Punjab Population Innovation Fund

2019-20
Annual Report

Punjab Population Innovation Fund

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ACRONYMS

ADP:	Annual Development Plan
AHKRC:	Akhter Hameed Khan Resource Center
BOD:	Board of Directors
BISP:	Benazir Income Support Program
CPR:	Contraceptive Prevalence Rate
DFID:	Department for International Development
EOI:	Expression of Interest
GP:	General Practitioner
HANDS:	Health and Nutrition Development Society
ICT:	Information and Communication Technology
IRC:	International Rescue Committee
LHVs:	Lady Health Visitors
LARC:	Long Acting Reversible Method
NUST:	National University of Science And Technology
PPIF:	Punjab Population Innovation Fund
SBMR:	Standard Based Management And Recognition
UC:	Union Council

Chairman's Message

"When women have more children than they want to have, there are serious health consequences not just for those women but also for society as a whole."

The right to decide the number, spacing and timing of children has a profound impact on the life of a woman. Yet, one out of five married women in Pakistan who want to avoid pregnancy are unable to access effective family planning methods to do so.

Pakistan has one of the worst populaion indicators in the region, mulitplying by the minute, according to the Pakistan Demographic and Health Survey taken in 2017-18. With the growth rate of 2.4, Pakistan, currently at 207.8 Million, is expected to double in population by 2050. This has consequences for all aspects of security of the citizens, be it food and water to education and health. Meeting an ever-increasing demand given the resources of the government will prove a relentless battle against the mushrooming multitude and impact its developmental targets unless the general public is sensitized to this alarming growth.

Punjab, is Pakisan's most populous province currently at 110 million and is expected to rise to 121 million by 2022. A net annual addition of an estimated 2.2 million people, of which approximately 28 million are women of reproductive age is estimated to increase to 30 million by 2020. Therefore, Punjab, with its growth rate of 2.13%, will be s big as Pakistan by the year 2050.

The critical driver of fertility, CPR is 38% and the modern contraceptive Prevalence Rate (mCPR) has gone down to 27% from 29% reported in the previous PDHS in 2012-13. This is startling that CPR has decreased for the first time from the previous survey in 2012-13 in both Pakistan and Punjab whereas only 19% of women are informed about all three quality-of service indicators (side effects, what to do in case of side effects, and other methods).

Research has also shown that there is a huge gap between the demand and supply of services which needs to be addressed, that too in the most cost-effective manner. The unmet need for Family Planning Services remains high at 15.8% indicating that millions of married couples are unable to receive adequate access to informaton and services to have the number of children and the spacing they desire. This is a denial of fundamental human rights. This gap between their intent and actual usage of family planning services is associated with long physical distances, costs and social barriers, and in particular with misperceptions about modern contraceptives which are more pronounced in the rural areas. All these access factors affect the poor and uneducated more seriously.

Health care services during pregnancy and childbirth as well as after delivery, are important for the survival and wellbeing of both mother and infant. Improvements in maternal and child health are a priority of all developing countries, something that is also emphasised in the Sustainable Development Goals call to action that Pakistan adheres to.

Additionally, there is widespread evidence of unwanted pregnancies as seen in the high incidence of unsafe abortions. Alarmingly high infant and maternal mortality rates, malnutrition among children and poor education outcomes also reflect that the society is unwilling or unable to mobilize the resources needed to support the high fertility rate.

Public policy thus aims to lower the fertility rate in order to bring about a balance between the number of children people would want to have and the number of children actually being born. This requires two types of interventons. One that aims to increase awareness of both husbands and wives on available methods for birth control, be it for or spacing births while the other complements the first by making available family planning services, products and counselling, at the doorstep or at conveniently accessible locations. Population programs in the region need the utmost programmatic and political priority.

Punjab Population Innovation Fund was established to roll out these two types of interventions. It is a non-profit, public sector company incorporated under Section 42 of the Companies Ordinance 1984. It aims to reduce fertility to couples' desired levels by seeding and mainstreaming innovative approaches to delivery of family planning services. The fund spearheads locally responsive, scalable and sustainable family planning and reproductive health innitiatives. PPIF aims to play a critical role to accelerate the fertility decline by increasing Contraceptive Prevalence in Punjab, which houses half of the national population of women with unmet need for contraception.

The Funds independent Board of Directors continues to provide strategic guidance and supervision to the management and ensures that the company remains on course in achieving its strategic objectives as set forth in PPIFs Strategic Framework 2017-2022. Therefore, based on the above situational synopsis, PPIF presents its strategic direction as outlined in this years Annual Director's Report 2018-2019.

Dr. Ijaz Nabi

Chief Executive Officer's Review

''PPIF aims to spearhead locally responsive, scalable and sustainable family planning and reproductive health initiatives''

I am proud to share this Director's Report 2018-2019 covering the many feats achieved in our short-lived existence, as next month will mark Punjab Population Innovation Funds third year since inception. I have tremendous gratitude for the continued efforts of our team members and for our Board's adaptability and commitment. PPIF has successfully closed our first round of programs, has launched our second innovation cycle on male involvement with three new partners, has co-hosted World Population Day, has held an amateur youth film competition, has designed a youth focused next program cycle, is launching the much anticipated BISP voucher scheme and has welcomed a Youth Ambassador.

The PPIF Board of Directors approved a Strategic Framework 2017-2022 to enable the organization to contribute towards the achievement of provincial population goals set in the Punjab Population Policy. The strategic areas that PPIF is focusing on are Increase Accessibility of Family Planning Services, Reduce Cost Related Barriers for the non- affording, Strengthen Male Engagement, Promote Youth Centered Information & Services, and Social & Behavior Change Communication.

Anchoring our initiatives in the Strategic Framework 2017-2022 objectives of the Board, PPIF in collaboration with the Population Welfare Department (PWD) and United Nations Population Fund (UNFPA) hosted the World Population Day celebrations emphasizing the need to use edutainment to help engage young people as agents of change to challenge prejudices and help mitigate myths surrounding the uses of family planning. PPIF Youth Ambassador Ms Amna Ilyas will use her social media presecence and fan following to help demystify family planning as a female domain advocating for youth centric communication. Strenghtening the strategic objective to promote youth centered information and services.

During the year PPIF has successfully developed partnerships with the government, non-profits and academia to spearhead socially relevant and culturally adaptable service delivery solutions using contemporary methodologies. PPIF has aimed to build lasting affiliations yielding long term results strengthening access to familyplanning services and completed two pilot projects from its first program cycle with Akhter Hameed Khan Resource Center (AHKRC) and Health and Nutrition Development Society (HANDS) that meet the organizations strategic objectives.

Family planning programs in Pakistan have often been directed at women with very few interventions focused on men to increase the contraceptive prevalence rate. PPIF, in its second cycle has designed and launched an innovative program specifically to engage and improve the accessibility for men.

Three projects were selected under the program, 'Kar Buland', by DoctHers in Rahim Yar Khan, 'Connect4FP' by International Rescue Committee in Multan and 'Mil kar Faisla, Khushali ka Waseela,' our partner Greenstar Social Marketing in Faisalabad and Bahawalpur.

The Punjab Population Innovation Fund (PPIF), Benazir Income Support Programme (BISP), and the Population Council (PC) signed an MoU on January 4, 2019 at the BISP Secretariat, Islamabad and further held a launch ceremony in June. The collaboration with would provide the rare opportunity of an integrated social development program for enhanced service provision with the benefit of poverty alleviation for female BISP beneficiaries from the most underprivileged strata of society in Rahim Yar Khan.

A key strategic objective for PPIF is to focus on reducing cost related barriers, hence PPIF designed a voucher scheme aimed at enabling poor women to have access to family planning services by reducing financial barriers and incentvizing private service providers in their vicinity to offer family planning services through reimbursement against redeemed voucher

Monitoring and learning outcomes are used to improve the design of fund management at PPIF. We have conducted an extensive review of our processes to identify critical issues that have slowed the progress and resulted in sub-optimal results. Therefore, we continue to focus on improving the way we innovate, in our programme design, in our monitoring and evaluation, and with our partners. PPIF has created a niche for itself by investing in projects that are financially viable, sustainable beyond the duration of funding and are rigorously monitored to ensure the validity of the results, an approach that is unprecedented in the context of family planning. The 2018-2019 Director's report is proof of our efforts in ensuring our monitoring and evaluation practices support our core programmatic strategies bringing accountabilty to the family planning sector.

Jawad A. Qureshi

DIRECTORS' REPORT 30 JUNE 2020

On behalf of the Board of Directors of the Company, we are pleased to present PPIF's operational performance together with the Audited Financial Statements and Auditor's Report for the year ended 30th June 2020.

Introduction to PPIF

PPIF is a section 42 non-profit, public sector company with an independent Board of Directors. The PPIF envisions to be a market maker with the immediate goal of accelerating a rise in contraceptive prevalence and reduction in unmet need for family planning services to meet targets and country level commitments highlighted in Sustainable Development Goals 2030, Punjab Population Policy Goals and Punjab Growth Strategy 2023. Its fundamental role is to test the impact of innovations that spark off a significant increase in consumer market for family planning through greater determination and information availability, enhanced provider motivation, and wider provision of quality family planning services. Recognizing the need for increasing both acceptability and availability simultaneously, the Fund supports interventions in areas of high poverty and high unmet need for family planning.

Rationale of PPIF

With the staggering population of 207.8 million and the annual population growth rate of 2.4%, population growth in Pakistan is among one of the serious challenges which the country faces today. Punjab, like Pakistan, has recorded a slow fertility decline in the last decade with Total Fertility Rate (TFR) 3.4% and a population of 110 million which is expected to grow double in the next 30 years.

While Punjab has the highest CPR among the provinces of Pakistan, being the most developed, it lags behind other regions and countries with similar levels of per capita income and development. The recently announced Punjab Population Policy calls for achieving replacement level fertility by 2030. Punjab houses half of the national population of Married Women of Reproductive Age (MWRA) with unmet need for contraception. Since every third pregnancy in Pakistan is unplanned, many people continue having children without giving much thought to the requirements of raising another child that can become a healthy and productive adult. Even couples who want to have fewer children lack access to family planning services. Punjab's modern contraceptive rate of 29.9% has seen little progression for quite some time. A high level of unwanted pregnancies coupled with slow contraceptive rate have led to an unmet need of 17% for spacing It has also been seen that unwanted pregnancies lead to induced abortions. With more than one-third of couples spacing the next child for less than 24 months , it is estimated that there are more than one million induced abortions in Punjab alone posing a huge financial and health burden on families and on the health system.

Moreover, Family Planning programs in Pakistan have pre-dominantly been directed at women. With more than 50% of the couples having a disagreement on family size and 30% men wanting more children than women require for not only engaging men individually but also as couples. The exclusion of men leads to information barriers for them at various fronts and insufficient knowledge leads to fear of side effects and contraceptive method failure, which is reported as one of the major reasons for a high contraceptive discontinuation rate (38%) in Pakistan.

According to the UNFPA cost benefit analysis study, for each US $1 dollar invested in family planning services, around US $5.8 could be saved in net direct healthcare costs in Punjab . PPIF mission is to act as an innovative hub for testing and scaling up successful family planning interventions that accelerate a rise in contraceptive prevalence and reduction in unmet need for family planning. It targets poor and underserved communities including men, women and young people, contributing to the achievement of family planning goals. Its fundamental role is to test the impact of interventions that improve family planning information availability, acceptance and wider provision of quality family planning services.

Performance during the year 2019-2020 over programs

Strategic Focus & Innovations

1 Increase Accessibility Of Family Planning Services:

Expanding access to family planning (FP) at the community level is a priority strategy for accelerating progress towards achieving Millennium Development Goals (MDGs) especially universal access to reproductive health (RH), including FP services. However, the achievement of universal access to FP and RH services remains a major challenge when 40% of Punjab is uncovered by Lady Health Worker (LHW) and merely 10% of the women given information on family planning during a postnatal check-up . PPIF aims to improve accessibility by developing new formal partnerships with public and private providers and invest in bringing family planning services to where people live and work, through door- step delivery models such as social franchising and marketing of private providers, social entrepreneurship and mobile services to improve the accessibility for family planning services. It will implement interventions which provide a wide range of FP services through an aggregated network of pharmacies/drug shops and private health service providers and explore the opportunity of integrating with other development programs specifically immunization, post-partum healthcare services.

Interventions:

Linking Underserved Communities to Family Planning Services through Community Resource Persons & Private Sector Engagement

The first program cycle piloted the door-step service delivery model also known as Community-Based Family Planning (CBFP) aimed to implement the global high impact practice of door-step family planning service **delivery in 15 rural LHW uncovered UCs of District Muzaffargarh and 4 peri-urban UCs of District Rawalpindi** while testing the integration of socio-economic empowerment of women (called Noor's) as community based workers. **Health and Nutrition Development Society** (Muzaffargarh) and **Akhtar Hameed Khan and Resource Center** (Rawalpindi) are the implementation partners for this program cycle.

Noor Health house
Combined family planning services provided by LHVs at Noor's houses

Noor's were trained to provide family planning information and short-term contraceptive services during household visits whereas referrals were provided to a quality assured network of public and private health service providers developed for counselling and both short- and long-term contraceptive services. A mix of behaviour change communication techniques such as CBT (Cognitive Behavioural Therapy) and PDI (Positive Deviance Inquiry) were applied to promote acceptance of family planning services. In addition, small shops (Noor Dukhaans), managed by Noor's, were setup at their houses in Muzaffargarh. These shops not only acted as entry points for communities to access household items, women health and hygiene products but also served as family planning information points for community women. Similarly, in Rawalpindi, business-in-box bags were given to the workers with similar products that women could sell at door-step during household visits while providing family planning advisory and short term contraceptive services. PPIF had taken steps in response to COVID-19 by training service providers against Infection prevention and COVID Screening.

Barriers addressed by the intervention

Developed information pathways in underserved communities through incentivized local resource persons

196 Noor workers were enrolled and trained on family planning information including contraceptive choices, birth spacing and side effects, record management, referral, follow-ups and group awareness sessions. These workers visited households of underserved communities who previously had to access these services from far off facilities. They also utilized IEC material including short videos on birth spacing, myths and misconceptions and contraceptive awareness shown through mobile phones.

Noor Worker providing advisory services on a household visit

Through the Noor Dukaan and business-in-a-box strategy, Noors were able to generate additional income for their households which was an in-built incentive for the community workers to continue providing these services. Noors believe that they have become role models for other community women as well.

A glimpse of the Noor Dukaan

Improved availability and accessibility of quality family planning services through private sector engagement

To improve access to quality family planning services, a network of 24 private health service providers including Lady Health Visitors (LHVs), Community Mid-wives (CMWs) and Doctors was developed and trained by Population Welfare Department (PWD) on clinical services including IUD insertion, infection prevention and Post-Partum Family Planning (PPFP). Technical assistance on client counselling and record maintenance was also provided by PPIF. Noor workers during household visits referred the Married Women of Reproductive Age (MWRA) to the nearest private/public health facilities. Women that were hesitant to visit the facilities at first were also accompanied by the Noor workers. Subsidized family planning camps were also conducted especially to improve availability and accessibility of long acting reversible contraception and facilitate client-provider interaction. Follow-up meetings were conducted with referred clients.

