	2,017,639,207	1,763,780,589
Less: Allowance for ECL	10.1	<u>(60,853,832)</u>	<u>(47,026,912)</u>
		<u>1,956,785,375</u>	<u>1,716,753,677</u>
10.1 Allowance for ECL			
Balance at the beginning of the year		47,026,912	47,026,912
Provision recognised during the year		13,826,920	-
Balance at the end of the year		<u>60,853,832</u>	<u>47,026,912</u>
10.2 Particulars of receivable from foreign jurisdictions:			
United Arab Emirates		75,895,667	94,599,792
United Kingdom		87,464,218	100,932,674
United States of America		133,164,533	97,452,537
		<u>296,524,418</u>	<u>292,985,003</u>
These receivables are on contract basis and there are no defaulting parties as of June 30, 2021 and June 30, 2020.			
	Note	2021	2020
		----- Rupees -----	-----
10.3 Include amount receivable from the following related parties:			
HUM TV Inc.		73,597,309	73,370,300
HUM Network UK Limited		87,464,218	100,932,674
		<u>161,061,527</u>	<u>174,302,974</u>
10.4 The aging of trade debts from other than related parties is as follows:			
Neither past due nor impaired		1,422,280,594	900,247,483
Past due but not impaired			
- 01 to 30 days		208,088,877	351,056,402
- 31 to 60 days		164,747,058	279,454,564
- Over 60 days		61,461,151	53,719,166
		<u>1,856,577,680</u>	<u>1,584,477,615</u>
10.5 The aging of trade debts from related parties is as follows:			
Neither past due nor impaired		-	-
Past due but not impaired			
- 01 to 30 days		-	-
- 31 to 60 days		-	-
- Over 60 days		161,061,527	174,302,974
	10.6	<u>161,061,527</u>	<u>174,302,974</u>

- 10.6** The maximum amount outstanding from related parties at any time during the period calculated by reference to month end balances are as follows:

	Note	2021 ----- Rupees -----	2020 -----
HUM TV Inc.		73,597,309	243,651,336
HUM Network UK Limited		100,932,674	100,932,674
		<u>174,529,983</u>	<u>344,584,010</u>

11 SHORT TERM INVESTMENTS

At fair value through profit or loss

Term Finance Certificates (TFCs)

Bank of Punjab			
2,033 TFCs having face value of Rs.99,860 each		-	198,901,230

U Microfinance Bank Limited			
8,400 TFCs having face value of Rs.4,992 each			
(2020: 8,400 TFCs having face value of Rs.4,994 each)	11.1	42,302,020	42,603,862

Mutual Funds

Askari High Yield Scheme			
21,865 units having net asset value (NAV) of Rs.103.1229 per unit		2,254,809	-

AKD Opportunity Fund			
2,199,809 units having NAV of Rs. 136.7162 per unit		300,749,572	-

AKD Golden Arrow Stock Fund			
9,449,241 units having NAV of Rs. 16.6266 per unit		157,108,756	-
		<u>502,415,157</u>	<u>241,505,092</u>

- 11.1** These carry interest ranging from 10.60% to 10.94% (2020: 8.68% to 16.98%).

12 ADVANCES - unsecured, considered good

Interest free advances to:			
- Producers		94,929,111	52,272,091
- Suppliers		24,715,168	27,970,135
- Employees		8,704,959	9,738,189
- Executives		657,539	657,539
		<u>129,006,777</u>	<u>90,637,954</u>

13 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Deposits

- Rent		514,500	664,500
--------	--	---------	---------

Prepayments

- Insurance		17,088,354	15,972,890
- Rent		160,800	268,498
- Other		3,338,359	2,213,853
		<u>20,587,513</u>	<u>18,455,241</u>
		<u>21,102,013</u>	<u>19,119,741</u>

	Note	2021 ----- Rupees -----	2020 -----
14 OTHER RECEIVABLES – considered good			
Sales tax receivable	14.1	110,954,312	101,406,385
Due from related parties	14.2	90,715,980	85,471,159
Income/mark-up accrued		-	69,589
Other		551,439	551,439
		202,221,731	187,498,572
Provision for impairment	14.5	(57,605,219)	(57,605,219)
		144,616,512	129,893,353

14.1 As per rule 3(5) of Sindh Sales Tax Special Procedure (withholding) Rule 2014, registered persons as recipient of advertisement services shall withheld whole of sales tax applicable on the person providing advertisement services. Accordingly, the company is unable to adjust its input tax deducted on purchases of taxable goods and services as 100% of the output tax on the Company's taxable services are being withheld by the recipient of these services. However, Company is in correspondence with the relevant authorities through its legal advisor to resolve the matter.

	2021	2020
	----- Rupees -----	
14.2		
Due from related parties		
HUM TV, Inc.	30,052,260	26,951,421
HUM Mart (Private) Limited	1,317,185	914,519
Sky Line Publications (Private) Limited	59,346,535	57,605,219
	<u>90,715,980</u>	<u>85,471,159</u>
14.3		
The aging of receivables from related parties is as follows:		
Neither past due nor impaired	1,248,468	1,433,365
Past due but not impaired		
- 60 to 90 days	1,547,421	574,813
- over 90 days	87,920,091	83,462,981
	<u>90,715,980</u>	<u>85,471,159</u>

14.4 The maximum amount outstanding from related parties at any time during the period calculated by reference to month end balances are as follows:

	Note	2021 ----- Rupees -----	2020 -----
HUM TV, Inc.		30,052,260	26,951,421
HUM Mart (Private) Limited		1,317,185	914,519
Skyline Publications (Private) Limited		59,346,535	57,605,219
		<u>90,715,980</u>	<u>85,471,159</u>
14.5 Provision for impairment			
Balance at the beginning of the year		(57,605,219)	-
Provision made during the year		-	(57,605,219)
Balance at the end of the year		<u>(57,605,219)</u>	<u>(57,605,219)</u>

15 CASH AND BANK BALANCES

Cash in hand			364,499	476,780
Cash at banks				
- in current accounts			64,944,325	19,998,153
- in deposit accounts	15.1		290,518,761	121,154,550
			355,463,086	141,152,703
			355,827,585	141,629,483

15.1 These carry profit at the rates ranging from 5.5% to 6% per annum (2020: 6.5% to 11.25%) per annum.

16 NON-CURRENT ASSET HELD FOR SALE

On 16 July 2020, the management of the Company disposed off land located in Karachi at consideration of Rs. 493,340,000 having fair value of Rs. 472,958,100 based on the independent valuation carried out on 30 June 2020 and net book value of 16,507,087.

17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021 (Number of shares)	2020		2021 ----- Rupees -----	2020 -----
		Ordinary shares of Re. 1/- each		
500,000,000	500,000,000	Fully paid in cash	500,000,000	500,000,000
445,000,000	445,000,000	Issued as fully paid bonus shares	445,000,000	445,000,000
<u>945,000,000</u>	<u>945,000,000</u>		<u>945,000,000</u>	<u>945,000,000</u>

17.1 As at June 30, 2021, institutions and others held 665,950,489 and 279,049,511 shares, respectively (June 30, 2020: 604,969,034 and 340,030,966 shares). Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

	Note	2021 ----- Rupees -----	2020 -----
18 LONG TERM LEASE LIABILITIES			
Opening balance		133,275,010	185,475,941
Additions during the period		7,874,151	4,701,600
Change due to modification during the year		35,193	(31,925,299)
Mark up on lease liabilities	30	15,301,368	22,515,209
Less: Lease rentals paid		(34,869,470)	(47,492,441)
Closing balance	18.1	<u>121,616,252</u>	<u>133,275,010</u>
Current portion of long-term lease liabilities		<u>29,564,860</u>	<u>29,573,737</u>
Long-term lease liabilities		<u>92,051,392</u>	<u>103,701,273</u>

18.1 Includes lease finance facility entered into by the Company with commercial banks for vehicles amounting to Rs 91,750,000 (2020: Rs. 115,000,000) out of which Rs. 66,358,190 (2020: Rs. 101,173,870) remains unutilized at period end. Lease rentals are payable in monthly installments latest by September 2022.

	Note	2021 ----- Rupees -----	2020 -----
19 LONG TERM FINANCING - secured			
Islamic banks			
Diminshing Musharaka - I	19.1	269,420,550	409,771,846
Diminshing Musharaka - II	19.2	187,048,496	312,195,127
		<u>456,469,046</u>	<u>721,966,973</u>
Less: current maturity		<u>(257,640,427)</u>	<u>(169,835,542)</u>
		<u>198,828,619</u>	<u>552,131,431</u>
Conventional bank			
Term Finance Loan		-	312,183,996
Salary Refinance Loan	19.3	144,531,403	-
		<u>144,531,403</u>	<u>312,183,996</u>
Less: current maturity		<u>(94,838,573)</u>	<u>(26,476,058)</u>
		<u>49,692,830</u>	<u>285,707,938</u>
		<u>248,521,449</u>	<u>837,839,369</u>

- 19.1** Represent Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% (June 2020: 6 months KIBOR plus 1%) per annum. The financing is repayable by 24 June 2023 in 48 equal monthly instalments commencing after a grace period of 12 months from the date of first disbursement i.e. from June 2018. The loan is secured by way of registered mortgage over the building on leasehold land.
- 19.2** Represent Diminishing Musharaka carrying profit at the rate of 6 months KIBOR plus 1% (June 2020: 6 months KIBOR plus 1%) per annum. The financing is repayable in 48 equal monthly instalments commencing after a grace period of 18 months from the date of first disbursement i.e. December 2017. In 2020, the Company has availed the principal deferment facility for LTFF offered by the SBP through BPRD circular no. 13 of 2020 to dampen adverse effects of the COVID-19 and to provide relief to the businesses. Hence, the financing is repayable by December 2023. Financing is secured by way of Equitable Mortgage over registered office, first pari passu constructive mortgage charge over land and first hypothecation charge over plant, machinery & equipment.
- 19.3** Represents long term-financing from an islamic bank obtained during the period of Rs. 200 million under the refinance scheme for payment of wages and salaries by State Bank of Pakistan (SBP). The loan carry markup rate at the rate of SBP rate + 3% however, the loan have been recognised at the present value. The loan is repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential markup has been recognised as government grant which will be amortised to interest income over the period of loan. The facility is secured by way of registered equitable mortgage over land and property with 30% margin.

20	Deferred Income - Government grant	Note	2021	2020
			----- Rupees -----	-----
	Opening balance		-	-
	Received during the year		13,459,991	-
	Released to the statement of profit or loss	28	(8,403,726)	-
	Closing balance	20.1	<u>5,056,265</u>	<u>-</u>
	Current portion		<u>(4,495,607)</u>	<u>-</u>
	Non-current portion		<u>560,658</u>	<u>-</u>

- 20.1** Government grant has been recorded pursuant to a salary refinance scheme introduced by the State Bank of Pakistan (IH&SMEFD Circular Nos. 07 & 14) to provide loan to businesses at concessional rates to finance salary expense during the COVID-19 outbreak. The grant has been provided to the Company as a reimbursement of average wages and salaries' bill for the months of April, May and June 2020 subject to Company's undertaking that no employees have been laid off, due/owing to cash flow limitations, for a period of three months between April 01, 2020 to June 30, 2020.

21	TRADE AND OTHER PAYABLES	Note	2021	2020
			----- Rupees -----	-----
	Creditors	21.1	217,409,409	309,271,132
	Accrued liabilities		294,418,693	77,654,739
	Due to related party - HUM Network FZ LLC		36,225,396	46,791,822
	Withholding tax payable		15,161,701	42,230,593
	Payable to provident fund	21.2	1,563,648	1,273,701
	Others		17,165,530	15,650,426
			<u>581,944,377</u>	<u>492,872,413</u>

- 21.1** Include amount payable to the following related parties:

M.D Production (Private) Limited	1,669,008	95,940,684
Digital Entertainment World (Private) Limited	-	45,002,945
	<u>1,669,008</u>	<u>140,943,629</u>

- 21.2** Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

		Note	2021 ----- Rupees -----	2020 -----
22	SHORT TERM BORROWINGS – secured			
	Short-term running finance– conventional banks	22.1	<u>-</u>	<u>189,067,264</u>
22.1	The Company has short-term running finance facilities from various conventional banks amounting to Rs. 425,000,000 (June 2020: Rs. 425,000,000) which remained unutilised at year end (June 2020: Rs. 235,932,736). These facilities carrying markup ranging from 1 month to 3 month KIBOR + 0.75% to 1%. (June 2020: 1 month to 3 month KIBOR + 0.75% to 1%). These facilities are secured by way of pari passu charge and first hypothecation charge on all current assets of the Company.			
22.2	The Company has local bill discounting facilities amounting to Rs. 175,000,000 (June 2020: Rs. 175,000,000) which remain unutilized at the year end. These facilities carrying mark-up rates ranging from 3 months KIBOR + 0.9% to 1% (June 2020: 3 months KIBOR + 0.9% to 1%). These facilities secured by way of pari passu charge and first hypothecation charge on all current assets of the Company.			
22.3	The Company has facility against letters of credit aggregating to Rs. 50,000,000 (June 2020: Rs. 50,000,000) which remain unutilized at the year end. These facilities secured by way of lien over import documents.			
23	CONTINGENCIES AND COMMITMENTS			
23.1	Contingencies			
	For the tax year 2013, the Additional Commissioner Inland Revenue (ACIR) passed an order under section 122(1) of the Income Tax Ordinance, 2001 wherein certain disallowances / addbacks were made to the taxable income of the Company. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) against the aforesaid order who decided the case against the Company. The Company challenged the aforesaid order of the CIR (A) before the Appellate Tribunal Inland Revenue (ATIR). Pursuant to the above appeal, the ATIR has now passed an appellate order whereby the order passed by the ACIR has been remanded back on the ground that proper opportunity of being heard was not provided to the company. No notice has yet been issued for fresh proceedings.			
	The tax authorities passed an order under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax year 2014 whereby a tax demand of Rs. 168,166,692 was created. The Company has filed appeal before the Commissioner Inland Revenue (Appeals) (CIR (A)) in respect of the aforesaid order, which is pending adjudication.			
	Furthermore, the Company has obtained stay from recovery of tax in respect of the above tax demand from the Sindh High Court (the Court), till the decision of appeal. The management, based on the legal and tax advice, is confident that the ultimate outcome will be in favor of the Company and accordingly, no provision has been made in this respect in these financial statements.			
23.1.1	For tax related matters, refer note 31 to these unconsolidated financial statements.			
23.2	Commitments			
23.2.1	Purchase of television programs commitments with M.D Production (Private) Limited - a related party as at June 30, 2021 amounted to Rs. 175,514,000 (June 30 2020: Rs. 155,579,500). Commitment for purchase of television programs with other than related parties as at June 30, 2021 amounted to Rs. 71,736,000 (June 30, 2020: Rs. 84,222,500).			

		Note	2021 ----- Rupees -----	2020 -----
24	REVENUE – net			
	Advertisement revenue		3,508,022,187	3,086,247,606
	Production revenue		67,299,884	51,495,210
	Digital revenue		47,036,575	42,880,157
	Subscription income		704,967,420	483,802,784
	Film distribution revenue		-	15,042,331
		24.1 / 24.2	<u>4,327,326,066</u>	<u>3,679,468,088</u>
24.1	Revenue is net off the following items:			
	Sales tax		502,997,087	440,971,672
	Discount to customers		330,388,488	248,715,703
			<u>833,385,575</u>	<u>689,687,375</u>
24.2	Represents revenue from the following geographical regions:			
	Asia		3,828,961,128	3,402,041,047
	America		498,364,938	277,427,041
			<u>4,327,326,066</u>	<u>3,679,468,088</u>
25	COST OF PRODUCTION			
	Cost of outsourced programs		1,449,206,697	1,480,732,577
	Cost of in-house programs		128,361,607	238,684,117
	Cost of inventory consumed		2,721,280	343,582
	Salaries and benefits	25.1	601,660,804	676,880,163
	Depreciation	4.3 & 4.5.3	161,731,151	189,061,497
	Traveling and conveyance		35,312,405	39,778,606
	Utilities		20,732,088	16,375,383
	Rent, rates and taxes		535,389	1,839,183
	Insurance		25,091,917	22,813,782
	Repair and maintenance		39,595,665	20,734,444
	Fee and subscription		103,226,704	59,054,645
	Communication		15,982,786	17,554,272
	Security charges		382,000	612,213
	Amortisation	5.1	9,598,124	10,649,802
	Consultancy		5,466,961	4,956,391
	Printing and stationery		1,064,049	1,581,224
			<u>2,600,669,627</u>	<u>2,781,651,881</u>
	In production television programs – opening		38,743,250	54,213,916
	In production television programs - closing		(22,282,250)	(38,743,250)
			<u>2,617,130,627</u>	<u>2,797,122,547</u>
	Released / unreleased programs - opening		427,380,500	386,400,500
	Released / unreleased programs - closing		(430,167,561)	(427,380,500)
			<u>2,614,343,566</u>	<u>2,756,142,547</u>
25.1	Include Rs. 23,635,656 (2020: Rs. 26,580,044) in respect of staff retirement benefits.			

