



NISHAT

ANNUAL
REPORT
2017



TRANSFORMING

THROUGH
TECHNOLOGY

NISHAT POWER LIMITED

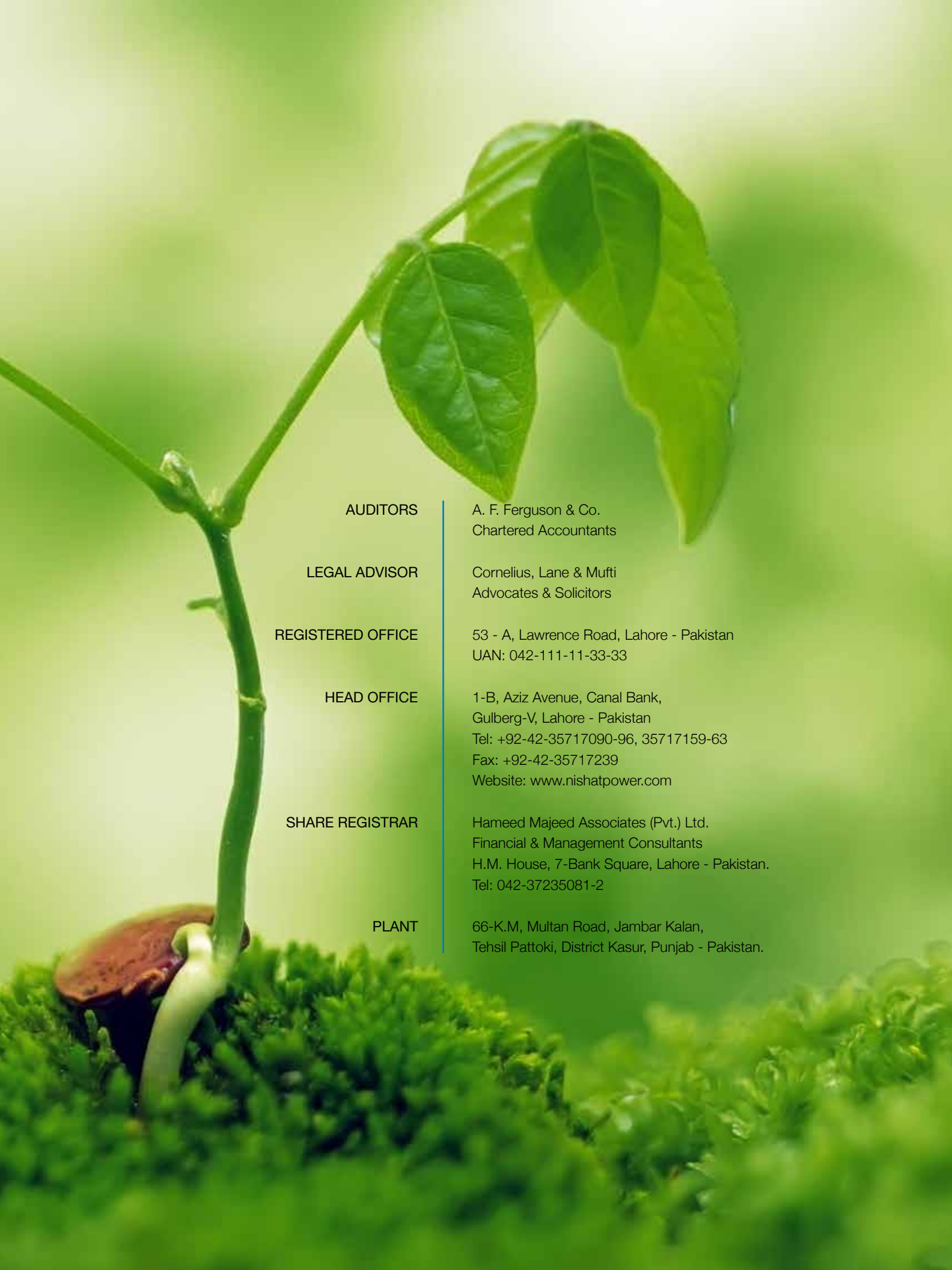


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CORPORATE PROFILE

BOARD OF DIRECTORS	Mian Hassan Mansha Mr. Khalid Qadeer Qureshi Mr. Ahmad Aqeel Mr. Yousaf Bashir Mr. Ghazanfar Hussain Mirza Mr. Mahmood Akthar Mr. Shahzad Ahmad Malik	Chief Executive/Director Chairman
AUDIT COMMITTEE	Mr. Yousuf Bashir Mr. Shahzad Ahmad Malik Mr. Ahmad Aqeel	Member Member / Chairman Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mian Hassan Mansha Mr. Ahmad Aqeel Mr. Ghazanfar Hussain Mirza	Member Member Member/Chairman
CHIEF FINANCIAL OFFICER	Mr. Tanvir Khalid	
COMPANY SECRETARY	Mr. Khalid Mahmood Chohan	
BANKERS OF THE COMPANY	Habib Bank Limited United Bank Limited Allied Bank Limited National Bank of Pakistan Bank Alfalah Limited Faysal Bank Limited Askari Bank Limited Habib Metropolitan Bank Limited Soneri Bank Limited Silk Bank Limited BankIslami Pakistan Limited Meezan Bank Limited HSBC Bank Middle East Limited Dubai Islamic Bank Pakistan Limited Burj Bank Limited Albaraka Bank Pakistan Limited First Women Bank Limited The Bank of Punjab MCB Bank Limited Pak Kuwait Investment Co. Limited Pak Brunei Investment Co. Limited	



AUDITORS

A. F. Ferguson & Co.
Chartered Accountants

LEGAL ADVISOR

Cornelius, Lane & Mufti
Advocates & Solicitors

REGISTERED OFFICE

53 - A, Lawrence Road, Lahore - Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Canal Bank,
Gulberg-V, Lahore - Pakistan
Tel: +92-42-35717090-96, 35717159-63
Fax: +92-42-35717239
Website: www.nishatpower.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.
Financial & Management Consultants
H.M. House, 7-Bank Square, Lahore - Pakistan.
Tel: 042-37235081-2

PLANT

66-K.M, Multan Road, Jambar Kalan,
Tehsil Pattoki, District Kasur, Punjab - Pakistan.

MISSION

STATEMENT

TO BECOME LEADING POWER
PRODUCER WITH SYNERGY
OF CORPORATE CULTURE
AND VALUES THAT RESPECT
COMMUNITY AND ALL OTHER
STAKEHOLDERS

VISION

STATEMENT

ENLIGHTEN THE FUTURE
THROUGH EXCELLENCE,
COMMITMENT, INTEGRITY
AND HONESTY





NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Members of Nishat Power Limited (the "Company") will be held on October 27, 2017 (Friday) at 11:00 A.M. at The Nishat Hotel, 9-A, Gulberg III, Mian Mahmood Ali Kasuri Road, Lahore to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2017 together with the Directors' and Auditors' reports thereon.
2. To approve Final Cash Dividend @ 20% [i.e. Rs. 2/- (Rupees Two Only) Per Ordinary Share] as recommended by the Board of Directors, in addition to 20% interim dividend, already paid.
3. To appoint statutory Auditors for the year ending June 30, 2018 and fix their remuneration.
4. **Special Business:-**

To consider and if deemed fit, to pass the following resolutions as special resolutions for alteration in the Articles of Association of the Company, as recommended by the Board of Directors with or without modification, addition(s) or deletion(s).

RESOLVED Unanimously that approval of the members of Nishat Power Limited (the "Company") be and is hereby accorded for transmission of Annual Audited Accounts of the Company to its members through CD/DVD/USB at their registered addresses instead of transmitting the said accounts in hard copies as allowed by Securities and Exchange Commission of Pakistan vide its S.R.O.470(I)/2016 dated May 31, 2016.

FURTHER RESOLVED that the Chief Executive Officer and/or Chief Financial Officer and/or Company Secretary of the Company be and are hereby singly empowered and authorized to complete all legal requirements and to take all steps and actions necessary, incidental and ancillary including execution of any and all documents as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of giving effect to the spirit and intent of above special resolutions.

BY ORDER OF THE BOARD



KHALID MAHMOOD CHOCHAN
(Company Secretary)

LAHORE
September 21, 2017

BOOK CLOSURE NOTICE:-

The Ordinary Shares Transfer Books of the Company will remain closed from 20-10-2017 to 27-10-2017 (both days inclusive) for entitlement of 20% Final Cash Dividend [i.e. Rs. 2/- (Rupees Two Only) Per Ordinary Share] and attending and voting at Annual General Meeting. Physical transfers/ CDS Transactions IDs received in order in all respect up to 1:00 p.m. on 19-10-2017 at Share Registrar, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore, will be considered in time for entitlement of 20% Final Cash Dividend and attending of meeting.

A member eligible to attend and vote at this meeting may appoint another member his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant Account Number to produce at the time of attending the meeting.

Shareholders are requested to immediately notify the change in address, if any.

ZAKAT DECLARATIONS (FORM CZ-50):-

The Shareholders claiming exemption from deduction of Zakat are advised to submit their Zakat Declarations on Form CZ-50 under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund Rules), 1981 to our Share Registrar Office, M/s. Hameed Majeed Associates (Pvt) Limited, 7-Bank Square, Lahore, The Shareholders while sending the Zakat Declarations must quote company name and their respective Folio Nos. and/or CDC A/C Nos. The Form CZ-50 must reach to the Share Registrar latest by October 19, 2017.

EXEMPTION OF WITHHOLDING TAX:-

Withholding tax exemption from dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar Office, M/s. Hameed Majeed Associates (Pvt) Limited, 7-Bank Square, Lahore, latest by October 19, 2017.

SUBMISSION OF COPY OF CNIC (MANDATORY):-

The Securities and Exchange Commission of Pakistan (SECP) vide their S.R.O. 779 (i) 2011 dated August 18, 2011 has directed the company to print your Computerized National Identity Card (CNIC) number on your dividend warrants and if your CNIC number is not available in our records, your dividend warrant will not be issued / dispatched to you. Therefore All the shareholders In order to comply with this regulatory requirement, you are requested to kindly send photocopy of your CNIC to your Participant / Investor Account Services or to us (in case of physical shareholding) immediately to Company's Share Registrar, M/s. Hameed Majeed Associates (Pvt) Limited, 7-Bank Square, Lahore.

MANDATORY PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:

Securities and Exchange Commission of Pakistan through its Circular No. 18 dated August 01, 2017 has made mandatory that Cash Dividend payments after November 01, 2017 shall be through electronic mode only therefor all shareholders who have not provided their bank account details so far are advised to provide their below electronic dividend mandate information to our Share Registrar, M/s. Hameed Majeed Associates (Pvt) Limited, 7-Bank Square, Lahore, and update their CDC accounts/ Sub accounts as the case may be.

Folio No. / Investor Account Number / CDC Sub Account No.																					
Title of Account																					
IBAN Number																					
Bank Name																					
Branch																					
Branch Address																					
Mobile Number																					
Name of Network (if ported)																					
Email Address																					
CNIC (please attached copy of CNIC)																					
Landline No. (if any)																					

Signature of Shareholder

TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS THROUGH EMAIL:

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. www.nishatpower.com and send the said form duly signed by the shareholder along with copy of his/her CNIC to the Company's Share Registrar M/s Hameed Majeed Associates (Pvt) Limited. Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice, Financial Statements will be sent to the registered address of the shareholders.



STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984.

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on October 27, 2017.

The Securities and Exchange Commission of Pakistan vide its S.R.O.470(I)/2016 dated May 31, 2016 has allowed companies to circulate annual audited accounts to its members through CD/DVD/USB at their registered addresses, therefore the Board of Directors of Nishat Mills Limited (“the Company”) in their meeting held on February 20, 2017 has recommended for transmission of Annual Audited Accounts of the Company to its members through CD/DVD/USB at their registered addresses instead of transmitting the said accounts in hard copies, however, hard copies of the annual audited accounts will be supplied to the shareholders, on demand, at their registered addresses, free of cost, within one week of such demand.

If a member prefers to receive hard copies for all the future annual audited accounts, then such preference of the members shall be given to the Company in writing on the Standard Request Form available on the website of the Company and the Company will provide hard copies of all the future annual audited accounts to such member.

The Directors, Sponsors, majority shareholders and their relatives are not interested, directly or indirectly, in the above business except to the extent of shares that are held by them in the Company.