An LHV Providing Family Planning Services

A Religious Scholar Conducting A Session With Male Community

A public referral network was developed with the PWD static clinics where available particularly for permanent contraceptive methods. Moreover, continuous support was provided by PWD and Department of Health and quarterly progress review meetings were conducted.

Addressed social barriers through holistic transformative communication strategy

- Group sessions with female and male community members were conducted to provide family planning information especially on the importance of birth spacing. Women whose husbands were reluctant and did not want their wives to use contraception were counselled individually and in group sessions. Strategies such as Cognitive Behavioral Therapy (CBT) and Positive Deviance Inquiry (PDI) were applied especially for counselling men.

A Noor Worker Conducting A Group Counselling Session

- Visual aids including videos on family planning myths and misconceptions, contraceptive methods and joint decision making, birth spacing were disseminated through Noors equipped with mobiles

- Local influentials and opinion makers including religious scholars and community elders (Numberdaars) were engaged for smooth functioning of the project. Dedicated group sessions lead by local religious leaders were organized to promote the significance of family planning practices.

Results:

During this program cycle, 77,097 Married Women of Reproductive Age were reached with family planning information and services generating 17,142 additional family planning users during 18 months. The Contraceptive Prevalence Rate (CPR) increased by 19% in Muzaffargarh from 27.8% (mCPR 23.4%) to 46.8% (mCPR 35.5%). In Rawalpindi, the CPR increased by 9% from 51.9% (mCPR 44.4%) to 60.8% (mCPR 52.2%). The increase in long acting method uptake was 17% and 12% in Muzaffargarh and Rawalpindi respectively. The private providers witnessed increased client flow and reported their satisfaction in being part of the project. Technical assistance was regularly provided that significantly improved the quality of services provided. The average SBM-R score of private providers increased; from 54% to 78% in Muzaffargarh and 45% to 85% in Rawalpindi establishing a quality assured

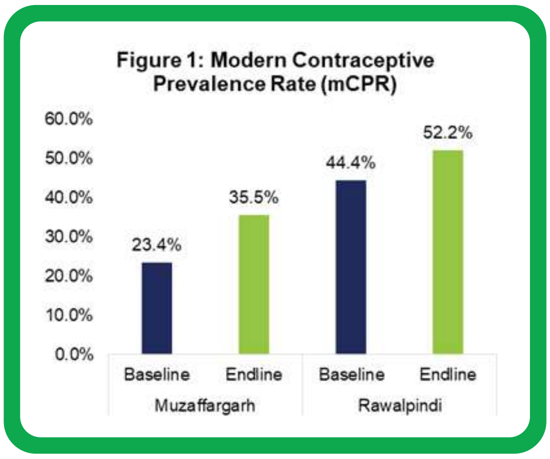


Figure 2: Percentage Contraceptive Method Mix (Muzaffargarh)

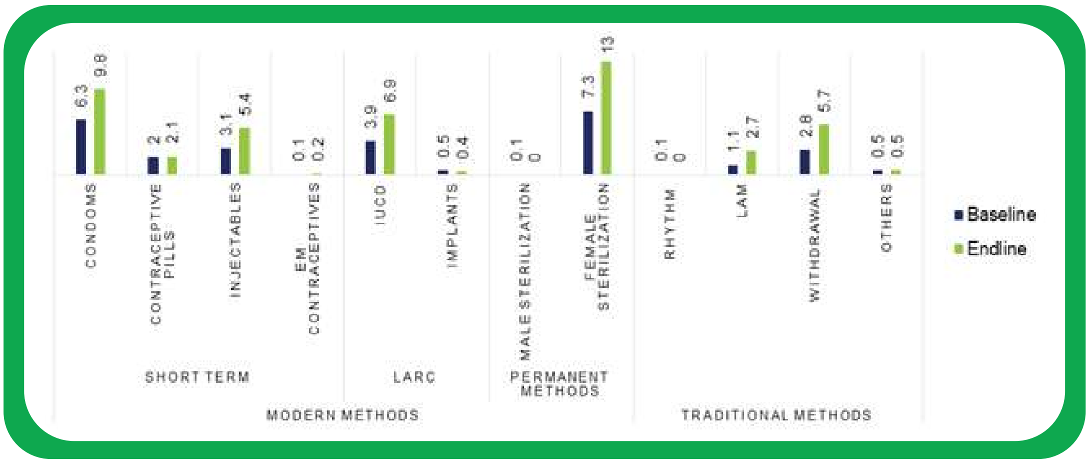


Figure 3: Percentage Contraceptive Method Mix (Rawalpindi)

Key Takeaways and Recommendations

Social Theatre For Engaging Both Men And Women

Progress Review Meeting With The Local Government

The CPR model for door-step delivery of family planning information and advisory services effectively improves access to information and services in underserved communities particularly LHW uncovered areas (identified by Department of Health) in rural settings in Pakistan. With the help of locally trained resource persons that are motivated through socio-economic empowerment and integrated into the health system, the model has potential for sustainability and scalability. While providing income generation opportunities serves as a financial incentive to CRPs, however, there need to be compatible expectations in terms of cost-recovery in such models reaching poor and underserved communities

- Engaging private health service providers improves accessibility and sustainable uptake of FP services in underserved communities especially for the adoption of long acting reversible contraceptives. Incentivization through increased client flow can encourage the vast majority of private sector that is currently not part of the FP ecosystem. Adequate training on clinical and communication skills is also critical for provision of a wide range of quality family planning services. Due emphasis needs to be given to facilitate client-provider interaction which in this case was done by Noor workers accompanying women visiting private providers for the first time and also coordinating FP camps conducted by the private providers at Noor health houses in the communities. Close coordination with PWD Punjab was significant in providing training to private providers and free contraceptives to the implementing partners for continued work beyond the project life.

- A comprehensive communication strategy is critical in engaging all stakeholders including married men and women, community elders, religious scholars, influential and local government administrative bodies to catalyze attitudinal change and create a supportive environment. Interactive social and behavior change communication tools such as street theatres, health melas etc. positively engage both women and men in all age groups. The potential of information dissemination through mobile technologies should be explored and customized to the community needs

Scalability:

Based on the project learning, PDEC has approved the project scale up to 3 districts in Punjab with one of the highest LHW uncovered areas in rural setting and the same has been recommended to the board for approval. The model has been shared with PWD, Punjab for scale up in LHW uncovered areas.

2 REDUCE COST RELATED BARRIERS:

Globally, fertility is higher among poor, rural, and uneducated women than among their well- off, urban, and educated counterparts, although this disparity is much smaller in countries with strong family planning programs. Similarly, in Pakistan, the Total Fertility Rate for the lowest and highest wealth quintile in Pakistan is 4.9 and 2.8 respectively. However, PPIF aims to ensure that family planning services are accessible especially for the poor and the marginalized through interventions that focus on clients' financial decision-making for e.g. vouchers that can be redeemed at trained private health service providers and/or family planning included in health insurance. The opportunity of integrating with poverty alleviation and other social development programs for enhanced service provision while also reinforcing the message that family planning can be an effective approach contributing to broad development goals of poverty reduction will also be explored.

Interventions:

Innovative Model for FP Service Delivery for the Poor in Punjab


Service Provider Using Mobile App

PPIF has piloted an intervention in four Tehsils of **Rahim Yar Khan** to enable underprivileged BISP beneficiaries (MWRAs) to avail family planning services for better health outcomes. **Benazir Income Support Programme (BISP), Population Council, International Rescue Committee,** and **Development Strategies** are the project partners. The intervention has a digitized voucher management system based on a mobile application for verification and disbursement of funds to beneficiaries and providers. The transportation costs to the nearest health facilities will be reimbursed to the BISP beneficiaries for efficient improved access to FP services. PPIF has also provided training to service providers against Infection prevention and COVID Screening.

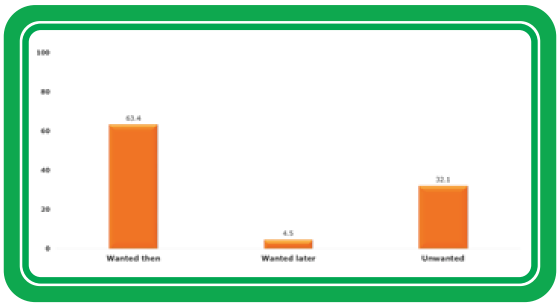
Barriers in accessing FP services among Poor Women:

1. Cannot afford private sectors.
2. Short timings of public facilities.
3. Public Facilities are far from home.
4. Busy in domestic work.
5. Restricted Mobility.
6. Transport costs

Program Outcomes:

- 80,000 MWRAs among BISP beneficiaries reached.
- 20,000 MWRAs among BISP Beneficiaries Served through electronic vouchers.
- 60 more private service providers capacitated to provide quality assured FP services.
- 4500 mother ambassadors and 34 outreach workers mobilized.

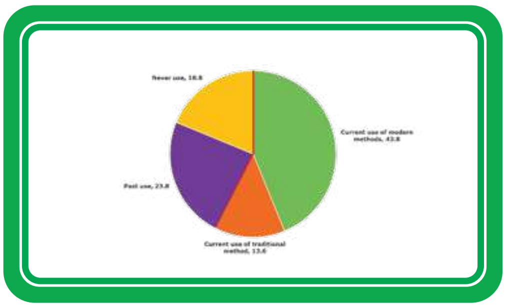
Key Baseline Findings:



Percentage for wanted and Unwanted Pregnancies among BISP Beneficiaries

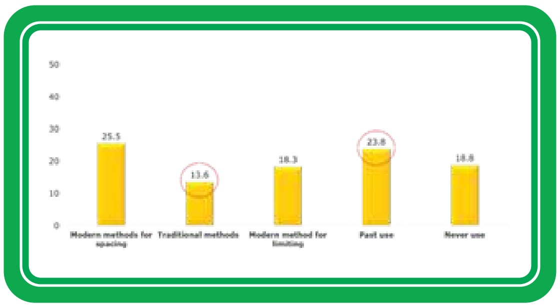
- 32.1% of the pregnancies were unwanted among BISP Beneficiaries (MWRAs)

Mix Method Contraceptive Use



Contraceptive Prevalence Rate

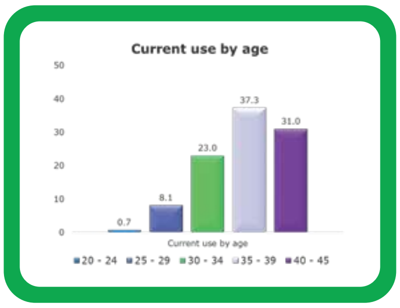
- Current use of modern method is 43.8%, however almost half of them are opting for condoms. Therefore, a Graduation plan for condom users is required to increase uptake of hormonal and non-hormonal FP methods i.e. pills, injections, IUCDs and implants. Target beneficiaries should be those who have low use of modern methods for spacing and use non-reliable traditional method

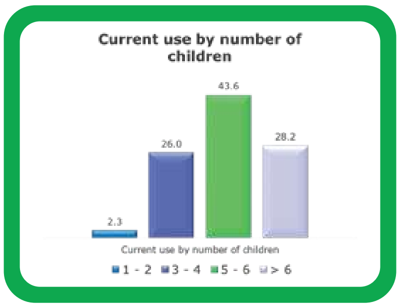


Contraceptive use status

- Only 25.5% of MWRAs are using modern contraceptive methods for spacing whereas 13.6% are opting for non-reliable traditional methods

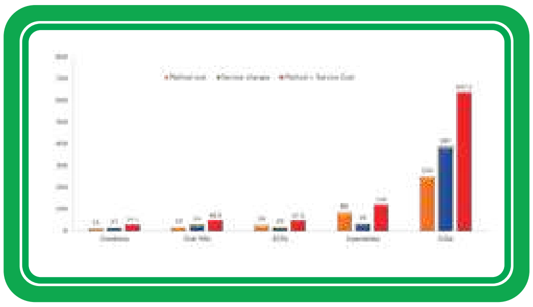
Current contraceptive use by age and number of children

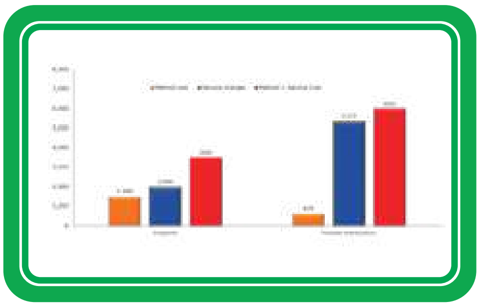




- Contraceptive uptake is higher after 35 years of age and after having 5-6 children, women from early age group and with low parity should be targeted through community mobilization activities.

Mean cost of charges for method and services charged by the private sector service providers





- Cost related barriers need to be addressed for increase in the uptake of Long Acting methods.

- More than 75% of women feel that they would adopt FP services if free FP services are available close to their homes and their transportation costs are reimbursed

- General and method specific FP counseling and side effect management has been identified in the training needs assessment of healthcare providers with slight improvement seen among private providers.

COMPONENETS OF VOUCHER PROGRAM

Improved Accessibility of FP Information:

- 4500 mother ambassadors and 34 outreach workers mobilized.
- Private sector providers have been incentivized to offer FP services.
- Network of 60 PPs closer to home.

Improved Availability of Method-Mix Contraceptives (Short-term, Long-term & Permanent Method):

- 60 Private Providers trained and provided with contraceptive supplies from PWD Punjab and the facilities present in the centers are maternity homes, dispenser clinics, doctor and LHV clinic and hospitals.
- Referral mechanism established with 20 Public Providers especially for permanent methods and the clinics have RHC, BHU, Public Dispensary, MCH Center, FWC, RHS-A/FH Center, and CMW
- Improved quality of care ensured.
- Infection Prevention and COVID Screening training provided to private service providers

Affordability of FP Services Ensured:

- Digital Voucher covers the cost related to FP services and transportation.
- Providers use mobile app to perform CNIC and biometric verification.
- Electronic payment can be received from nearby UBL and Omni branches.

Program Learning:

- Community mobilization has been effective in reaching out to BISP beneficiaries.
- Maternity homes and LHVs are popular service providers.
- Additional young beneficiaries in the BISP household could be reached with half the per-beneficiary cost, doubling the intervention's impact with the availability of updated BISP data.
- Challenges in reaching BISP beneficiaries because BISP available data is only from 2010 as well as restrictions due to pandemic. Digital mediums for outreach and FP desks at Ehsas disbursement camps have been set up for the optimum reach.

SCALABILITY:

- It is estimated 1.6M MWRAs among the 2.7M BISP Beneficiaries in Punjab who can be provided with FP services through this model.

3 STRENGTHEN MALE ENGAGEMENT:

Despite husbands predominantly being the decision makers of the household and their understanding of family planning significantly affecting women's use of contraception, most family planning programs in Pakistan are still largely directed at women with limited opportunities for men to acquire information, counselling, and services. With more than 50% of the couples having a disagreement on family size and 30% men wanting more children than women require for not only engaging men individually but also as couples.