26 DISTRIBUTION COSTS

	Note	2021 ----- Rupees -----	2020 -----
Advertisement and promotion		91,004,045	135,202,148
Salaries and benefits	26.1	120,538,937	122,174,629
Traveling and conveyance		10,485,718	9,815,760
Rent, rates and taxes		90,983	8,808
Utilities		1,751,418	867,803
Depreciation	4.3 & 4.5.3	3,509,986	3,261,499
Communication		1,267,513	1,391,337
Insurance		2,524,783	2,716,465
Repair and maintenance		1,926,678	2,186,613
Fees and subscription		2,119,504	1,984,746
Printing and stationery		190,979	231,967
		235,410,544	279,841,775

26.1 Include Rs. 5,162,605 (2020: Rs. 4,987,023) in respect of staff retirement benefits.

27 ADMINISTRATIVE EXPENSES

Salaries and benefits	27.1	401,738,686	214,452,376
Technical advisory fee	27.2	41,400,000	41,400,000
Depreciation	4.3 & 4.5.3	45,096,648	52,408,160
Amortisation	5.1	2,794,221	3,793,862
Repair and maintenance		39,774,884	27,738,789
Communication		5,227,144	4,371,987
Traveling and conveyance		18,579,225	52,926,755
Fee and subscription		19,281,925	7,880,334
Utilities		25,875,191	24,561,629
Legal and professional charges		29,295,203	10,413,032
Printing, stationery and periodicals		5,618,270	4,564,302
Rent, rates and taxes		9,492,188	9,366,763
Insurance		5,173,203	4,628,769
Auditors' remuneration	27.3	5,518,954	4,870,158
Security charges		8,139,457	10,272,261
Donation	27.4	200,000	1,480,649
		663,205,199	475,129,826

27.1 Include Rs. 4,903,800 (2020: Rs. 4,956,932) in respect of staff retirement benefits.

27.2 Represents fee paid to a Director for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors of the Company.

27.3 Auditors' remuneration

	2021 ----- Rupees -----	2020 -----
Audit fee	1,500,000	935,000
Fee for consolidated financial statements	550,000	550,000
Fee for half yearly review	450,000	325,000
Tax and other assurance services	2,518,954	2,276,560
Out of pocket expenses	500,000	783,598
	5,518,954	4,870,158

27.4 Interest of the Directors or their spouses in the donations made during the year is as follows:

Name of donee and address	Names of interested directors and nature of interest	2021 ----- Rupees -----	2020 -----
Momina and Duraid Foundation (Plot No. 10/11 hassan ali street, off I.I. Chundrigar road, Karachi.	Mr. Duraid Qureshi - Trustee Ms. Sultana Siddiqui - Trustee	-	1,480,649

28 OTHER INCOME**Income from financial assets**

Profit on bank accounts	16,634,989	13,005,882
Exchange (loss) / gain	(863,932)	15,243,773
Dividend income	177,973	150,000
Interest / markup income	7,242,865	63,157,955
Government grant	8,403,726	-
Unrealised gain / (loss) on revaluation of investments	110,580,114	(4,188,063)
(Loss) / gain on redemption / sale of investments	(12,426,115)	1,508,558
	129,749,620	88,878,105

Income from non financial assets

Gain on disposal of operating fixed assets	4,756,296	5,644,752
Sale of content and festival revenue	26,066,181	79,128,300
	30,822,477	84,773,052
	160,572,097	173,651,157

			2021	2020
	Note		Rupees	
29 OTHER EXPENSES				
Allowance for ECL	10.1		13,826,920	57,605,219
Provision for impairment of investment in subsidiary	6		140,000,000	39,999,970
			153,826,920	97,605,189
30 FINANCE COSTS				
Mark-up on long term financing			63,287,927	164,409,120
Mark-up on short term borrowings			20,906,003	53,548,307
Finance lease charges			15,301,368	22,515,209
Bank charges			869,869	978,235
			100,365,167	241,450,871
31 TAXATION				
Current			69,293,350	60,681,537
Deferred			23,453,457	(89,973,496)
Prior			-	6,410,385
	31.1		92,746,807	(22,881,574)

31.1 The Company has filed its return of income up to tax year 2020. The return so filed is deemed to be an assessment order issued by the Taxation Authorities on the date the complete return is filed. The Company is mainly subject to Minimum Tax Regime under Section 153((1) (b)) of the Income Tax Ordinance, 2001, therefore, relationship between income tax expense and accounting profit has not been presented.

31.2 The Company filed a Constitutional Petition (CP) before the Court on September 27, 2018 challenging the tax under section 5A of the Income Tax Ordinance, 2001. The Court accepted the CP and granted a stay against the above section. In case the Court's decision is not in favor of the Company, the Company will either be required to declare the dividend to the extent of 40% of after tax profits or it will be liable to pay additional tax at the rate of 7.5% of the accounting profit before tax of the Company for the financial year ended June 30, 2018.

The Sindh High Court (the Court), through its order dated 30 April 2021, declared the insertion of section 5A of the Ordinance as ultra vires to the Constitution of Islamic Republic of Pakistan, 1973 and therefore struck down the provisions of the aforesaid section. Accordingly, in light of the above judgement of the Court, the provisions of section 5A of the Ordinance are no longer applicable on the Company, until such matter is decided otherwise by the Honorable Supreme Court.

31.3 During the year 2017, Deputy Commissioner Inland Revenue issued a show cause notice to the Company, for the tax year 2014, showing his intention to disallow the deduction claimed on account of agency commission on alleged non-deduction of tax on such agency commission. The Company filed a suit before the Hon'ble High Court of Sindh challenging the above showcause notice.

Based on a recent judgement of the Hon'ble Supreme Court of Pakistan, suits filed by taxpayers are not to be maintained unless 50% of the tax due is deposited by the petitioners. In compliance to the above order, the Company has deposited an amount of 24,395,012 into the Government treasury. The decision in respect of the Suit filed by the Company is still pending.

		2021	2020
		Rupees	
32 EARNINGS / (LOSS) PER SHARE – basic and diluted			
Profit / (loss) for the year		1,014,396,685	(113,238,491)
Weighted average number of ordinary shares outstanding during the period		945,000,000	945,000,000
Earnings / (loss) per share (Rupee)		1.07	(0.12)

33 CASH GENERATED FROM OPERATIONS

	2021 ----- Rupees -----	2020 -----
Profit / (loss) before taxation	1,107,143,492	(136,120,065)
Adjustments for :		
Depreciation	210,337,785	244,731,156
Amortisation	12,392,345	14,443,664
Finance costs	100,365,167	241,450,871
Provision for employee retirement benefit	-	5,839,751
Unrealized exchange loss / (gain)	863,932	(15,243,773)
Profit on deposit accounts	(16,634,989)	(13,005,882)
Gain on disposal of operating fixed assets	(4,756,296)	(5,644,752)
Gain on disposal of non-current asset held for sale	(476,832,913)	-
Loss / (profit) on redemption / sale of investments	12,426,115	(1,508,558)
Dividend income	(177,973)	(150,000)
Provision for impairment	153,826,920	97,605,189
Unrealised (gain) / loss on revaluation of investments	(110,580,114)	4,188,063
	(118,770,021)	572,705,729
(Increase) / decrease in current assets		
Inventories	323,244	2,548,010
Current portion of television program costs	5,000,000	108,000,000
Trade debts	(254,722,550)	75,193,063
Advances	(38,368,823)	25,780,652
Trade deposits and short term prepayments	(1,982,272)	(5,621,947)
Other receivables	(14,723,159)	(21,551,798)
	(304,473,560)	184,347,980
(Increase) / decrease in current liabilities		
Trade and other payables	89,071,964	(347,000,730)
Advance from customers	14,964,078	6,496,616
	<u>787,935,953</u>	<u>280,429,530</u>

34 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2021				2020			
	Chief Executive	Executive Director	Directors	Executives	Chief Executive	Executive Director	Directors	Executives
Managerial remuneration	31,161,290	-	-	167,728,676	31,161,290	-	-	174,042,409
Fee			2,300,000				2,675,000	
Bonus	87,753,993	87,753,993	-	-	-	-	-	-
Retirement benefits	-	-	-	12,051,188	-	-	-	12,642,819
House rent	14,022,581	-	-	62,308,947	14,022,581	-	-	68,533,943
Utilities	3,116,129	-	-	13,846,433	3,116,129	-	-	15,229,765
Car allowance	20,128,072	23,500,000	-	-	-	41,400,000	-	-
Technical advisory fee	-	41,400,000	-	-	-	834,389	499,832	9,921,361
Fuel and conveyance	1,349,577	815,040	549,085	8,795,309	1,363,515	834,389	499,832	9,921,361
	<u>157,531,642</u>	<u>153,469,033</u>	<u>2,849,085</u>	<u>264,730,553</u>	<u>49,663,515</u>	<u>42,234,389</u>	<u>3,174,832</u>	<u>280,370,297</u>
Number	<u>1</u>	<u>1</u>	<u>5</u>	<u>45</u>	<u>1</u>	<u>1</u>	<u>5</u>	<u>50</u>

34.1 The Chief Executive and certain Executives are also provided with free use of Company maintained cars in accordance with the Company's policy and reimbursement of expenses related to business travel.

34.2 The aggregate amount charged in the financial statements for meeting fee to non-executive directors amounted to Rs. 300,000 (2020: Rs. 675,000)

35 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise subsidiaries, associated companies, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these financial statements are as follows:

Relationship	Nature of transactions	2021 ----- Rupees -----	2020 ----- Rupees -----
Subsidiaries	Expenses paid on behalf of the Company	23,426,727	26,402,224
	Expenses paid on behalf of the subsidiary	5,478,982	7,127,514
	Payment received on behalf of subsidiary	45,212,355	27,923,250
	Payment received on behalf of the Company	15,045,173	2,245,612
	Management fee	4,782,000	4,810,500
	Payment made during the year	3,618,408	146,709,346
	Professional or promotional services acquired	3,335,000	54,527,947
	Subscription income	47,474,620	46,985,174
	Purchases of goods	3,618,408	6,709,346
Associated Companies	Purchases of television programs rights	1,263,466,397	1,142,964,102
	Expenses paid on behalf of the associate	22,443,060	18,238,705
	Payment made during the period	1,321,362,543	1,337,379,266
Others	Contribution to the provident fund	33,702,061	36,523,999

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Company. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these unconsolidated financial statements.

35.1 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

S.No.	Company Name	Basis of association	Aggregate % of shareholding
1	Skvline Publications (Private) Limited	Subsidiary	100%
2	HUM TV Inc.	Subsidiary	100%
3	HUM Network FZ LLC	Subsidiary	100%
4	HUM Network UK Limited	Subsidiary	100%
5	HUM Mart (Private) Limited	Subsidiary	70%
6	M.D Productions (Private) Limited	Associated company (36.1.1)	-
7	Momina & Duraid Films (Private) Limited	Associated company (36.1.1)	-
8	Momina and Duraid Foundation	Associated company (36.1.1)	-
9	HUM Network Limited- Employees' Provident Fund	Retirement Fund	-
10	Ms. Sultana Siddiqui	Director	0.02%
11	Mr. Mazhar ul Haq Siddiqui	Director	-
12	Mr. Duraid Qureshi	Director	24.30%
13	Mr. Shunaid Qureshi	Director	5.38%
14	Mrs. Mahtab Akbar Rashdi	Director	-
15	Lt Gen (R) Asif Yasin Malik	Director	-
16	Mr. Muhammad Ayub Younus Adhi	Director	-
17	Mr. Sohail Ansar	Director	-
18	Ms. Nabigha Nassser Masood	Director	-
19	Mr. Muhammad Abbas Hussain	Key management Personnel	-
20	Mr. Mohsin Naeem	Key management Personnel	-

35.1.1 These entities are associated companies / undertakings of the Company under Companies Act, 2017.

35.2 Subsidiaries incorporated outside Pakistan:

Name	Country of Incorporation
HUM TV, Inc.	United States of America
HUM Network FZ LLC	United Arab Emirates
HUM Network UK Limited	United Kingdom

35.3 None of the key management personnel had any arrangements with the Company other than the employment contract.

	Note	2021 ----- Rupees -----	2020 -----
36 FINANCIAL INSTRUMENTS BY CATEGORY			
36.1 Financial assets as per statement of financial position			
Financial assets at amortised cost			
- Long term deposits	7	31,120,555	27,917,160
- Trade debts	10	1,956,785,375	1,716,753,677
- Trade deposits	13	514,500	664,500
- Other receivables	14	33,662,200	28,486,968
- Cash and bank balances	15	355,827,585	141,629,483
		<u>2,377,910,215</u>	<u>1,915,451,788</u>
Financial assets at fair value through profit or loss			
- Short term investments	11	<u>502,415,157</u>	<u>241,505,092</u>
36.2 Financial liabilities as per statement of financial position			
Financial liabilities at amortised cost			
- Long term financing	19	248,521,449	837,839,369
- Deferred Income - Government grant	20	560,658	-
- Trade and other payables	21	566,782,676	450,641,820
- Accrued mark-up		8,092,693	2,860,434
- Short term borrowings	22	-	189,067,264
- Current portion of deferred income - Government grant	20	4,495,607	-
- Current portion of long term financing	19	352,479,000	196,311,600
- Unclaimed dividend		5,948,490	5,948,490
- Unpaid dividend		205,159	205,159
		<u>1,187,085,732</u>	<u>1,682,874,136</u>

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks i.e. market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's senior management oversees the management of these risks. The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of financial derivatives, financial instruments and investment of excess liquidity. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. □

The Board of Directors review and agree policies for managing each of these risks which are summarized below:

37.1 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and equity price risk, such as equity risk.

37.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in the market interest rates. The Company's interest rate risk arises from long term financing and finance lease obligations, short term borrowings and bank balances. The Company manages these risks through risk management strategies.

Sensitivity analysis:

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Company's profit before taxation:

	Increase / decrease in basis points	Effect on profit before taxation Rupees
June 30, 2021	+100	<u>(2,202,015)</u>
	-100	<u>2,202,015</u>
June 30, 2020	+100	<u>(11,149,882)</u>
	-100	<u>11,149,882</u>

37.3 Currency risk

Foreign currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Company's exposure to foreign currency risk is as follows:

	----- June 30, 2021 -----			----- June 30, 2020 -----		
	AED	US Dollar	GBP	AED	US Dollar	GBP
Trade debts		1,403,932	399,380	-	1,139,901	492,354
Other receivables		190,808	-	-	160,808	-
Trade and other payables	(852,364)	(355,706)	-	(1,028,392)	(406,532)	-
	----- Rupees -----			----- Rupees -----		
Closing exchange rates	43.0	157.5	216	45.5	167.6	205

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and GBP exchange rate, with all other variables held constant, of the Company's profit before taxation:

	Change in AED rate (%)	Effect on profit before tax --- Rupees ---	Change in US dollar rate (%)	Effect on profit before tax --- Rupees ---	Change in GBP rate (%)	Effect on profit before tax --- Rupees ---
June 30, 2021	+10	<u>(3,665,165)</u>	+10	<u>19,514,786</u>	+10	<u>8,626,608</u>
	-10	<u>3,665,165</u>	-10	<u>(19,514,786)</u>	-10	<u>(8,626,608)</u>
June 30, 2020	+10	<u>(4,679,182)</u>	+10	<u>14,986,407</u>	+10	<u>10,093,257</u>
	-10	<u>4,679,182</u>	-10	<u>(14,986,407)</u>	-10	<u>(10,093,257)</u>

37.4 Equity price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investments portfolio are submitted to the Company's senior management on a regular basis.