STATEMENT UNDER RULE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2012

Name of Investee Company	:	Lalpir Solar Power (Pvt) Ltd
Total Investment Approved	:	Equity Investment of Rs. 278,460,000 (Rupees Two Hundred Seventy Eight Million Four Hundred Sixty Thousand Only) was approved by members in AGM held October 30, 2015 for the period of three (3) years.
Amount of Investment Made to date	:	PKR 500,000/-
Reason for not having made complete Investment so far where resolution Required to be implemented in Specified time.	:	<p>NPL investment in Lalpir Solar Power (Pvt) Ltd is based on certain milestones. The Company achieved various milestones like approval of Feasibility Study, No Objection Certificate ('NOC') from Environment Protection Agency (EPA) and approval of Grid Interconnection study from Multan Electric Power Company (MEPCO). However, the NOC of National Transmission & Dispatch Company (NTDC) for Grid Interconnection Study is still pending to date.</p> <p>Meanwhile, the upfront solar tariff announced by National Electric Power Regulatory Authority (NEPRA) has been expired on June 30, 2016.</p> <p>However, the Company is still pursuing the NTDC and after getting required NOC, the management shall try to get suitable tariff through new regime of Competitive Bidding, recently announced by NEPRA.</p>
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.	:	Lalpir Solar Power (Pvt.) Limited has issued paid-up share capital of 50,000 shares of Rs 10 each amounting to Rs. 500,000 (Rupees five hundred thousand only).



DIRECTORS' REPORT

The Board of Directors of Nishat Power Limited (The Company) is pleased to present Annual Report with the Audited Financial Statements of the Company together with Auditors' Report thereon for the financial year ended June 30, 2017.

The directors' report is prepared under section 227 of the Companies Act, 2017 and clause 5.19.11 of the Rule Book of Pakistan Stock Exchange Limited.

PRINCIPAL ACTIVITY:

The principal activity of the Company is to build, own, operate and maintain a fuel fired power plant based on Reciprocating Engine Technology having gross capacity of 200MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan.

FINANCIAL RESULTS:

The Company had turnover of Rs 15,042 million (2016: Rs 13,896 million) during the year against operating cost of Rs 11,175 million (2016: Rs 10,009 million) resulting in a gross profit of Rs 3,866 million (2016: Rs 3,887 million). The current year's net profit after tax amounts to Rs 2,886 million resulting earnings per share of Rs 8.152 compared to previous year's profit after tax of Rs 2,851 million and earnings per share of Rs 8.052.

We would like to draw your attention to the last paragraph of the auditors' report to the members which refers to an amount of Rs 816 million (2016: Rs 816 million) relating to capacity purchase price, included in trade debts, not acknowledged by National Transmission and Despatch Company Limited ('NTDCL'). Further details are mentioned in note 17.2 of the annexed financial statements. Based on the advice of the company's legal counsel, Expert's determination and Arbitration Awards, management feels that above amount is likely to be recovered by the Company. Consequently, no provision for the above mentioned amount has been made in these financial statements.

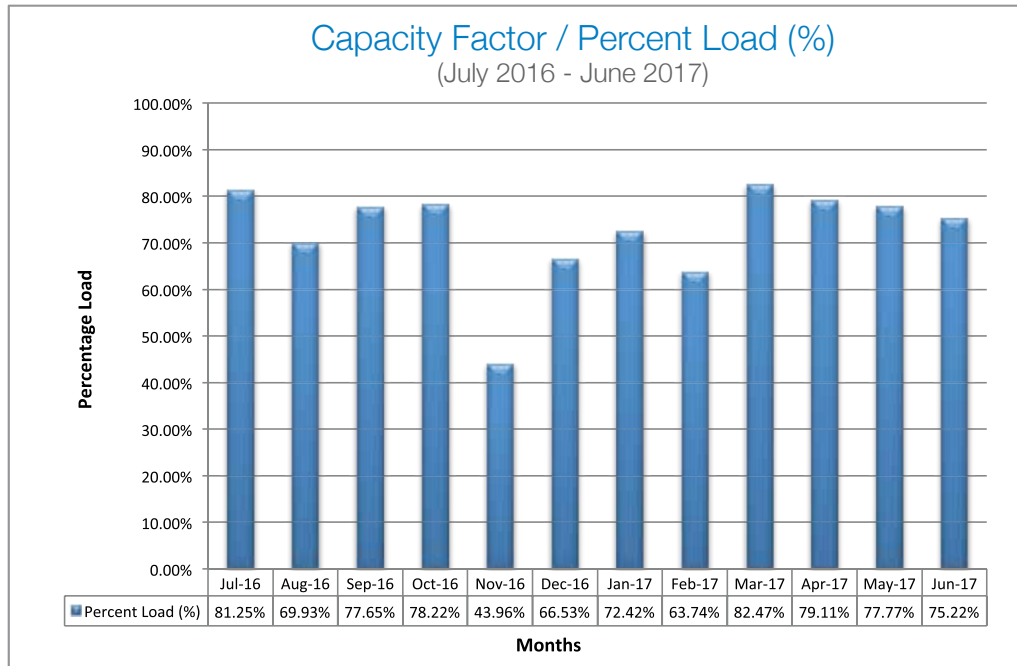
NTDCL continues to default on its payment obligations. The Company took up the matter with NTDCL and Private Power & Infrastructure Board ('PPIB') by giving notices of default pursuant to provisions of Power Purchase Agreement and Implementation Agreement. During the period, the Company called Sovereign Guarantee given by Government of Pakistan due to high overdue amount of Rs 5,853 million. However, after receiving partial payment of Rs 2,480 million and positive negotiations with PPIB, the Company withdrew the Sovereign Guarantee call unconditionally. The Company is facing the risk of increased receivables due to overall challenge of circular debt plaguing the Power Sector operating in Pakistan. For other risks being faced by the Company, please refer to note 35 of the annexed financial statements.

Total receivables from NTDCL on June 30, 2017 stand at Rs 8,944 million, out of which overdue receivables are Rs 6,381 million.

OPERATIONS AND SIGNIFICANT EVENTS:

Operational results:

The plant operated at an optimal efficiency with 72.46% (2016: 74.15%) average capacity factor and dispatched 1,240 GWh (2016: 1,272 GWh) of electricity to NTDC during the year.



KEY OPERATING AND FINANCIAL DATA:

Financial year ending June 30,

2017
(Rupees in Millions)

2016

Turnover	15,042	13,896
Net Profit	2,886	2,851
Total non-current assets	11,391	11,660
Issued, subscribed and paid up capital	3,541	3,541
Long term financing	6,858	8,376
Short term financing	1,799	-
Generation (MWh)	1,239,758	1,272,157
Earnings per share-basic and diluted (Rs.)	8.152	8.052
Share prices (Market value rupees per share)	47.24	50.51

The Government of Pakistan has been actively pursuing various Power Projects, which are in the pipeline of completion. Due to increased power generation capacity of the country in future, the Company's capacity utilization factor may see some falling trend. However, the management believes that NTDC would still need to run our Power Plant, due to the unique technological advantage of RFO based eleven ("11") Reciprocating Engines and one ("01") Steam Turbine, which can produce power during peak hours round the year, at a very short notice period.

Lalpir Solar Power (Pvt) Limited

During the previous year, the Company incorporated a wholly owned subsidiary, Lalpir Solar Power (Private) Limited ('LSPPL'), and took up 50,000 shares of Rs 10 each. The principal activity of LSPPL was to build, own, operate and maintain or invest in a solar power project having gross capacity upto 20 MWp with net estimated generation capacity of upto approx 19 MWp. The project site is located at Mehmood Kot, District Muzaffar Garh, Multan. The Company achieved various milestones like approval of Feasibility Study, No Objection Certificate ('NOC') from Environment Protection Agency (EPA) and approval of Grid Interconnection study from Multan Electric Power Company (MEPCO). However, the NOC of National Transmission & Dispatch Company (NTDC) for Grid Interconnection Study is still pending to date. Meanwhile, the upfront solar tariff announced by National Electric Power Regulatory Authority (NEPRA) has been expired on June 30, 2016. However, the Company is still pursuing the NTDC and after getting required NOC, the management shall try to get suitable tariff through new regime of Competitive Bidding, recently announced by NEPRA.

Consolidation of Lalpir Solar Power (Pvt) Limited

The management of the company had applied to the SECP for the exemption from the requirements of section 237 of the Ordinance, in respect of consolidating LSPPL. The SECP, vide its letter EMD/233/744/2009-1446 dated May 29, 2017, granted the exemption from consolidation of LSPPL in its financial statements for the year ended June 30, 2017 till third quarter of financial year ending June 30, 2018, under Section 237(8) of the Ordinance based on the fact that investment of the company in LSPPL is negligible in percentage of the total assets of the company and will not be a value addition in any way for the users of the company's financial statements.

Financial statements of LSPPL for the year ended June 30, 2017, will be available to members at registered office of the company and will be sent to members on request without any cost.

Financial Highlights of Subsidiary Company:

Profit & Loss Statement for the year ended June 30, 2017

(Rupees in thousand)	
Administrative expenses	-
Other income	2
Finance cost	-
Profit before taxation	2
Taxation	-
Profit for the year	2

Balance Sheet As at June 30, 2017

(Rupees in thousand)	
Non Current Assets	4,373
Current assets	60
Paid-up share capital	500
Accumulated loss	-573
Non-current liabilities	-
Current liabilities	4,505

The auditors of the LSPPL have issued unqualified opinion.

NISHAT ENERGY LIMITED

The Company has 25% shareholding in Nishat Energy Ltd (NEL), with investment of Rs 2,500,000/- at cost. However, based on the equity method of valuation and after deducting project expenses, the current value of investment is worked out amounting Rs 843,000/-. NEL was set up for the sole purpose of development of Coal Based Power Plant having gross capacity of 660 MW. NEL successfully completed certain milestones including Feasibility Study, however, Grid Interconnection Study is still not approved by NTDC, which is a pre-condition for applying to NEPRA for upfront tariff and generation license. On October 14, 2016, the upfront tariff was expired and at present there is no new tariff announced by NEPRA for coal based power plants.

INTERNAL AUDIT AND CONTROL:

The Board has set up an independent audit function headed by a qualified person reporting to the Audit Committee. The scope of internal auditing within the Company is clearly defined which broadly involves review and evaluation of its' internal control system.

ENVIRONMENTAL PROTECTION MEASURES

Environmental monitoring for Emissions from Diesel Generators and testing of waste water is conducted on periodic basis for compliance of National Environmental Quality Standards (NEQS).

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

The Company Management is fully cognizant of its responsibility as recognized by the formulated Companies Ordinance provisions and Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan (SECP). The following comments are acknowledgement of Company's commitment to high standards of Corporate Governance and continuous improvement.

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon Company's ability to continue as going concern.
- All the directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies. The directors were apprised of their duties and responsibilities through orientation courses.
- Value of investments in respect of retirement benefits fund:
Provident Fund: June 30, 2017 is Rs 86.274 million

During the year under review, four Audit Committee Meetings were held, attendance position was as under:-

Sr. #	Name of Members	No. of Meetings Attended
1	*Mr. Khalid Qadeer Qureshi (Member)	3
2	Mr. Shahzad Ahmad Malik (Member/Chairman)	4
3	Mr. Ahmad Aqeel (Member)	3
4	*Mr. Yousaf Bashir (Member)	0

*Mr. Yousaf Bashir appointed as member audit committee in place of Mr. Khalid Qadeer Qureshi on August 29, 2017.

During the year under review one Human Resource & Remuneration (HR&R) Committee meeting was held, attendance position was as under:-

Sr. #	Name of Members	No. of Meetings Attended
1	Mr. Hassan Mansha (Member)	1
2	*Mr. Khalid Qadeer Qureshi (Member/Chairman)	1
3	Mr. Ghazanfar Hussain Mirza (Member)	1
4	*Mr. Ahmad Aqeel (Member)	0

*Mr. Ahmad Aqeel appointed as member HR&R Committee and Mr. Ghazanfar Hussain Mirza appointed Chairman of HR&R Committee in place of Mr. Khalid Qadeer Qureshi.

During the year under review, five Board of Directors Meetings were held, attendance position was as under:-

Sr. #	Name of Directors	No. of Meetings Attended
1	Mian Hassan Mansha (Chief executive/Director)	5
2	Mr. Khalid Qadeer Qureshi (Chairman)	4
3	Mr. Ahmad Aqeel	3
4	*Mr. Asad Farooq	4
5	Mr. Mahmood Akhtar	5
6	Mr. Ghazanfar Hussain Mirza	5
7	Mr. Shahzad Ahmad Malik	5
8	**Mr. Yousaf Bashir	0

* Mr. Asad Farooq resigned on June 29, 2017 and **Mr. Yousaf Bashir appointed in his place.