Interventions:

PPIF aims to engage men where they live, work and recreate and enhance couple communication. To achieve that, PPIF designed and launched a program specifically to improve the accessibility for men. Three projects named kar Buland by DOCTHERS, Connect4fp-leveraging technology and provider networks to reduce unintended pregnancies by International Rescue Committee and Mil Kar Faisla, Khushali Ka Waseela by Greenstar Social Marketing are being implemented in eight districts of Punjab reaching more than 150,000 couples to improve informed choice of FP methods and services, joint decision making and accessibility of quality family planning information and services. A multi-pronged approach of globally proven and promising innovative FP practices are being implemented locally to generate evidence for an accelerated FP uptake by engaging both men and women. In this regard, men and women are being reached by increasing information channels through community workers and tele-health and also provided with FP services through a network that includes previously untapped Male GPs, Hakims, Homoeopaths and Pharmacies with referral linkages to female health service providers.

Training of men at workplaces

INNOVATIVE APPROACHES

Door-step Information Channels

To engage men as contraceptive users and supportive husbands, male and female FP champions (outreach workers) have been locally engaged and trained to build interest among men and women regarding FP use, guide them with different contraceptive options, promote FP as a couple's responsibility and connect them with nearest private service providers. Globally, similar interpersonal communication model deploying male and female community workers, has been widely successful in increasing men's own contraceptive use and promoted their wives' access to and use of contraception.

Reaching Couples at First Point of Contact

Places which men find as reliable sources for health information and services seem a natural fit to sensitize them about other related issues. Therefore, a network of male GPs, hakims and homeopaths and pharmacies, places that are predominantly visited by men, have been established and trained on providing male friendly FP services. This strategy has been promising in building provider's interest for FP where these service providers are leveraged as first-point-of contact for men and women complimented by in-house female FP service providers or an external referral mechanism. **Fixed FP days** are also organized at these facilities for couples thereby improving the clientele for other health issues for these providers.

M- Health

With a rising internet and mobile penetration in far-flung areas of Pakistan and positive results of global interventions in this context, digital mobile information dissemination tools of SMS and voice messages (Urdu Language) are being piloted to share FP information. Research emphasizes that the message design, language and worker's training in communication skills is essential for a successful mobile health intervention. In communities with limited service providers, female doctors have been remotely engaged for tele-consultation services for the couples. Similarly, in another area, phone booths are being installed at pharmacies and connected to FP helpline.

Reaching Men at Workplaces

Information is also being disseminated among men at their workplaces through one-on-one sessions, group counselling and through behavior change information materials. These men and their wives are then connected with tele-health counselling services through remotely engaged female doctors and service provision is facilitated through their health insurance.

Couple Counselling

A pool of Lady Health Visitors (LHV) / Community Midwives (CMWs), have been trained to address FP myths and misconceptions and safe administration of short and Long Acting Reversible Contraceptive (LARC) methods. A two-way referral mechanism is established between the male and female service providers. The inclusion of female service providers for FP services provision is a well-recognized global strategy however, their integration with male service providers for referrals is being studied through this intervention.

Engaging Men as Agents of Change

FP programs that engage men as change agents in their families and communities can promote gender equitable norms and an enabling environment for FP. In this intervention, men who have had positive experiences of using FP service are reaching other community men and peers in spreading the FP message. Community leaders / influencers have been engaged to promote FP as a couple's responsibility. Religious scholars have also been sensitized to de-mystify religion as a barrier in the community, while promoting birth spacing messages and the importance of maternal and child health through family planning.

Key Baseline Findings

- The highest mCPR is among the MWRA's from age 45-49 years with high parity. There needs to be a focus on younger couples with low parity.
- Knowledge and use of long term methods is significantly less than short term methods. Knowledge about LARC among men is also less than women. There needs to be focus on transitions from short term to long term methods.
- Comparatively, more women than men perceive FP as beneficial for mother and child health. There needs to be specific behavioral change communication for men.
- Private Service providers need to be engaged to improve accessibility to FP services to both men and women.

Expected Outcomes

- 150,000 couples better informed of choices of methods and services especially young couples.
- 250 more private service providers capacitated including Male General Practitioners, LHVs / CMWs, Hakeems, Homeopaths and Pharmacies offering wide range of services readily.
- Increased acceptability of family planning due to diffusion of information through 100 Male and Female outreach workers and digital health services.
- Increased uptake of modern contraceptive methods due to improved access and reduced costs.
- Decreased discontinuation of contraceptive and increased conversion of family planning users to sustainable Long Acting Reversible Contraceptive (LARC) methods.

Project Learnings:

- Promote both short term and long acting reversible methods,
- Emphasis on engaging younger women and men at workplaces.
- Increase knowledge on long term method options, side effects and myths and misconceptions for both men and women.

4 PROMOTE YOUTH-CENTERED INFORMATION & SERVICES:

Youth have not been the focus of reproductive health information and communication campaigns in Pakistan. Young people who are able to exercise their sexual rights, including by contributing to social cohesion and public health, accessing services, have the potential to be agents of change by challenging prejudices and contributing to social cohesion and public health. Low levels of information combined with an early age of marriage and high unmet need of 18% among married women of reproductive age (15 to 19 years)[15] in Pakistan has led to a high incidence of pregnancy in this age group. PPIF is committed to working with young people by expanding access to quality information through increased channels, integration with education programs, knowledge generation on changing youth needs and most importantly creating structures to ensure meaningful and sustainable youth engagement on reproductive health and family planning at all levels.

Interventions:

PPIF organized a session on best practices for youth RH programming, followed by abstract presentations by the panelists on themes of youth friendly services for newlywed couples, male engagement and addressing child marriages. Through extensive primary and secondary research and consultative sessions with youth and development partners, program recommendations were formulated that can significantly enhance youth access to RH information and services.

Barriers:

1. Limited availability of youth centered RH services.
2. Unaffordability of RH services.
3. Myths and misconceptions around RH.
4. Provider bias towards young couples' accessing RH services.
5. Limited decision-making ability among young girls.
6. Son preference.
7. Limited FP information including side effects.
8. Lack of privacy and confidentiality.

Program Recommendations

Youth Information Channels:

* In school and out-of-school Life Skills Based Education.
* Enabling access to information through mass media, along with more youth-friendly mediums of communication such as social media and mobile phone applications.

De-Stigmatizing RH among Youth:

* Involving religious leaders in RH campaigns.
* Engaging community leaders and influencers to create conducive environment.
* Establishment of youth led movements to advocate for RH rights.
* Edutainment activities for addressing myths and misconceptions.

Youth Centered Services:

* Greater accessibility to youth centered clinics through public private partnerships.
* Non judgemental services through trained care providers.
* Affordable health services.
* Privacy and confidentiality ensured.
* Digital consultation services.
* Provide counseling services at educational institutes.

Evidence Based Policy Advocacy:

* Increase age of marriage to 18 for girls in Punjab and ensure effective implementation of legislation.
* Effective implementation of Life Skills Based Education stated in Punjab youth policy 2012.
* Formulate provision of premarital counseling.
* Cost benefit analysis of youth centered information and services on National and Provincial SRH indicators.

Scalability:

Specific call on youth has been approved by the PDEC and recommended to the Board.

5 ADDRESS FAMILY PLANNING BARRIERS THROUGH SOCIAL & BEHAVIOUR CHANGE COMMUNICATION (SBCC):

Only less than 15% of men and women are ever exposed to main stream media messages for importance of education, early marriages and reduction in maternal and child deaths in relation to family planning. Cultural taboos, stigmatized nomenclature, myths and misconceptions play a critical role in shaping attitudes and behaviours. The Landscape study conducted by Population Council also shows that 38 percent of urban pharmacies, 22 percent of rural pharmacies in Lahore were not selling contraceptives because it was perceived as impermissible in Islam. PPIF not only aims to will design programs with effective SBCC components, paying particular attention to important demographic variables to ensure the appropriateness of SBCC messages but also strengthen the knowledge base through multiple information channels by identifying and demystifying FP misconceptions, addressing social barriers and increasing channels of access to correct information at all levels for the youth, men and women. PPIF will further advocate by targeting key institutions, engaging parliamentarians and community and religious networks.

Interventions:

PPIF plan to develop a Television Drama intending to address some areas including early child marriages, accessing family planning information and services especially for young and newly-wed couples, cultural barriers, myths and misconceptions associated with the use of contraception, maternal and child health, role of husbands and in-laws, religion and education especially for young girls. The target audience for the drama serial will be public at large especially young people and newlywed couples with the most information barriers. However, it will also be directed at other important individuals that affect decision making of the households and family planning specifically husband, mother-in-laws and community gatekeepers. Based on the average drama viewership stated above, it can be conservatively estimated that the drama can be expected to be reached to more than 10 Million people. The drama will be aired across Pakistan through PTV and leading private television network that is largely targeting the urban populations. This project will be a joint collaboration between the public and private sector in reaching communities from all socio-economic backgrounds. The dissemination of drama serial through social media can play a key role in addressing various family planning information barriers and forming public opinion that is conducive to the increase in the uptake of contraceptives. It is also important that population is highlighted as a key development concern with ramifications for all development activities. The perception of population control as a determinant of prosperity will be carefully integrated into public opinion. The project is expected to increase the discussion of family planning among couples, family members and public at large.

PPIF will deploy interpersonal communication strategy to improve accessibility to family planning information and services for young couples in underserved areas. The information will be provided directly to couples in communities and a referral mechanism of family planning service providers will be established within those communities where couples can take family planning services. Implementing partners will be able to propose innovative strategies that complement the interpersonal communication such as through community session, street theatres, and electronic and mobile health technologies. A number of studies have shown that interpersonal and community-level interventions, coupled with service provision, have increased couples' engagement in reproductive health, their intention to use and demand for modern contraceptives, and raised contraceptive prevalence, contributing to lower fertility rates. Communicating complementary FP messages through a variety of channels such as electronic and mobile health technologies, art and theatre, edutainment, clinic based counselling etc. can effectively promote positive attitude towards contraceptive use. The project is expected to increase the knowledge and Uptake of wide range of modern contraceptive methods and increase acceptability, positive attitude towards family planning.

Both the call have been approved by PDEC and recommended to the Board for approval.

Response to COVID-19

Training on Infection Prevention

Training of Master Trainers on Infection Prevention & Standard Precautionary Measures conducted by PPIF partner Jhpiego. As part of the COVID19 response to strengthen the capacity of the health workforce. The 2-day training took place online with participation from a select few in office and many others remotely attending.

PPIF conducts master training of doctors on Family Planning, Maternal, Newborn & Child Health at University of Health Sciences for the Corona Telemedicine helpline. Doctor trainers will further train tele-consultants across 22 UHS centres in Punjab. DoctHers will be providing referral audio/visual consultation services. PPIF is working towards a Punjab. Training conducted by Dr. Aniqa & Mr. Ali Imran, Technical Specialist, PPIF.

PPIF Conducts FP Training of Doctors
for Corona Telemedicine Helpline

PPIF participated in ON-LINE Training of master trainers on infection prevention and standard precautionary measures. PPIF responds to the COVID-19 pandemic by strengthening the capacity of existing health workers by ensuring participation in trainings and facilitating trickle down trainings of partners engaged in emergency response and routine service delivery across Punjab.

MOU Signing Ceremony – University of Health Sciences

Memorandum of Understanding signed between the University of Health Sciences, Vice Chancellor Dr. Javed Akram, Punjab Population Innovation Fund, CEO Mr. Jawad Ahmed Qureshi and Women Chamber of Commerce, President Dr. Shehla Akram launching the addition of family planning, maternal, newborn and child health care teleconsultations as part of the 24/7 Corona Telemedicine Helpline. PPIF partner DoctHers will be providing referral audio/visual consultation services.

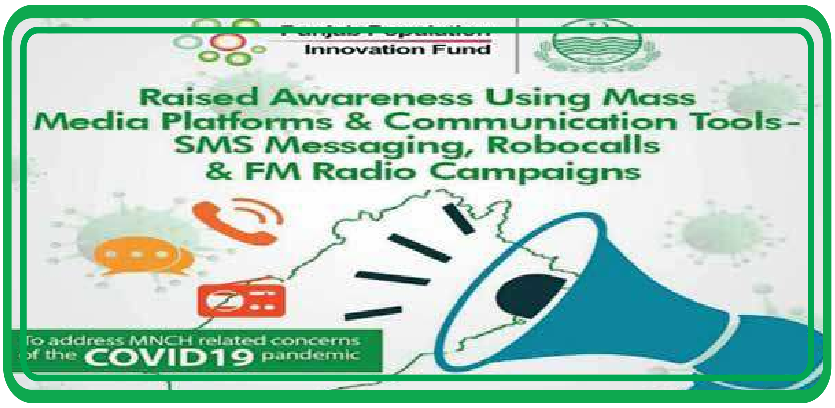
PPIF responds to the COVID-19 pandemic by launching MNCH & Family planning focused helpline in partnership with University of Health Sciences & DoctHERS a “digital health platform that connects patients to a qualified panel of female doctors through a simple phone call”. Female doctors were attending all the helpline calls.

Free Helpline Services:

- Launched **MNCH and Family Planning Helpline** in Collaboration with University of Health Sciences and DOCTHERS.
- Collaborated with Green star to launch toll-free **Pochoo helpline** for FP counseling.

Raising awareness on all social media platforms

PPIF raised the awareness using mass media platforms & communication tools- SMS messaging, Robo- calls and FM radio campaigns. Due to the Covid-19 outbreak, governments are realizing the limitations of the analogue health care system which is not equipped to handle swiftly emerging epidemic-access. Digitizing information on maternal & child health care is an effective way to reach marginalized and vulnerable populations. PPIF has developed a series of messages to disseminate through SMS, radio and voice calls to help overcome the gap in information and access.



Monitoring and Evaluation

The PPIF has put into effect an effective monitoring and evaluation regime to ensure that at the design phase, only those projects that adhere to the objectives defined in the strategic framework are selected and the projects being implemented in the field adhere strictly to the defined outputs and outcomes within the prescribed period.

Monitoring & Learning for Adaptive Approach

Punjab Population Innovation Fund (PPIF) is the Government of Punjab's initiative to invite strong innovative ideas that can provide sustainable and scalable solutions to address population growth in the province. The monitoring framework of PPIF captures multiple tiers of monitoring activities that range from monitoring of grants, monitoring for evaluation and monitoring and learning for deriving innovation and process improvement. Two levels of monitoring are conducted; PPIF internal monitoring wing conducts random checks and corroborates the information and analysis to develop a meaningful analysis for the grants section to take appropriate actions. Third party monitors are also put in place to collect data and develop analysis to support the team make informed decisions about progress and releasing payments.

A Monitoring and Evaluation Framework has been developed which provides guidelines for implementation of the Monitoring regime envisioned by the Board of Directors and provides checks to maintain the validity and veracity of the data collected from the field.

The PPIF funded projects undergo a three-tiered monitoring process:

- o The project partners designing and implementing their own monitoring plans;
- o Process monitoring by third party evaluators engaged by the PPIF; and
- o Indicator tracking and quarterly reviews by the PPIF team.

The following proposed activities corresponding to the phases of the project implementation cycle will be conducted.