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 502,415,156 (30 June 2020: Rs. 241,505,092).

37.5 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. Concentration of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The risk management function is regularly conducting detailed analysis on sectors / industries to identify the degree by which the Company's customers and their businesses have been impacted amid COVID-19. Keeping in view short-term and long-term outlook of each sector, management has taken into consideration the factors while calculating expected credit losses against trade debts and other receivables.

Management of credit risk

The Company's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors and other internal guidelines.

Credit risk is managed and controlled by the management of the Company in the following manner:

- Credit rating and / or credit worthiness of the counterparty is taken into account along with the financial background so as to minimize the risk of default.
- The risk of counterparty exposure due to failed agreements causing a loss to the Company is mitigated by a periodic review of their credit ratings, financial statements, credit worthiness and market information on a regular basis.
- Cash is held with reputable banks only.

As of the unconsolidated statement of financial position date, the Company is exposed to credit risk on the following assets:

	2021 ----- Rupees -----	2020 -----
- Long term deposits	31,120,555	27,917,160
- Trade debts	1,956,785,375	1,716,753,677
- Short term investments	502,415,157	241,505,092
- Trade deposits	514,500	664,500
- Other receivables	33,662,200	28,486,968
- Bank balances	355,463,086	141,152,703
	<u>2,879,960,873</u>	<u>2,156,480,100</u>

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

	Note	2021 ----- Rupees -----	2020 -----
Trade debts			
Customers with no defaults in the past one year		1,956,785,375	1,716,753,677
Customers with some defaults in past one year		60,853,832	47,026,912
	10	<u>2,017,639,207</u>	<u>1,763,780,589</u>
Bank balances			
A1+	15	354,695,094	141,146,955
A-1		767,992	-
A1		-	5,748
		<u>355,463,086</u>	<u>141,152,703</u>
Short term investments			
Mutual funds	AM3++	157,108,756	-
	MFR 5-Star	300,749,572	-
	A(f)	2,254,809	-
		<u>460,113,137</u>	<u>-</u>
Term finance certificate	A	42,302,020	-
	AA+	-	198,901,230
	A-	-	42,603,862
	11	<u>502,415,157</u>	<u>241,505,092</u>

37.6 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines.

Due to COVID-19 outbreak the Company's customers and their businesses have been adversely impacted. The management is continuously monitoring the liquidity position and is taking necessary precautionary measures where needed.

The table below summarizes the maturity profile of the Company's financial liabilities as at the following reporting dates:

2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Long term lease liabilities	-	5,979,119	23,585,741	92,051,392	121,616,252
Long term financing	-	87,703,546	264,775,454	248,521,449	601,000,449
Trade and other payables	288,864,088	227,197,945	49,156,995	-	565,219,028
Deferred Income - Government grant	-	1,570,255	2,925,352	560,658	5,056,265
Short term borrowing	-	-	-	-	-
Accrued mark-up	8,092,693	-	-	-	8,092,693
	<u>296,956,781</u>	<u>322,450,865</u>	<u>340,443,542</u>	<u>341,133,499</u>	<u>1,300,984,687</u>
2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Long term lease liabilities	-	4,879,289	25,841,107	170,774,112	201,494,508
Long term financing	-	60,558,183	237,647,543	949,485,375	1,247,691,101
Trade and other payables	56,515,726	330,410,145	62,442,248	-	449,368,119
Short term borrowing	-	189,067,264	-	-	189,067,264
Accrued mark-up	2,860,434	-	-	-	2,860,434
	<u>59,376,160</u>	<u>584,914,881</u>	<u>325,930,898</u>	<u>1,120,259,487</u>	<u>2,090,481,426</u>

37.6.1 Changes in liabilities from financing activities

	1-Jul-20	Cash Flows	New leases	Others	30-Jun-21
			(Rupees in '000)		
Long term financing	1,034,150,969	(433,150,520)	-	-	601,000,449
Long term lease liabilities	133,275,010	(34,869,470)	7,874,151	15,336,561	121,616,252
	1-Jul-19	Cash Flows	New leases	Others	30-Jun-20
			(Rupees in '000)		
Long term financing	1,350,555,062	(316,404,093)	-	-	1,034,150,969
Long term lease liabilities	185,475,941	(47,492,441)	4,701,600	(9,410,090)	133,275,010

37.6.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the unconsolidated financial statements appropriate their fair values.

37.7 Capital risk

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Company monitors capital using a debt equity ratio as follows:

	Note	2021 Rupees	2020 Rupees
Long term lease liabilities	18	92,051,392	103,701,273
Long term financing	19	248,521,449	837,839,369
Deferred Income - Government grant	20	560,658	-
Trade and other payable	21	581,944,377	492,872,413
Accrued markup		8,092,693	2,860,434
Short term borrowing	22	-	189,067,264
Current portion of deferred income - Government grant	20	4,495,607	-
Current portion of long term lease liabilities	18	29,564,860	29,573,737
Current portion of long term financing	19	352,479,000	196,311,600
Total debt		1,317,710,036	1,852,226,090
Cash and bank balances	15	(355,827,585)	(141,629,483)
Net debt		961,882,451	1,710,596,607
Share capital	17	945,000,000	945,000,000
Unappropriated profit		3,118,470,793	2,104,074,108
Total equity		4,063,470,793	3,049,074,108
Capital		5,025,353,244	4,759,670,715
Gearing ratio		19.14%	35.94%

37.8 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 carrying values of all financial assets and liabilities reflected in the financial statements approximate fair values.

The following table shows assets recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

	2021				2020
	Level 1	Level 2	Level 3	Total	
	(Rupees)				
Short term investments	502,415,157	-	-	502,415,157	241,505,092

During the period, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

- 37.9 Financial instruments which are tradable in an open market are revalued at the market prices prevailing on the statement of financial position date.

38 OPERATING SEGMENTS

For management purposes, the Company has determined following reportable operating segments on the basis of areas of operations i.e. entertainment and news.

Entertainment segment is engaged in advertisement, entertainment and media marketing.

News segments is engaged in broadcasting of news programs.

	Entertainment		News		Total	
	2021	2020	2021	2020	2021	2020
Revenue						
Net revenue from external customer	<u>4,068,665,371</u>	<u>3,480,085,360</u>	<u>258,660,695</u>	<u>199,382,728</u>	<u>4,327,326,066</u>	<u>3,679,468,088</u>
Result						
Segment profit / (loss)	<u>1,831,210,238</u>	<u>1,074,284,452</u>	<u>(444,074,470)</u>	<u>(569,869,788)</u>	<u>1,387,135,768</u>	<u>504,414,664</u>
Taxation					<u>(92,746,807)</u>	<u>22,881,574</u>
Unallocated income / (expenses) :						
Administrative expenses					<u>(663,205,199)</u>	<u>(475,129,826)</u>
Other Expenses					<u>(153,826,920)</u>	<u>(97,605,189)</u>
Other income					<u>160,572,097</u>	<u>173,651,157</u>
Gain on sale of non-current asset held for sale					<u>476,832,913</u>	<u>-</u>
Finance cost					<u>(100,365,167)</u>	<u>(241,450,871)</u>
Profit / (loss) for the period					<u>1,014,396,685</u>	<u>(113,238,491)</u>
Other information						
Amortization	<u>(7,157,956)</u>	<u>(9,281,408)</u>	<u>(5,234,389)</u>	<u>(5,162,256)</u>	<u>(12,392,345)</u>	<u>(14,443,664)</u>
Depreciation	<u>(41,079,871)</u>	<u>(59,343,078)</u>	<u>(169,257,914)</u>	<u>(185,388,078)</u>	<u>(210,337,785)</u>	<u>(244,731,156)</u>
Segment assets	<u>372,202,939</u>	<u>360,646,848</u>	<u>911,621,224</u>	<u>1,053,331,155</u>	<u>1,283,824,163</u>	<u>1,413,978,003</u>
Unallocated Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,132,103,521</u>	<u>3,507,104,972</u>
	<u>372,202,939</u>	<u>360,646,848</u>	<u>911,621,224</u>	<u>1,053,331,155</u>	<u>5,415,927,684</u>	<u>4,921,082,975</u>
Capital expenditure	<u>14,414,252</u>	<u>72,735,426</u>	<u>24,628,727</u>	<u>10,297,652</u>	<u>39,042,979</u>	<u>83,033,078</u>
Segment liabilities	<u>597,969,267</u>	<u>669,553,359</u>	<u>754,487,624</u>	<u>1,202,455,508</u>	<u>1,352,456,891</u>	<u>1,872,008,867</u>

- 38.1 Revenue from three major customers of the Company during the period constituted 64% (2020: 69% - two Customers) of the total revenue.

39 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at period end and during the period respectively are as follows:

	2021 ----- Rupees -----	2020 -----
Total number of employees	<u>711</u>	<u>771</u>
Average number of employees during the period	<u>677</u>	<u>789</u>

40 GENERAL

40.1 For better presentation, certain prior year figures have been reclassified consequent to certain changes in current period presentation.

40.2 Figures have been rounded off to the nearest Rupee

41 DATE OF AUTHORIZATION

These financial statements have been authorised for issue on October 22, 2021 by the Board of Directors of the Company.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED FINANCIAL STATEMENTS



Building a better
working world

INDEPENDENT AUDITOR'S REPORT

To the members of Hum Network Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Hum Network Limited (the Holding Company) and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 30 June 2021, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements section of our report. We are independent of the Group 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 (the Code), 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key audit matters	How the matter was addressed in our audit
1. Net realizable value of television program costs	
As of the year end, the balance of television program costs amounted to Rs. 452,449,811 (30 June 2020: 466,123,750) which represents unamortized cost of completed television programs and television programs in production. As per the accounting policy of the Company, television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues, less cost expensed in prior years on an individual program basis. Allocation of television program costs over several accounting periods based on estimates of revenue involve significant judgement of the management which may have a significant impact on the consolidated financial statements. For this reason, we have identified this area as key audit matter. Refer notes 3.6, 9 and 26 to the consolidated financial statements.	Our audit procedures amongst others, comprised reviewing the appropriateness of the accounting policy of the Company in accordance with the applicable financial reporting standards. Further, we obtained understanding of the revenue estimation and amortization process of the Company. In this regard, we selected a sample of television programs and considered the factors used by the management for revenue estimation and amortization of television program cost including: • historic experience of revenue earned by similar programs; • ratings of the program from available evidences; • rates used by the Company and its fluctuation based on the trend analysis; and • we also considered subsequent events which may have an impact on unamortized cost. We also evaluated whether adequate disclosures have been made in the accompanying consolidated financial statements in accordance with the applicable financial reporting standards.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Omer Chughtai.

Sd/-

Ey Ford Rhodes
Chartered Accountants
Place: Karachi
Date: October 22, 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,272,025,049	1,399,715,699
Intangible assets	5	74,994,373	110,838,386
Long term investments	6	-	73,387,086
Long term deposits	7	31,443,434	45,865,076
Television program costs	8	352,064,012	360,737,951
Deferred tax asset	9	134,673,585	161,689,721
		1,865,200,453	2,152,233,919
CURRENT ASSETS			
Inventories		16,660,901	44,130,860
Current portion of television program costs	8	100,385,799	105,385,799
Trade debts	10	2,231,476,846	2,089,810,853
Short term investments	11	502,415,157	241,505,092
Advances	12	129,283,397	106,122,200
Trade deposits and short-term prepayments	13	23,582,975	23,663,213
Other receivables	14	111,845,411	110,529,571
Taxation – net		210,879,875	180,574,832
Cash and bank balances	15	437,693,527	268,697,823
		3,764,223,888	3,170,420,243
Non-current asset held for sale	16	-	16,507,087
TOTAL ASSETS		5,629,424,341	5,339,161,249
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 1,500,000,000 (2020: 1,500,000,000) Ordinary shares of Re.1/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital	17	945,000,000	945,000,000
Revenue Reserves		3,098,190,358	2,096,403,506
Attributable to owners of the Holding Company		4,043,190,358	3,041,403,506
Non-controlling interest		(32,505,864)	1,064,284
		4,010,684,494	3,042,467,790
NON-CURRENT LIABILITIES			
Long term lease liabilities	18	92,051,392	104,833,723
Long term financing	19	269,229,311	837,839,369
Deferred income - Government grant	20	560,658	-
Staff retirement benefits		33,255,893	28,453,198
		395,097,254	971,126,290
CURRENT LIABILITIES			
Trade and other payables	21	683,186,088	657,637,341
Advance from customers		136,766,203	238,044,221
Accrued mark-up		9,907,299	3,210,149
Short term borrowings	22	-	189,067,264
Unclaimed dividend		5,948,490	5,948,490
Unpaid dividend		205,159	205,159
Current portion of deferred income - Government grant	20	4,495,607	-
Current portion of long term lease liabilities	18	29,564,860	35,142,945
Current portion of long term financing	19	353,568,887	196,311,600
		1,223,642,593	1,325,567,169
CONTINGENCIES AND COMMITMENTS	23		
TOTAL EQUITY AND LIABILITIES		5,629,424,341	5,339,161,249

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- Rupees -----	2020 -----
Revenue	24	4,993,729,036	4,645,325,787
Cost of production	25	(2,838,603,878)	(3,188,456,727)
Transmission cost		(346,613,518)	(440,082,741)
		<u>(3,185,217,396)</u>	<u>(3,628,539,468)</u>
Gross profit		1,808,511,640	1,016,786,319
Distribution costs	26	(288,605,843)	(356,436,868)
Administrative expenses	27	(928,539,710)	(698,912,624)
Other expenses	28	(70,301,849)	(263,202,006)
Other income	29	162,914,752	276,510,077
Gain on sale of non-current asset held for sale		476,832,913	-
Operating profit/ (loss)		1,160,811,903	(25,255,102)
Finance costs	30	(101,587,351)	(244,973,245)
		<u>1,059,224,552</u>	<u>(270,228,347)</u>
Share of net profit of associate	6	-	7,228,162
Profit / (loss) before taxation		1,059,224,552	(263,000,185)
Taxation	31	(98,031,756)	15,831,667
Profit / (loss) after taxation		961,192,796	(247,168,518)
Attributable to:			
Owners of the Holding Company		994,762,944	(193,088,481)
Non-controlling interests		(33,570,148)	(54,080,037)
		<u>961,192,796</u>	<u>(247,168,518)</u>
Earnings / (loss) per share – basic and diluted (Rupee)	32	1.05	(0.20)

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2021

	2021 ----- Rupees -----	2020 -----
Profit / (loss) after taxation	961,192,796	(247,168,518)
Other comprehensive income for the year		
Items that will not be reclassified subsequently to statement of profit or loss		
Remeasurement gains on defined benefits plan - net of tax	-	5,191,764
Items that may be reclassified subsequently to statement of profit or loss		
Effect of translation of net investment in foreign subsidiary companies	7,023,908	7,841,236
Total comprehensive income / (loss) for the year	968,216,704	(234,135,518)
Attributable to:		
Owners of the Holding Company	1,001,786,852	(180,055,481)
Non-controlling interests	(33,570,148)	(54,080,037)
	968,216,704	(234,135,518)

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



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Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid-up capital	Revenue Reserves			Non- controlling interest	Total
		Foreign exchange translation reserve	Unappropriat ed profit	Sub-total		
Balance as at June 30, 2019	945,000,000	151,839,386	2,124,619,601	2,276,458,987	55,144,321	3,276,603,308
Loss attributable to non-controlling interests for the year	-	-	-	-	(54,080,037)	(54,080,037)
	-	-	-	-	(54,080,037)	(54,080,037)
Loss for the year	-	-	(193,088,481)	(193,088,481)	-	(193,088,481)
Other comprehensive income	-	7,841,236	5,191,764	13,033,000	-	13,033,000
Total comprehensive income / (loss) for the year	-	7,841,236	(187,896,717)	(180,055,481)	-	(180,055,481)
Balance as at June 30, 2020	945,000,000	159,680,622	1,936,722,884	2,096,403,506	1,064,284	3,042,467,790
Loss attributable to non-controlling interests for the year	-	-	-	-	(33,570,148)	(33,570,148)
	-	-	-	-	(33,570,148)	(33,570,148)
Profit for the year	-	-	994,762,944	994,762,944	-	994,762,944
Other comprehensive income	-	7,023,908	-	7,023,908	-	7,023,908
Total comprehensive income / (loss) for the year	-	7,023,908	994,762,944	1,001,786,852	-	1,001,786,852
Balance as at June 30, 2021	945,000,000	166,704,530	2,931,485,828	3,098,190,358	(32,505,864)	4,010,684,494

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.