NAME OF DIRECTORS OF THE COMPANY:

Following persons served as directors of the company during the financial year 2017.

Sr. #	Name of Directors
1	Mian Hassan Mansha
2	Mr. Khalid Qadeer Qureshi
3	Mr. Mahmood Akhtar
4	Mr. Shahzad Ahmad Malik
5	Mr. Ahmad Aqeel
6	*Mr. Asad Farooq
7	Mr. Ghazanfar Hussain Mirza
8	**Mr. Yousaf Bashir

* Mr. Asad Farooq resigned on June 29, 2017 and **Mr. Yousaf Bashir appointed in his place.

ELECTION OF DIRECTORS AND COMPOSITION OF THE BOARD AND COMMITTEES:

Election of directors was held on August 22, 2017 in an Extra Ordinary General Meeting, after which latest composition of the board and chairman/chief executive roles of the board and committees as elected by the directors in their meeting held on August 29, 2017 is as follows:

Board of Directors:

Sr. #	Name of Directors	
1	Mian Hassan Mansha	(Chief Executive)
2	Mr. Khalid Qadeer Qureshi	(Chairman)
3	Mr. Mahmood Akhtar	
4	Mr. Shahzad Ahmad Malik	
5	Mr. Ahmad Aqeel	
6	Mr. Ghazanfar Hussain Mirza	
7	Mr. Yousaf Bashir	

Audit Committee of the Board:

Sr. #	Name of Directors	
1	Mr. Yousaf Bashir	
2	Mr. Shahzad Ahmad Malik	(Chairman)
3	Mr. Ahmad Aqeel	

Human Resource and Remuneration Committee:

Sr. #	Name of Directors	
1	Mian Hassan Mansha	
2	Mr. Ahmad Aqeel	
3	Mr. Ghazanfar Hussain Mirza	(Chairman)

PATTERN OF SHAREHOLDING:

The statement of pattern of shareholding as on June 30, 2017 is attached.

TRADING IN THE SHARES OF THE COMPANY:

All trades in the shares of the listed Company, carried out by its directors, executives and their spouses and minor children during the year ended June 30, 2017 is annexed to this report.

RELATED PARTIES:

The transactions between the related parties were carried out at arm's length prices determined in accordance with the comparable uncontrolled prices method. The Company has fully complied with the best practices on transfer pricing as contained in the Listing Regulations of Pakistan Stock Exchange Limited.

DISCLOSURE UNDER SECTION 218(1) OF THE COMPANIES ORDINANCE, 1984

The Board of Directors of the Company in their meeting held on July 03, 2017 has approved the revision in the monthly remuneration of Mr. Hassan Mansha, Chief Executive Officer of the Company, by 5% with effect from July 01, 2017 and annual bonus as per service rules of the company. There is no change in other terms and conditions of his appointment.

APPROPRIATIONS:

The Directors are pleased to recommend a final cash dividend of Rs 2 per share. This will be paid to the shareholders on the Company's Register of Members at the close of business on October 19, 2017. The total dividend to be approved by the shareholders at the Annual General Meeting on October 27, 2017 will be Rs 4 per share i.e. 40% amounting to Rs 1,416.356 million for the year ended June 30, 2017.

AUDITORS:

The present auditors M/s A. F. Ferguson, Chartered Accountants retire and being eligible, offer themselves for re-appointment for the year 2017-18. The Audit Committee of the Board has recommended the reappointment of the retiring auditors.

ACKNOWLEDGEMENT:

The Board of Directors appreciates all its stakeholders for their trust and continued support to the Company. The Board also recognizes the contribution made by a very dedicated team of professionals and engineers who served the Company with enthusiasm, and hope that the same spirit of devotion shall remain intact in the future ahead to the Company.



CHIEF EXECUTIVE OFFICER
Lahore: September 21, 2017

مجلس نطماء کی رپورٹ

نشاط پاور لمیٹڈ (کمپنی) کی مجلس نطماء 30 جون 2017 کو ختم ہونے والے مالی سال کے لئے بیرونی محاسب کی طرف سے نظر ثانی کئے ہوئے مالیاتی گوشوارے کی رپورٹ پیش کرتی ہے۔

مجلس نطماء کی رپورٹ پاکستان اسٹاک ایکسچینج لمیٹڈ اصولوں کی کتاب کے ضابطہء اخلاق کی شق (5.19.11) اور کمپنیز آرڈیننس، 1984 کی دفعہ 227 کے تحت تیار کی گئی ہے۔

بنیادی سرگرمی:

کمپنی کی بنیادی سرگرمی جمہوریتوں کی تحصیل پتو کی، ضلع قصور، پنجاب، پاکستان میں 200 میگا واٹ کی مجموعی صلاحیت کا حامل انجن ٹیکنالوجی پر مبنی ایندھن سے چلنے والا ذاتی پاور پلانٹ کی تعمیر، چلانا اور برقرار رکھنا ہے۔

مالیاتی نتائج:

کمپنی کو سال کے دوران 11,175 ملین روپے (2016: 10,009 ملین روپے) کی آپریٹنگ لاگت کے عوض 15,042 ملین روپے (2016: 13,896 ملین روپے) وصول کیا گیا، جس کے نتیجے میں 3,866 ملین روپے (2016: 3,887 ملین روپے) کا مجموعی منافع ہوا ہے۔ موجودہ سال کا بعد از ٹیکس خالص منافع گزشتہ سال کے بعد از ٹیکس منافع 2,851 ملین روپے اور 8.052 روپے فی شیئر آمدنی کے مقابلہ میں 2,886 ملین روپے اور 8.152 روپے فی شیئر آمدنی رہا ہے۔

ہم ممبران کی توجہ محاسب کی رپورٹ کے آخری پیرا گراف پر مبذول کرانا چاہیں گے جس میں نیشنل ٹرانسمیشن اینڈ ڈسٹری بیوٹن کمپنی لمیٹڈ (NTDCL) کی طرف سے غیر تسلیم شدہ تجارتی قرضے، کمپسٹی پریچر پرائس سے منہا کردہ 816 ملین روپے (2016: 816 ملین روپے) کی رقم شامل ہے۔ مزید تفصیلات کے لئے ان مالیاتی گوشوارے کا نوٹ 17.2 ملاحظہ فرمائیں۔ کمپنی کے قانونی وکیل کے مشورہ، ثالثی ایوارڈز اور ایکسپریٹ کے تعین کے مطابق، انتظامیہ محسوس کرتی ہے کہ ایسی رقم کی واپسی کا امکان ہے۔ چنانچہ اس مجموعی مالیاتی گوشوارے میں مذکورہ بالا رقم کے لئے کوئی گنجائش نہیں رکھی گئی ہے۔

NTDCL اپنی ادائیگی کی ذمہ داریوں پر مسلسل نادر ہندگی پر کاربند ہے۔ کمپنی نے بجلی کی خریداری کے معاہدے اور Implementation Agreement کے تحت NTDCL اور پرائیویٹ پاور اینڈ انفراسٹرکچر بورڈ ('پی پی آئی بی') کے ہاں معاملہ اجاگر کیا ہے۔ اس مدت کے دوران، کمپنی نے حکومت کی طرف سے دیئے جانے والے خود مختاری گارنٹی کو 5,853 ملین روپے کی خارج المعیاد واجب الوصول رقم کی وجہ سے کال کی۔ تاہم، پی پی آئی بی کے ساتھ 2,480 ملین روپے کی جزوی ادائیگی کی وصولی کرنے کے بعد، کمپنی نے غیر جانبدارانہ طور پر خود مختار گارنٹی کال کو واپس لیا۔ پاکستان میں توانائی کے شعبے کو چلانے کے لئے سرکلر قرض کے چیلنج کا سامنا ہے جس کی وجہ سے کمپنی کو بڑھتی ہوئی خارج المعیاد واجب الوصول رسیدوں کا خطرہ کا سامنا کرنا پڑتا ہے۔ کمپنی کو لاحق دیگر خطروں کے لیے براہ کرم ضمیمہ مالی بیانات کے نوٹ نمبر 35 ملاحظہ فرمائیں۔

30 جون 2017 کو NTDCL سے کل وصولی 8,944 ملین روپے ہے، جن میں سے 6,381 ملین روپے کی واجب الوصول رقم خارج المعیاد ہے۔

آپریٹنگ اور اہم واقعات:

کاروباری نتائج:

سال کے دوران پلانٹ زیادہ سے زیادہ باکفایت کارکردگی پر چلایا گیا اور اپنے صارف NTDCL کو اوسط 72.46 فیصد (2016: 74.15 فیصد) صلاحیت کے ساتھ 1,240GWh (2016: 1,272GWh) بجلی ترسیل کی گئی۔

روپے بلین میں

2017	2016	30 جون کو ختمہ مالی سال
15,042	13,896	آمدنی
2,886	2,851	خالص منافع
11,391	11,660	کل نان کرنٹ اثاثہ جات
3,541	3,541	اجراء، سبسکرائپ اور ادا شدہ سرمایہ
6,858	8,376	طویل مدتی فنانسنگ
1,799	-	قلیل مدتی فنانسنگ
1,239,758	1,272,157	جزیشن (MWh)
8.152	8.052	فی شیئر آمدنی - بنیادی اور معتدل (روپے)
47.24	50.51	حصص کی قیمتیں (مارکیٹ قدر روپے فی شیئر)

پاکستانی حکومت نے مختلف پاور منصوبوں کو فعال کرنا چاہتی ہے، جو کے پائپ لائن میں ہیں۔ مستقبل میں ملک کی بڑھتی ہوئی بجلی پیدا کرنے کی صلاحیت کی وجہ سے کمپنی کی صلاحیت کا استعمال کم ہو سکتا ہے۔ تاہم، منجمنٹ کا خیال ہے کہ این ٹی ڈی سی کو اب بھی ہمارے پاور پلانٹ کو چلانے کی ضرورت ہوگی، کیونکہ کمپنی کو RFO کی بنیاد پر گیارہ ("11") انجن اور ایک ("01") بھاپ ٹربائن کا منفرد تکنیکی فائدہ ہے، جو کہ ساڑھے ساڑھے سال چوٹی کے گھنٹے کے دوران بہت مختصر نوٹس کی مدت میں طاقت پیدا کر سکتا ہے۔

لال پیرسولر پاور (پرائیویٹ) لمیٹڈ

پچھلے سال سے کمپنی ایک مکمل ملکیتی ذیلی کمپنی، لال پیرسولر پاور (پرائیویٹ) لمیٹڈ ('LSPPL') رکھتی ہے، اور 10 روپے ہر ایک کے 50,000 حصص کی مالک ہے۔ LSPPL کی بنیادی سرگرمی ایک اندازے کے مطابق 19 MWp بجلی پیدا کرنے کی صلاحیت کے ساتھ 20 MWp تک مجموعی صلاحیت کا حامل سٹش توانائی کے منصوبے میں سرمایہ کاری یا ذاتی تعمیر، چلانا اور برقرار رکھنا ہوگی۔ منصوبے کی سائٹ محمود کوٹ، ضلع مظفر گڑھ، ملتان میں واقع ہے۔ کمپنی نے ماحولیاتی تحفظ ایجنسی (EPA) سے ممکنہ مطالعہ، (این اوسی) کی منظوری اور ملتان الیکٹرک پاور کمپنی (ایم ای پی سی او) سے گریڈ انٹر کنکشن مطالعہ کی منظوری کی طرح مختلف سنگ میلوں کو حاصل کیا۔ تاہم، گریڈ انٹر کنکشن مطالعہ کے لئے نیشنل ٹرانسمیشن اینڈ ڈسٹری بیوٹن کمپنی (این ڈی ڈی سی) کا این اوسی ابھی تک التواء میں ہے۔ دریں اثنا، نیشنل الیکٹرک پاور ریگولیٹر اتھارٹی (NEPRA) کی طرف سے اعلان کردہ سٹش ٹیرف 30 جون، 2017 کو ختم ہو چکا ہے۔ تاہم، کمپنی ابھی بھی NTDC کی تعقیب میں ہے اور ضروری این سی او کو حاصل کرنے کے بعد، حال ہی میں NEPRA کی جانب سے اعلان کردہ بولی کے تحت مناسب ٹیرف حاصل کرنے کی کوشش کرے گی۔