- Baseline/ endline evaluation: to be conducted prior to active implementation of the project
- Regular process monitoring: during the implementation period starting with the first monthly progress tracking indicator report
- Data collection and analysis to identify trends: during the implementation period
- Project evaluation: at the culmination of project life end of the project
- Program Evaluation over two to three years to assess incremental impact

Third Party Monitors

Ernest and Young were hired for conducting the process monitoring of the project being implemented in Muzaffargarh and Rawalpindi through a competitive bidding process.

Third party evaluation reports are received at the end of every quarter and are utilized for the purpose of verification of the progress report shared by the contract partners. A schedule of partner activities is shared with the third-party monitors to facilitate them in carrying out field monitoring activities.

Quality assurance is also a part of the monitoring process and tools like SBMR are being utilized to ensure the quality of care being received by the clients under the projects implemented.

Hiring process for third party monitoring firm is under for BISP and cycle 2.1. For BISP beneficiary payment a mobile application was developed by the Population Council where the data of beneficiaries will be populated. Upon seeking the service at Point-of-service the beneficiary will be biometrically verified and within a week beneficiary will receive amount through disbursement agency. For payment to the private service providers, Third Party Monitoring firm will verify 30% sample of clients generated through private providers. Payment will be disbursed monthly upon 100% validation of the 30% sample of clients.

Corporate Governance

PPIF, being a public sector enterprise, operates under the framework enshrined in the Public Sector Companies (Corporate Government) Rules, 2013.

Overall superintendence of the Company vests with the Board of Directors which are accountable to the Regulatory Authorities for good corporate governance while the management is responsible for day to day operations, implementation of policies as envisaged in the Companies Act, 2017 and the Corporate Governance Rules.

Internal Audit Function

Internal audit function serves as an effective appraisal of internal controls which ensure that methods and measures are in place to safeguard the assets, monitoring compliance with the best practices of Corporate Governance, check the accuracy and reliability of accounting data and encourage adherence to prescribed rules and policies.

In line with this function, PPIF has an independent Internal Audit Company. The scope and role of the Internal Auditor, as defined in the Internal Audit Charter, has been duly approved by the Board of Directors. The role corresponds to the responsibilities envisaged for the Internal Auditor under the Public Sector Companies (Corporate Governance) Rules, 2013. Internal Auditor functionally reports directly to the Audit Committee of the Board.

Composition of the Board

The status of each director on the Board, whether non-executive, executive or independent and ex-officio has been disclosed in this report in accordance with the Public Sector Companies (Corporate Governance) Rules, 2013. The Board members are nominated by the Government of the Punjab. The composition of the Board is as follows:

a) Five (05) Directors from amongst the Government Departments in Ex-officio capacity, name of the Government Departments and ex-officio members are as follow:

i. Secretary Finance Department;
ii. Secretary Population Welfare Department;
iii. Secretary Primary & Secondary HealthCare Department;
iv. Secretary Specialized HealthCare and Medical Education Department; &
v. Member HNP, P&D Board;

b) Eight (08) Directors as independent members;

Casual Vacancy on the Board

Four (4) casual vacancies occurred during 2019-20 on the board due to the resignation.

Board Committees

In line with the requirements of the Public Sector Companies (Corporate Governance) Rules, 2013, the Board has the following six committees:

1. Audit & Finance Committee;
2. Human Resource Committee;
3. Program Design and Evaluation Committee;
4. Nomination Committee;
5. Risk Management and Investigation Committee; &
6. IT Steering Committee;

During the year 2019-20 under the board's approval following 02 members were made the part of Human Resource Committee:

1. Secretary Population Welfare Department (PWD); &
2. Chief Executive Officer of Punjab Population Innovation Fund (PPIF);

Members of Audit and Finance Committee:

I. Dr. Naved Hamid – Independent Director – Chair Audit Committee;
II. Secretary Finance – Ex-officio member – Member Audit Committee; &
III. Secretary Primary & Secondary HealthCare Department – Ex-officio member;

During the year 2019-20, following sub-committee meetings of the PPIF board were held:

Serial Number	Sub-Committee Meetings of the PPIF Board	Date
1	5th Audit & Finance Committee Meeting	January 09, 2020
2	6th Audit & Finance Committee Meeting	June 18, 2020
3	4th Human Resource Committee Meeting	January 16, 2020
4	8th Program Design & Evaluation Committee Meeting	March 16, 2020

Compliance Statement

Under section 236 of the Ordinance, specific statements to comply with the requirements of the Public Sector Companies (Corporate Governance) Rules, 2013 are as follows:

a) The Board has complied with the relevant principles of the Corporate Governance and has identified the rules that have not been complied with;

b) The Financial statements, prepared by the Management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in funds and reserves;

c) Proper books of account of the Company have been maintained;

d) Appropriate accounting policies have been consistently applied in preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgement;

e) The system of internal control is sound in design and has been effectively implemented and monitored; and

f) The appointment of the Chairman and other members of the Board and the terms of their appointment along with the remuneration policy adopted are in the best interests of the Public Sector Company as well as in line with the best practices;

During the year under review, no salary, fees, benefits and other performance-related incentives have been paid to any Director / member of the Punjab Population Innovation Fund. All board members / directors including ex-officio members are on pro-bono status.

During the year under review, timely availability of funds was the most significant issue, for FY 2019-20, under approved ADP Rs 100.00 million were allocated and Rs 50.00 million was released to PPIF on February 10th 2020. Balance of Rs 50.00 million did not release to PPIF. Hence, due to the non-availability of requisite funds majority of approved calls could not be procured and finalized during 2019-20.

During the financial year, the company received only Rs 50.00 million from the Government of the Punjab to meet its expenses relating to the program and non-program activities. All costs related to the program activities have been classified and accounted for as program related costs. Costs related to non-program activities include management cost, operating and capital expenditure.

Key operating and financial data of last two (02) years are as:

Key Operating and Financial Data

Punjab Population Innovation Fund
Key Operating and Financial Data for the last Two (2) Years

Financial Data as per audited accounts (Amount in Rupee)

Particulars	2019-20	2018-19
Fixed Assets	17,931,647	21,399,515
Right of use Assets	10,396,508	-
Long term Security deposit – Office Rent	1,483,216	1,595,716
Prepayments including Office Rent	23,777,266	2,456,587
Short Term Investment	80,000,000	-
Cash and bank balance	20,142,536	159,483,914
Total Assets	**153,731,173**	**184,935,732**
Deferred Grant	89,421,208	158,457,308
Deferred Liability	10,916,362	6,811,453
Lease Liabilities	6,335,516	-
General Fund payable	2,085,299	1,325,798
Trade and other payables	44,972,788	18,341,173
Total Funds and Liabilities	**153,731,173**	**184,935,732**

Key Operation data as per audited accounts **(Amount in Rupee)**

Particulars	2019-20	2018-19
Grant Income	**122,575,421**	**143,716,552**
Program Expenses	112,049,013	129,421,297
Administration Expenses	8,237,597	11,373,292
Other Expenses & Financial Charges	**2,288,811**	**2,921,963**
Total Expenses	**122,575,421**	**143,716,552**
Surplus of Income over Expenses	-	-

Following are the key performance indicators of the Punjab Population Innovation Fund relating to its social objectives which significantly reflect the work and impact of the PPIF:

Key Performance Indicator/Expected Outcomes 2017-22

100,000 additional new users.	400,000 couples provided with FP services.
1.4 million quality FP services provided.	5 million population reached with FP messages.
3000 more providers (by type) offering wide range of quality FP services.	10% decrease in discontinuation of contraceptive use in the intervention area.
20% FP knowledge increased in intervention area.	10% increase in CPR in intervention area.
Commitment solicited for FP policy and practice improvements.	

Currently, unapproved gratuity scheme is being observed for the employees of the Punjab Population Innovation Fund. Application with competent authorities are in process for the approved gratuity scheme for PPIF employees.

During the year under review following four (04) meetings of the Board of Directors were held and the attendance of each Director is as under:

Serial Number	Board Meetings	Date
1	11th Board Meeting	July 04, 2019
2	12th Board Meeting	November 07, 2019
3	13th Board Meeting	January 29, 2020
4	14th Board Meeting	April 14, 2020

Name of Directors	No. of Meetings Attended
1. Dr. Ijaz Nabi – (Chairman Board)	4
2. Dr. Naved Hamid– (Chair Audit & Finance Committee)	3
3. Prof. Dr. Muhammad Tayyab – (Chair Human Resource Committee)	3
4. Dr. Yasmeen Qazi – (Chair Program Design and Evaluation Committee)	3
5. Ex-officio Member HNP P&D Board	4
6. Ex-officio - Specialized HealthCare and Medical Education Department)	2
7. Ex-officio - Primary & Secondary HealthCare Department)	4
8. Ex-officio – Finance Department	4
9. Ex-officio - Population Welfare Department)	4
10. Mr. Jawad Ahmed Qureshi (CEO PPIF)	4

Note:

Following Ex-officio members transferred during the year 2019-20:

1. Mr. Hamid Yaqoob Sheikh – Finance Secretary – Government of the Punjab;
2. Muhammad Aamir Jan - Secretary Population Welfare Department;
3. Mr. Zahid Akhtar Zaman – Secretary Primary & Secondary Health Department;
4. Mr. Momin Agha – Secretary Specialized Medical and Healthcare Department; &
5. Mr. Hassan Iqbal – Secretary Population Welfare Department;

AUDITORS

Quality of financial reporting continues to be of prime concern to the stakeholders-sponsors, Board of Directors and Management. Therefore, the company will continue to exercise due diligence and care in the selection of Auditor as it had done in the past.

M/S Crowe Hussain Chaudhury, Chartered Accountants:

M/S Crowe Hussain Chaudhury, Chartered Accountants was appointed as External Auditor of Punjab Population Innovation Fund for the Financial Year 2019-20 and to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting on a remuneration fixed by the Board of Directors;

External Auditor Team:

1. Muhammad Nasir Muneer – Engagement Partner
2. Salman Yaqub Sheikh – Senior Manager
3. Shahyan Khan – Astt. Manager

According to rule 23 of PSC (CG) Rules, 2013;
Every Public Sector Company shall ensure that its annual accounts are audited by external auditors, as envisaged under section 252 of the ordinance.

M/S Grant Thornton Anjum Rahman, Chartered Accountants, served as external auditor of Punjab Population Innovation Fund for consecutive 03 years i.e. 2016-17, 2017-18 & 2018-19.

Sub rule 6 of rule 23 of PSC (CG) Rules, 2013 states that; Every Public Sector Company in the Financial Sector shall change its external auditor every five years. Financial Sector, for this purpose, means banks, non-banking finance companies, mutual funds, modarabas, takaful companies and insurance companies. Every Public Sector Company other than those in the Financial Sector shall, at a minimum, rotate the engagement partner after every five years.

In light of above rule, M/S Grant Thornton Anjum Rahman, Chartered Accountants, has provided their consent on new fee to act as an external auditor of Punjab Population Innovation Fund for the Financial Year ending June 30th 2020 but their consent was not accepted and hence retired.

Sub rule 7 of rule 21 of PSC (CG) Rules, 2013 narrates that; The audit committee shall be responsible for managing the relationship of Public Sector Company with the external auditors. In managing the Public Sector Company's relationship with the external auditors on behalf of the board, the audit committee's responsibilities include;

- Suggesting the appointment of the external auditor to the Board, the audit fee, and any question of resignation or dismissal;

Rule 22 of PSC (CG) Rules, 2013 states that; There shall an internal audit function in every Public Sector Company. The Chief Internal Auditor, who is the head of the internal audit function in the Public Sector Company, shall be accountable to the audit committee and have unrestricted access to the audit committee.

In the absence of Chief Internal Auditor, PPIF has appointed M/S BDO Ebrahim & C0, Chartered Accountant as internal auditor.

Internal Auditor – M/S BDO Ebrahim & Co, Chartered Accountants:

a) Mr. Muhammad Imran– Partner;
b) Mr. Faisal Iftikhar – Senior Auditor Associate;

Company Secretary – PPIF

Abdul Qayyum

Annual General Meeting

For the period 2017-18 & 2018-19, 2nd & 3rd Annual General Meetings of Punjab Population Innovation Fund were conducted on September 16th 2020 wherein the following agenda shall be resolved:

a) The Company's audited financial statements for the year ended June 30, 2018 & June 30, 2019, together with Reports of the Auditors and Directors thereon be and the same are hereby received, considered and adopted;
b) The retiring auditor M/S Grant Thornton Anjum Rahman, Chartered Accountants be and hereby retired as Statutory Auditor of the Company;

Resource Mobilization

The PPIF projects are funded by the Government of the Punjab as the latter continues to allocate money to the company through the provincial Annual Development Plan.

The Strategic Framework approved by the Board of Directors allows for reaching out to traditional donors as well as to underutilized resources such as corporate philanthropy for generating resources, considering the scale of the population problem in the province.

In the BISP project, Population Council with the support of UNFPA is conducting the Baseline, and Endline surveys to prepare an evaluation report. Moreover, they are developing mobile application for the data validation of BISP Beneficiaries.

PPIF is in active consultation with UNFPA to prepare a workplan for the development of youth friendly SRH Centres to be included in the overall PWD workplan. It will be finalized and executed next year.

PPIF is also in active consultation with Bill and Melinda Gate Foundation on poor and marginalized communities especially young couples.

Ms. Amna Akhsheed represented PPIF at the Nairobi Summit on the ICPD25 where she shared the learnings of the innovative models piloted by the organization.

Dr. Yasmeen Qazi (Senior Advocacy Consultant, BMGF, Board Member PPIF, Chairperson PDEC), and Ms. Amna Akhsheed (GM, PPIF) with BMGF delegates

During the conference, leaders articulated a bold vision regarding the relationships between population, development, and individual well-being. Its Program of Action, adopted by 179 countries, recognized that reproductive health, as well as women's empowerment and gender equality, are the pathway to sustainable development. Dr Yasmeen Qazi (Senior Advocacy Consultant, BMGF, Board Member PPIF, and Chairperson PDEC) led the discussion with Bill and Melinda Gate Foundation to explore scale up of innovative models to reach poor and marginalized communities especially young couples

Initiatives undertaken by PPIF during Fiscal 2019-20

Engaging Local Government

In Muzaffargarh, the target audience belonged to a rural setup with limited access to modern means of communication. The campaign was kicked off by an event recognizing the contribution of the social entrepreneurs, Noor's, for positively influencing behaviours around family planning. Members of district administration including office bearers from the district Population Welfare Department were also present at the event and appreciated PPIF's efforts to introduce community workers in areas uncovered by the workers from Health and Population Welfare Department.