DURAID QURESHI
Chief Executive



MAZHAR-UL-HAQ SIDDIQUI
Chairman



MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 ----- Rupees -----	2020 ----- Rupees -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	33	634,717,149	205,153,018
Taxes paid		(40,079,083)	(74,833,979)
Finance costs paid		(94,890,201)	(247,335,272)
Profit received on deposit accounts		16,956,588	12,443,154
Long term deposits		12,421,642	14,417,284
Television program costs		8,673,939	(133,509,334)
Net cash flow / used in operating activities		537,800,034	(223,665,129)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(111,239,971)	(44,455,693)
Additions to intangible assets		(2,604,635)	(1,008,000)
Short term investments - net		(162,756,066)	593,856,977
Proceeds from disposal of investment in an associate		13,682,805	-
Dividend received		177,973	-
Proceeds from sale of non-current asset held for sale		493,340,000	-
Proceeds from disposal of intangible assets		6,390,192	-
Proceeds from disposal of operating fixed assets		20,895,167	45,841,494
Net cash generated from / (used in) investing activities		257,885,465	594,234,778
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		(411,352,771)	(316,404,093)
Lease rentals paid		(26,269,760)	(36,291,798)
Net cash (used in) / generated from financing activities		(437,622,531)	(352,695,891)
Net increase in cash and cash equivalents		358,062,968	17,873,758
Cash and cash equivalents at the beginning of the period		79,630,559	61,756,801
Cash and cash equivalents at the end of the period		437,693,527	79,630,559
Cash and cash equivalents			
Cash and bank balances		437,693,527	268,697,823
Short-term running finance		-	(189,067,264)
		437,693,527	79,630,559

The annexed notes from 1 to 41 form an integral part of these consolidated financial statements.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

1 THE GROUP AND ITS OPERATIONS

- 1.1** HUM Network Limited (the Holding Company) was incorporated in Pakistan as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance). The shares of the Holding Company are quoted on Pakistan Stock Exchange.
- 1.2** The Holding Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

The 'Group' consists of

Holding Company

HUM Network Limited

Subsidiary Companies

	2021	2020
	Percentage of holding	
HUM TV, Inc.	100%	100%
HUM Network UK Limited	100%	100%
Sky Line Publications (Private) Limited	100%	100%
HUM Network FZ LLC	100%	100%
HUMM Co. (Private) Limited	100%	100%
HUM Mart (Private) Limited	70%	70%

1.3 Nature of operations of subsidiaries

HUM TV, Inc., HUM Network UK LTD and HUM Network FZ LLC have been established with the purpose of providing entertainment programmes to the South Asian community by increasing presence in the United States of America (USA), Canada, UK and UAE respectively. HUM Network UK LTD has 100% equity in HUM News Limited, which is engaged in business of transmission of news for UK audience. The subsidiary companies will also serve as a platform for the Holding Company to explore avenues for greater distribution of the Holding Company brands in USA, Canada, UK and UAE and will establish relations with advertisers, as well as develop US-based media materials, such as dramas, documentaries and other entertainment shows and events.

Skyline Publication (Private) Limited (SPL) is engaged in the publications of books and magazines.

HUMM Co. (Private) Limited has been established with the purpose of developing and producing contents, shows and programs. Currently, it is non-operational.

HUM Mart (Private) Limited engaged in the business of online shopping for grocery, household items and consumer goods.

1.4 Geographical location and address of business units

Registered office	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan.
Head office – Karachi	B.R.R Tower, Hassan Ali Street, Off. I.I. Chundrigar Road
City offices – Karachi	Alfalah Court, I.I Chundrigar Road
City office – Islamabad	2A, I&T center, sector G-6/1
City office – Lahore	House # 58, R-24, Masson Road
City office – Peshawar	Plot No. 7-A, 29 The Mall, Peshawar Cantonment
City office – Quetta	House # 3, Phase II, Shahbaz town
HUM Network UK Limited	38-P Alum rock road, Birmingham, England. 2 Hemlet Mews, London
HUM News Limited	Evergreen Houes North Third Floor, Office Suite 311, Grafton Place, Euston London, United Kingdom.
HUM Network FZ LLC	Office G-01 Boutique Studio City, Dubai, UAE.
Skyline Publication (Private) Limited	Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi,
Hum Mart (Private) Limited	Plot # SR-7, Shed # A-2, Survey 413, Sector 7 A, Korangi Industrial Area, Karachi.
HUM TV, Inc.	6201 Bonhomme Road, 180N, Houston Texas.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chatered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost convention, except otherwise specifically stated.

2.3 New and amended standards

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year except that the Group has adopted the following amendments of IFRS which became effective for the current year:

IFRS 9	-	Prepayment Features with Negative Compensation (Amendments)
IFRS 14	-	Regulatory Deferral Accounts
IFRS 16	-	Leases
IFRS 16	-	COVID 19 Related Rent Concessions (Amendments)
IAS 19	-	Plan Amendment, Curtailment or Settlement (Amendments)
IAS 28	-	Long-term Interests in Associates and Joint Ventures (Amendments)
IFRIC 23	-	Uncertainty over income tax treatments

Improvements to Accounting Standards Issued by the IASB (2015-2017 cycle)

IFRS 3	-	Business Combinations - Previously held Interests in a joint operation
IFRS 11	-	Joint Arrangements - Previously held Interests in a joint operation
IAS 12	-	Income Taxes - Income tax consequences of payments on financial instruments classified as equity
IAS 23	-	Borrowing Costs - Borrowing costs eligible for capitalization

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the Group's consolidated financial statements except for IFRS 16. The impact of adoption of IFRS 16 are described below:

2.4 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial year except that the Company has adopted the following standards, amendments, interpretation and improvements to IFRS which became effective for the current year:

IFRS 3	Definition of a Business (Amendments)
IFRS 9 / IAS 39 / IFRS 7	Interest Rate Benchmark Reform (Amendments)
IAS 1 / IAS 8	Definition of Material (Amendments)

Improvement to accounting standards issued by the IASB (2018 – 2020 cycle)

Standard or Interpretation		Effective date (annual periods beginning on or after)
IFRS 3	Reference to the Conceptual Framework (Amendments)	January 01, 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	January 01, 2022
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	January 01, 2022
IAS 1	Classification of Liabilities as Current or Non-Current (Amendments)	January 01, 2023
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not yet finalised
IFRS 9, IAS 39, IFRS 7, IFRS 4	Interest Rate Benchmark Reform - Phase 2 (Amendment)	January 01, 2021
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)	April 01, 2021
IAS 1	Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 01, 2023

Improvement to accounting standards issued by the IASB (2018 – 2020 cycle)	IASB effective date (annual periods beginning on or after)
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IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities	January 01, 2022
IAS 41	Agriculture - Taxation in fair value measurement	January 01, 2022
IFRS 16	Leases: Lease incentives	January 01, 2022

The above standards, amendments of IFRSs and improvements to accounting standards are not expected to have any material impact on the Company's unconsolidated financial statements in the period of initial application.

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

Standard	IASB effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRSs
IFRS 17	Insurance Contracts
	January 01, 2004
	January 01, 2023

2.5 Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the management to make judgment, estimates and assumptions that affect the application of policies and the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Estimates, assumptions and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Property, plant and equipment and intangible assets (note 4 & 5)

The Group reviews appropriateness of the rate of depreciation / amortisation, useful life and residual value used in the calculation of depreciation / amortisation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Group uses the technical resources available with the Group. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment and intangible assets, with corresponding effects on the depreciation / amortisation charge and impairment.

Television program costs (note 8)

Television program costs represent unamortised cost of completed television programs and television programs in production. In order to determine the amount to be charged to consolidated statement of profit or loss, the management estimates future revenues from each program. Estimates of future revenues can change significantly due to a variety of factors, including advertising rates and the level of market acceptance of the production in different geographical locations. Accordingly, revenue estimates are reviewed periodically and amortisation is adjusted, if necessary. Such adjustments could have a material effect on results of operations in future periods.

Income taxes (note 9)

In making the estimate for income tax payable by the Group, the Group takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past.

Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of financial assets (note 3.9)

The Group uses a provision matrix to calculate ECLs for trade debts and other receivables. The provision rates are based on days past due for Group's various customer that have similar loss patterns

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's financial assets exposed to credit risk is disclosed in note 38.5.

Contingencies (note 23)

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Group, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

Leases- Estimating the incremental borrowing rate (note 18)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Leases- Determination of the lease term for lease contracts with extension and termination options (note 18)

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

Subsidiary is a entity over which the Group has control. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Generally, there is presumption that a majority of voting rights result in control.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control.

Subsidiary is consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Income and expenses of a subsidiary acquired or disposed off during the year are included in profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using consistent accounting policies. The accounting policies of the Subsidiary Company have been changed to conform with accounting policies of the Holding Company, where required.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of cost of acquisition is recorded as goodwill, however, if the cost of acquisition is less than fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends within the Group are eliminated in full.

Non-controlling interest (NCI) is that part of the net results of operations and of net assets of subsidiary attributable interest which are not owned by the Group. The Group measures NCI on proportionate basis of the net assets of subsidiary company.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, carrying amount of any NCI, cumulative translation differences recognised in other comprehensive income, and recognises fair value of consideration received, any investment retained, surplus or deficit in profit and loss, and reclassifies the Holding Company share of components previously recognised in other comprehensive income to profit or loss account or retained earnings, as appropriate.

3.2 Investment in associate

Associates are all entities over which the Group has significant influence but not control, generally represented by a shareholding of 20% or more but less than 50% of the voting rights. Significant influence is the power to participate in the financial and operating policies and decision of investees. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its associates' post acquisition profits or losses is recognised in profit or loss and its share in associates' post acquisition other comprehensive income is recognised in the Group's other comprehensive income. Cumulative post acquisition movements are adjusted against the carrying value of the investments. Dividends received from associates reduce the carrying amount of the investment. When the Group's share of losses in associate equals or exceeds its interest in the associate including any other long term unsecured receivable, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

When FVOCI investment is converted into associated company, the balance in the surplus on revaluation of related asset is transferred to un-appropriated profit. Gain on transaction between the Group and its associate are eliminated to the extent of the Group's interest in associates.

The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and loss, if any, is recognised in the profit or loss.

3.3 Property, plant and equipment

3.3.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any.

Depreciation is charged to consolidated statement of profit or loss using straight line method so as to write off the historical cost of the assets over their estimated useful lives. Depreciation on additions is charged from the month in which the asset is available to use and no depreciation is charged for the month in which asset was disposed of.

Maintenance and normal repairs are charged to consolidated statement of profit or loss as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Group.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected

from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated statement of profit or loss in the year the asset is derecognised.

The assets' residual values, useful lives and method of depreciation are revised, and adjusted if appropriate, at each consolidated statement of financial position date.

3.3.2 Right-of-use assets

The Group recognises a right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of lease term or useful life, except for the leases in which ownership of the underlying assets transfer to the lessee by the end of the lease term or cost of right of use assets reflects that the lessee will exercise a purchase option, the Group depreciate those right of use asset over the useful life of the underlying asset.

3.3.3 Capital work-in-progress

These are stated at cost less accumulated impairment losses and consists of expenditures incurred and advances made in respect of specific assets during the construction period. These are transferred to specific assets as and when assets are available for use.

3.4 Business combination and goodwill

Business combinations are accounted for using the purchase method of accounting. The cost of an acquisition is measured as the cash paid and the fair value of other assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the net fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in consolidated statement of profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in consolidated statement of profit or loss when the asset is derecognised.

3.6 Television program costs

Television program costs represent unamortized cost of completed television programs and television programs in production. These costs include direct production costs, cost of inventory consumed, and production overheads and are stated at the lower of cost, less accumulated amortisation and net realizable value (NRV). NRV is estimated by the management on the basis of future revenue generation capacity of the program. Acquired television program licenses and rights are recorded when the license period begins and the program is available for use.

Television program costs and acquired television program licenses and rights are charged to expense based on the ratio of the revenues earned till date to total revenues to be earned from the program including future estimated revenues less cost expensed in prior years on an individual program basis.

3.7 Non current assets held for sale

Non current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than continuing use and sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment are not depreciated once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position.

3.8 Inventories

These are valued on weighted average cost basis and are stated at the lower of cost and NRV.

Provision is made for obsolete and slow moving stock-in-trade based on management's best estimate and is recognised in the statement of profit or loss.

3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- (a) at amortised cost
- (b) at fair value through profit or loss (FVTPL); and
- (c) at fair value through other comprehensive income (FVTOCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them. With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

(a) At amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

(b) At fair value through profit or loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

(c) At fair value through other comprehensive income

A debt instruments is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVPL are carried in the unconsolidated statement of financial position at fair value with net changes in fair value recognised in unconsolidated statement of profit or loss.

This category also includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognised as other income in profit or loss when the right of payment has been established.

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

These assets are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses (equity instruments)

These assets are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

As at the date of consolidated statement of financial position, Group is not having any equity instrument designated at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade debts, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, borrowings and payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. Exchange gain or losses arising in respect of borrowings in foreign currency are added to the carrying amount of the borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

3.10 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.11 Advance from customers (Contract Liability)

A contract liability is the obligation of the Group to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liability are recognised as revenue when the Group performs under the contract.

3.12 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in consolidated statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3.13 Deposits, advances, prepayments and other receivables excluding financial assets

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition assessment is made at each consolidated statement of financial position date to determine whether there is an indication that assets may be impaired. If such indication exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

3.14 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.15 Taxation

Current

Provision for current tax is based on the taxable income in accordance with the applicable laws.

Deferred

Deferred tax is recognised using the balance sheet liability method, on all major temporary differences arising at the consolidated statement of financial position date between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax asset is reviewed at each consolidated 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 asset to be recognized.

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

3.16 Cash and cash equivalents

These are carried at cost. For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and short term running finance.

3.17 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.18 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.18.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Group uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

ii) Determination of the lease term for lease contracts with extension and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

iii) Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

iv) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently carried at amortized cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the consolidated statement of financial position date.

3.20 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. As the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

3.21 Unclaimed and unpaid dividend

Dividend declared by the Group, in the preceding three years, which remains unclaimed or unpaid as on the consolidated statement of financial position date is recognized as unpaid dividend. Dividend declared and payable prior to the preceding three years from the consolidated statement of financial position date are recognized as unclaimed dividend.

3.22 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each consolidated statement of financial position date and adjusted to reflect the current best estimate.

3.23 Revenue recognition

Advertisement revenue is recognised when the related advertisement or commercial appears before the public i.e., aired.

Production revenue: Production revenue is recognised when production work appears before public.

Digital revenue: Digital revenue is recognised on the basis of number of impressions on the advertisement aired on website.

Subscription income arises from the monthly billing to subscribers for services provided by the Group. Revenue is recognised in the month the service is rendered.

Film Distribution Revenues: Revenue from film distribution is recognized at a point in time upon receipt of related sales reports from cinemas.

Sale of goods are recognized when goods are delivered to customers.