لال پیرسولر پاور (پرائیویٹ) لمیٹڈ کا انجماد

کمپنی کی تنظیم نے اپنے مکمل ملکیتی ذیلی ادارہ یعنی لال پیرسولر پاور (پرائیویٹ) لمیٹڈ ('LSPPL') کے اشتیاق شدہ گوشوارے کے سلسلے میں آرڈیننس کی دفعہ 237 کے تقاضوں سے رعایت کے لئے ایس ای سی پی کو درخواست گزار کی تھی۔ ایس ای سی پی نے اپنے خط EMD/233/744/2009-1446 مورخہ 29 مئی 2017ء کی رو سے، آرڈیننس کی دفعہ (8) 237 کے تحت اس حقیقت پر مبنی کہ LSPPL میں کمپنی کی سرمایہ کاری کمپنی کے مجموعی اثاثوں کی شرح میں نہ ہونے کے برابر ہے اور کمپنی کے مالی گوشواروں کا صارفین کے لئے کسی بھی طرح سے قدر کا اضافہ نہیں ہوگا، 30 جون 2017 کو ختم ہونے والے سال سے لے کے 30 جون 2018 کو ختم ہونے والے سال کی تیسری سہ ماہی تک مالی گوشواروں میں LSPPL کے انجماد سے استثناء کی منظوری دی ہے۔

LSPPL کے مالی حسابات 30 جون، 2017، بغیر قیمت کے کمپنی کے رجسٹرڈ دفتر میں ممبران کے لئے دستیاب ہوں گے اور کسی بھی قیمت کے بغیر درخواست پر

اراکین کو بھیجا جائے گا۔

ذیلی کمپنی کی مالی جھلکیاں:

نفع اور نقصان

30 جون 2017

روپے ہزاروں میں

--	انتظامی اخراجات
2	دیگر آمدنی
--	مالی لاگت
2	قبل از ٹیکس نفع
-	ٹیکس
2	حالیہ مدت میں نفع

بیلنس شیٹ

برطانیہ 30 جون 2017

روپے ہزاروں میں

4,373	نان کرنٹ اثاثہ جات
60	کرنٹ اثاثہ جات
500	اداشدہ شیئر سرمایہ
(573)	مجموعی نقصان
-	نان کرنٹ واجبات کی کمی
4,505	موجودہ واجبات

LSPPL کے محاسب نے غیر مشروط رائے جاری کی ہے۔

نشاط انرجی لمیٹڈ

کمپنی نے 2,500,000 روپے کی قیمت پر نشاط انرجی لمیٹڈ (این ای ایل) کے 25 فیصد حصص میں سرمایہ کاری کی ہے۔ تاہم، منصوبے کے اخراجات کے بعد ایکویٹی کے طریقہ کار پر مبنی سرمایہ کاری کی موجودہ قیمت 843,000 روپے ہے۔ این ای ایل کا واحد مقصد کوئلہ کی بنیاد پر 660 میگا واٹ کی مجموعی صلاحیت کا پاور پلانٹ لگانا ہے۔ این ای ایل نے کامیابی کے امکانات کے ساتھ کچھ سنگ میلوں کو مکمل کیا ہے، تاہم، گرڈ انٹر لنکشن مطالعہ NTDC کی طرف سے ابھی منظوری نہیں دی گئی، جو کے پہلے سے طے شدہ ٹیرف اولائنس کے لئے NEPRA میں درخواست دینے کے لئے پہلے سے ہی مشروط ہے۔ 14 اکتوبر، 2016 کو ٹیرف کی مدت ختم ہوگئی تھی اور اس وقت کوئلہ کی بنیاد پر بجلی کے پلانٹ کے لئے نیچر کی طرف سے اعلان کردہ کوئی نیا ٹیرف موجود نہیں ہے۔

اندرونی آڈٹ اور کنٹرول:

بورڈ نے آڈٹ کمیٹی کو رپورٹنگ کے لئے ایک تعلیم یافتہ شخص کی سربراہی میں ایک آزاد آڈٹ قائم کیا ہے۔ کمپنی کے اندر اندرونی آڈٹنگ کا دائرہ کار واضح طور پر بیان کیا جاتا ہے جو اندرونی کنٹرول کے نظام کا جائزہ اور تشریح کرتا ہے۔

ماحولیاتی تحفظ کے اقدامات:

ڈیزل جزیرہ اور گندے پانی کے ٹیسٹنگ سے اخراج کے لئے ماحولیاتی نگرانی پیشہ انوائٹمنٹل کوالٹی سٹینڈرڈز (NEQS) کی تعمیل کے لئے متواتر بنیاد پر کی جاتی ہے۔ کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

- کمپنی مینجمنٹ اپنی ذمہ داری سے مکمل طور پر واقف ہے جیسا کہ کمپنیز آرڈیننس اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی طرف سے جاری کارپوریٹ گورننس میں بتایا گیا ہے۔ مندرجہ ذیل تبصرے کارپوریٹ گورننس اور مسلسل بہتری میں اعلیٰ معیار کے لئے کمپنی کی کاوشوں کا ثبوت ہیں۔
- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔ کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشورانہ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے، اور کسی بھی انحراف کا موزوں انکشاف اور وضاحت کی گئی ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے گونگ کنٹرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- بورڈ کے تمام ڈائریکٹرز کا رپورٹنگ باڈیز کے ڈائریکٹرز کے طور پر اپنے فرائض اور ذمہ داریوں سے بخوبی واقف ہیں۔ ڈائریکٹرز کو اور مینٹیشن کورسز کے ذریعے ان کے فرائض اور ذمہ داریوں کے بارے میں آگاہ کیا گیا تھا۔
- ریٹائرمنٹ بینیفٹس فنڈ کی مد میں سرمایہ کاری کی قدر: پراویڈینٹ فنڈ: 30 جون 2017 کو 86.274 ملین روپے ہے۔
- زیر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے پانچ اجلاس منعقد ہوئے حاضری کی پوزیشن حسب ذیل تھی:-

نمبر شمار	نام ڈائریکٹر	تعداد اجلاس
1	میاں حسن منشا (چیف ایگزیکٹو/ ڈائریکٹر)	5
2	جناب خالد قدیر قریشی (چیئرمین)	4
3	جناب محمود اختر	5
4	جناب شہزاد احمد ملک	5
5	** جناب یوسف بشیر	0
6	جناب احمد عقیل	3
7	* جناب اسد فاروق	4
8	جناب غنفر حسین مرزا	5

* جناب اسد فاروق 2017-06-29 کو استعفیٰ دے گئے۔

** جناب یوسف بشیر، جناب اسد فاروق کی جگہ بورڈ پر مقرر ہوئے۔

زیر جائزہ سال کے دوران، آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے، حاضری کی پوزیشن حسب ذیل تھی:-

نمبر شمار	نام رکن	تعداد اجلاس
1	*جناب خالد قدیر قریشی (ممبر)	3
2	جناب شہزاد احمد ملک (ممبر/چیئر مین)	4
3	جناب احمد عقیل (ممبر)	3
4	**جناب یوسف بشیر (ممبر)	0

یوسف بشیر 29 اگست، 2017 کو مسٹر خالد قدیر قریشی کی جگہ امیدوار کمیٹی کے طور پر مقرر ہوئے۔

زیر جائزہ سال کے دوران، ہیومن ریسورس & ریمیزیشن (R&HR) کمیٹی کا ایک اجلاس منعقد ہوا، حاضری کی پوزیشن حسب ذیل تھی:-

نمبر شمار	نام رکن	تعداد اجلاس
1	جناب حسن منشا (ممبر)	1
2	*جناب خالد قدیر قریشی (ممبر/چیئر مین)	1
3	*جناب احمد عقیل (ممبر)	0
4	جناب غضنفر حسین مرزا (ممبر)	1

*احمد عقیل نے اراکین ایچ آر اینڈ آر کمیٹی کے طور پر مقرر ہوئے اور مسٹر خالد قدیر قریشی، چیئر مین غضنفر حسین مرزا کی جگہ مقرر ہوئے۔

کمپنی کے ڈائریکٹرز کا نام:

مندرجہ ذیل افراد نے مالی سال 2017 کے دوران کمپنی کے ڈائریکٹر کے طور پر کام کیا۔

نمبر شمار	نام ڈائریکٹر
1	میاں حسن منشا (چیف ایگزیکٹو/ڈائریکٹر)
2	جناب خالد قدیر قریشی
3	جناب محمود اختر
4	جناب شہزاد احمد ملک
5	**جناب یوسف بشیر
6	جناب احمد عقیل
7	*جناب اسد فاروق
8	جناب غضنفر حسین مرزا

*جناب اسد فاروق 29-06-2017 کو استعفیٰ دے گئے۔

بورڈ اور کمیٹی کے ڈائریکٹروں کا انتخاب :

22 اگست، 2017 کو ایک غیر معمولی جنرل اجلاس میں ڈائریکٹروں کا انتخاب کیا گیا تھا، جس کے بعد بورڈ کی تازہ ترین ساخت اور 29 اگست، 2017 کو منعقد ہونے والے اجلاس میں ڈائریکٹرز کی طرف سے منتخب بورڈ اور کمیٹی کے چیئرمین / چیف ایگزیکٹو کو دارکمیٹی پر قابل میں ہے۔
حصص داری کا نمونہ:

برطانیہ 30 جون 2017 نمونہ حصص داری منسلک ہے۔

کمپنی کے حصص میں ٹریڈنگ:

30 جون 2017 کو ختم ہونے والے سال کے دوران ڈائریکٹرز، ایگزیکٹوز اور ان کے زوج اور نابالغ بچوں کی طرف سے لسٹڈ کمپنی کے حصص میں کی گئی تمام تجارت اس سالانہ رپورٹ کے ہمراہ منسلک ہے۔

متعلقہ پارٹیاں:

متعلقہ پارٹیوں کے درمیان لین دین بے قابو قیمتوں کے موازنہ کے طریقہ کار کے مطابق قابل رسائی قیمتیں مقرر کر کے کیا گیا۔ کمپنی پاکستان میں سٹاک ایکسچینج کی لسٹنگ کے ضابطے میں موجود منتقلی پرائسنگ بہترین طریقوں پر عمل پیرا ہے۔

کمپنیز آرڈیننس 1984 کی دفعہ (1) 218 کے تحت انکشاف

کمپنی کے بورڈ آف ڈائریکٹرز نے 03-07-2017 کو منعقدہ اپنے اجلاس میں جناب حسن منشا، کمپنی کے چیف ایگزیکٹو آفیسر کے ماہانہ مشاہرہ میں یکم جولائی 2017 سے مؤثر 5 فیصد تک اور کمپنی کے سروس قوانین کے مطابق سالانہ بونس پر نظر ثانی کی منظوری دی ہے۔ دیگر شرائط و ضوابط میں کوئی تبدیلی نہیں ہے۔

تصرف:

ڈائریکٹرز 2 روپے فی شیئر کا حتمی نقد منافع منقسمہ سفارش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ یہ منافع 19 اکتوبر 2017ء کو کاروبار کے اختتام پر کمپنی کے رجسٹرار اکین میں درج حصص یافتگان کو ادا کیا جائے گا۔ 30 جون 2017 کو ختم ہونے والے سال کے لیے کل ڈیویڈنڈ 27 اکتوبر 2017ء کو سالانہ عمومی اجلاس میں شیئر ہولڈرز کی طرف سے منظور کردہ 4 روپے فی شیئر یعنی 40 فی صد 1,416.356 ملین روپے ہو جائے گا۔

محاسب:

موجودہ محاسب میسرز ایف فرگوسن، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو گئے ہیں اور انہوں نے اہل ہونے کی بناء پر سال 18-2017 کے لئے دوبارہ تعیناتی کے لئے خود کو پیش کیا ہے اور ڈی آڈٹ کمیٹی نے ریٹائر ہونے والے محاسب کی دوبارہ تقرری کی سفارش کی ہے۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز کمپنی کے تمام اسٹیک ہولڈرز کے اعتماد اور مسلسل حمایت کا شکریہ ادا کرتا ہے، بورڈ ماہرین اور انجینئرز کی ایک بہت ہی سرشار ٹیم کے حصہ کو تسلیم کرتا ہے جس نے جوش و خروش سے کمپنی کی خدمت کی، اور امید کرتا ہے کہ مستقبل میں کمپنی کے لئے یہی جذبہ برقرار رکھیں گے۔