World Population Day

World Population Day is observed each year by the international community raising awareness around population-related concerns particularly the importance of family planning, maternal health and its consequential impact on governance and human development indicators. This Year Punjab Population Innovation Fund collaborated with Population Welfare Department, Punjab, and the United Nations Population Fund, Pakistan organized a multi-sectoral event at a local hotel to highlight the theme for 2019 "25 Years of the ICPD: Accelerating the Promise''

Introducing PPIF Youth Ambassador

PPIF not only aims to will design programs with effective SBCC components, paying particular attention to important demographic variables to ensure the appropriateness of SBCC messages but also strengthen the knowledge base through multiple information channels by identifying and demystifying FP misconceptions, addressing social barriers and increasing channels of access to correct information at all levels for the youth. Ms Amna Ilyas is a renowned actor and Luxe Style Award-winning model who has starred in Good Morning Karachi, Zinda Bhaag (a Mosaic International South Asian Film Festival Award, Toronto) and the recently launched Baaji. She won the Lux Style Award for Best Female Model and used her acceptance speech to send across a strong message on the concept of "dark is beautiful". She is also associated with Depilex Smile Again Foundation, which is focusing on providing medical care to acid survivors

International Women's Day

The theme for International Women's Day (8 March) 2020 is, ***I am Generation Equality: Realizing Women's Rights.*** The theme is aligned with UN Women's new multigenerational campaign, Generation Equality, which marks the 25th anniversary of the Beijing Declaration and Platform for Action. Adopted in 1995 at the Fourth World Conference on Women in Beijing, China, the Beijing Platform for Action is recognized as the most progressive roadmap for the empowerment of women and girls, everywhere. Punjab Population Innovation Fund celebrates International Women's Day on March 8,2020 with their prestigious partners.

World Health Day:

Punjab Population Innovation Fund celebrates World Health Day every year, the theme for world health day 2020 is to support nurses and midwives. The 2020 World Health Day theme took place in the situation of the COVID-19 global pandemic and was therefore launched as 'Support Nurses and Midwives' Around the world, people spent the day thanking the nurses and health care workers on the frontlines battling the COVID-19 coronavirus. The celebration of 2020 World Health Day took place around the world in a mostly virtual environment through online press conferences, announcements, and social media due to the worldwide.

Chief Executive Officer

Director

BOARD OF DIRECTORS

Dr. Ijaz Nabi
Chairman of the Board

Dr. Naved Hamid
Director

Dr. Yazmeen Qazi
Senior Technical Advisor Family Planning,
Bill and Melinda Gates Foundation,
Pakistan.

Dr. Sohail Saqlain
Member HNP, Planning &
Development Department

Capt. Retired Muhammad Usman
Secretary, Primary and Secondary
Healthcare Department

BOARD OF DIRECTORS

Mr. Ali Bahadur Qazi
Secretary, Punjab Population Welfare Department

Prof. Dr. Muhammad Tayyab
Director

Mr. Abdullah Sumbal
Secretary, Finance

Jawad Ahmed Qureshi
Chief Executive Officer

BOARD MEETINGS

1 11th Board Meeting
July 04, 2019

2 12th Board Meeting
November 07, 2019

3 13th Board Meeting
January 29, 2020

4 14th Board Meeting
April 14, 2020

Minister Message

Muhammad Hashim Ali Dogar

Minster – Population Welfare Department

No program can work with the population growth rate we have. Together we must take every measure necessary to ensure population.
The population of Pakistan is multiplying by the minute and will double meaning it will reach 25 crores figure in 2030 with the current growth rate. We are seeking to complement evidence- based policies in the province and are closely following the results of PPIF interventions aimed at improving accessibility and population programmes in the province will be guided by the results.

Board of Directors Messages

Dr. Yazmeen Qazi

Senior Technical Advisor Family Planning, Bill and Melinda Gates Foundation, Pakistan

Health services are concerned, unmet need for family planning is one of the biggest challenges and we need innovative strategies to address it. PPIF is focussing to engage private sector and scale up innovations to ensure that every woman would have an access to quality family planning services.

Muhammad Hassan Iqbal

Secretary Population Welfare Department

In the last past years, there has been significant progress in expanding access to reproductive health including the use of modern contraceptives. A lot has been done but still it has not been realized in its entirety

Dr. Sohail Saqlain

Member Health, Planning and Development Board

Population is the mother of all issues. Punjab is the most populous province contributing heavily to Pakistan's population, bringing it to the fifth most populous country in the world. We have established this platform for all stakeholders to come together to work on population welfare- before its too late. Together we can achieve the targets with a multi-sectoral approach which can help effectively combat this challenge.

Board of Directors Messages

Prof. Dr. Muhammad Tayyab

Board of Director, Member – HRC Committee

Pakistan is the fifth most populous country n the world with one of the highest population growth rates facing various health, economic and financial challenges. Despite, Public and Private Sector directing their efforts combating this issue, significant impact has been lacking for the past four decades. Collaborative efforts such as this session offer crucial platforms as all stakeholders are working towards a common goal directed at the growth of our country and controlling its population growth.

Mr. Hamid Yaqoob Sheikh

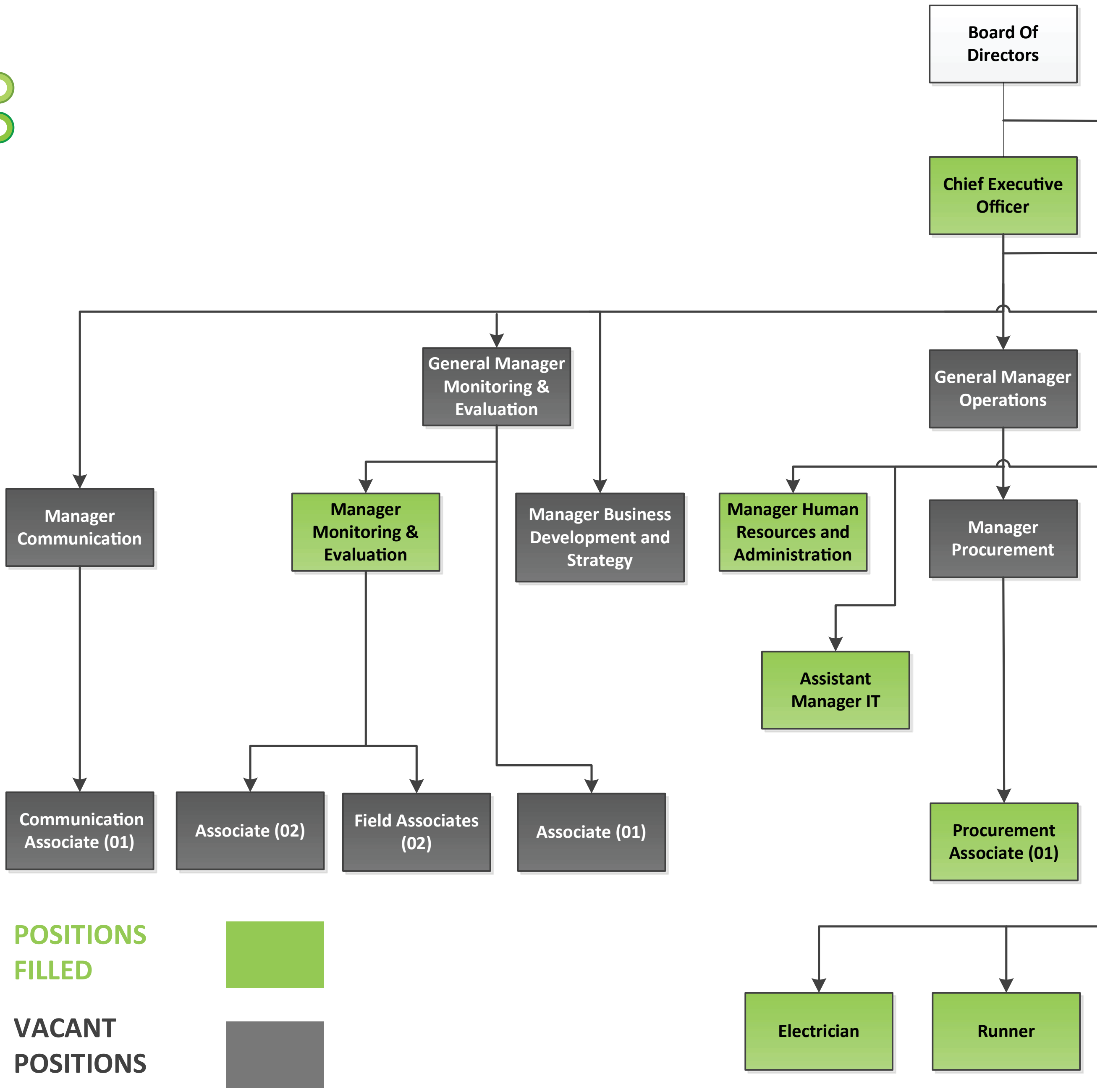
Chairman Planning and Development Board

Population planning is not only a family welfare issue, but at the core of all planning and development policies and strategies for Punjab. Realizing the need to deal with the crisis strategically, the Planning and Development (P&D) Board devised a strategy to save lives, livelihoods and support the health needs of the most vulnerable in the province.

Dr. Naved Hamid

Member

The time, effort and resources dedicated by PPIF to provide access to couples with unmet need is an investment worth making. PPIF has tremendous potential to impact such individuals, couples and communities through multi-channel approaches to demystify the misconceptions to accelerate the goals envisaged by this organization.



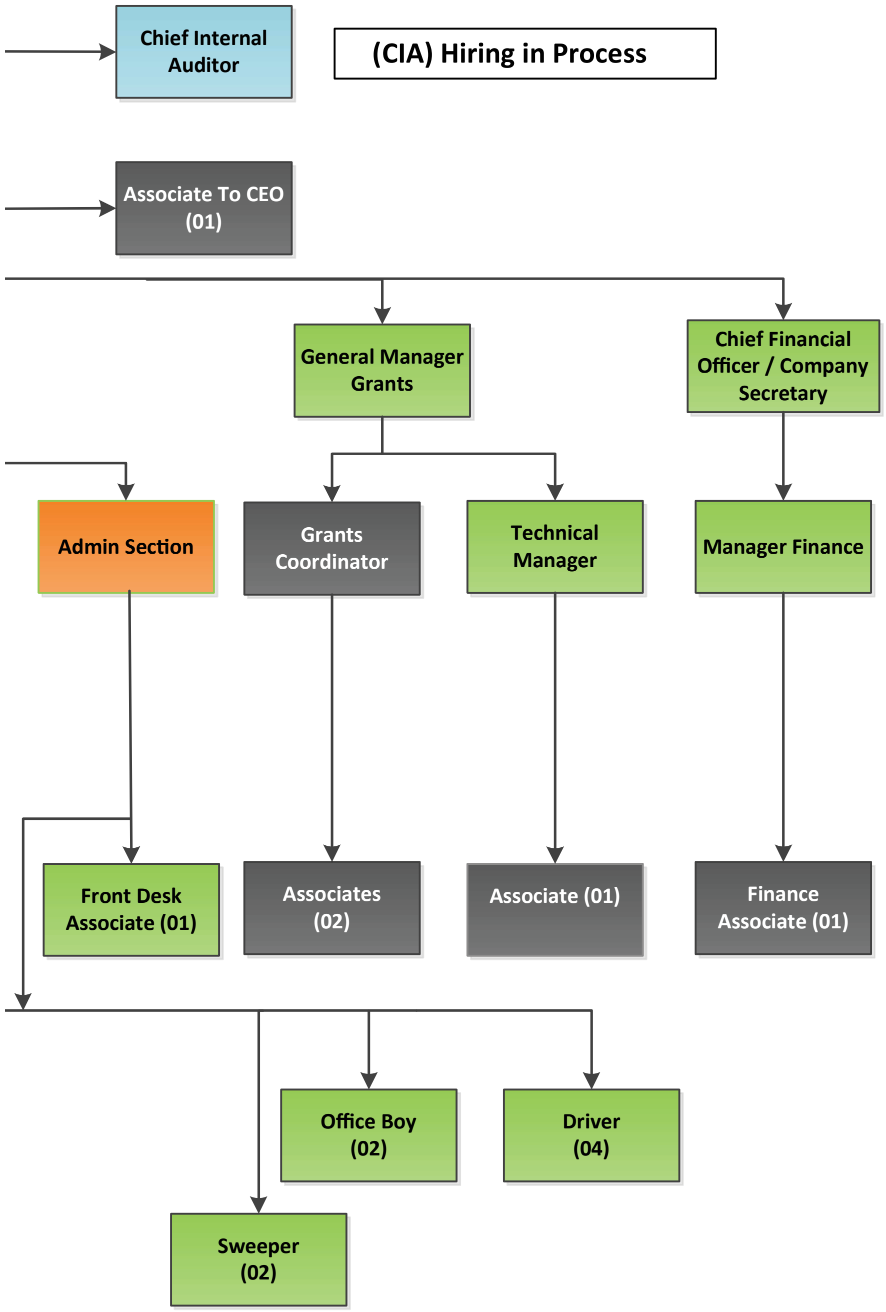
POSITIONS FILLED

VACANT POSITIONS

HIRING IN PROCESS

Annexure 7

Organizational Chart



MEET THE TEAM

Jawad Ahmad Qureshi
Chief Executive Officer

Abdul Qayyum
Chief Financial Officer

Amna Akhsheed
General Manager Grants

Faheem Akhtar
Manager Finance

Jawad Khan
Manager HR

Ali Imran
Manager Technical

Imran Ahmed
Manager Monitoring and Evaluation

M. Hashim Hussain
Manager Procurement

MEET THE TEAM

M. Shoaib Manzoor
Associate Procurement

Rehan Tahir
Front Desk Associate

M. Mohsin Khan
Assistant Manager IT

Tania Durrani
Associate to CEO

Danish Shahid
Research Associate

STATEMENT OF ACCOUNTS

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AUDITOR'S REPORT

PUNJAB POPULATION INNOVATION FUND

FOR THE YEAR ENDED JUNE 30, 2020

Crowe

Crowe Hussain Chaudhury & Co.
25-E, Main Market, Gulberg II,
Lahore-54600, Pakistan
Main +92-42-3575 9223-5
www.crowe.pk

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **PUNJAB POPULATION INNOVATION FUND** (the Company), which comprise the statement of financial position as at June 30, 2020, and the income and expenditure statement, the statement of comprehensive income, the statement of changes in accumulated fund, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the income and expenditure statement, the statement of comprehensive income, the statement of changes in accumulated fund and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2020 and of the surplus, the other comprehensive income, the changes in accumulated fund 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.

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Information Other than the 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 financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

Other Matter

The financial statements of the Company for the year ended June 30, 2019 were audited by another auditor who expressed unmodified opinion on those financial statements on January 29, 2020.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Nasir Muneer.

Crowe Hussain Ch: & Co.