Credit limits in contract with customers ranges from 2 to 90 days.

3.24 Other income

Sale of magazine and DVD's is recognized on receipt basis.

Profit on bank deposits is accounted for on effective interest method.

Dividend income is recognized when it is declared and right to receive is established.

Interest / markup income is recognized on accrual basis.

Other revenues are accounted for on an accrual basis.

3.25 Expenses

Expenses are recorded when incurred based on the accrual basis of accounting. Distribution costs and administrative expenses include direct and indirect costs not specifically part of cost of production. Allocations between cost of production, distribution and administrative expenses, when required, are made on a consistent basis.

3.26 Staff retirement benefits**Defined contribution plan**

The Holding Company operates a funded and approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Holding Company and the employees, to the fund at the rate of 8.33% of the basic salary.

3.27 Foreign currency transactions and translations

Foreign currency transactions are translated into Pakistani Rupees using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees using the exchange rate at the consolidated statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are taken to consolidated statement of profit or loss currently.

The assets and liabilities of foreign subsidiary companies are translated to Pak rupees at exchange rates prevailing at the consolidated statement of financial position date. The income and expenses of foreign subsidiary companies are translated at average rate of exchange for the year. Translation gains and losses arising on the translation of net investment in foreign subsidiary companies are taken to equity under "Foreign Exchange Translation Reserve" and on disposal are recognised in the consolidated statement of profit or loss.

3.28 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are capitalized as a part of the cost of related asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

3.29 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the consolidated financial statements in the period in which these are approved.

3.30 Contingencies

Contingencies are disclosed when the Group has a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because 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.

3.31 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the period.

3.32 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

3.33 Segment Reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses. An operating segment's operating results are reviewed regularly by the senior management of the Group to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

	Note	2021 ----- Rupees -----	2020
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,075,575,958	1,246,984,186
Right of use assets	4.5	109,028,622	136,797,636
Capital work-in-progress	4.6	87,420,469	15,933,877
		1,272,025,049	1,399,715,699

4.1 Operating fixed assets

	Cost			Accumulated depreciation			Book value	Depreciation
	As at	Additions** / transfers from ROUA*** / (disposals) / (impairment)*****	As at	As at	Charge / transfers from ROUA*** / (disposals) for the year	As at	as at	Rate
	July 01, 2020		June 30, 2021	July 01, 2020		June 30, 2021	June 30, 2021	% per annum
----- Rupees -----								
Owned								
Leasehold land *	794,147,376	-	794,147,376	45,649,573	16,237,867	61,887,440	732,259,936	2.04 - 2.13
Building on leasehold land *	109,890,511	-	109,890,511	51,568,039	7,609,387	59,177,426	50,713,085	10
Leasehold improvements	198,116,737	8,146,761 ** (13,888,014)	192,375,484	167,533,943	29,414,163 (13,888,014)	183,060,092	9,315,392	33
Furniture and fittings	54,277,088	170,615 ** (4,214,499)	49,835,939	22,263,719	5,354,097 (1,231,343)	26,356,985	23,478,954	10
Vehicles	87,315,877	(397,265) ***** 8,306,656 ** 15,164,322 *** (33,392,958)	77,393,897	60,870,410	(29,488) ***** 9,950,112 9,273,775 (23,361,008)	56,733,289	20,660,608	33
Audio visual equipment	560,404,372	8,309,492 ** (1,102,044)	567,611,820	319,090,221	86,246,015 (586,292)	404,749,944	162,861,876	25
Uplinking equipment	75,484,263	1,822,496 **	77,306,759	46,697,259	3,654,749	50,352,008	26,954,751	10
Office equipment	123,754,924	2,929,141 ** (9,783,138) (842,434) *****	116,058,493	69,882,655	13,143,628 (4,474,353) (284,973) *****	78,266,957	37,791,536	15
Computers	183,591,854	10,068,218 ** (5,128,841) (3,582,498) *****	184,948,733	156,442,997	24,036,862 (5,265,661) (1,805,285) *****	173,408,913	11,539,820	33
2021	2,186,983,002	39,753,379 ** 15,164,322 *** (67,509,494)	2,169,569,012	939,998,816	195,646,880 9,273,775 *** (48,806,671)	1,093,993,054	1,075,575,958	

	Cost			Accumulated depreciation			Book value	Depreciation
	As at	Additions** / transfers from ROUA*** / (reclassification)**** / (disposals)	As at	As at	Charge / transfers from ROUA*** / (reclassification)**** / (disposals) for the year	As at	as at	Rate
	July 01, 2019		June 30, 2020	July 01, 2019		June 30, 2020	June 30, 2020	% per annum
----- Rupees -----								
Owned								
Leasehold land *	756,571,184	59,434,093 ** (21,857,901) *****	794,147,376	35,225,961	15,774,426 (5,350,814) *****	45,649,573	748,497,803	2.04 - 2.13
Building on leasehold land *	108,035,404	1,855,107 **	109,890,511	43,695,855	7,872,184	51,568,039	58,322,472	10
Leasehold improvements	203,908,541	3,823,116 ** (9,614,920)	198,116,737	136,804,904	40,247,810 (9,518,771)	167,533,943	30,582,794	33
Furniture and fittings	53,923,228	626,690 ** (272,830)	54,277,088	16,870,771	5,493,363 (100,415)	22,263,719	32,013,369	10
Vehicles	125,873,159	50,667 ** 43,489,295 *** (82,097,244)	87,315,877	66,566,805	18,116,547 28,578,912 *** (52,391,854)	60,870,410	26,445,467	33
Audio visual equipment	556,608,268	10,665,802 ** (6,869,698)	560,404,372	236,003,483	86,724,488 (3,637,750)	319,090,221	241,314,151	25
Uplinking equipment	75,484,263	-	75,484,263	42,951,998	3,745,261	46,697,259	28,787,004	10
Office equipment	140,682,454	1,066,404 ** (17,993,934)	123,754,924	64,924,957	14,620,776 (9,663,078)	69,882,655	53,872,269	15
Computers	177,380,727	8,068,272 ** (1,857,145)	183,591,854	129,130,858	29,169,284 (1,857,145)	156,442,997	27,148,857	33
2020	2,198,467,228	85,590,151 ** 43,489,295 *** (21,857,901) ***** (118,705,771)	2,186,983,002	772,175,592	221,764,139 28,578,912 *** (5,350,814) ***** (77,169,013)	939,998,816	1,246,984,186	

* Includes asset under common ownership under Diminishing Musharaka arrangement.

** Additions of Rs. 39,753,379 (2020: Rs. 85,590,151), as shown above, include an amount of Rs. Nil (2020: Rs. 59,434,093) transferred from capital work in progress during the year.

*** Includes transfers from leased to owned assets. (Refer note 4.5)

**** Reclassified to non-current assets held for sale. (Refer note 16)

***** Represents provision for impairment against assets of subsidiary.

4.2 Particular of Immovable Asset in the name of the Group are as follows:

Location	Addresses	Total Area
Karachi	Plot No. 10/11 hassan ali street, off I.I. Chundrigar road.	2,070 sq yards
Islamabad	Plot No.2A, I&T centre sector G-6/1.	30,610 sq. ft
Islamabad	6-7 km, kashmir highway, adjacent to Sector H-17	303 sq yards

4.3 Depreciation for the period on operating fixed assets has been allocated as follows:

		2021	2020
	Note	----- Rupees -----	-----
Depreciation for the period on operating fixed assets has been allocated as follows:			
Cost of production	25	154,196,333	175,501,285
Distribution costs	26	870,964	1,171,383
Administrative expenses	27	40,579,583	45,091,471
		195,646,880	221,764,139

4.4 The details of operating fixed assets disposed / written off, during the period are as follows:

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Modes of Disposals	Particulars of Buyer
Office equipment							
	2,508,480	1,411,020	1,097,460	1,371,550	274,090	Negotiation	Akbar Engineering
	2,250,000	1,036,310	1,213,690	480,000	(733,690)	Negotiation	Abdus Samad Khan
Vehicles							
	6,189,718	4,332,369	1,857,349	2,196,604	339,255	As per Company	Mr. Badar Ikram, an employee.
	6,219,893	4,353,490	1,866,403	2,210,616	344,213	As per Company	Mr. Muhammad Abbas Hussain, Chief Financial Officer
	2,500,200	1,652,745	847,455	974,595	127,140	As per Company	Mr. Nasir Jamal, an employee
	5,777,091	4,043,964	1,733,127	1,944,513	211,386	As per Company	Mr. Duraid Qureshi, Chief Executive
	2,713,640	1,899,548	814,092	992,900	178,808	As per Company	Mr. Khalid Soorty, an employee
	1,629,889	1,045,741	584,148	918,381	334,233	As per Company	Mr. Kamran Shamshad Ahmed, an employee
	2,999,794	1,633,058	1,366,736	1,852,386	485,650	As per Company	Mr. Amir Zia, an employee
	2,915,641	1,927,370	988,271	988,271	-	As per Company	Mr. Malik Faisal Qayyum, an employee
						Policy	
	1,153,474	493,381	660,093	1,197,000	536,907	Insurance claim	Adamjee Insurance
Leasehold Improvements							
	6,568,854	4,220,935	2,347,919	2,575,000	227,081	Negotiation	OLX Pakistan (Private) Limited
Items having book value of less than Rs. 500,000							
	24,082,820	20,756,740	3,326,080	3,193,351	(132,729)	Negotiation	Various
2021	67,509,494	48,806,671	18,702,823	20,895,167	2,192,344		
2020	118,705,771	77,169,013	41,536,758	45,841,494	4,304,736		

4.5 Right of use assets

Year ended June 30

Opening net book value	136,797,636	224,340,940
Additions	9,951,424	4,701,600
Change due to modification during the year	35,193	(31,925,299)
Transfer to operating fixed assets- book value	(5,890,547)	(14,910,383)
Less: Depreciation charge for the period	4.5.2 (31,865,084)	(45,409,222)
Closing net book value	<u>109,028,622</u>	<u>136,797,636</u>
As at June 30		
Cost	189,053,790	184,957,720
Accumulated depreciation	<u>(80,025,168)</u>	<u>(48,160,084)</u>
Net book value	<u>109,028,622</u>	<u>136,797,636</u>

4.5.1 The right-of-use assets are depreciated on straight line basis over the remaining lease term.

4.5.2 Depreciation for the period on right of use assets has been allocated as follows:

	Note	2021 ----- Rupees -----	2020 -----
Cost of production	25	20,443,294	26,358,006
Distribution costs	26	2,639,022	2,120,139
Administrative expenses	27	8,782,768	16,931,077
		<u>31,865,084</u>	<u>45,409,222</u>

Breakup of depreciation of right-of-use assets by class of underlying asset is as follows:

Land and building	25,117,222	31,111,065
Vehicles	6,747,862	14,298,157
	<u>31,865,084</u>	<u>45,409,222</u>

4.6 Capital work-in-progress

Leasehold Land	87,420,469	15,933,877
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4.6.1 Movement in capital work-in-progress during the period:

Balance at beginning of the year	15,933,877	59,031,934
Additions during the period	71,486,592	16,336,036
Transfers during the period	-	(59,434,093)
Balance at end of the period	<u>87,420,469</u>	<u>15,933,877</u>

5 INTANGIBLE ASSETS

	Cost			Accumulated amortization			Book value	Amortisation
	As at July 01, 2020	Additions	As at June 30, 2021	As at July 01, 2020	For the period	As at June 30, 2021	as at June 30, 2021	rate % per annum
Goodwill	13,862,252	(12,913) *	13,849,339	11,803,791	-	11,803,791	2,045,548	
Computer softwares	78,905,667	130,400	79,036,067	39,766,700	7,764,853	47,531,553	31,504,514	20 – 33
License fee	75,563,208	2,284,061	52,286,498	13,558,625	5,602,794	14,046,646	38,239,852	6.67
		(25,560,771)			(5,114,773)			
Trade mark	34,241,084	216,000	33,883,500	26,604,709	4,420,820	30,679,041	3,204,459	20
		(573,584) **			(346,488) **			
2021	202,572,211	2,617,548	179,055,404	91,733,825	17,788,467	104,061,031	74,994,373	
		(25,560,771)			(5,114,773)			

* Represents exchange gain on revaluation of goodwill.

** Represents provision for impairment against assets of subsidiary.

	Cost			Accumulated amortization			Book value	Amortisation
	As at July 01, 2019	Additions	As at June 30, 2020	As at July 01, 2019	For the year	As at June 30, 2020	as at June 30, 2020	rate % per annum
Goodwill	13,862,252	-	13,862,252	11,803,791	-	11,803,791	2,058,461	
Computer softwares	78,905,667	-	78,905,667	28,221,781	11,544,919	39,766,700	39,138,967	20 – 33
License fee	75,563,208	-	75,563,208	13,083,081	475,544	13,558,625	62,004,583	6.67
Trade mark	33,233,084	1,008,000	34,241,084	20,947,625	5,657,084	26,604,709	7,636,375	20
2020	201,564,211	1,008,000	202,572,211	74,056,278	17,677,547	91,733,825	110,838,386	

		2021	2020
		----- Rupees -----	-----
5.1	Amortisation for the period has been allocated as follows:		
	Note / Holding		
	Cost of production	25 9,710,249	12,157,206
	Administrative expenses	27 8,078,218	5,520,341
		<u>17,788,467</u>	<u>17,677,547</u>
6	LONG TERM INVESTMENTS		
	Unquoted investment in an associate – stated as per equity method		
	Digital Entertainment World (Private) Limited (DEW)	50%	
	Opening balance	73,387,086	77,195,824
	Investment made during the year	-	-
	Share of profit – net of tax	-	7,228,162
	Provision for impairment	-	(11,036,900)
	Disposed during the year	6.1 (73,387,086)	-
	Closing balance	<u>-</u>	<u>73,387,086</u>
6.1	During the current year, the Group in its meeting held on 08 August 2020 decided and disposed off its investment in DEW.		
		2021	2020
		----- Rupees -----	-----
7	LONG TERM DEPOSITS		
	Security deposits		
	- Lease	-	1,353,257
	- Rent	6,761,458	8,921,458
	- Trade	15,975,435	31,307,175
	- Others	4,496,383	4,283,186
		<u>27,233,276</u>	<u>45,865,076</u>
	Prepayments		
	- Software development fee	4,210,158	-
		<u>31,443,434</u>	<u>45,865,076</u>
8	TELEVISION PROGRAM COSTS		
	Unreleased / released less amortisation	430,167,561	427,380,500
	In production	22,282,250	38,743,250
		<u>452,449,811</u>	<u>466,123,750</u>
	Less: Current portion	(100,385,799)	(105,385,799)
		<u>352,064,012</u>	<u>360,737,951</u>
9	DEFERRED TAX ASSET		
	Deductible temporary differences arising in respect of:		
	Unused tax credits on subscription income	-	90,526,694
	Unrealised loss on short term investments	-	1,388,007
	Unabsorbed tax losses	8,614,237	11,579,987
	Provisions	103,229,914	50,746,755
	Long term lease liabilities - net	3,512,963	731,532
	Accelerated tax depreciation and amortisation	33,320,368	6,716,746
		<u>148,677,482</u>	<u>161,689,721</u>
	Taxable temporary differences arising in respect of:		
	Unrealised loss on short term investments - net	(14,003,897)	-
		<u>134,673,585</u>	<u>161,689,721</u>