چیف ایگزیکٹو

لاہور: 21 ستمبر 2017ء

PATTERN OF HOLDINGS

OF THE SHARES HELD BY THE SHAREHOLDERS
OF NISHAT POWER LIMITED AS AT JUNE 30, 2017

NUMBER OF SHAREHOLDERS	SHAREHOLDING FROM	TO	TOTAL NUMBER OF SHARES HELD	PERCENTAGE OF TOTAL CAPITAL
257	1 -	100	5,774	0.00
1223	101 -	500	595,703	0.17
408	501 -	1000	396,555	0.11
563	1001 -	5000	1,614,833	0.46
212	5001 -	10000	1,776,338	0.50
77	10001 -	15000	1,036,190	0.29
52	15001 -	20000	958,300	0.27
40	20001 -	25000	953,300	0.27
27	25001 -	30000	780,200	0.22
22	30001 -	35000	735,212	0.21
13	35001 -	40000	501,000	0.14
12	40001 -	45000	512,500	0.14
32	45001 -	50000	1,579,044	0.45
4	50001 -	55000	214,000	0.06
10	55001 -	60000	577,500	0.16
4	60001 -	65000	253,204	0.07
7	65001 -	70000	475,000	0.13
10	70001 -	75000	745,240	0.21
7	75001 -	80000	559,000	0.16
6	80001 -	85000	491,501	0.14
5	85001 -	90000	436,627	0.12
2	90001 -	95000	187,394	0.05
17	95001 -	100000	1,700,000	0.48
3	100001 -	105000	310,382	0.09
4	105001 -	110000	439,500	0.12
2	115001 -	120000	240,000	0.07
4	120001 -	125000	492,000	0.14
3	125001 -	130000	386,500	0.11
1	130001 -	135000	135,000	0.04
2	135001 -	140000	275,500	0.08
2	140001 -	145000	282,497	0.08
5	145001 -	150000	742,500	0.21
4	155001 -	160000	627,319	0.18
1	160001 -	165000	162,153	0.05
1	170001 -	175000	170,500	0.05
1	180001 -	185000	182,000	0.05
2	185001 -	190000	375,500	0.11
1	190001 -	195000	192,000	0.05
8	195001 -	200000	1,596,500	0.45
3	200001 -	205000	610,001	0.17
1	205001 -	210000	210,000	0.06
1	210001 -	215000	210,280	0.06
1	215001 -	220000	220,000	0.06
2	220001 -	225000	445,500	0.13
1	225001 -	230000	226,554	0.06
1	235001 -	240000	238,000	0.07
3	245001 -	250000	749,000	0.21
2	255001 -	260000	517,500	0.15
1	265001 -	270000	267,500	0.08
2	285001 -	290000	580,000	0.16
3	295001 -	300000	900,000	0.25
1	300001 -	305000	303,000	0.09
1	315001 -	320000	320,000	0.09
1	325001 -	330000	326,000	0.09

NUMBER OF SHAREHOLDERS	SHAREHOLDING FROM	TO	TOTAL NUMBER OF SHARES HELD	PERCENTAGE OF TOTAL CAPITAL
1	345001 -	350000	350,000	0.10
1	355001 -	360000	358,500	0.10
1	370001 -	375000	375,000	0.11
2	395001 -	400000	800,000	0.23
1	420001 -	425000	421,000	0.12
1	490001 -	495000	494,500	0.14
8	495001 -	500000	4,000,000	1.13
1	500001 -	505000	503,500	0.14
1	525001 -	530000	527,000	0.15
1	540001 -	545000	543,500	0.15
1	555001 -	560000	555,500	0.16
1	675001 -	680000	676,500	0.19
1	685001 -	690000	690,000	0.19
1	695001 -	700000	700,000	0.20
1	715001 -	720000	716,744	0.20
2	730001 -	735000	1,464,000	0.41
1	750001 -	755000	751,000	0.21
1	815001 -	820000	816,500	0.23
1	995001 -	1000000	1,000,000	0.28
1	1095001 -	1100000	1,099,047	0.31
1	1195001 -	1200000	1,200,000	0.34
1	1320001 -	1325000	1,321,627	0.37
1	1415001 -	1420000	1,420,000	0.40
1	1490001 -	1495000	1,490,500	0.42
1	1495001 -	1500000	1,500,000	0.42
1	1530001 -	1535000	1,531,500	0.43
1	1845001 -	1850000	1,846,500	0.52
1	1890001 -	1895000	1,895,000	0.54
1	1975001 -	1980000	1,976,000	0.56
2	1995001 -	2000000	4,000,000	1.13
1	2270001 -	2275000	2,275,000	0.64
1	2415001 -	2420000	2,419,000	0.68
1	2635001 -	2640000	2,638,425	0.75
1	2780001 -	2785000	2,781,000	0.79
2	2795001 -	2800000	5,598,168	1.58
1	3825001 -	3830000	3,826,488	1.08
1	4155001 -	4160000	4,158,245	1.17
2	4995001 -	5000000	10,000,000	2.82
1	6085001 -	6090000	6,087,000	1.72
1	6495001 -	6500000	6,500,000	1.84
1	7420001 -	7425000	7,420,500	2.10
1	9455001 -	9460000	9,458,500	2.67
1	15495001 -	15500000	15,500,000	4.38
1	29995001 -	30000000	30,000,000	8.47
1	180585001 -	180590000	180,585,155	51.00
3,135			354,088,500	100.00

Categories of Shareholders as at June 30, 2017

Sr. #	Categories	Shares Held	Percentage
1	Directors, Chief Executive Officer, and their spouse and Minor Children	4,002	0.0011
2	Associates Companies, Undertakings and related parties	180,632,955	51.0135
3	NIT and ICP	Nil	Nil
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	64,452,000	18.2022
5	Insurance Companies	5,041,488	1.4238
6	Modarabas and Mutual Funds	5,053,570	1.4272
7	Shareholders holding 10% or more	180,632,955	51.0135
8	General Public		
	a. Local	84,322,790	23.8140
	b. Foreign	Nil	Nil
9	Others	14,581,695	4.1181

INFORMATION UNDER LISTING REGULATION NO. 5.19.11 (X) OF PSX RULE BOOK AS ON JUNE 30, 2017

Categories of Shareholders	Shares Held	Percentage
Associated Companies, Undertaking and Related Parties		
NISHAT MILLS LIMITED	47,800	0.0135
NISHAT MILLS LIMITED	180,585,155	51.0000
	<hr/>	<hr/>
	180,632,955	51.0135
Mutual Funds		
CDC - TRUSTEE ATLAS STOCK MARKET FUND	2,781,000	0.7854
CDC - TRUSTEE AKD INDEX TRACKER FUND	34,570	0.0098
MC FSL - TRUSTEE JS GROWTH FUND	732,500	0.2069
CDC - TRUSTEE FAYSAL BALANCED GROWTH FUND	30,000	0.0085
CDC - TRUSTEE UNIT TRUST OF PAKISTAN	105,000	0.0297
ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	1,000	0.0003
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	358,500	0.1012
MCBFSL - TRUSTEE JS VALUE FUND	527,000	0.1488
CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	35,000	0.0099
CDC - TRUSTEE APF-EQUITY SUB FUND	200,000	0.0565
CDC - TRUSTEE JS LARGE CAP. FUND	249,000	0.0703
	<hr/>	<hr/>
	5,053,570	1.4272
Directors and their spouses and Minor Children		
MIAN HASSAN MANSHA	1	0.0000
MR. KHALID QADEER QURESHI	1	0.0000
MR. AHMAD AQEEL	500	0.0001
MR. YOUSAF BASHIR	1,000	0.0003
MR. SHAHZAD AHMAD MALIK	500	0.0001
MR. GHAZANFAR HUSAIN MIRZA	1,000	0.0003
MR. MAHMOOD AKHTAR	1,000	0.0003
	<hr/>	<hr/>
	4,002	0.0011
Executives		
	Nil	Nil
Public Sector Companies and Corporations		
Joint Stock Companies	12,885,695	3.6391
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds		
Banks, DFIs and NBFIs	64,452,000	18.2022
Insurance Companies	5,041,488	1.4238
Pension Funds/ Provident Funds etc.	1,383,000	0.3906
Trusts/Foundation	313,000	0.0884
	<hr/>	<hr/>
	71,189,488	20.1050
Shareholders holding 5% or more voting rights:		
NISHAT MILLS LIMITED	180,632,955	51.0135
ALLIED BANK LIMITED	30,000,000	8.4725
	<hr/>	<hr/>
	210,632,955	59.4860

INFORMATION UNDER LISTING REGULATION NO. 5.19.11 (XII) OF PSX RULE BOOK AS ON JUNE 30, 2017

There are no trading in shares of the Company, carried out by its Directors, Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary, Other Employees and their spouses and minor children during the year July 01, 2016 to June 30, 2017.

For the purpose of this clause, Board of directors have set threshold for Other Employees, which includes all of the employees covered under any of the following categories:

- i) Employees at General Manager position and above,
- ii) Employees from Finance Department, Accounts Department, Internal Audit Department and Corporate Department
- iii) Any employee receiving annual gross salary of Rs. 3 million or above.

STATEMENT OF COMPLIANCE

WITH THE CODE OF CORPORATE GOVERNANCE [See Clause 5.19.24]
FOR THE YEAR ENDED JUNE 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in listing Regulation No. 5.19.24 of listing regulations of Pakistan Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Director	Mr. Ahmad Aqeel Mr. Yousuf Bashir
Executive Directors	Mian Hassan Mansha Mr. Mahmood Akhtar
Non-Executive Directors	Mr. Khalid Qadeer Qureshi Mr. Ghazanfar Husain Mirza Mr. Shahzad Ahmad Malik

The independent director meets the criteria of independence under clause 5.19.1(b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the directors are registered taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs and not a member of a stock exchange and none of them has been declared as a defaulter by that stock exchange.
4. A casual vacancy occurred on 29/06/2017 and filled up by the Directors on the same day.
5. The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and 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.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board/shareholders.

8. The meetings of the board were presided over by the Chairperson and, in her absence, by a director elected by the board for this purpose and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The board arranged followings for its directors during the year.

Orientation Course: -

All the directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies. The directors were apprised of their duties and responsibilities through orientation courses.

Directors' Training Program: -
 - (i) One (1) Director of the Company is exempt due to 14 years of education and 15 years of experience on the board of listed company(ies).
 - (ii) Four (4) directors Mr. Ahmad Aqeel, Mr. Ghazanfar Hussain Mirza and Mr. Mahmood Akhtar and Mr. Shahzad Ahmad Malik have completed the directors training program.
10. The Board has approved appointment of Mrs. Hina Rauf as Head of Internal Audit including terms and conditions of her employment in place of Syed Arshad Ali Zaidi. The remuneration of CFO was revised during the year after due approval of the Board.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
14. The company has complied with all the corporate and financial reporting requirements of the CCG.
15. The board has formed an Audit Committee. It comprises 3 members, of whom 2 are non-executive directors and one is independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The board has formed Human Resource and Remuneration Committee. It comprises 3 members, of whom 2 are non-executive directors and the chairman of the committee is a Non-Executive director.

18. The board has set up an effective internal audit function and the members of internal audit function are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, were determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information (if any) has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.

Lahore
Dated: September 21, 2017


(MIAN HASSAN MANSHA)
CHIEF EXECUTIVE OFFICER

REVIEW REPORT TO THE MEMBERS

ON STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

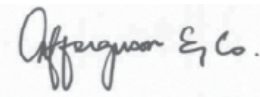
We have reviewed the annexed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the 'Code') prepared by the Board of Directors of Nishat Power Limited (the 'company') for the year ended June 30, 2017 to comply with the requirements of Clause No. 5.19 of the Regulations of the Pakistan Stock Exchange Limited where the company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the company's personnel and review of various documents prepared by the company to comply with the Code.

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code as applicable to the company for the year ended June 30, 2017.



A.F. Ferguson & Co.
Chartered Accountants

Lahore: September 21, 2017

Engagement Partner: Khurram Akbar Khan

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Nishat Power Limited (the 'company') as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

- (a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2017 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under Zakat and Ushr Ordinance, 1980 (XVII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

We draw attention to note 17.2 to the annexed financial statements, which describes the matter regarding recoverability of certain trade debts. Our opinion is not qualified in respect of this matter.