Lahore
Dated: 31 MAR 2021

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

AUDITOR'S REPORT

PUNJAB POPULATION INNOVATION FUND

FOR THE YEAR ENDED JUNE 30, 2020

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
ASSETS			
Non Current Assets			
Property and equipment	5	16,223,054	19,690,922
Intangible assets	6	1,708,593	1,708,593
Right of use assets	7	10,396,508	-
Long term security deposits	8	1,483,216	1,595,716
		29,811,371	22,995,231
Current Assets			
Advances, prepayments and other receivables	9	23,651,259	2,330,580
Short term investments	10	80,000,000	-
Income tax refundable		126,007	126,007
Cash and bank balances	11	20,142,536	159,483,914
		123,919,802	161,940,501
		153,731,173	184,935,732
FUNDS AND LIABILITIES			
General fund		2,085,299	1,325,798
Non Current Liabilities			
Lease liabilities	12	6,335,516	-
Deferred grants - restricted funds	13	89,493,909	158,457,308
Deferred liabilities	14	10,916,362	6,811,453
		106,745,787	165,268,761
Current Liabilities			
Trade and other payables	15	32,887,147	18,341,173
Current portion of lease liabilities	12	12,012,940	-
		44,900,087	18,341,173
Contingencies and Commitments	16	-	-
		153,731,173	184,935,732

The annexed notes from 1 to 27 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 Rupees	2019 Rupees
Income			
Grants income	13	118,963,399	143,716,552
Other income		3,612,022	-
		122,575,421	143,716,552
Expenditure			
Program expenses (2019: Restated)	17	(112,049,013)	(129,421,297)
Administrative expenses (2019: Restated)	18	(8,237,597)	(11,373,292)
Other expenses	19	-	(2,915,424)
Bank charges		(7,685)	(6,539)
Finance cost		(2,281,126)	-
		(122,575,421)	(143,716,552)
Surplus before Taxation		-	-
Taxation	20	-	-
Net Surplus for the Year		-	-

The annexed notes from 1 to 27 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020

	2020 Rupees	2019 Rupees
Net Surplus for the Year	-	-
Other Comprehensive Income:		
Items that will not be reclassified to income and expenditure statement		
Remeasurements of staff retirement benefits	759,501	1,325,798
Items that may be reclassified to income and expenditure statement	-	-
Other comprehensive income for the year	759,501	1,325,798
Total Comprehensive Income for the Year	759,501	1,325,798

The annexed notes from 1 to 27 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

Javeed Hamid

DIRECTOR

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Accumulated Fund
	Rupees
Balance as at June 30, 2018	-
Total comprehensive income for the year	1,325,798
Balance as at June 30, 2019	1,325,798
Total comprehensive income for the year	759,501
Balance as at June 30, 2020	2,085,299

The annexed notes from 1 to 27 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	2020 Rupees	2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	-	-
Adjustments for:		
- Depreciation on property and equipment	5,219,715	4,911,779
- Depreciation on right of use asset	5,670,822	-
- Loss on disposal of assets	-	2,915,424
- Finance cost	2,281,126	-
- Interest income	(3,612,022)	-
- Post employment benefits	5,729,795	5,223,021
	15,289,436	13,050,224
Operating surplus before working capital changes	15,289,436	13,050,224
(Increase) / Decrease in current assets		
- Advances, prepayments and other receivables	(20,904,012)	1,932,879
Increase in current liabilities:		
- Trade and other payables	14,545,974	8,543,530
	(6,358,038)	10,476,409
Net Cash Generated from Operations	8,931,398	23,526,633
Grants received	50,000,000	216,400,000
Grants utilized	(118,963,399)	(143,716,552)
Gratuity paid	(865,385)	(1,430,770)
	(69,828,784)	71,252,678
Net Cash (Used in) / Generated from Operating Activities	(60,897,386)	94,779,311
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(1,751,847)	(4,466,442)
Short term investments	(80,000,000)	-
Interest received	3,195,355	-
Long term security deposits	112,500	(50,000)
Additions in intangible assets	-	(585,000)
Net Cash Used in Investing Activities	(78,443,992)	(5,101,442)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
Net (Decrease) / Increase in Cash and Cash Equivalents	(139,341,378)	89,677,869
Cash and cash equivalents at the beginning of the year	159,483,914	69,806,045
Cash and Cash Equivalents at the End of the Year	20,142,536	159,483,914

The annexed notes from 1 to 27 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

Javed Hamid

DIRECTOR

PUNJAB POPULATION INNOVATION FUND

A Company set up under Section 42 of the repealed Companies Ordinance, 1984

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Note 1
Corporate and General Information

Punjab Population Innovation Fund (the Company) is a company limited by guarantee not having a share capital. The Company operates under license issued under section 42 of the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company was incorporated on October 04, 2016. The objectives of the Company are to support the Government of the Punjab in improving the quality of life of the peoples of the Punjab, particularly the vulnerable and marginalized areas and sections of the population, by assisting service delivery organization in the public, non-governmental and private sectors to improve access, and the quality of family planning services in Punjab. The Company is domiciled in Pakistan and its registered office is situated at 125, Abu Bakar Block, Garden Town, Lahore.

In the year 2019, a committee was constituted by the Chief Minister of Punjab for reviewing the issues being faced by the public sector companies in Punjab. The committee has decided to continue operations of the Company along with other 30 public sector companies being managed by the Punjab Government.

Note 2
Basis of Preparation

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees which is the functional currency of the Company. All the figures have been rounded off to the nearest rupee, unless otherwise stated.

2.4 Use of judgments and key estimates

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

- Provision for post employment benefits obligations [Note 14]
- Estimate of useful lives and residual values of property, plant & equipment [Note 5.1]

Note 2, Basis of Preparation - Cont ...

2.5 Changes in accounting standards, interpretations and pronouncements

2.5.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

IFRS 16 'Leases' has been adopted during the year by Securities & Exchange Commission of Pakistan and is mandatory for accounting periods beginning on or after July 1, 2019. It is considered to be relevant to the Company's financial statements. IFRS 16 sets out the principles for recognition, measurement, presentation and disclosure of leases. It introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all the leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make the lease payments. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17 Leases; accordingly, a lessor continues to classify its leases as operating leases or finance leases and accounts for those two types of leases differently. IFRS 16 has replaced IAS 17 Leases; IFRIC 4 - Determining whether an arrangement contains a lease; SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Its adoption does not have any effect on the financial statements of the Company for the current year.

2.5.2 Standards, interpretation and amendments to approved accounting standards that are relevant but not yet effective

The following standards, amendments and interpretations with respect to the accounting and reporting standards as applicable in Pakistan and relevant to the Company, would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	**Effective Date (Period beginning on or after)**
- Conceptual Framework in IFRS Standards [Amendments]	January 01, 2020
- IFRS 7 Financial Instruments: Disclosures [Amendments]	January 01, 2020
- IFRS 9 Financial Instruments [Amendments]	January 01, 2020
- IAS 1 Presentation of Financial Statements [Amendments]	January 01, 2020
- IAS 8 Accounting Policies, Changes in Accounting Estimates - and Errors [Amendments]	January 01, 2020
- Annual improvements to IFRS Standards 2018-2020	January 01, 2022
- IAS 16 Property, Plant and Equipment [Amendments]	January 01, 2022
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets [Amendments]	January 01, 2022

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

There were following new standards or amendments to existing standards and interpretations that are neither relevant nor yet effective.

	Effective Date (Period beginning on or after)
- IFRS 3 Business Combinations [Amendments]	January 1, 2020
- IFRS 17 Insurance Contracts	January 1, 2021

Note 3
Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless stated otherwise.

3.1 Property, plant and equipment

All items of property and equipment are initially recoded at cost, subsequently all items of property and equipment are measured at cost less accumulated depreciation and identified impairment loss, if any.

Depreciation on property and equipment has been provided for using the straight line method at the rates specified in Note 5. Depreciation on additions is charged from the month in which the asset was available for use up to the month in which the asset was disposed off.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets replaced, if any, are retired. Gain or loss on disposal of property and equipment, if any, is shown in the Statement of income and expenditure.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the income and expenditure statement.

Judgment and estimates

Useful lives, residual values and depreciation method are reviewed regularly. The effect of any changes in estimate is accounted for on a prospective basis.

3.2 Impairment of non-financial assets

The assets that are subject to depreciation or amortization are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the income and expenditure statement.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. The Company recognizes the reversal immediately in the income and expenditure statement.

3.3 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents consist of balances with banks only.

3.4 Revenue

Revenue is recognized over the period of time to match them with expenses incurred. Grants related to income are accounted for in accordance with the requirement of IAS-20 "Accounting for Government Grants and Disclosure of Government Assistance" i.e. Grants are recognized as income over the periods necessary to match them with the related cost which they are intended to compensate, on a systematic basis.

Grants related to assets are recognized in income and expenditure statement over the life of the depreciable assets.

Note 3, Summary of Significant Accounting Policies - Continued...

3.5 Post employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) covering all eligible employees, payable at the cessation of employment. Provision is made on the basis of actuarial recommendations. The actuarial valuation is carried out using the projected unit credit method.

Eligible employees are entitled to gratuity after completing the prescribed period of service under the scheme equal to one month gross salary. All remeasurement gains and losses are recognized in other comprehensive income.

3.6 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.7 Grants

Grants received for capital expenditure are presented in the statement of financial position as "Deferred Income" that is recognized as income in line with depreciation charged on respective asset over the useful life of the asset.

Grants received for revenue expenditure are recognized as grant income as per terms of agreement with Government. Donated assets are recognised at fair values of assets on date of receipt of donated assets.

3.8 Trade and other payables

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

3.9 Taxation

In accordance with section 100C of the Income Tax Ordinance, 2001 (the Ordinance), the Company is allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final tax payable under any of the provisions of the Ordinance, subject to conditions as outlined in section 100C. Accordingly, no provision for tax/ deferred tax has been recognized in the financial statements of the Company.

3.10 Related party transactions

Transactions in relation to purchases and services with related parties are made at arm's length prices determined in accordance with the Company's policy.

3.11 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.

3.11.1 *Financial assets*

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Note 3, Summary of Significant Accounting Policies - Continued...
Note 3.11.1, Financial assets - Continued...

a) Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortized cost and fair value through profit or loss. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

b) Initial recognition and measurement

All financial assets are initially measured at fair value plus transaction costs that are directly attributable to its acquisition except for trade receivable. Trade receivables are initially measured at the transaction price.

c) Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of income and expenditure.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference arising is charged to the statement of income and expenditure.

d) Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in statement of income and expenditure.

e) Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. 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.

ECLs are recognized 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).

The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

3.11.2 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the

b) Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included as finance costs in the statement of income and expenditure. Difference between carrying amount and consideration paid is recognized in the statement of income and expenditure when the liabilities are derecognized.

Note 3, Summary of Significant Accounting Policies - Continued...

3.12 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.13 Foreign currency transactions and translations

Transactions in foreign currencies are recorded at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pakistan Rupees at the rate of exchange ruling on the reporting date and exchange differences, if any, are charged in the income and expenditure statement.

Note 4
Change in Accounting Policy

The Company has consistently applied the accounting policies to all periods presented in these financial statements except for the change in accounting policy relating to leases to comply with standards, amendments and interpretations to approved accounting and reporting standards which has been accounted for in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. However, no restatement was required to be made in the financial statements.

4.1 IFRS 16 'Leases'

The Company has adopted IFRS 16 'Leases' (effective for annual periods beginning on or after 1 January 2019) during the period that has replaced IAS 17 - Leases, IFRIC 4 - Determining whether an arrangement contains a lease, SIC-15 - Operating Leases - Incentives and SIC-27 - Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 aims to set out the principles for recognition, measurement, presentation and disclosure of leases. It introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for virtually all of the leases. IFRS 16 includes an optional exemptions for certain short-term leases and leases of low-value assets for lessees. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make the lease payments. Under the previous standard, IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17 'Leases'. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, as the IASB has updated the guidance on the definition of a lease as well as the guidance on the combination and separation of contracts, lessors will also be affected by the new standard. The adoption of IFRS 16 has necessitated change in accounting policy for The Company.

The Company has applied IFRS 16 using the cumulative catch-up approach and therefore the comparative information presented has not been restated and continues to be reported under IAS 17 and related interpretations.

On transition to IFRS 16, The Company has elected to use the following practical expedients under IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease;

- A single discount rate has been applied to portfolio of leases with reasonably similar characteristics;

- Leases with a remaining term of twelve months or less from the date of application have been accounted for as short term leases (i.e. not recognized in the statement of financial position) even though the initial term of the leases from lease commencement date may have been more than twelve months;

- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company, as a lessee, previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. The Company used to recognize minimum lease payments in full as an expense. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in income and expenditure statement on a straight-line basis over the lease term. Any prepaid rent were recognised under prepayments. Now, under IFRS 16, The Company recognizes right-of-use assets and lease liabilities for all leases, after taking into account the elections made for available practical expedients described above.

Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Company depreciates right-of-use assets in depreciation and amortization and unwiunds the discount on lease liability into finance cost.

The Company has applied IAS 36 "Impairment of Assets" to ROU assets at the date of initial application and assessed that ROU assets are not impaired as at that date.

The Company used its incremental borrowing rate at July 1, 2019 to discount the lease payments. The weighted average incremental borrowing rate applied to lease liabilities on July 1, 2019 was 13.35%.

The effect of adoption of IFRS 16 as at July 01, 2019 is as follows:	**2019** Rupees
Recognition of right of use asset	16,067,330
Increase in liability against right of use asset	16,067,330

Impact on Income and Expenditure Statement	**For the Year 2020** Rupees
Decrease in rent expense	(6,389,971)
Increase in depreciation expense on right of use asset	5,670,822
Increase in financial charges on lease liability	2,281,126
Net impact on Income and Expenditure Statement	**1,561,977**

Note 5
Property and equipment

	Note	2020 Rupees	2019 Rupees
Operating fixed assets	5.1	16,223,054	19,690,922

5.1 Operating fixed assets for the year ended June 30, 2020

	Furniture and fixtures	Computer equipment	Leasehold improvement	Office equipment	Vehicles	Generator equipment	Total
Cost							
Balance as at July 01, 2019	5,955,144	6,966,688	2,064,494	1,986,074	7,357,410	3,130,699	27,460,509
Additions during the year	-	-	1,706,057	45,790	-	-	1,751,847
Balance as at June 30, 2020	**5,955,144**	**6,966,688**	**3,770,551**	**2,031,864**	**7,357,410**	**3,130,699**	**29,212,356**
Accumulated depreciation - 2020							
Balance as at July 01, 2019	1,157,521	3,240,116	812,641	333,205	1,626,808	599,296	7,769,587
Depreciation for the year	596,740	2,003,764	631,330	199,655	1,474,511	313,715	5,219,715
Balance as at June 30, 2020	**1,754,261**	**5,243,880**	**1,443,971**	**532,860**	**3,101,319**	**913,011**	**12,989,302**
Book value as at June 30, 2020	**4,200,883**	**1,722,808**	**2,326,580**	**1,499,004**	**4,256,091**	**2,217,688**	**16,223,054**
Rate of depreciation per annum (%)	10	33.33	20	10	20	10	

5.1.1 Operating fixed assets for the year ended June 30, 2019

	Furniture and fixtures	Computer equipment	Leasehold improvement	Office equipment	Vehicles	Generator equipment	Total
Cost							
Balance as at July 01, 2018	5,955,144	5,962,240	2,064,494	1,924,080	7,601,690	3,130,699	26,638,347
Additions during the year	-	1,004,448	-	61,994	3,400,000	-	4,466,442
Disposals during the year	-	-	-	-	(3,644,280)	-	(3,644,280)
Balance as at June 30, 2019	**5,955,144**	**6,966,688**	**2,064,494**	**1,986,074**	**7,357,410**	**3,130,699**	**27,460,509**
Accumulated depreciation - 2019							
Balance as at July 01, 2018	562,007	1,338,715	399,742	140,220	859,754	286,226	3,586,664
Depreciation for the year	595,514	1,901,401	412,899	192,985	1,495,910	313,070	4,911,779
Depreciation on disposals	-	-	-	-	(728,856)	-	(728,856)
Balance as at June 30, 2019	**1,157,521**	**3,240,116**	**812,641**	**333,205**	**1,626,808**	**599,296**	**7,769,587**
Net Book Value as at June 30, 2019	**4,797,623**	**3,726,572**	**1,251,853**	**1,652,869**	**5,730,602**	**2,531,403**	**19,690,922**
Rate of depreciation per annum (%)	10	33.33	20	10	20	10	

5.1.2 Allocation of depreciation charge for the year is as under:

	Note	2020 Rupees	2019 Rupees (Restated)
Program expenses (2019: Restated)	17	5,219,715	4,911,779

Note 6
Intangible Assets

	2020	2019
	Rupees	Rupees
Accounting software	1,708,593	1,708,593

6.1 This represents software development cost representing implementation of SAP Business One. The development / installation of the software has not concluded as on the reporting date.