	Note	2021 ----- Rupees -----	2020 -----
10 TRADE DEBTS – unsecured			
Considered good	10.3	2,309,861,983	2,179,350,487
Less: Allowance for ECL	10.2	(78,385,137)	(89,539,634)
		<u>2,231,476,846</u>	<u>2,089,810,853</u>
10.1 Particulars of receivable from foreign jurisdictions:			
Jurisdiction			
United Arab Emirates		75,895,667	94,599,792
United States of America		59,567,224	24,082,237
		<u>135,462,891</u>	<u>118,682,029</u>
These receivables are on contract basis and there are no defaulting parties as of June 30, 2021 and June 30, 2020.			
		2021 ----- Rupees -----	2020 -----
10.2 Provision for doubtful debts			
Opening balance		89,539,634	87,832,093
Charge for the year		22,865,447	25,823,089
Provision written off		(34,019,944)	(24,115,548)
Balance as at the end of the year		<u>78,385,137</u>	<u>89,539,634</u>
10.3 The aging of trade debts as at June 30 is as follows:			
Neither past due nor impaired		1,683,507,777	1,310,822,787
Past due but not impaired			
- 01 to 30 days		239,190,099	436,947,080
- 31 to 60 days		238,131,759	263,416,582
- Over 60 days		70,647,211	78,624,404
		<u>2,231,476,846</u>	<u>2,089,810,853</u>
		2021 ----- Rupees -----	2020 -----
11 SHORT TERM INVESTMENTS			
At fair value through profit or loss			
Term Finance Certificates (TFCs)			
Bank of Punjab			
2,033 TFCs having face value of Rs.99,860 each		-	198,901,230
U Microfinance Bank Limited			
8,400 TFCs having face value of Rs.4,992 each			
(2020: 8,400 TFCs having face value of Rs. 4,994 each)	11.1	42,302,020	42,603,862
Mutual Funds			
Askari High Yield Scheme			
21,865 units having net asset value (NAV) of Rs.103.1229 per unit		2,254,809	-
AKD Opportunity Fund			
2,199,809 units having NAV of Rs. 136.7162 per unit		300,749,572	-
AKD Golden Arrow Stock Fund			
9,449,241 units having NAV of Rs. 16.6266 per unit		157,108,756	-
		<u>502,415,157</u>	<u>241,505,092</u>

		2021	2020
		----- Rupees -----	----- Rupees -----
11.1	These carry interest ranging from 10.60% to 10.94% (2020: 8.68% to 16.98%).		
12	ADVANCES - unsecured, considered good		
	Interest free advances to:		
	- Producers	95,205,731	52,272,091
	- Suppliers	27,081,160	39,398,193
	- Employees	6,338,967	9,738,189
	- Executives	657,539	4,713,727
		<u>129,283,397</u>	<u>106,122,200</u>
		2021	2020
	Note	----- Rupees -----	----- Rupees -----
13	TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS		
	Deposits		
	- Rent	711,430	664,500
	Prepayments		
	- Insurance	20,365,662	15,972,890
	- Rent	1,244,140	1,734,426
	- Other	1,261,743	5,291,397
		<u>22,871,545</u>	<u>22,998,713</u>
		<u>23,582,975</u>	<u>23,663,213</u>
14	OTHER RECEIVABLES – considered good		
	Sales tax receivable	14.1 110,954,312	108,626,731
	Income/ mark-up accrued	-	69,589
	Others	891,099	1,833,251
		<u>111,845,411</u>	<u>110,529,571</u>
14.1	As per rule 3(5) of Sindh Sales Tax Special Procedure (withholding) Rule, 2014, registered persons as recipient of advertisement services shall withheld whole of sales tax applicable on the person providing advertisement services. Accordingly, the Holding company is unable to adjust its input tax deducted on purchases of taxable goods and services as 100% of the output tax on the Holding Company's taxable services are being withheld by the recipient of these services. However, Holding Company is in correspondence with the relevant authorities through its legal advisor to resolve the matter.		
		2021	2020
		----- Rupees -----	----- Rupees -----
15	CASH AND BANK BALANCES		
	Cash in hand	381,740	2,018,652
	Cash at banks		
	- in current accounts	136,053,795	140,421,348
	- in deposit accounts	301,257,992	126,257,823
		<u>437,311,787</u>	<u>266,679,171</u>
		<u>437,693,527</u>	<u>268,697,823</u>
15.1	These carry profit at the rates ranging from 5.5% to 6% per annum (2020: 6.5% to 11.25%) per annum.		
16	NON-CURRENT ASSET HELD FOR SALE		
	On 16 July 2020, the management of the Company disposed off land located in Karachi at consideration of Rs. 493,340,000 having fair value of Rs. 472,958,100 based on the independent valuation carried out on 30 June 2020 and net book value of 16,507,087.		

17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021 (Number of shares)	2020		2021 ----- Rupees -----	2020 -----
		Ordinary shares of Re. 1/- each		
500,000,000	500,000,000	Fully paid in cash	500,000,000	500,000,000
445,000,000	445,000,000	Issued as fully paid bonus shares	445,000,000	445,000,000
<u>945,000,000</u>	<u>945,000,000</u>		<u>945,000,000</u>	<u>945,000,000</u>

- 17.1** As at June 30, 2021, institutions and others held 665,950,489 and 279,049,511 shares, respectively (June 30, 2020: 604,969,034 and 340,030,966 shares). Voting rights, board selection, right of first refusal and block voting are in proportion to the shareholding.

	Note	2021 ----- Rupees -----	2020 -----
18 LONG TERM LEASE LIABILITIES			
Opening balance		139,976,668	203,492,165
Additions during the period	4.5	7,874,151	4,701,600
Change due to modification during the year		35,193	(31,925,299)
Mark up on lease liabilities	30	15,529,710	24,730,643
Less: Lease rentals paid		(41,799,470)	(61,022,441)
Closing balance	18.1	<u>121,616,252</u>	<u>139,976,668</u>
Current portion of long-term lease liabilities		<u>29,564,860</u>	<u>35,142,945</u>
Long-term lease liabilities		<u>92,051,392</u>	<u>104,833,723</u>

- 18.1** Includes lease finance facility entered into by the Company with commercial banks for vehicles amounting to Rs 91,750,000 (2020: Rs. 115,000,000) out of which Rs. 66,358,190 (2020: Rs. 101,173,870) remains unutilized at period end. Lease rentals are payable in monthly installments latest by September 2022.

	Note	2021 ----- Rupees -----	2020 -----
19 LONG TERM FINANCING			
Islamic banks - secured			
Diminshing Musharaka - I	19.1	269,420,550	409,771,846
Diminshing Musharaka - II	19.2	187,048,496	312,195,127
		<u>456,469,046</u>	<u>721,966,973</u>
Less: current maturity		<u>(257,640,427)</u>	<u>(169,835,542)</u>
		<u>198,828,619</u>	<u>552,131,431</u>
Conventional bank			
Term Finance Loan - secured		-	312,183,996
Bounce back loan - unsecured	19.3	21,797,749	-
Salary Refinance Loan - secured	19.4	144,531,403	-
		<u>166,329,152</u>	<u>312,183,996</u>
Less: current maturity		<u>(95,928,460)</u>	<u>(26,476,058)</u>
		<u>70,400,692</u>	<u>285,707,938</u>
		<u>269,229,311</u>	<u>837,839,369</u>

- 19.1** Represent Diminishing Musharaka facility carrying profit at the rate of 6 months KIBOR plus 1% (June 2020: 6 months KIBOR plus 1%) per annum. The financing is repayable by 24 June 2023 in 48 equal monthly instalments commencing after a grace period of 12 months from the date of first disbursement i.e. from June 2018. The loan is secured by way of registered mortgage over the building on leasehold land.

- 19.2** Represent Diminishing Musharaka carrying profit at the rate of 6 months KIBOR plus 1% (June 2020: 6 months KIBOR plus 1%) per annum. The financing is repayable in 48 equal monthly instalments commencing after a grace period of 18 months from the date of first disbursement i.e. December 2017. In 2020, the Company has availed the principal deferment facility for LTFF offered by the SBP through BPRD circular no. 13 of 2020 to dampen adverse effects of the COVID-19 and to provide relief to the businesses. Hence, the financing is repayable by December 2023. Financing is secured by way of Equitable Mortgage over registered office, first pari passu constructive mortgage charge over land and first hypothecation charge over plant, machinery & equipment.

19.3 Represents foreign currency loan amounting to £100,000 obtained by the Group from Barclays Bank UK PLC at the rate of 2.5% per annum. The loan is repayable in 60 equal installments commencing after a grace period of 13 months from the date of disbursement. During the first 12 months, the UK government will pay interest due on this loan as Business Interruption payment. The loan is supported by the Bounce Bank Loan Scheme (BBLs) managed by the British Business Bank on behalf of the Secretary of State for Business Energy and Industrial Strategy.

19.4 Represents long term-financing from an Islamic bank obtained during the period of Rs. 200 million under the refinance scheme for payment of wages and salaries by State Bank of Pakistan (SBP). The loan carry markup rate at the rate of SBP rate + 3% however, the loan have been recognised at the present value. The loan is repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential markup has been recognised as government grant which will be amortised to interest income over the period of loan. The facility is secured by way of registered equitable mortgage over land and property with 30% margin.

20	Deferred Income - Government grant	Note	2021	2020
			----- Rupees -----	-----
	Opening balance		-	-
	Received during the year		13,459,991	-
	Released to the statement of profit or loss	29	(8,403,726)	-
	Closing balance	20.1	<u>5,056,265</u>	<u>-</u>
	Current portion		(4,495,607)	-
	Non-current portion		<u>560,658</u>	<u>-</u>

20.1 Government grant has been recorded pursuant to a salary refinance scheme introduced by the State Bank of Pakistan (IH&SMEFD Circular Nos. 07 &14) to provide loan to businesses at concessional rates to finance salary expense during the COVID-19 outbreak. The grant has been provided to the Company as a reimbursement of average wages and salaries' bill for the months of April, May and June 2020 subject to Company's undertaking that no employees have been laid off, due/owing to cash flow limitations, for a period of three months between April 01, 2020 to June 30, 2020.

21	TRADE AND OTHER PAYABLES	Note	2021	2020
			----- Rupees -----	-----
	Creditors	21.1	307,877,604	415,305,683
	Accrued liabilities		329,903,855	103,445,339
	Payable against investment in an associate		-	59,704,281
	Withholding tax payable		19,946,085	42,230,593
	Payable to provident fund	21.2	1,371,103	1,273,701
	Others		<u>24,087,441</u>	<u>35,677,744</u>
			<u>683,186,088</u>	<u>657,637,341</u>

21.1 Include amount payable to following related party:

M.D Production (Private) Limited	1,669,008	95,940,684
Digital Entertainment World (Private) Limited	-	45,002,945
	<u>1,669,008</u>	<u>140,943,629</u>

21.2 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

22	SHORT TERM BORROWINGS – secured	Note	2021	2020
			----- Rupees -----	-----
	Short-term running finance– conventional banks	22.1	<u>-</u>	<u>189,067,264</u>

22.1 The Holding Company has short-term running finance facilities from various conventional banks amounting to Rs. 425,000,000 (June 2020: Rs. 425,000,000) which remained unutilised at year end (June 2020: Rs. 235,932,736). These facilities carrying markup ranging from 1 month to 3 month KIBOR + 0.75% to 1%. (June 2020: 1 month to 3 month KIBOR + 0.75% to 1%). These facilities are secured by way of pari passu charge and first hypothecation charge on all current assets of the Holding Company.

22.2 The Holding Company has local bill discounting facilities amounting to Rs. 175,000,000 (June 2020: Rs. 175,000,000) which remain unutilized at the year end. These facilities carrying mark-up rates ranging from 3 months KIBOR + 0.9% to 1% (June 2020: 3 months KIBOR + 0.9% to 1%). These facilities secured by way of pari passu charge and first hypothecation charge on all current assets of the Holding Company.

22.3 The Holding Company has facility against letters of credit aggregating to Rs. 50,000,000 (June 2020: Rs. 50,000,000) which remain unutilized at the period end. These facilities secured by way of lien over import documents.

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

For the tax year 2013, the Additional Commissioner Inland Revenue (ACIR) passed an order under section 122(1) of the Income Tax Ordinance, 2001 wherein certain disallowances / addbacks were made to the taxable income of the Company. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) against the aforesaid order who decided the case against the Company. The Company challenged the aforesaid order of the CIR (A) before the Appellate Tribunal Inland Revenue (ATIR). Pursuant to the above appeal, the ATIR has now passed an appellate order whereby the order passed by the ACIR has been remanded back on the ground that proper opportunity of being heard was not provided to the company. No notice has yet been issued for fresh proceedings.

The tax authorities passed an order under section 122 (5A) of the Income Tax Ordinance, 2001 for the tax year 2014 whereby a tax demand of Rs. 168,166,692 was created. The Holding Company has filed appeal before the Commissioner Inland Revenue (Appeals) (CIR (A)) in respect of the aforesaid order, which is pending adjudication.

Furthermore, the Holding Company has obtained stay from recovery of tax in respect of the above tax demand from the Sindh High Court (the Court), till the decision of appeal. The management, based on the legal and tax advice, is confident that the ultimate outcome will be in favor of the Holding Company and accordingly, no provision has been made in this respect in these consolidated financial statements.

23.1.1 For tax related matters, refer note 31 to these consolidated financial statements.

23.2 Commitments

23.2.1 Purchase of television programs commitments with M.D Production (Private) Limited - a related party as at June 30, 2021 amounted to Rs. 175,514,000 (June 30 2020: Rs. 155,579,500). Commitment for purchase of television programs with other than related parties as at June 30, 2021 amounted to Rs. 71,736,000 (June 30, 2020: Rs. 84,222,500).

	Note	2021 ----- Rupees -----	2020 -----
24 REVENUE – net			
Advertisement revenue		4,057,299,047	3,504,290,142
Production revenue		67,299,884	51,495,210
Digital revenue		47,036,575	110,414,145
Subscription income		657,492,801	636,811,833
Film distribution revenue		715,601	40,630,585
Sale of goods		162,708,076	298,509,962
Sale of megazines		1,177,052	3,173,910
	24.1 / 24.2	<u>4,993,729,036</u>	<u>4,645,325,787</u>

		2021	2020
	Note	----- Rupees -----	-----
24.1	Revenue is net off the following items:		
		519,676,018	440,971,671
		331,818,560	248,715,703
		<u>851,494,578</u>	<u>689,687,374</u>
24.2	Represents revenue from the following geographical regions:		
		4,196,687,187	3,919,305,019
		238,567,556	346,283,540
		558,474,293	379,737,228
		<u>4,993,729,036</u>	<u>4,645,325,787</u>
25	COST OF PRODUCTION		
		1,449,206,697	1,501,992,926
		128,361,607	238,684,117
		153,182,250	312,023,498
	25.1	620,709,406	700,813,954
	4.3 & 4.5.2	174,639,627	201,859,291
		47,112,949	60,459,154
		23,035,888	19,316,327
		535,389	1,839,183
		25,169,262	22,950,391
		63,627,522	47,279,514
		103,226,704	60,023,093
		16,037,576	16,378,835
		811,074	1,356,144
	5.1	9,710,249	12,157,206
		15,754	-
		5,466,961	6,013,999
		4,081,024	10,818,429
		<u>2,824,929,939</u>	<u>3,213,966,061</u>
		38,743,250	54,213,916
		<u>(22,282,250)</u>	<u>(38,743,250)</u>
		<u>2,841,390,939</u>	<u>3,229,436,727</u>
		427,380,500	386,400,500
		<u>(430,167,561)</u>	<u>(427,380,500)</u>
		<u>2,838,603,878</u>	<u>3,188,456,727</u>

25.1 Include Rs. 23,635,656 (2020: Rs. 26,580,044) in respect of staff retirement benefits.

		2021	2020
	Note	----- Rupees -----	-----
26	DISTRIBUTION COSTS		
		116,127,307	184,273,278
	26.1	126,007,356	141,599,692
		10,485,718	10,159,593
		90,983	8,808
		1,751,418	867,803
	4.3 & 4.5.2	3,509,986	3,291,522
		1,267,513	1,493,880
		2,524,783	2,716,465
		1,926,678	2,186,613
		2,119,504	1,984,746
		22,603,618	7,567,055
		190,979	287,413
		<u>288,605,843</u>	<u>356,436,868</u>