Lahore: September 21, 2017

Engagement Partner: Khurram Akbar Khan


A. F. Ferguson & Co.
Chartered Accountants

BALANCE SHEET

AS AT JUNE 30, 2017

	Note	2017 (Rupees in thousand)	2016
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 500,000,000 (2016: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital 354,088,500 (2016: 354,088,500) ordinary shares of Rs 10 each	5	3,540,885	3,540,885
Revenue reserve: Un-appropriated profit	6	10,357,312	8,710,194
		13,898,197	12,251,079
NON-CURRENT LIABILITY			
Long term financing - secured	7	5,092,325	6,857,693
CURRENT LIABILITIES			
Current portion of long term financing - secured	7	1,765,368	1,518,659
Short term borrowings - secured	8	1,798,577	-
Trade and other payables	9	523,546	251,118
Accrued finance cost	10	185,182	196,082
		4,272,673	1,965,859
CONTINGENCIES AND COMMITMENTS			
	11	23,263,195	21,074,631

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

	Note	2017 (Rupees in thousand)	2016
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	12	11,387,160	11,654,976
Long term investments	13	1,343	1,396
Long term loans and advances	14	2,794	3,133
		<hr/>	<hr/>
		11,391,297	11,659,505
CURRENT ASSETS			
Stores, spares and loose tools	15	662,292	530,171
Inventories	16	975,559	702,678
Trade debts - secured	17	8,944,440	6,384,250
Advances, deposits, prepayments and other receivables	18	1,102,623	1,108,221
Income tax receivable		24,783	15,812
Cash and bank balances	19	162,201	673,994
		<hr/>	<hr/>
		11,871,898	9,415,126
		<hr/>	<hr/>
		23,263,195	21,074,631
		<hr/> <hr/>	<hr/> <hr/>


DIRECTOR

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 (Rupees in thousand)	2016
Sales	20	15,041,692	13,896,036
Cost of sales	21	(11,175,473)	(10,008,691)
Gross profit		3,866,219	3,887,345
Administrative expenses	22	(253,805)	(201,723)
Other expenses	23	(2,628)	(1,348)
Other income	24	23,034	33,755
Finance cost	25	(749,052)	(866,561)
Share of loss of associate	13	(53)	(403)
Profit before taxation		2,883,715	2,851,065
Taxation	26	2,714	-
Profit for the year		2,886,429	2,851,065
Earnings per share - basic and diluted (in Rupees)	27	8.152	8.052

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2017

	2017 (Rupees in thousand)	2016
Profit for the year	2,886,429	2,851,065
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-
	-	-
Total comprehensive income for the year	2,886,429	2,851,065

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2017

	Share capital	Revenue reserve: Un-appropriated profit (Rupees in thousand)	Total
Balance as on July 01, 2015	3,540,885	8,072,183	11,613,068
Profit for the year	-	2,851,065	2,851,065
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	2,851,065	2,851,065
Dividend to equity holders of the company:			
Final dividend for the year ended June 30, 2015 @ Rupees 1.75 per share	-	(619,655)	(619,655)
Interim dividend for the first quarter ended September 30, 2015 @ Rupee 1 per share	-	(354,089)	(354,089)
Interim dividend for the half year ended December 31, 2015 @ Rupees 2 per share	-	(708,177)	(708,177)
Interim dividend for the third quarter ended March 31, 2016 @ Rupees 1.5 per share	-	(531,133)	(531,133)
Total contributions by and distributions to owners of the company recognised directly in equity	-	(2,213,054)	(2,213,054)
Balance as on June 30, 2016	3,540,885	8,710,194	12,251,079
Profit for the year	-	2,886,429	2,886,429
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	2,886,429	2,886,429
Dividend to equity holders of the company:			
Final dividend for the year ended June 30, 2016 @ Rupees 1.5 per share	-	(531,133)	(531,133)
Interim dividend for the first quarter ended September 30, 2016 @ Rupee 1 per share	-	(354,089)	(354,089)
Interim dividend for the half year ended December 31, 2016 @ Rupee 1 per share	-	(354,089)	(354,089)
Total contributions by and distributions to owners of the company recognised directly in equity	-	(1,239,311)	(1,239,311)
Balance as on June 30, 2017	3,540,885	10,357,312	13,898,197

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017 (Rupees in thousand)	2016
Cash flows from operating activities			
Cash generated from operations	28	1,917,408	6,292,828
Finance cost paid		(759,951)	(940,972)
Income tax paid		(6,258)	(6,858)
Long term loans and advances - net		339	(1,869)
Retirement benefits paid		(16,927)	(10,791)
Net cash inflow from operating activities		1,134,611	5,332,338
Cash flows from investing activities			
Purchase of fixed assets		(731,047)	(342,909)
Proceeds from disposal of operating fixed assets		17,568	543
Long term investment purchased		-	(500)
Profit on bank deposits received		25,929	32,164
Net cash outflow from investing activities		(687,550)	(310,702)
Cash flows from financing activities			
Repayment of long term financing		(1,518,659)	(1,306,426)
Dividend paid		(1,238,772)	(2,212,534)
Net cash outflow from financing activities		(2,757,431)	(3,518,960)
Net (decrease)/increase in cash and cash equivalents		(2,310,370)	1,502,676
Cash and cash equivalents at the beginning of the year		673,994	(828,682)
Cash and cash equivalents at the end of the year	29	(1,636,376)	673,994

The annexed notes 1 to 37 form an integral part of these financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

1. THE COMPANY AND ITS ACTIVITIES

Nishat Power Limited (the 'company') is a public limited company incorporated in Pakistan. The company is a subsidiary of Nishat Mills Limited. The company's ordinary shares are listed on the Pakistan Stock Exchange Limited.

The principal activity of the company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the company is 53-A, Lawrence Road, Lahore. The company has a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from June 09, 2010.

2. BASIS OF PREPARATION

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. During the year, the Companies Ordinance, 1984 (hereinafter referred to as the 'Ordinance') has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the Securities and Exchange Commission of Pakistan ('SECP') vide Circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and further clarified through its press release dated July 20, 2017, companies whose financial year closes on or before June 30, 2017, shall prepare financial statements in accordance with the provisions of the repealed Ordinance. Accordingly, these financial statements have been prepared in accordance with the requirements of the International Financial Reporting Standards ('IFRSs') issued by the International Accounting Standards Board ('IASB') as are notified under the repealed Ordinance, provisions of and directives issued under the repealed Ordinance. Wherever the requirements of the repealed Ordinance or directives issued by SECP differ with the requirements of IFRSs, the requirements of the repealed Ordinance or the requirements of the said directives prevail.

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in current year

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2016 but are considered currently not to be relevant or to have any significant effect on the company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

- International Accounting Standard ('IAS') 1, 'Presentation of financial statements' (Amendment). The amendments provide clarifications on a number of issues, including:

- Materiality – an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals – line items specified in IAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes – confirmation that the notes do not need to be presented in a particular order.
- Other comprehensive income arising from investments accounted for under the equity method – the share of other comprehensive income arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.
- IAS 16 (Amendment), 'Property, plant and equipment, and IAS 38 (Amendment), 'Intangible assets'. The amendment to IAS 16 clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. This amendment also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. IAS 38 now includes a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either:
 - The intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or
 - It can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

The company's current accounting treatment is already in line with the requirements of these amendments.

2.2.2 Exemption from applicability of certain interpretations to standards

SECP through SRO 24(I)/2012 dated January 16, 2012, has exempted the application of International Financial Reporting Interpretations Committee ('IFRIC') 4 'Determining whether an Arrangement contains a Lease' to all companies. However, the SECP made it mandatory to disclose the impact of the application of IFRIC 4 on the results of the companies. This interpretation provides guidance on determining whether arrangements that do not take the legal form of a lease should, nonetheless, be accounted for as a lease in accordance with IAS 17, 'Leases'.

Under IFRIC 4, the consideration required to be made by the lessee for the right to use the asset is to be accounted for as a finance lease under IAS 17, 'Leases'. The company's power plant's control due to purchase of total output by NTDC appears to fall under the scope of IFRIC 4. Consequently, if the company were to follow IFRIC 4 and IAS 17, the effect on the financial statements would be as follows:

	2017 (Rupees in thousand)	2016
De-recognition of property, plant and equipment	(11,151,554)	(11,396,664)
Recognition of lease debtor	9,997,140	11,523,859
Increase in un-appropriated profit at the beginning of the year	127,195	506,529
Decrease in profit for the year	(1,281,609)	(379,334)
Increase in un-appropriated profit at the end of the year	(1,154,414)	127,195

2.2.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after July 1, 2017, but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in these financial statements, except for the following:

- IAS 7, 'Cash flow statements: Disclosure initiative' (effective for periods beginning on or after January 1, 2017). This amendment requires disclosure to explain changes in liabilities for which cash flows have been, or will be classified as financing activities in the statement of cash flows. The amendment only covers balance sheet items for which cash flows are classified as financing activities. In case other items are included within the reconciliation, the changes in liabilities arising from financing activities will be identified separately. A reconciliation of the opening to closing balance is not specifically required but instead the information can be provided in other ways. In the first year of adoption, comparative information need not be provided. It is unlikely that the amendment will have any significant impact on the company's financial statements.
- IFRS 9, 'Financial instruments': As per IASB, the standard is effective for periods beginning on or after January 1, 2018. However, this standard is yet to be notified by the SECP and it is expected to be effective for annual periods beginning on or after July 1, 2018. This standard replaces the guidance in IAS 39, 'Financial instruments: Recognition and measurement'. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. The company is yet to assess the full impact of the standard.
- IFRS 15, 'Revenue from contracts with customers': As per IASB, the standard is effective for periods beginning on or after January 1, 2018. However, this standard is yet to be notified by the SECP and it is expected to be effective for annual periods beginning on or after July 1, 2018. This standard deals with revenue recognition and establishes principles for reporting useful information to users of the financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains

control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue', and IAS 11, 'Construction contracts', and related interpretations. The company is yet to assess the full impact of the standard.

- IFRIC 22, 'Foreign currency transactions and advance consideration' (effective for periods beginning on or after January 1, 2018). This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. It is unlikely that the interpretation will have any significant impact on the company's financial statements.
- IFRS 16 'Leases': As per IASB, the standard is effective for periods beginning on or after January 1, 2019. However, this standard is yet to be notified by the SECP. This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees in particular. Under 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 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. 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. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. The Company is yet to assess the full impact of this standard.

3. BASIS OF MEASUREMENT

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

3.2 The company's significant accounting policies are stated in note 4. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment and estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates which have been explained as follows:

a) Provision for taxation

The company takes into account the current income tax law and the decisions taken by appellate authorities. Instances where the company's view differs from the view taken by the income tax department at the assessment stage and where the company considers that its views on items of material nature is in accordance with the law, the amounts are shown as contingent liabilities.

b) Useful lives and residual values of fixed assets

The company reviews the useful lives of fixed assets on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of fixed assets with a corresponding effect on the depreciation charge and impairment.

4. 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 years presented.

4.1 Taxation

Current

The profits and gains of the company derived from electric power generation are exempt from tax in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the conditions and limitations provided therein.

Under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, the company is also exempt from levy of minimum tax on 'turnover' under section 113 of the Income Tax Ordinance, 2001. However, full provision is made in the profit and loss account on income from sources not covered under the above clauses at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

Deferred tax has not been provided in these financial statements as the company's management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the profits and gains of the company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

4.2 Fixed assets

4.2.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss.

Depreciation on operating fixed assets, other than identifiable capital spares in plant and machinery, is charged to profit and loss account on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 12.1 after taking into account their residual values. Depreciation on identifiable capital spares in plant and machinery is charged on the basis of number of hours used.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The company's estimate of the residual value of its operating fixed assets as at June 30, 2017, has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.3).

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repair and maintenance costs are included in the profit and loss account during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset, represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.2.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.2.3 Major spare parts and standby equipment

Major spare parts and stand-by equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are available for use.

4.2.4 Intangible assets

Expenditure incurred to acquire computer software has been capitalised as an intangible asset and stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortised using the straight line method over a period of five years.

The company assesses at each balance sheet date whether there is any indication that intangible assets may be impaired. If such an indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognised, the amortisation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

4.3 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.4 Leases

The company is the lessee:

4.4.1 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit on a straight line basis over the lease term.

4.5 Stores, spares and loose tools

Stores, spares and loose tools are valued principally at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the balance sheet date while items considered obsolete are carried at nil value.

4.6 Inventories

Inventories except for those in transit are valued principally at lower of weighted average cost and net realizable value. Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale. Provision is made in the financial statements for obsolete and slow moving inventories based on management's estimate.

4.7 Investments

Investments intended to be held for less than twelve months from the balance sheet date or to be sold to raise operating capital, are included in current assets. All other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

4.7.1 Investment in equity instruments of subsidiaries

Investment in subsidiary company is measured at cost as per the requirements of IAS-27 "Separate Financial Statements". However, at subsequent reporting dates, the company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the profit and loss account.

The company is required to issue consolidated financial statements along with its separate financial statements in accordance with the requirements of approved accounting standards. However, it has not presented such consolidated financial statements for the reasons explained in note 13.2 to these financial statements.