Note 7
Right of Use Assets

	Note	2020	2019
		Rupees	Rupees
Opening balance		-	-
Add: Additions during the year		16,067,330	-
Less: Depreciation charge for the year	7.1	(5,670,822)	-
Closing balance		10,396,508	-
Remaining lease term (Years)		3	Nil

7.1 Depreciation charge for the year is allocated on actual utilization basis as follows:

Program Expenses	17	5,670,822	-

7.2 Right of use assets are recorded on the basis of rent of the property. The corresponding lease liability is recorded in these financial statements as shown in note 12 of the financial statements.

There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

Note 8
Long Term Security Deposits

	Note	2020	2019
		Rupees	Rupees
Security deposits	8.1	1,483,216	1,595,716

8.1 This represents security deposits paid to the following parties:

	2020	2019
Office building	1,275,000	1,275,000
Fuel security - PSO	208,216	208,216
Phoenix security	-	112,500
	1,483,216	1,595,716

Note 9
Advances and Other Receivables

	Note	2020	2019
		Rupees	Rupees
Mobilization advances	**9.1**	**21,198,468**	**-**
Prepayments		**757,381**	**862,059**
Profit receivable from BOP		**416,667**	**-**
Advances to employees	**9.2**	**1,278,743**	**1,468,521**
		23,651,259	**2,330,580**

9.1 Movement of mobilization advance is as follows:

	2020	2019
Opening balance	-	3,757,297
Add: Advances extended during the year	23,485,471	-
Less: Adjusted against invoices	(2,287,003)	(3,757,297)
	21,198,468	-

9.2 For 2019, this included advance of Rs. 846,155 extended to an employee of senior management cadre.

Note 10
Short Term Investments

This represents Term Deposits Receipts placed with the Bank of Punjab, carrying mark-up @ 7.3%. This term deposit receipt shall mature on September 9, 2020.

Note 11
Cash and Bank Balances

	2020 Rupees	2019 Rupees
Balances with banks:		
- Current account	20,132,971	159,483,914
- Savings account	9,565	-
	20,142,536	159,483,914

Note 12
Lease Liabilities

	2020 Rupees	2019 Rupees
Opening balance	-	-
Impact of adoption of IFRS 16	16,067,330	-
	16,067,330	-
Add: Interest expense	2,281,126	-
Less: Payments made during the year	-	-
Gross liability	18,348,456	-
Less: Current portion	(12,012,940)	-
Closing balance	6,335,516	-

12.1 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

	Included in	2020 Rupees	2019 Rupees
Carrying amount of ROU assets	Statement of Financial Position	10,396,508	-
Depreciation charge	Income and Expenditure Statement	5,670,822	-
Interest expense	Finance cost	2,281,126	-

12.2 Maturity analysis of contractual cash flows:

Within One Year	Between Two to Five Years	Later than Five Years
---------------	(Rupees)	---------------
12,012,940	6,335,516	-

12.3 Nature of leasing activities

The Company's leases consists of the office building. Periodic rentals are fixed over the lease term. These neither contain any variable lease payments nor any lease incentives. The Company is not committed to any lease not yet commenced as at the reporting date.

Remaining lease term of existing lease contract is 3 years for which lease liability is recorded.

Note 13
Deferred Grants - Restricted Funds

	Note	2020 Rupees	2019 Rupees
Grants related to income	13.1	86,773,909	155,397,308
Grants related to assets	13.2	2,720,000	3,060,000
		89,493,909	158,457,308

13.1 Grants related to income:

Opening balance	155,397,308	85,773,860
Grants received from Government of the Punjab - related party	50,000,000	213,000,000
Less: Grant income amortised during the year	(118,623,399)	(143,376,552)
Closing balance	86,773,909	155,397,308

13.1.1 This represents grant received from Government of the Punjab under grant number PC-22036, for meeting revenue expenditure of the Company. These are recognized as grant income as per terms of agreement with Government.

13.2 Grants related to assets:

	2020 Rupees	2019 Rupees
Opening balance	3,060,000	-
Grants received during the year	-	3,400,000
Less: Grant income amortised during the year	(340,000)	(340,000)
Closing balance	2,720,000	3,060,000

13.2.1 This represents grant received from Government of the Punjab for purchase of property and equipment for the Company. Grant related to assets is recognized as income in line with depreciation charged on respective asset over the useful life of the asset.

Note 14
Deferred Liabilities

	2020 Rupees	2019 Rupees
Post employment benefit obligations	10,916,362	6,811,453

14.1 Post employment benefit obligations

Latest actuarial valuation of the defined benefit plan was conducted as on June 30, 2020. Results of actuarial valuation are as under:

	2020 Rupees	2019 Rupees
Present value of defined benefit obligations-net	10,916,362	6,811,453

14.1.1 Reconciliation of net obligations under post employment benefits

Present value of defined benefit obligation	10,916,362	6,811,453
Fair value of plan asset	-	-
Net liability	10,916,362	6,811,453

Note 14, Deferred Liabilities - Cont ...

Note 14.1, Post employment benefit obligations - Cont ...

14.1.2 Movement in present value of defined benefit obligations

	2020 Rupees	2019 Rupees
Opening balance	6,811,453	4,345,000
Current service cost	4,340,927	4,557,991
Past service cost	479,895	310,426
Interest cost	908,973	354,604
Remeasurement gains	(759,501)	(1,325,798)
Payments made during the year	(865,385)	(1,430,770)
Closing balance	10,916,362	6,811,453

14.1.3 Changes in net liability

	2020	2019
Opening balance	6,811,453	4,345,000
Expense charged to income and expenditure statement	5,729,795	5,223,021
Remeasurements charged in OCI	(759,501)	(1,325,798)
Benefits paid in the year	(865,385)	(1,430,770)
Closing balance	10,916,362	6,811,453

14.1.4 Charge for the year

The amounts recognised in the income and expenditure statement against defined benefits scheme are as follows:

	2020 Rupees	2019 Rupees
Current service cost	4,340,927	4,557,991
Past service cost	479,895	310,426
Interest cost	908,973	354,604
	5,729,795	5,223,021

14.1.5 The charge for the year has been allocated as follows:

Program expenses	5,729,795	5,223,021

14.1.6 Actuarial assumptions

	2020	2019
Discount rate - per annum / Rate of return on plan assets	8.50%	14.25%
Expected rate of increase in salary level - per annum	7.50%	13.25%
Expected year of services	7 years	8 years
Actuarial valuation method	Projected Unit Credit Method	
Expected mortality rate for active employees	SLIC (2001-2005) Mortality Table	

14.1.7 Estimated Charge for the year 2020-2021

	2021 Rupees
Current service cost	4,103,730
Interest cost	881,073
	4,984,803

Note 14, Deferred Liabilities - Cont ...
Note 14.1, Post employment benefit obligations - Cont ...

14.1.8 Year end sensitivity analysis on defined benefit obligation

Reasonably possible changes at the reporting date date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

	2020 Rupees
Discount rate + 1%	9,932,630
Discount rate - 1%	12,050,325
Salary increase + 1%	12,076,292
Salary increase - 1%	9,891,878

Note 15
Trade and Other Payables

	Note	2020 Rupees	2019 Rupees
Creditors	15.1	24,155,602	1,552,464
Accrued liabilities		8,731,545	16,788,709
		32,887,147	18,341,173

15.1 For 2019, this included an amount of Rs. 197,434 payable to DGPR Punjab Government (related party).

Note 16
Contingencies and Commitments

16.1 Contingencies

Certain petitioners representing civil society at large have filed a writ petition, challenging the creation / incorporation of Public Sector Companies by the Government of Punjab. PPIF is one of the respondent companies contesting the petition. The matter is pending for adjudication before the Honourable Lahore High Court, Lahore. The management of the Company is of the view that such petition would be dismissed and accordingly, there is no impact on going concern status of the Company.

16.2 Commitments

	2020 Rupees	2019 Rupees
Commitments as at the reporting date are as follows:		
SAP Implementation	146,250	-
Repayments of lease liability		
- Due not later than one year	12,012,940	-
- Due later than one year but not later than five years	6,335,516	-
	18,348,456	-

Note 17

Program Expenses

	Note	2020 Rupees	2019 Rupees (Restated)
Salaries and benefits	17.1	43,831,267	49,094,282
Program support (Implementing Partners)		24,831,614	49,405,348
Surveys (Monitoring and Evaluation)		10,828,757	10,662,971
Advertisement expense		5,260,570	1,671,369
Meetings and workshops		997,268	53,144
Printing and stationery		1,549,742	373,364
Travelling and conveyance		4,354,764	2,384,313
Digital print media		-	162,265
Printing charges		49,000	84,570
Utilities		399,316	522,873
Rent		-	2,846,472
Postage and telephone		933,953	486,387
Communication		120,690	382,574
Office supplies		396,157	288,378
Repairs and maintenance		637,174	195,201
Security		762,552	783,000
Insurance		1,972,657	534,430
Legal and professional		4,232,995	4,578,576
Depreciation on right of use asset		5,670,822	-
Depreciation on property and equipment		5,219,715	4,911,780
		112,049,013	129,421,297

17.1 This includes Rs. 5,729,795 (2019: Rs. 5,223,021) in respect of employees benefits.

Note 18

Administrative Expenses

	2020 Rupees	2019 Rupees (Restated)
Salaries and benefits	4,092,000	3,720,000
Printing and stationery	218,763	213,662
Repair and maintenance	401,873	195,201
Travelling and conveyance	723,047	827,584
Utilities	770,909	522,873
Communication	619,941	868,961
Rent, rates and taxes	-	2,846,472
Office supplies	396,156	296,607
Advertisement	-	344,102
Auditor's remuneration	199,500	220,400
Insurance	52,856	534,430
Security	762,552	783,000
	8,237,597	11,373,292

Note 19
Other Expenses

	2020	2019
	Rupees	Rupees
Loss on disposal of fixed assets	-	2,915,424

Note 20
Taxation

In accordance with section 100C of the Income Tax Ordinance, 2001 (the Ordinance), the Company is allowed a tax credit equal to one hundred percent of the tax payable, including minimum tax and final tax payable under any of the provisions of the Ordinance, subject to conditions as outlined in section 100C. Accordingly, no provision for tax/ deferred tax has been recognized in the financial statements of the Company.

Note 21
Remuneration of Chief Executive Officer, Directors and Executives

Aggregate amounts charged in the financial statements for the year as remuneration and benefits to the chief executive officer, directors and executives of the Company are as follows:

	Chief Executive Officer		Directors		Executives	
	2020	2019	2020	2019	2020	2019
	Rupees		Rupees		Rupees	
Managerial remuneratio	2,160,000	2,100,000	-	-	14,520,000	17,806,940
Gratuity	207,692	201,923	-	-	1,396,154	1,792,308
Medical expenses	125,000	125,000	-	-	200,000	291,620
Mobile bills	120,000	120,000	-	-	84,000	113,283
	2,612,692	2,546,923	-	-	16,200,154	20,004,151
	1	1	-	-	2	3

21.1 The executives and CEO have also been provided with official mobile phones while The Chief Executive Officer is also provided with Company maintained car.

Note 22
Related Party Transactions

Related parties comprise directors, associated undertakings in which directors have interest and key management personnel. Remuneration of key management personnel is disclosed in note 21 to these financial statements. Transactions with related parties are as follows:

Related party	Relationship	Nature of transactions	2020	2019
			Rupees	Rupees
The Government of Punjab	Significant influence	Grant received in bank	50,000,000	213,000,000
The Bank of Punjab	Company owned by Government of the Punjab	Bank charges paid	7,685	6,539
		Short term investments made	80,000,000	-
		Interest income	3,612,022	-
Directorate General Public Relations	Department of Government of the Punjab	Advertisement expenses	5,260,570	2,015,471
Key management personnel	Employment	Advances disbursed	3,606,721	3,562,725
	Employment	Advances recovered	4,460,876	2,716,570
Punjab Population Welfare Department	Department of Government of the Punjab	Vehicles transferred out	-	3,644,280
		Vehicles transferred in	-	3,400,000
Balance outstanding as at June 30,				
Government of the Punjab				
- Deferred grants			89,493,909	158,457,308
Bank of Punjab				
- Bank balances			20,142,536	159,483,914
- Short term investment			80,000,000	-

22.1 Loans and advances are paid to employees from outstanding gratuity balance and from salary respectively. These loans / advances are paid to employees under the approved employment service rules (ESR) of the Company. Further, gratuity advances are adjusted / deducted within one year against salaries while advance against salary is being adjusted from monthly salary.

Note 23
Financial Risk Management

23.1 Financial risk factors

The Company's activities may expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will effect the Company's income or the value of its holdings of financial instruments.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to any currency risk.

(ii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any interest rate risk.

(iii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to equity price risk.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2020	2019
	Rupees	Rupees
Long term deposits	1,483,216	1,595,716
Advances	23,651,259	2,330,580
Bank balances	20,142,536	159,483,914
	45,277,011	163,410,210

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

	Rating		Rating		
	Short term	Long term	Agency	2020	2019
				Rupees	Rupees
The Bank of Punjab	A1+	AA	PACRA	20,142,536	159,483,914

Note 23, Financial Risk Management - Contd...
Note 23.1, Financial risk factors, Cont ...

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to manage liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

The Company is not exposed to any significant liquidity risk.

	Carrying Amount	Contractual cash flows	Within 1 year	2-5 Years	More than 5 years
	----------	----------	Rupees	----------	----------
Trade and other payables	32,887,147	32,887,147	32,887,147	-	-

Contractual maturities of financial liabilities as at June 30, 2019:

	Carrying Amount	Contractual cash flows	Within 1 year	2-5 Years	More than 5 years
	----------	----------	Rupees	----------	----------
Trade and other payables	18,341,173	18,341,173	18,341,173	-	-

Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

As at June 30, 2020 the net fair value of all financial assets and financial liabilities are estimated and their carrying values are compared to assertion of the approximate with fair values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values.

Contractual maturities of financial liabilities as at June 30, 2020:

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques using market observable inputs
Level 3	Valuation techniques using non market observable inputs

Note 23, Financial Risk Management - Cont ...