26.1 Include Rs. 5,162,605 (2020: Rs. 4,987,023) in respect of staff retirement benefits.

	Note	2021 ----- Rupees -----	2020 -----
27 ADMINISTRATIVE EXPENSES			
Salaries and benefits	27.1	578,988,381	410,517,254
Technical advisory fee	27.2	41,400,000	41,400,000
Depreciation	4.3 & 4.5.2	49,362,351	62,022,548
Amortisation	5.1	8,078,218	5,520,341
Repair and maintenance		40,267,173	30,093,265
Communication		5,401,087	6,374,162
Traveling and conveyance		19,831,085	30,336,726
Fee and subscription		23,261,582	8,350,074
Utilities		31,299,904	29,592,304
Legal and professional charges		76,300,190	20,066,963
Printing, stationery and periodicals		5,722,682	7,278,659
Rent, rates and taxes		24,253,769	20,179,390
Insurance		6,036,792	5,303,920
Auditors' remuneration	27.3	9,272,646	9,531,001
Security charges		8,863,850	10,528,238
Donation	27.4	200,000	1,817,779
		<u>928,539,710</u>	<u>698,912,624</u>
27.1	Include Rs. 4,903,800 (2020: Rs. 4,956,932) in respect of staff retirement benefits.		
27.2	Represents amount paid / payable to director of the Holding Company for technical advisory services rendered in terms of the technical advisory agreement duly approved by the Board of Directors.		
		2021 ----- Rupees -----	2020 -----
27.3 Auditors' remuneration			
Audit fee		3,851,065	5,515,843
Fee for consolidated financial statements		1,832,627	550,000
Fee for half yearly review		450,000	325,000
Tax and other assurance services		2,518,954	2,276,560
Out of pocket expenses		620,000	863,598
		<u>9,272,646</u>	<u>9,531,001</u>
27.4	Interest of the Directors or their spouses in the donations made during the year is as follows:		
Name of donee and address	Names of interested		
Momina and Duraid Foundation (Plot No. 10/11 hassan ali street, off I.I. Chundrigar road, Karachi.	Mr. Duraid Qureshi - Trustee Ms. Sultana Siddiqui - Trustee	-	1,480,649
		<u>-</u>	<u>1,480,649</u>
28 OTHER EXPENSE			
Provision for doubtful trade debts		22,865,447	25,823,089
Provision for impairment against assets / investment in an associate		28,262,941	11,036,900
Stock written off		5,117,655	3,581,225
Expenses for award show arrangement		-	209,014,896
Loss on disposal of intangible assets		14,055,806	-
Others		-	13,745,896
		<u>70,301,849</u>	<u>263,202,006</u>
29 OTHER INCOME			
Income / (loss) from financial assets			
Profit on bank accounts		16,956,588	12,443,154
Exchange gain		7,997,414	14,096,340
Dividend income		177,973	150,000
Interest / markup income		7,242,865	63,157,955
Government grant		8,403,726	-
Unrealised gain / (loss) on revaluation of investments		110,580,114	(4,188,063)
(Loss) / gain on redemption / sale of investments		(12,426,115)	1,508,558
		<u>138,932,565</u>	<u>87,167,944</u>
Income from non financial assets			
Gain on disposal of operating fixed assets		2,192,344	4,304,736
Liabilities no longer payable written back		-	177,185
Sale of content and festival revenue		21,284,181	74,317,800
Income from award show arrangement		-	97,733,251
Others		505,662	12,809,161
		<u>23,982,187</u>	<u>189,342,133</u>
		<u>162,914,752</u>	<u>276,510,077</u>

	Note	2021 ----- Rupees -----	2020 -----
30 FINANCE COSTS			
Mark-up on long term financing		63,287,927	164,676,755
Mark-up on short term borrowings		20,906,003	53,548,307
Interest on lease liabilities		15,529,710	24,730,643
Bank charges		1,863,711	2,017,540
		<u>101,587,351</u>	<u>244,973,245</u>
31 TAXATION			
Current		72,266,427	66,068,723
Deferred		25,765,329	(88,310,777)
Prior		-	6,410,387
	31.1	<u>98,031,756</u>	<u>(15,831,667)</u>

31.1 The Holding Company has filed its return of income up to tax year 2020. The return so filed is deemed to be an assessment order issued by the Taxation Authorities on the date the complete return is filed. The Holding Company is mainly subject to Minimum Tax Regime under Section 153((3) (e)) of the Income Tax Ordinance, 2001, therefore, relationship between income tax expense and accounting profit has not been presented.

31.2 The Holding Company filed a Constitutional Petition (CP) before the Court on September 27, 2018 challenging the tax under section 5A of the Income Tax Ordinance, 2001. The Court accepted the CP and granted a stay against the above section. In case the Court's decision is not in favor of the Holding Company, the Holding Company will either be required to declare the dividend to the extent of 40% of after tax profits or it will be liable to pay additional tax at the rate of 7.5% of the accounting profit before tax of the Holding Company for the financial year ended June 30, 2018. The management, based on the legal and tax advice, is confident that the ultimate outcome will be in favor of the Holding Company and accordingly, no provision has been made in this respect in these consolidated financial statements.

Subsequent to the year end, the Sindh High Court (the Court), through its order dated 30 April 2021, declared the insertion of section 5A of the Ordinance as ultra vires to the Constitution of Islamic Republic of Pakistan, 1973 and therefore struck down the provisions of the aforesaid section. Accordingly, in light of the above judgment of the Court, the provisions of section 5A of the Ordinance are no longer applicable on the Holding Company, until such matter is decided otherwise by the Honorable Supreme Court.

31.3 During the year 2017, Deputy Commissioner Inland Revenue issued a show cause notice to the Holding Company, for the tax year 2014, showing his intention to disallow the deduction claimed on account of agency commission on alleged non-deduction of tax on such agency commission. The Holding Company filed a suit before the Hon'ble High Court of Sindh challenging the above showcause notice.

Based on a recent judgement of the Hon'ble Supreme Court of Pakistan, suits filed by taxpayers are not to be maintained unless 50% of the tax due is deposited by the petitioners. In compliance to the above order, the Holding Company has deposited an amount of 24,395,012 into the Government treasury. The decision in respect of the Suit filed by the Holding Company is still pending.

	2021 ----- Rupees -----	2020 -----
32 EARNINGS / (LOSS) PER SHARE – basic and diluted		
Profit / (loss) attributable to the owners of the Holding Company	<u>994,762,944</u>	<u>(193,088,481)</u>
Weighted average number of ordinary shares outstanding during the period	<u>945,000,000</u>	<u>945,000,000</u>
Earnings / (loss) per share (Rupee)	<u>1.05</u>	<u>(0.20)</u>

33 CASH GENERATED FROM OPERATIONS

	2021 ----- Rupees -----	2020 -----
Profit / (loss) before taxation	1,059,224,552	(263,000,185)
Adjustments for :		
Depreciation	227,511,964	267,173,361
Amortisation	17,788,467	17,677,547
Provision for impairment against assets / investment in an associate	28,262,941	11,036,900
Provision for employee retirement benefits	4,802,695	34,292,949
Finance costs	101,587,351	244,973,245
Exchange difference on translation of foreign subsidiaries	7,023,908	7,841,236
Exchange gain	(7,997,414)	(14,096,340)
Profit on deposit accounts	(16,956,588)	(12,443,154)
Gain on sale of non-current asset held for sale	(476,832,913)	-
Gain on disposal of operating fixed assets	(2,192,344)	(4,304,736)
Loss on disposal of intangible assets	14,055,806	-
Share of net profit of associate	-	(7,228,162)
(Loss) / gain on redemption / sale of investments	12,426,115	(1,508,558)
Unrealised gain / (loss) on revaluation of investments	(110,580,114)	4,188,063
Provision for doubtful debts	22,865,447	25,823,089
	(178,234,679)	573,425,440
(Increase) / decrease in current assets		
Inventories	27,469,959	17,745,971
Current portion of television program costs	5,000,000	108,000,000
Trade debts	(166,424,330)	(213,011,700)
Advances	(25,527,189)	48,026,417
Trade deposits and short term prepayments	(3,187,931)	(22,012,136)
Other receivables	(7,873,962)	93,600,388
	(170,543,453)	32,348,940
Increase / (decrease) in current liabilities		
Trade and other payables	25,548,747	(339,523,158)
Advance from customers	(101,278,018)	201,901,981
	634,717,149	205,153,018

34 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the consolidated financial statements for remuneration, including all benefits to the Chief Executives, Directors and Executives are as follows:

	2021				2020			
	Chief Executive	Executive Director	Directors	Executives	Chief Executive	Executive Director	Directors	Executives
Managerial remuneration	100,824,935	-	-	237,292,249	99,470,090	-	-	253,774,383
Fee	-	-	2,300,000	-	-	-	2,675,000	-
Bonus	87,753,993	87,753,993	-	-	-	-	-	-
Retirement benefits	-	-	-	12,051,188	-	-	-	12,642,819
House rent	14,022,581	-	-	62,308,947	14,022,581	-	-	73,317,842
Utilities	3,116,129	-	-	13,846,433	3,116,129	-	-	16,292,852
Car allowance	20,128,072	23,500,000	-	-	-	-	-	-
Technical advisory fee	-	41,400,000	-	-	-	41,400,000	-	-
Fuel and conveyance	1,349,577	815,040	549,085	8,795,309	1,363,515	834,389	499,832	9,921,361
	227,195,286	153,469,033	2,849,085	334,294,126	117,972,315	42,234,389	3,174,832	365,949,257
Number	1	1	5	51	1	1	5	62

34.1 The Chief Executives, Directors and certain Executives are also provided with free use of Group maintained cars in accordance with the Group's policy and reimbursement of expenses related to business travel.

34.2 The aggregate amount charged in the financial statements for meeting fee to 4 non-executive directors amounted to Rs. 300,000/- (2020: Rs. 675,000/-).

35 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise associated undertaking, retirement benefits fund and key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

Relationship	Nature of transactions	2021 ----- Rupees -----	2020 ----- Rupees -----
Associates	Purchases of television program rights	1,263,466,397	1,142,964,102
	Expenses paid on behalf of the associate	22,443,060	18,238,705
	Payment made during the period	1,321,362,543	1,337,379,266
Others	Contribution to the provident fund	33,702,061	36,523,999

All transactions with related parties are entered into at agreed terms duly approved by the Board of Directors of the Group. The outstanding receivable and payable balances of the related parties are disclosed in their respective notes to these consolidated financial statements.

35.1 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

S.No.	Company Name	Basis of association	Aggregate % of shareholding
1	M.D Productions (Private) Limited	Associated company (35.1.1)	-
2	Momina & Duraid Films (Private) Limited	Associated company (35.1.1)	-
3	Momina and Duraid Foundation	Associated company (35.1.1)	-
4	HUM Network Limited- Employees' Provident Fund	Retirement Fund	-
5	Ms. Sultana Siddiqui	Director	0.02%
6	Mr. Mazhar ul Haq Siddiqui	Director	-
7	Mr. Duraid Qureshi	Director	24.30%
8	Mr. Shunaid Qureshi	Director	5.38%
9	Mrs. Mahtab Akbar Rashdi	Director	-
10	Lt Gen (R) Asif Yasin Malik	Director	-
11	Mr. Muhammad Ayub Younus Adhi	Director	-
12	Mr. Sohail Ansar	Director	-
13	Ms. Nabigha Nassser Masood	Director	-
14	Mr. Muhammad Abbas Hussain	Key management Personnel	-
15	Mr. Mohsin Naeem	Key management Personnel	-

35.1.1 These entities are associated companies / undertakings of the Company under Companies Act, 2017.

35.2 None of the key management personnel had any arrangements with the Company other than the employment contract.

36 FINANCIAL INSTRUMENTS BY CATEGORY**36.1 Financial assets as per statement of financial position****Financial assets at amortised cost**

- Long term deposits	7	31,443,434	45,865,076
- Trade debts	10	2,231,476,846	2,089,810,853
- Trade deposits	13	711,430	19,497,190
- Other receivables	14	891,099	110,529,571
- Cash and bank balances	15	437,693,527	268,697,823
		<u>2,702,216,336</u>	<u>2,534,400,513</u>

Financial assets at fair value through profit or loss

- Short term investments	11	<u>502,415,157</u>	<u>241,505,092</u>
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36.2 Financial liabilities as per statement of financial position**Financial liabilities at amortised cost**

- Long term financing	19	269,229,311	837,839,369
- Deferred income - government grant	20	560,658	-
- Trade and other payables	21	663,240,003	615,406,748
- Accrued mark-up		9,907,299	3,210,149
- Short term borrowings	22	-	189,067,264
- Current portion of long term financing	19	353,568,887	196,311,600
- Unclaimed dividend		5,948,490	5,948,490
- Unpaid dividend		205,159	205,159
		<u>1,302,659,807</u>	<u>1,847,988,779</u>

Note
----- Rupees -----

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks i.e. market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's senior management oversees the management of these risks. The Group's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of financial derivatives, financial instruments and investment of excess liquidity. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors review and agree policies for managing each of these risks which are summarized below:

37.1 Market risk

Market risk is the risk that fair value of future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and equity price risk, such as equity risk.

37.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in the market interest rates. The Group's interest rate risk arises from finance lease obligations, short term borrowings and bank balances. The Group manages these risks through risk management strategies.

Sensitivity analysis:

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before taxation:

	Increase / decrease in basis points	Effect on profit before taxation Rupees
June 30, 2021	+100	<u>(2,419,993)</u>
	-100	<u>2,419,993</u>
June 30, 2020	+100	<u>(11,216,898)</u>
	-100	<u>11,216,898</u>

37.3 Currency risk

Foreign currency risk is the risk that the value of financial assets or financial liabilities will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. The Group's exposure to foreign currency risk is as follows:

	----- 2021 -----			----- 2020 -----		
	US Dollar	GBP	AED	US Dollar	GBP	AED
Trade debts	871,063	1,203,781	1,399,380	902,944	993,174	2,829,086
Deposits and prepayments	-	-	271,936	1,250	-	377,218
Trade and other payables	(452,364)	(355,706)	(328,491)	(406,532)	(342,059)	(121,643)

The following significant exchange rates have been applied at the reporting dates:

	----- Rupees -----			----- Rupees -----		
Closing exchange rates	157.5	216	43	167.6	205	45.50

Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and GBP exchange rate, with all other variables held constant, of the Group's profit before taxation:

	Change in US dollar rate (%)	Effect on profit before tax -- Rupees --	Change in GBP rate (%)	Effect on profit before tax -- Rupees --	Change in AED rate (%)	Effect on profit before tax -- Rupees --
30 June 2021	10	<u>6,594,509</u>	10	<u>18,318,420</u>	10	<u>5,774,148</u>
	-10	<u>(6,594,509)</u>	-10	<u>(18,318,420)</u>	-10	<u>(5,774,148)</u>
30 June 2020	10	<u>8,340,808</u>	10	<u>13,347,858</u>	10	<u>14,035,204</u>
	-10	<u>(8,340,808)</u>	-10	<u>(13,347,858)</u>	-10	<u>(14,035,204)</u>

37.4 Equity price risk

The Group's investments are susceptible to market price risk arising from uncertainties about future values of investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total investments. Reports on the investments portfolio are submitted to the Group's senior management on a regular basis.

As of the statement of financial position date, the exposure to investments at fair value through profit or loss was Rs. 502,415,517 (2020: Rs. 241,505,092).

37.5 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. Concentration of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is mainly exposed to credit risk on trade debts and bank balances. The Group seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable.

Management of credit risk

The Group's policy is to enter into financial contracts in accordance with the guidelines set by the Board of Directors and other internal guidelines.

Credit risk is managed and controlled by the management of the Group in the following manner:

- Credit rating and / or credit worthiness of the counterparty is taken into account along with the financial background so as to minimize the risk of default.
- The risk of counterparty exposure due to failed agreements causing a loss to the Group is mitigated by a periodic review of their credit ratings, financial statements, credit worthiness and market information on a regular basis.
- Cash is held with reputable banks only.