4.7.2 Investment in equity instruments of associates

Associates are all entities over which the company has significant influence but not control. Investment in equity instruments of associates are accounted for using the equity method of accounting and are initially recognised at cost. The company's investment in associates includes goodwill (net of any accumulated impairment loss) identified on the acquisition. The company's share of its associates' post-acquisition profits or losses is recognised in the profit and loss account, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of investment. When the company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains on transactions between the company and its associates are eliminated to the extent of company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

At each balance sheet date, the company reviews the carrying amounts of the investments to assess whether there is any indication that such investments have suffered an impairment loss. If any such indication exists, the recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment losses are recognised as expense in the profit and loss account. Impairment losses recognised in the profit and loss account on equity instruments are not reversed through the profit and loss account.

4.8 Financial assets

4.8.1 Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-for-sale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

a) **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within twelve months, otherwise, they are classified as non-current.

b) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets. Loans and receivables comprise advances, deposits and other receivables and cash and cash equivalents in the balance sheet.

c) **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investments within twelve months from the balance sheet date.

d) **Held to maturity**

Financial assets with fixed or determinable payments and fixed maturity, where management has the intention and ability to hold till maturity are classified as held to maturity and are stated at amortised cost.

4.8.2 **Recognition and measurement**

All financial assets are recognised at the time when the company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognised on trade-date – the date on which the company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. For investments having quoted price in active market, the quoted price represents the fair value. In other cases, fair value is measured using appropriate valuation methodology and where fair value cannot be measured reliably, these are carried at cost. Loans and receivables and held to maturity investments are carried at amortized cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account in the period in

which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit and loss account as part of other income when the company's right to receive payments is established.

Changes in the fair value of securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit and loss account as gains and losses from investment securities. Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit and loss account. Dividends on available-for-sale equity instruments are recognised in the profit and loss account when the company's right to receive payments is established.

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss is removed from equity and recognised in the profit and loss account. Impairment losses recognised in the profit and loss account on equity instruments are not reversed through the profit and loss account. Impairment testing of trade debts and other receivables is described in note 4.11.

4.9 Financial liabilities

All financial liabilities are recognised at the time when the company becomes a party to the contractual provisions of the instrument.

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

4.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.11 Trade debts and other receivables

Trade debts and other receivables are recognised initially at invoice value, which approximates fair value, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debts and other receivables is established when there is objective evidence that the company will not be able to collect all the amount due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade debt is impaired. The provision is recognised in the profit and loss account. When a trade debt is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit and loss account.

4.12 Share capital

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

4.13 Employees' retirement benefits - Defined contribution plan

There is an approved defined contributory provident fund for all employees. Equal monthly contributions are made both by the company and employees to the fund at the rate of 10 percent of the basic salary. Retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme.

4.14 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.15 Provisions

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

4.16 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown in current liabilities on the balance sheet.

4.17 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit and loss account over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance cost to the extent of the amount remaining unpaid.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

4.18 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of the asset up to the date of commissioning of the related asset.

4.19 Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable on the following basis:

Revenue on account of energy is recognized on transmission of electricity to NTDC, whereas on account of capacity is recognized when due. Income on bank deposits and delayed payment markup on amounts due under the PPA is accrued on a time proportion basis by reference to the principal/amount outstanding and the applicable rate of return.

4.20 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

4.21 Dividend

Dividend distribution to the company's members is recognised as a liability in the period in which the dividends are approved.

4.22 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

This represents 354,088,500 (2016: 354,088,500) ordinary shares of Rs 10 each fully paid in cash. 180,632,955 (2016: 180,632,955) ordinary shares of the company are held by Nishat Mills Limited, the holding company.

6. In accordance with the terms of agreement with the lenders of long term finances, there are certain restrictions on the distribution of dividends by the company.

7. LONG TERM FINANCING - SECURED

	2017 (Rupees in thousand)	2016
Opening balance	8,376,352	9,682,778
Less: Repayments during the year	1,518,659	1,306,426
	6,857,693	8,376,352
Less: Current portion shown under current liabilities	1,765,368	1,518,659
	5,092,325	6,857,693

Long term financing under mark-up arrangement obtained from following banks:

	2017 (Rupees in thousand)	2016
Lender		
National Bank of Pakistan	1,190,168	1,453,734
Habib Bank Limited	1,587,034	1,938,488
Allied Bank Limited	1,587,034	1,938,488
United Bank Limited	1,558,754	1,903,945
Faysal Bank Limited	934,703	1,141,697
	6,857,693	8,376,352
Less: Current portion shown under current liabilities	1,765,368	1,518,659
	5,092,325	6,857,693

- 7.1 This represents long term financing obtained from a consortium of banks led by Habib Bank Limited (Agent Bank). The portion of long term financing from Faysal Bank Limited is on murabaha basis. The overall financing is secured against registered first joint parri passu charge on immovable property, mortgage of project receivables, hypothecation of all present and future assets and all properties of the company (excluding the mortgaged immovable property), lien over project bank accounts and pledge of shares held by the holding company in Nishat Power Limited. It carries mark-up at the rate of three months Karachi Inter-Bank Offered Rate (KIBOR) plus three percent per annum, payable on quarterly basis. The mark-up rate charged during the year on the outstanding balance ranged from 9.04% to 9.12% (2016: 9.35% to 10.01%) per annum. The finance is repayable in thirteen quarterly instalments ending on July 01, 2020.

		2017	2016
		(Rupees in thousand)	
8.	SHORT TERM BORROWINGS - SECURED		
	Short term borrowings under mark-up arrangements obtained as under:		
	Running finances - note 8.1	563,580	-
	Term finances - note 8.2	1,234,997	-
		1,798,577	-
8.1	Running finances		

The total running finance and running musharka main facilities obtained from various commercial banks under mark-up arrangements aggregate Rs 4,526.52 million (2016: Rs 4,976.52 million). Such facilities have been obtained at mark-up rates ranging from one month to three months KIBOR plus 0.50% to 2% per annum, payable monthly/quarterly, on the balance outstanding. The aggregate facilities are secured against charge on present and future fuel stock/inventory and present and future energy purchase price receivables. The mark-up rate charged during the year on the outstanding balance ranged from 6.44% to 8.12% (2016: 6.85% to 8.26%) per annum. Various sub facilities comprising money market loans and letter of guarantees have also been utilized under the aforementioned main facilities.

8.2 Term finances

The total murabaha and term finance main facilities obtained from various commercial banks under mark-up arrangements aggregate Rs 2,700 million (2016: Rs 2,800 million). Such facilities have been obtained at mark-up rates ranging from one week to three months KIBOR plus 0.4% to 1.25% per annum, payable at the maturity of the respective murabaha transaction/term finance facility. The aggregate facilities are secured against first pari passu charge on current assets comprising of fuel stocks/inventory and assignment of energy payment receivables from NTDC. The mark-up rate charged during the year on the outstanding balance ranged from 6.17% to 7.52% (2016: 6.61% to 7.53%) per annum. Various sub facilities comprising running musharka and running finance have also been utilized under the aforementioned main facilities.

8.3 Letters of credit and guarantees

The main facilities for opening letters of credit and guarantees aggregate Rs 800 million (2016: Rs 550 million). The amount utilised at June 30, 2017, for letters of credit was Rs 151.13 million (2016: Rs 315.17 million) and for guarantees was Rs 199.98 million (2016: Rs 197.98 million). The aggregate facilities for opening letters of credit and guarantees are secured by charge on present and future current assets including fuel stocks/inventory of the company and by lien over import documents.

		2017	2016
		(Rupees in thousand)	
9.	TRADE AND OTHER PAYABLES		
	Creditors - note 9.1	352,689	77,896
	Payable to contractors	933	11,838
	Unclaimed dividend	14,467	13,928
	Workers' profit participation fund - note 9.2	144,186	142,553
	Withholding tax payable	-	360
	Other accrued liabilities	11,271	4,543
		523,546	251,118
9.1	Includes the following amounts due to related parties (associated companies):		
	Nishat (Aziz Avenue) Hotels and Properties Limited	3,115	-
	Security General Insurance Company Limited	-	42
		3,115	42
9.2	Workers' Profit Participation Fund		
	Opening balance	142,553	155,835
	Provision for the year - note 18.3	144,186	142,553
	Interest for the year - note 25	126	667
		286,865	299,055
	Less: Payments made during the year	142,679	156,502
	Closing balance	144,186	142,553
9.3	Workers' Welfare Fund (WWF) has not been provided for in these financial statements based on the advice of the company's legal consultant. However, in case the company pays WWF, the same is recoverable from NTDC as a pass through item under section 9.3(a) of the PPA with NTDC.		
		2017	2016
		(Rupees in thousand)	
10.	ACCRUED FINANCE COST		
	Accrued mark-up / interest on:		
	Long term financing - secured	156,128	195,261
	Short term borrowings - secured	29,054	821
		185,182	196,082

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

- (i) In financial year 2014, a sales tax demand of Rs 1,218.132 million was raised against the company through order dated December 11, 2013, passed by the Assistant Commissioner Inland Revenue ('ACIR') disallowing input sales tax for the tax periods of July 2010 through June 2012. The disallowance was primarily made on the grounds that since revenue derived by the company on account of 'capacity purchase price' was not chargeable to sales tax, input sales tax claimed by the company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the company. Upon appeal before Commissioner Inland Revenue (Appeals) ['CIR(A)'], such issue was decided in company's favour, however, certain other issues agitated by the company were not adjudicated. Both the company and department have filed appeals against the order of CIR(A) before Appellate Tribunal Inland Revenue ('ATIR'), which have not been adjudicated.

Subsequently, the above explained issue was taken up by department for tax periods of July 2009 to June 2013 (involving input sales tax of Rs 1,722.811 million), however, the company assailed the underlying proceedings before Lahore High Court ('LHC') directly and in this respect, through order dated October 31, 2016, LHC accepted the company's stance and annulled the proceedings. The department has challenged the decision of LHC before Supreme Court of Pakistan and has also preferred an Intra Court Appeal against such order which are pending adjudication.

Similarly, for financial year 2014, company's case was selected for 'audit' and such issue again formed the core of audit proceedings (involving input sales tax of Rs 596.091 million). Company challenged the jurisdiction in respect of audit proceedings before LHC and while LHC directed the management to join the subject proceedings, department was debarred from passing the adjudication order and thus such litigation too is pending as of now.

Since, the issue has already been decided in company's favour on merits by LHC, no provision on these accounts have been made in these financial statements.

- (ii) The banks have issued the following on behalf of the company:
- (a) Letter of guarantee of Rs 9 million (2016: Rs 7.5 million) in favour of Director, Excise and Taxation, Karachi, under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.
 - (b) Letters of guarantee of Rs 190.484 million (2016: Rs 190.484 million) in favour of fuel suppliers.
 - (c) Letter of guarantee of Rs 0.5 million (2016: Nil) in favour of Punjab Revenue Authority, Lahore.

11.2 Commitments

- (i) Letters of credit and contracts for capital expenditure aggregating Rs 63.602 million (2016: Nil).
- (ii) Letters of credit and contracts other than for capital expenditure aggregating Rs 87.524 million (2016: Rs 315.168 million).
- (iii) The amount of future payments under operating lease and the period in which these payments will become due are as follows:

	2017 (Rupees in thousand)	2016
Not later than one year	13,759	12,461
Later than one year and not later than five years	67,824	60,490
	81,583	72,951
12. FIXED ASSETS		
Property, plant and equipment:		
Operating fixed assets - note 12.1	11,290,732	11,505,661
Capital work-in-progress - note 12.2	-	1,950
Major spare parts and standby equipment - note 12.3	90,645	140,074
	11,381,377	11,647,685
Intangible asset:		
Computer software - note 12.4	5,783	7,291
	11,387,160	11,654,976

12.1 Operating fixed assets

	Freehold land	Buildings and roads on freehold land	Plant and machinery	Improvements on leasehold property	Electric installations	Computer equipment	Furniture and fixtures	Office equipment	Vehicles	(Rupees in thousand) Total
COST										
Balance as at July 01, 2015	80,686	192,071	16,930,567	40,909	661	22,461	8,545	35,098	56,972	17,367,970
Additions during the year	-	5,494	191,867	-	-	3,613	236	323	18,050	219,583
Disposals during the year	-	-	(128,860)	-	-	(125)	-	-	(4,614)	(133,599)
Balance as at June 30, 2016	80,686	197,565	16,993,574	40,909	661	25,949	8,781	35,421	70,408	17,453,954
Balance as at July 01, 2016	80,686	197,565	16,993,574	40,909	661	25,949	8,781	35,421	70,408	17,453,954
Additions during the year	-	607	714,665	-	-	1,525	1,381	15,592	48,656	782,426
Disposals during the year	-	-	(828,867)	-	-	(324)	-	-	(4,805)	(833,996)
Balance as at June 30, 2017	80,686	198,172	16,879,372	40,909	661	27,150	10,162	51,013	114,259	17,402,384
DEPRECIATION AND IMPAIRMENT										
Balance as at July 01, 2015	-	38,577	4,988,151	16,882	318	3,133	2,954	13,638	11,998	5,075,651
Depreciation charge for the year	-	7,758	969,534	4,091	66	7,522	868	3,510	12,401	1,005,750
Disposals during the year	-	-	(128,860)	-	-	(125)	-	-	(4,123)	(133,108)
Balance as at June 30, 2016	-	46,335	5,828,825	20,973	384	10,530	3,822	17,148	20,276	5,948,293
Balance as at July 01, 2016	-	46,335	5,828,825	20,973	384	10,530	3,822	17,148	20,276	5,948,293
Depreciation charge for the year	-	7,727	941,826	4,091	66	7,976	885	4,732	17,134	984,437
Disposals during the year	-	-	(818,038)	-	-	(324)	-	-	(2,716)	(821,078)
Balance as at June 30, 2017	-	54,062	5,952,613	25,064	450	18,182	4,707	21,880	34,695	6,111,652
Book value as at June 30, 2016	80,686	151,230	11,164,749	19,936	277	15,419	4,959	18,273	50,132	11,505,661
Book value as at June 30, 2017	80,686	144,110	10,926,759	15,845	211	8,967	5,456	29,133	79,565	11,290,732
Annual depreciation rate %	-	4 to 5.24	4 to 5.19 and number of hours used	10	10	33	10	10	20	

12.1.1 Improvements on leasehold property represents costs of improvement incurred on property owned by Nishat (Aziz Avenue) Hotels and Properties Limited, a related party (associated company).