23.2 Financial instruments by categories

Financial assets as at June 30, 2020

	Amortized Cost	Fair Value through other comprehensive income	Fair Value through income and expenditure	Total
	Rupees			
Long term deposits	1,483,216	-	-	1,483,216
Short term investments	80,000,000	-	-	80,000,000
Advances	1,695,410	-	-	1,695,410
Cash and bank balances	20,142,536	-	-	20,142,536
	103,321,162	-	-	103,321,162

Financial assets as at June 30, 2019

	Amortized Cost	Fair Value through other comprehensive income	Fair Value through income and expenditure	Total
	Rupees			
Long term deposits	1,595,716	-	-	1,595,716
Advances	1,468,521			1,468,521
Cash and bank balances	159,483,914	-	-	159,483,914
	162,548,151	-	-	162,548,151

Financial liabilities at amortized cost

	2020	2019
	Rupees	Rupees
Trade and other payables	32,887,147	18,341,173

23.3 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Note 24
Impact of COVID-19 on the Financial Statements

The outbreak of COVID-19 pandemic and the lockdown situation in the country have impacted businesses to varying degrees, having implications on their operations, financial position, profitability, liquidity and in certain cases, the going concern status. The management has evaluated the impacts of COVID-19 on the Financial Statements of the Company and has concluded that there are no material implications of COVID-19 on carrying amounts of assets and liabilities or items of income and expenses, as required under the relevant accounting and reporting standards, that require specific disclosure in the financial statements. The management has also evaluated the impact of COVID-19 pandemic on going concern status of the Company and has concluded that Company is not exposed to any going concern risk.

Note 25
Number of Employees

	2020	2019
	Number	Number
Number of employees as at June 30,	23	24
Average number of employees during the year	24	24

Note 26
Authorization of Financial Statements

These financial statements were approved and authorized for issue by the Board of Directors of the Company on 31-03-2021.

Note 27
General

Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison. Following re-arrangements / reclassifications have been made in these financial statements for better presentation.

Nature	From	To	Amount Rupees
Salaries and benefits	Administration Expenses (Note 18)	Program Expenses (Note 17)	28,974,111
Legal and professional charges	Administration Expenses (Note 18)	Program Expenses (Note 17)	2,939,288
Depreciation on property and equipment	Administration Expenses (Note 18)	Program Expenses (Note 17)	2,468,104

CHIEF EXECUTIVE OFFICER

Javed Hamid
DIRECTOR

Crowe

Crowe Hussain Chaudhury & Co.
25-E, Main Market, Gulberg II,
Lahore-54600, Pakistan
Main +92-42-3575 9223-5
www.crowe.pk

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

PUNJAB POPULATION INNOVATION FUND

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE WITH THE PUBLIC SECTOR COMPANIES (CORPORATE GOVERNANCE) RULES, 2013

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Public Sector Companies (Corporate Governance) Rules, 2013 (the Rules) prepared by the Board of Directors of **Punjab Population Innovation Fund** for the year ended June 30, 2020.

The responsibility for compliance with the Rules is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Rules and report if it does not and to highlight any non-compliance with the requirements of the Rules. 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 Rules.

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 Rules requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Rules as applicable to the Company for the year ended June 30, 2020.

Crowe Hussain Ch & Co.

Lahore
Dated: 31 MAR 2021

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants

SCHEDULE I

[See paragraph 2(1) of Public Sector Companies (Corporate Governance Compliance) Guidelines 2018]

Statement of Compliance with the
Public Sector Companies (Corporate Governance) Rules, 2013

Name of company: Punjab Population Innovation Fund

Name of the line ministry: Population Welfare Department - Population

For the year ended June 30, 2020

Source document: Public Sector Companies (Corporate Governance Compliance) Guidelines 2018 last updated on 03/07/2019

I. This statement presents the overview of the compliance with the Public Sector Companies (Corporate Governance) Rules, 2013 (hereinafter called "the Rules") issued for the purpose of establishing a framework of good governance, whereby a public sector company is managed in compliance with the best practices of public sector governance.

II. The company has complied with the provisions of the Rules in the following manner:

<table>
<tr><th>Sr. No.</th><th colspan="3">Provision of the Rules</th><th>Rule No.</th><th>Y</th><th>N</th></tr>
<tr><td>1</td><td colspan="3">The independent directors meet the criteria of independence, as defined under the Rules.</td><td>2(d)</td><td>Y</td><td></td></tr>
<tr><td rowspan="12">2</td><td colspan="3">The Board has at least one-third of its total members as independent directors. At present the Board includes:</td><td rowspan="12">3(2)</td><td rowspan="12">Y</td><td rowspan="12"></td></tr>
<tr><td>Category</td><td>Names</td><td>Date of appointment</td></tr>
<tr><td rowspan="4">Independent Directors</td><td>Dr. Ijaz Nabi (Chairman Board)</td><td>07.11.2016</td></tr>
<tr><td>Prof. Dr. Muhammad Tayyab</td><td>07.11.2016</td></tr>
<tr><td>Dr. Naved Hamid</td><td>07.11.2016</td></tr>
<tr><td>Dr. Yaseem Qazi</td><td>29.01.2018</td></tr>
<tr><td>Executive Director</td><td>Mr. Jawad Ahmed Quershi</td><td>08.05.2017</td></tr>
<tr><td rowspan="4">Non-Executive Directors</td><td>Secretary Population Welfare Department (Ex-Officio Member)</td><td>19.08.2016</td></tr>
<tr><td>Secretary Primary & Secondary Healthcare Department (Ex-Officio Member)</td><td>19.08.2016</td></tr>
<tr><td>Secretary Specialized Healthcare and Medical Education Department (Ex-Officio Member)</td><td>19.08.2016</td></tr>
<tr><td>Member Health, P&D Department</td><td>19.08.2016</td></tr>
</table>

	Secretary Finance (Ex-Officio Member) 19.08.2016			
3	The directors have confirmed that none of them is serving as a director on more than five public sector companies and listed companies simultaneously, except their subsidiaries.	**3(5)**	**Schedule II**	
4	The appointing authorities have applied the fit and proper criteria given in the Annexure to the Rules in making nominations of the persons for election as Board members under the provisions of the Act.	**3(7)**	**Schedule II**	
5	The chairman of the Board is working separately from the chief executive of the Company.	**4(1)**	**Y**	
6	The chairman has been elected by the Board of directors except where Chairman of the Board has been appointed by the Government.	**4(4)**	**Y**	
7	The Board has evaluated the candidates for the position of the chief executive on the basis of the fit and proper criteria as well as the guidelines specified by the Commission. (Not applicable where the chief executive has been nominated by the Government)	**5(2)**	**Y**	
8	(a) The company has prepared a "Code of Conduct" to ensure that professional standards and corporate values are in place.	**5(4)**	**Y**	
	(b) The Board has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures, including posting the same on the company's website.		**Y**	
	(c) The Board has set in place adequate systems and controls for the identification and redressal of grievances arising from unethical practices.		**Y**	
9	The Board has established a system of sound internal control, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty; and relationship with the stakeholders, in the manner prescribed in the Rules.	**5(5)**	**Y**	
10	The Board has developed and enforced an appropriate conflict of interest policy to lay down circumstances or considerations when a person may be deemed to have actual or potential conflict of interests, and the procedure for disclosing such interest.	**5(5) (b) (ii)**	**Y**	
11	The Board has developed and implemented a policy on anti-corruption to minimize actual or perceived corruption in the company.	**5(5) (b) (vi)**	**Y**	
12	The Board has ensured equality of opportunity by establishing open and fair procedures for making appointments and for determining terms and conditions of service.	**5(5) (c) (ii)**	**Y**	
13	The Board has ensured compliance with the law as well as the company's internal rules and procedures relating to public procurement, tender regulations, and purchasing and technical standards, when dealing with suppliers of goods and services.	**5 (5) (c) (iii)**	**Y**	
14	The Board has developed a vision or mission statement and corporate strategy of the company.	**5(6)**	**Y**	
15	The Board has developed significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended, has been maintained.	**5(7)**	**Y**	

16	The Board has quantified the outlay of any action in respect of any service delivered or goods sold by the Company as a public service obligation, and has submitted its request for appropriate compensation to the Government for consideration.	**5(8)**	**N/A**	
17	The Board has ensured compliance with policy directions requirements received from the Government.	**5(11)**	**Y**	
18	(a) The Board has met at least four times during the year.	**6(1)**	**Y**	
	(b) Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings.	**6(2)**	**Y**	
	(c) The minutes of the meetings were appropriately recorded and circulated.	**6(3)**	**Y**	
19	The Board has monitored and assessed the performance of senior management on annual basis and held them accountable for accomplishing objectives, goals and key performance indicators set for this purpose.	**8 (2)**	**Y**	
20	The Board has reviewed and approved the related party transactions placed before it after recommendations of the audit committee. A party wise record of transactions entered into with the related parties during the year has been maintained.	**9**	**Y**	
21	(a) The Board has approved the profit and loss account for, and balance sheet as at the end of, the first, second and third quarter of the year as well as the financial year end.	**10**	**Y**	
	(b) In case of listed PSCs, the Board has prepared half yearly accounts and undertaken limited scope review by the auditors.		**N/A**	
	(c) The Board has placed the annual financial statements on the company's website.		**Y**	
22	All the Board members underwent an orientation course arranged by the company to apprise them of the material developments and information as specified in the Rules.	**11**		**N**
23	(a) The Board has formed the requisite committees, as specified in the Rules. (b) The committees were provided with written term of reference defining their duties, authority and composition. (c) The minutes of the meetings of the committees were circulated to all the Board members. (d) The committees were chaired by the following non-executive directors:	**12**	**Y**	

Committee	Number of Members	Name of chair
Audit Committee	03	Dr. Naved Hamid
Risk Management Committee	All Board Members	Dr. Ijaz Nabi
Human Resources Committee	04	Prof. Dr. Muhammad Tayyab
Procurement / Program Design Committee	04	Dr. Yaseen Qazi

<table>
<tr><td></td><td><table><tr><td>Nomination Committee</td><td>02</td><td>Vacant</td></tr></table></td><td></td><td></td><td></td></tr>
<tr><td>24</td><td>The Board has approved appointment of Chief Financial Officer, Company Secretary and Chief Internal Auditor, by whatever name called, with their remuneration and terms and conditions of employment.</td><td>13</td><td colspan="2">Schedule II</td></tr>
<tr><td>25</td><td>The Chief Financial Officer and the Company Secretary have requisite qualification prescribed in the Rules.</td><td>14</td><td>Y</td><td></td></tr>
<tr><td>26</td><td>The company has adopted International Financial Reporting Standards notified by the Commission in terms of sub-section (1) of section 225 of the Act.</td><td>16</td><td>Y</td><td></td></tr>
<tr><td>27</td><td>The directors' report for this year has been prepared in compliance with the requirements of the Act and the Rules and fully describes the salient matters required to be disclosed.</td><td>17</td><td>Y</td><td></td></tr>
<tr><td>28</td><td>The directors, CEO and executives, or their relatives, are not, directly or indirectly, concerned or interested in any contract or arrangement entered into by or on behalf of the company except those disclosed to the company.</td><td>18</td><td>Y</td><td></td></tr>
<tr><td>29</td><td>(a) A formal and transparent procedure for fixing the remuneration packages of individual directors has been set in place and no director is involved in deciding his own remuneration.

(b) The annual report of the company contains criteria and details of remuneration of each director.</td><td>19</td><td colspan="2">N/A</td></tr>
<tr><td>30</td><td>The financial statements of the company were duly endorsed by the chief executive and chief financial officer before consideration and approval of the audit committee and the Board.</td><td>20</td><td>Y</td><td></td></tr>
<tr><td>31</td><td>The Board has formed an audit committee, with defined and written terms of reference, and having the following members:<table><tr><td>Name of Member</td><td>Category(i)</td><td>Professional background(ii)</td></tr><tr><td>Dr. Naved Hamid</td><td>Chair Audit Committee</td><td>Economist</td></tr><tr><td>Secretary Finance</td><td>Ex-Officio Member</td><td>Government Nominee</td></tr><tr><td>Secretary Primary & Secondary Healthcare Department</td><td>Ex-Officio Member</td><td>Government Nominee</td></tr></table>The chief executive and chairman of the Board are not members of the audit committee.</td><td>21 (1) and 21 (2)</td><td>Y</td><td></td></tr>
<tr><td>32</td><td>(a) The chief financial officer, the chief internal auditor, and a representative of the external auditors attended all meetings of the audit committee at which issues relating to accounts and audit were discussed.</td><td rowspan="2">21(3)</td><td>Y</td><td></td></tr>
<tr><td></td><td>(b) The audit committee met the external auditors, at least once a year, without the presence of the chief financial officer, the chief internal auditor and other executives.</td><td>Y</td><td></td></tr>
</table>

	(c) The audit committee met the chief internal auditor and other members of the internal audit function, at least once a year, without the presence of chief financial officer and the external auditors.		**Y**	
33	(a) The Board has set up an effective internal audit function, which has an audit charter, duly approved by the audit committee.	**22**	**Y**	
	(b) The chief internal auditor has requisite qualification and experience prescribed in the Rules.		**Schedule II**	
	(c) The internal audit reports have been provided to the external auditors for their review.		**Y**	
34	The external auditors of the company have confirmed that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as applicable in Pakistan.	**23(4)**	**Y**	
35	The auditors have confirmed that they have observed applicable guidelines issued by IFAC with regard to provision of non-audit services.	**23(5)**	**Y**	

JAWAD AHMED QUERSHI
Chief Executive Officer

Naved Hamid

DR. NAVED HAMID
Independent Director

SCHEDULE – II

Explanation for Non-Compliance with the Public Sector Companies (Corporate Governance) Rules, 2013

We confirm that all other material requirements envisaged in the Rules have been complied with except for the following, toward which reasonable progress is being made by the company to seek compliance by the end of next accounting year June 30, 2021:

Sr. No.	Rule/sub-rule no.	Reason for non-compliance	Future course of action
1.	**3(5)**	Compliance to rule 3(5) of PCS (Corporate Governance) Rules 2013 is not possible as Secretary Finance is the board member in almost all public sector companies. However, Secretary Primary & Secondary Healthcare Department and Secretary Specialized Healthcare and Medical Education Department has communicated that they are not the members of more than five companies.	As a follow up, PPIF will request Secretary Primary & Secondary Healthcare Department and Secretary Specialized Healthcare and Medical to provide information on their directorship in other companies.
2.	**3(7)**	The Government of the Punjab is the appointing authority of the board members and the board members were appointed after meeting the required criteria.	Before the appointment of independent directors all criteria will be followed.
3.	**11**	Most of the directors are professors and thorough professionals.	An Orientation Course will be planned in future on the availability of all directors at a given date and time.
4.	**13(1) and 22 (b)**	PPIF is partially complied, board has approved the appointment of CFO & Company Secretary. The vacancy of CIA was not filled due to the ban from Government.	A Summary to CM has been initiated to relax ban on the appointment.

Naved Hamid

Dr. Naved Hamid
Director

Jawad Ahmed Qureshi
Chief Executive Officer

Punjab Population Innovation Fund

125 - Abu Bakar Block, New Garden Town, Lahore.
+92-423-5913413-5
Fax: +92-42-99231123
info@ppif.org.pk
www.ppif.org.pk

Punjab Population Innovation Fund -PPIF
@Ppifpunjab
@PPIFPunjab
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