As of the consolidated statement of financial position date, the Group is exposed to credit risk on the following assets:

	2021	2020
	----- Rupees -----	
- Long term deposits	31,443,434	45,865,076
- Trade debts	2,231,476,846	2,089,810,853
- Short term investments	502,415,157	241,505,092
- Trade deposits	711,430	19,497,190
- Other receivables	891,099	1,902,840
- Bank balances	437,311,787	266,679,171
	<u>3,204,249,753</u>	<u>2,665,260,222</u>

Quality of financial assets

The credit quality of financial assets can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

	2021	2020
	----- Rupees -----	
Trade debts		
Customers with no defaults in the past one year	2,231,476,846	2,089,810,853
Customers with some defaults in past one year	78,385,137	89,539,634
	10 <u>2,309,861,983</u>	<u>2,179,350,487</u>
Bank balances		
A1+	15 354,695,094	141,146,955
A-1	767,992	-
A+	81,848,701	125,532,216
	<u>437,311,787</u>	<u>266,679,171</u>

Short term investments

Mutual funds	AM3++	157,108,756	-
	MFR 5-Star	300,749,572	-
	A(f)	2,254,809	-
		<u>460,113,137</u>	-
Term finance certificate	A	42,302,020	-
	AA+	-	198,901,230
	A-	-	42,603,862
		<u>502,415,157</u>	<u>241,505,092</u>
		11	

37.6 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group applies prudent risk management policies by maintaining sufficient cash and bank balances and by keeping committed credit lines. The table below summarizes the maturity profile of the Group's financial liabilities as at the following reporting dates:

2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
----- Rupees -----					
Long term lease liabilities	-	5,979,119	23,585,741	92,051,392	121,616,252
Long term financing	-	95,703,546	278,573,203	248,521,449	622,798,198
Trade and other payables	45,404,629	278,619,198	474,611,276	-	798,635,103
Deferred income - Government grant	-	1,570,255	2,925,352	560,658	5,056,265
Accrued mark-up	9,907,299	-	-	-	9,907,299
	<u>55,311,928</u>	<u>381,872,118</u>	<u>779,695,572</u>	<u>341,133,499</u>	<u>1,558,013,117</u>
----- Rupees -----					
2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
----- Rupees -----					
Long term financing	-	6,554,703	30,867,350	170,774,112	208,196,165
Lease liabilities	-	60,558,183	237,647,543	949,485,375	1,247,691,101
Trade and other payables	84,985,899	274,735,110	492,456,259	-	852,177,268
Short term borrowing	-	241,505,092	-	-	241,505,092
Accrued mark-up	3,210,149	-	-	-	3,210,149
	<u>88,196,048</u>	<u>583,353,088</u>	<u>760,971,152</u>	<u>1,120,259,487</u>	<u>2,552,779,775</u>

37.6.1 Changes in liabilities from financing activities

	1-Jul-20	Cash Flows	New leases	Others	30-Jun-21
----- Rupees -----					
Long term financing	1,034,150,969	(411,352,771)	-	-	622,798,198
Long term lease liabilities	139,976,668	(41,799,470)	7,874,151	15,564,903	121,616,252
	<u>1-Jul-19</u>	<u>Cash Flows</u>	<u>New leases</u>	<u>Others</u>	<u>30-Jun-20</u>
----- Rupees -----					
Long term financing	1,350,555,062	(316,404,093)	-	-	1,034,150,969
Long term lease liabilities	203,492,165	(61,022,441)	4,701,600	(7,194,656)	139,976,668

37.6.2 Fair value of financial instruments

The carrying values of all financial assets and liabilities reflected in the consolidated financial statements appropriate their fair values.

37.7 Capital risk

The Group finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business sustain future development of the business and maximize shareholders value. The Group monitors capital using a debt equity ratio as follows:

	Note	2021 ----- Rupees -----	2020 -----
Long term lease liabilities	18	92,051,392	104,833,723
Long term financing	19	269,229,311	837,839,369
Deferred income - Government grant	20	560,658	-
Trade and other payable	21	683,186,088	657,637,341
Accrued markup		9,907,299	3,210,149
Short term borrowing	22	-	189,067,264
Current portion of long term lease liabilities	18	29,564,860	35,142,945
Current portion of deferred income - Government grant	20	4,495,607	-
Current portion of long term financing	19	353,568,887	196,311,600
Total debt		<u>1,442,564,102</u>	<u>2,024,042,391</u>
Cash and bank balances	15	(437,693,527)	(268,697,823)
Net debt		<u>1,004,870,575</u>	<u>1,755,344,568</u>
Share capital	17	945,000,000	945,000,000
Unappropriated profit		3,098,190,358	2,096,403,506
Total equity		<u>4,043,190,358</u>	<u>3,041,403,506</u>
Capital		<u>5,048,060,933</u>	<u>4,796,748,074</u>
Gearing ratio		<u>19.91%</u>	<u>36.59%</u>

37.8 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 carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate fair values.

The following table shows assets recognised at fair value, analysed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities,

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

	2021				2020
	Level 1	Level 2	Level 3	Total	
			(Rupees)		
Short term investments	<u>502,415,157</u>	<u>-</u>	<u>-</u>	<u>502,415,157</u>	<u>241,505,092</u>

During the period, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurement.

37.9 Financial instruments which are tradable in an open market are revalued at the market prices prevailing on the consolidated statement of financial position date.

38 OPERATING SEGMENTS

For management purposes, the Group has determined following reportable operating segments on the basis of areas of operations i.e. entertainment and news.

Entertainment segment is engaged in advertisement, entertainment and media marketing.

News segment is engaged in broadcasting of news programs.

	Entertainment		News		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees)							
Revenue								
Net revenue from external customer	<u>4,565,569,846</u>	<u>4,135,778,130</u>	<u>261,832,706</u>	<u>208,111,298</u>	<u>166,326,484</u>	<u>301,436,359</u>	<u>4,993,729,036</u>	<u>4,645,325,787</u>
Result								
Segment profit / (loss)	<u>2,036,698,677</u>	<u>1,359,061,346</u>	<u>(454,306,334)</u>	<u>(587,485,691)</u>	<u>(62,486,546)</u>	<u>(111,226,204)</u>	<u>1,519,905,797</u>	<u>660,349,451</u>
Taxation							<u>(98,031,756)</u>	<u>15,831,667</u>
Unallocated income / (expenses) :								
Administrative expenses							<u>(928,539,710)</u>	<u>(698,912,624)</u>
Other income							<u>162,914,752</u>	<u>276,510,077</u>
Gain on sale of non-current asset held for sale							<u>476,832,913</u>	<u>-</u>
Other Expenses							<u>(70,301,849)</u>	<u>(263,202,006)</u>
Share of Profit from Associate							<u>-</u>	<u>7,228,162</u>
Finance cost							<u>(101,587,351)</u>	<u>(244,973,245)</u>
Profit / (Loss) for the period							<u><u>961,192,796</u></u>	<u><u>(247,168,518)</u></u>
Other information								
Amortization	<u>(12,393,900)</u>	<u>(12,333,436)</u>	<u>(5,234,389)</u>	<u>(5,162,256)</u>	<u>(160,178)</u>	<u>(181,855)</u>	<u>(17,788,467)</u>	<u>(17,677,547)</u>
Depreciation	<u>(42,976,699)</u>	<u>(60,931,246)</u>	<u>(169,257,914)</u>	<u>(185,388,079)</u>	<u>(15,277,351)</u>	<u>(20,854,036)</u>	<u>(227,511,964)</u>	<u>(267,173,361)</u>
Segment assets	<u>434,454,261</u>	<u>449,468,113</u>	<u>911,621,224</u>	<u>1,053,331,155</u>	<u>943,937</u>	<u>105,855,418</u>	<u>1,347,019,422</u>	<u>1,608,654,686</u>
Unallocated Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,282,404,919</u>	<u>3,730,506,563</u>
	<u><u>434,454,261</u></u>	<u><u>449,468,113</u></u>	<u><u>911,621,224</u></u>	<u><u>1,053,331,155</u></u>	<u><u>943,937</u></u>	<u><u>105,855,418</u></u>	<u><u>5,629,424,341</u></u>	<u><u>5,339,161,249</u></u>
Segment liabilities	<u>568,876,468</u>	<u>1,101,063,509</u>	<u>762,190,619</u>	<u>1,133,453,097</u>	<u>287,672,760</u>	<u>62,176,853</u>	<u>1,618,739,847</u>	<u>2,296,693,459</u>

38.1 Revenue from three major customers of the Group are around 56% during the year ended June 30, 2021 (2020: 51%).

39 NUMBER OF EMPLOYEES

The total number of employees and average number of employees at period end and during the period respectively are as follows:

	2021	2020
	Rupees	
Total number of employees	<u>735</u>	<u>781</u>
Average number of employees during the period	<u>786</u>	<u>799</u>

40 GENERAL

40.1 For better presentation, certain prior year figures have been reclassified consequent to certain changes in current period presentation.

40.2 Figures have been rounded off to the nearest Rupee

41 DATE OF AUTHORIZATION

These financial statements have been authorised for issue on October 22, 2021 by the Board of Directors of the Holding Company.


DURAID QURESHI
Chief Executive


MAZHAR-UL-HAQ SIDDIQUI
Chairman


MUHAMMAD ABBAS HUSSAIN
Chief Financial Officer

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FORM OF PROXY

The Company Secretary,
HUM NETWORK LIMITED
17TH ANNUAL GENERAL MEETING
Karachi

I, _____ S/o. _____, holder of CNIC No. _____ Resident of _____
_____, being member of **HUM NETWORK LIMITED**, holding _____ ordinary shares as per Registered Folio / CDS
Account No. _____ hereby appoint Mr./Ms. _____, resident of _____ or
failing him/ her Mr./Ms. _____ of _____
(full address) who is/are also member(s) of the Company, as my / our proxy to attend, act and vote for me/ us and on my / our behalf
at Annual General Meeting (AGM) of the Company to be held on **Tuesday, 23rd day of November, 2021 at 3:00 pm at ICAP
Auditorium, Chartered Accountants Avenue, ICAP, Clifton, Karachi** and / or any Adjournment thereof.

For attending meeting by proxy through electronic means i.e. video-link facility, please register following particulars of proxy:

Email ID: _____ Cell Number: _____

As witness my / our hand / seal this _____ day of _____ 2021.

Signed by _____ in the presence of;

Witness:

1. Name: _____
Signature _____
Address: _____

CNIC or Passport No.;

2. Name: _____
Signature _____
Address: _____

CNIC or Passport No.;

Note:

1. The proxy form, duly completed and signed, must be received at the Registered Office of the Company, HUM Network Limited, Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi.
2. All members are entitled to attend and vote at the meeting.
3. A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.
4. An instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours.
5. An instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarily certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 hours before the time of the meeting.
6. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
7. Members are requested to notify any changes in their addresses immediately.
8. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

For CDC Account Holders/Corporate Entities:

In addition to above, the following requirements have to be met:

- i) The proxy form shall be witnessed by two (2) persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- ii) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iii) The proxy shall produce his original CNIC or original passport at the time of meeting.
- iv) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

پراکسی فارم

کمپنی سیکریٹری،
ہم نیٹ ورک لمیٹڈ
سترہویں سالانہ جنرل میٹنگ،
کراچی۔

میں _____ ولد _____، شناختی کارڈ نمبر _____، ساکن _____،
بطور ممبر ہم نیٹ ورک لمیٹڈ، حامل _____ عارضی شیئرز
رجسٹرڈ فیلو/سی ڈی سی اکاؤنٹ نمبر _____ جناب _____، ساکن _____
کا تقرر کرتا ہوں جو کہ اس کمپنی کے ممبر بھی ہیں یہ میری جانب سے کمپنی کی سالانہ جنرل میٹنگ میں شرکت
کر کے ووٹ دے سکتے ہیں جس کا انعقاد بروز منگل ۲۳ نومبر ۲۰۲۱ء کو شام ۳:۰۰ بجے آئی سی اے پی آڈیٹوریم، انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس
ایونیو، آئی سی اے پی کانفرنس کراچی میں ہوگا۔

بطور گواہ میں اپنے دستخط/مہر بتاریخ _____ ۲۰۲۱ء ثبت کرتا ہوں۔
میں _____ نے درج ذیل کی موجودگی میں دستخط کئے ہیں۔
گواہ:

۱۔ نام:	۲۔ نام:
دستخط:	دستخط:
پتہ:	پتہ:
شناختی کارڈ/پاسپورٹ نمبر:	شناختی کارڈ/پاسپورٹ نمبر:

نوٹ:

- ۱۔ پراکسی فارم کو مکمل اور دستخط کر کے کمپنی کے رجسٹرڈ آفس ہم نیٹ ورک لمیٹڈ، پلاٹ نمبر ۱۱/۱، حسن علی اسٹریٹ، آف آئی آئی چند ریگر روڈ، کراچی میں وصول کئے جائیں گے۔
- ۲۔ تمام ممبران میٹنگ میں حاضر ہو کر ووٹ دینے کا حق رکھتے ہیں۔
- ۳۔ مجاز ممبر میٹنگ میں حاضر ہو کر ووٹ دے سکتا ہے اور اپنی جانب سے میٹنگ میں شرکت کرنے اور ووٹ دینے کیلئے کسی بھی دیگر ممبر کا پراکسی کے طور پر تقرر کر سکتا ہے۔
- ۴۔ پراکسی کی سادہ دستاویز میٹنگ میں قابل استعمال ہے جو کہ نوٹس کے ساتھ فراہم کی جارہی ہے۔ پراکسی دستاویز کی مزید کاپیاں اوقات کار کے دوران کمپنی کے رجسٹرڈ آفس سے حاصل کی جاسکتی ہیں۔
- ۵۔ مکمل کردہ پراکسی دستاویز اور پورا آف اٹارنی یا دیگر اختیارات (اگر کوئی ہوں) جس کے تحت اس پر دستخط کر کے نوٹری سے تصدیق شدہ کاپی بابت پاور یا اتھارٹی قابل قبول ہوگی جسے میٹنگ کے وقت سے ۴۸ گھنٹے قبل رجسٹرڈ آفس میں داخل کیا جائے گا۔ ممبر کے شناختی کارڈ یا پاسپورٹ اور پراکسی کی کاپیاں پراکسی فارم کے ساتھ فراہم کی جائیں گی۔
- ۶۔ اگر کوئی ممبر ایک سے زائد پراکسی کا تقرر کرتا ہے اور ایک سے زائد دستاویز اس کمپنی میں داخل کرتا ہے تو ایسی دستاویزات کو غیر موثر تصور کیا جائے گا۔
- ۷۔ ممبران سے درخواست ہے کہ وہ اپنے پتہ میں کسی بھی تبدیلی کی صورت میں فوری طور پر مطلع کریں۔
- ۸۔ سی ڈی سی اکاؤنٹ ہولڈرز کو ہدایت کی جاتی ہے کہ وہ سرکلر 1 میں دی گئی ہدایات پر عمل کریں جو کہ ۲۶ جنوری ۲۰۰۰ء کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان۔

سی ڈی سی اکاؤنٹ ہولڈر/کارپوریٹ کیلئے:

مذکورہ بالا کے علاوہ درج ذیل پر بھی عمل کرنا ہوگا:

- ۱۔ پراکسی فارم پر دو افراد گواہ ہونگے جن کے نام، پتے اور شناختی کارڈ نمبر فارم پر درج کئے جائیں گے۔
- ۲۔ شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ منسلک کی جائیں گی۔
- ۳۔ پراکسی اصل شناختی کارڈ یا اصل پاسپورٹ کے ساتھ میٹنگ کے وقت پیش کرنا ہوگا۔
- ۴۔ کارپوریٹ کی موجودگی میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمعہ نمونے کے دستخط کے ساتھ پراکسی فارم کمپنی میں جمع کرائے جائیں گے۔



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TV FOOD MAG

HUM NETWORK LIMITED

Karachi Office
Building No. 10/11, Hassan Ali Street,
Off I.I. Chundrigar Road Karachi-74000.
UAN : 111-486-111
Fax : +92-21-32631676

Lahore Office
House # 58, R-24
Masson Road
Lahore.
Ph: +92-42-36312501-3

Islamabad Office
Plot # 2A, I&T center, Sector G-6/1-1
Khayaban-e-Suhrawardy
Road Aabpara, Islamabad.
Ph: +92-51-8777000

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