2017
2016
(Rupees in thousand)

12.1.2 The depreciation charge for the year has been allocated as follows:

Cost of sales	- note 21	962,981	986,983
Administrative expenses	- note 22	21,456	18,767
		984,437	1,005,750

12.1.3 Disposal of operating fixed assets

Particulars	2017 (Rupees in thousand)				Mode of disposal
	Cost	Accumulated depreciation	Book value	Sale proceeds	
Plant and machinery					
Assets written off	777,783	777,783	-	-	Life completed and scrapped
Security General Insurance Company Limited - related party (associated company)	51,084	40,255	10,829	15,320	Insurance claim
Vehicles sold to:					
Company Executives					
Mubasher Saddique	1,678	727	951	951	As per company policy
Muhammad Nawaz	2,063	1,616	447	447	-do-
Outside party - destroyed due to fire					
Security General Insurance Company Limited - related party (associated company)	1,064	373	691	850	Insurance claim
Computer equipment sold to:					
Company Executives					
Zaheer Ahmad	61	61	-	-	As per company policy
Tanvir Khalid	135	135	-	-	-do-
Shahid Suleman	65	65	-	-	-do-
Intisal Razzaq	63	63	-	-	-do-
	833,996	821,078	12,918	17,568	
Particulars	2016 (Rupees in thousand)				Mode of disposal
	Cost	Accumulated depreciation	Book value	Sale proceeds	
Plant and machinery					
Assets written off	128,860	128,860	-	-	Write off
Vehicles sold to:					
Outside party					
Muhammad Aslam	65	65	-	18	Bid
Masroor Hussain Bakhtiaree	65	57	8	30	Bid
Company employees					As per company policy
Munawar Ali	924	816	108	108	
Shoaib Hashim	924	816	108	108	-do-
Mushtaq Ahmed	1,654	1,433	221	221	-do-
Khurram Khan	916	870	46	46	-do-
Ali Raza	66	66	0	12	-do-
Computer equipment sold to:					
Company employees					As per company policy
Khurram Khan	66	66	-	-	
Faraz Ahmad	59	59	-	-	-do-
	133,599	133,108	491	543	

	2017 (Rupees in thousand)	2016
12.2 Capital work-in-progress		
This represents advances to suppliers.		
The reconciliation of the carrying amount is as follows:		
Opening balance	1,950	5,227
Additions during the year	46,617	21,012
	48,567	26,239
Transfers during the year	(48,567)	(24,289)
Closing balance	-	1,950
12.3 Major spare parts and standby equipment		
Opening balance	140,074	21,013
Additions during the year	665,236	305,268
	805,310	326,281
Transfers during the year	(714,665)	(186,207)
Closing balance [including in transit of Nil (2016: Rs 6.374 million)]	90,645	140,074
12.4 Intangible asset		
Computer software		
Cost		
Opening balance	7,542	-
Addition during the year	-	7,542
Closing balance	7,542	7,542
Amortization		
Opening balance	251	-
Charge for the year - note 21	1,508	251
Closing balance	1,759	251
Book value	5,783	7,291
Annual amortization rate %	20%	20%

		2017	2016
		(Rupees in thousand)	
13.	LONG TERM INVESTMENTS		
	Investment in associate - note 13.1	843	896
	Investment in subsidiary - note 13.2	500	500
		<u>1,343</u>	<u>1,396</u>
13.1	Related party - Associate		
	Unquoted:		
	Nishat Energy Limited		
	250,000 (2016: 250,000) fully paid ordinary shares of Rs 10 each [Equity held 25% (2016: 25%)] - Cost	2,500	2,500
	Opening balance	896	1,299
	Share of loss for the year	(53)	(403)
	Closing balance	<u>843</u>	<u>896</u>

The company directly holds 25% ordinary shares in Nishat Energy Limited ('NEL'). NEL is an unquoted public limited company incorporated in Pakistan to build, own, operate and maintain a coal fired power station. The investment in NEL is accounted for using equity method. Share of loss of associate is based on the un-audited financial statements of NEL for the year ended June 30, 2017.

The company's share of the result of its associate, and its share of the assets, liabilities and revenue is as follows:

Name	Percentage interest held	2017 (Rupees in thousand)			
		Assets	Liabilities	Revenues	Loss
Nishat Energy Limited	25%	1,450	607	-	(53)

Name	Percentage interest held	2016 (Rupees in thousand)			
		Assets	Liabilities	Revenues	Loss
Nishat Energy Limited	25%	895	-	-	(403)

		2017	2016
		(Rupees in thousand)	
13.2	Related party - Subsidiary		
	Unquoted:		
	Lalpir Solar Power (Private) Limited		
	50,000 (2016: Nil) fully paid ordinary shares of Rs 10 each [Equity held 100% (2016 : 100%)] - Cost	500	500

The company directly holds 100% shares in its wholly owned subsidiary, Lalpir Solar Power (Private) Limited ('LSPPL'). LSPPL is a private limited company incorporated in Pakistan to build, own, operate and maintain or invest in a solar power project. The investment in LSPPL is accounted for using cost method.

The management of the company had applied to the SECP for the exemption from the requirements of section 237 of the Ordinance, in respect of consolidating LSPPL. The SECP, vide its letter EMD/233/744/2009-1446 dated May 29, 2017, granted the exemption from consolidation of LSPPL in its financial statements for the year ended June 30, 2017 till third quarter of financial year ending June 30, 2018, under Section 237(8) of the Ordinance based on the fact that investment of the company in LSPPL is negligible in percentage of the total assets of the company and will not be a value addition in any way for the users of the company's financial statements.

Financial statements of LSPPL for year ended June 30, 2017 will be available to members at registered office of the company without any cost.

LSPPL's profit/(loss), revenue and its assets and liabilities as per un-audited financial statements for the year ended June 30, 2017, are as under:

Name	Percentage interest held	2017 (Rupees in thousand)			
		Assets	Liabilities	Revenues	Loss
Lalpir Solar Power (Private) Limited	100%	4,432	4,505	-	2

Name	Percentage interest held	2016 (Rupees in thousand)			
		Assets	Liabilities	Revenues	Loss
Lalpir Solar Power (Private) Limited	100%	57	-	-	(443)

		2017 (Rupees in thousand)		2016 (Rupees in thousand)	
14.	LONG TERM LOANS AND ADVANCES				
	Loans to employees - considered good				
	- Executives	- note 14.2	4,241		3,452
	- Others		494		732
		- note 14.1	4,735		4,184
	Current portion shown under current assets				
	- Executives		(1,771)		(865)
	- Others		(170)		(186)
		- note 18	(1,941)		(1,051)
			2,794		3,133

- 14.1 This includes interest free motor vehicle loans aggregating Rs 2.136 million (2016: Rs 4.184 million) given to employees, receivable in maximum 60 monthly instalments in accordance with the company's policy. These loans are secured against registration of cars in the joint name of the company and the employee and against the accumulated provident fund balance of the relevant employee. These loans have not been carried at amortised cost as the effect of discounting is not considered material.

	2017 (Rupees in thousand)	2016
14.2 Reconciliation of carrying amount of loans to executives		
Opening balance	3,452	1,276
Disbursements made during the year	3,000	2,970
	6,452	4,246
Repayments made during the year	(2,211)	(794)
Closing balance	4,241	3,452

- 14.3 The maximum aggregate amount due from executives at the end of any month during the year was Rs 4.684 million (2016: Rs 3.951 million).

	2017 (Rupees in thousand)	2016
15. STORES, SPARES AND LOOSE TOOLS		
Stores	7,897	6,943
Spares [including in transit Rs 2.245 million (2016: Rs 68.381 million)]	641,511	514,257
Loose tools	12,884	8,971
	662,292	530,171

- 15.1 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

	2017 (Rupees in thousand)	2016
16. INVENTORIES		
Furnace oil	956,428	686,049
Diesel	1,543	2,269
Lubricating oil	17,588	14,360
	975,559	702,678

17. TRADE DEBTS

- 17.1 These represent trade receivables from NTDC and are considered good. These are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and are in the normal course of business and interest free, however, a delayed payment mark-up at the rate of three months KIBOR plus 4.5% per annum is charged in case the amounts are not paid within due dates. The rate of delayed payment mark-up charged during the year on outstanding amounts ranges from 10.48% to 14.71% (2016: 10.59% to 14.71%) per annum.
- 17.2 Included in trade debts is an amount of Rs 816.033 million relating to capacity purchase price not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

Since management considers that the primary reason for claiming these payments is that plant was available, however, could not generate electricity due to non-payment by NTDC, therefore, management believes that company cannot be penalized in the form of payment deductions due to NTDC's default of making timely payments under the PPA. Hence, the company had taken up this issue at appropriate forums. On June 28, 2013, the company entered into a Memorandum of Understanding ('MoU') for cooperation on extension of credit terms with NTDC whereby it was agreed that the constitutional petition filed by the company before the Supreme Court of Pakistan on the abovementioned issue would be withdrawn unconditionally and it would be resolved through the dispute resolution mechanism under the PPA. Accordingly, as per terms of the MoU, the company applied for withdrawal of the aforesaid petition which is pending adjudication before Supreme Court of Pakistan. During the financial year 2014, the company in consultation with NTDC, appointed an Expert for dispute resolution under the PPA.

During the financial year 2016, the Expert gave his determination whereby the aforesaid amount was determined to be payable to the company by NTDC. Pursuant to the Expert's determination, the company demanded the payment of the aforesaid amount of Rs 816.033 million from NTDC that has not yet been paid by NTDC. Consequently, under the terms of PPA, the company filed a request for arbitration in the London Court of International Arbitration ('LCIA'), whereby an Arbitrator was appointed. In November 2015, the Government of Pakistan ('GOP') through Private Power & Infrastructure Board ('PPIB') filed a case in the court of Senior Civil Judge, ("Civil Case 2015"), Lahore, against the aforementioned decision of the Expert, praying it to be illegal, which is pending adjudication. Furthermore, NTDC also filed a stay application in the LCIA before the Arbitrator to stay the arbitration proceedings. During the year, in response to NTDC's stay application in the LCIA, the Arbitrator through his order dated July 8, 2016, has declared that the arbitration shall proceed and has denied NTDC's request for a stay.

Consequently, notices of arbitration were issued to the relevant parties. PPIB filed separate Civil Suit before the Civil Judge, Lahore, seeking inter alia that the parties should be restrained from participating in the arbitration proceedings in the LCIA ("Civil Case 2016"). The company filed applications in the Civil Court where the company prayed that the Civil Court, Lahore lacks the jurisdiction in respect of the cases filed by PPIB. In respect of the aforementioned applications,

through its orders dated April 18, 2017, the Civil Court, Lahore rejected company's pray and granted the pray of PPIB whereby, the court accepted PPIB's applications for interim relief in 2015 and 2016 civil suits. Being aggrieved, the company challenged before the Additional District Judge, Lahore against the aforementioned orders of the Civil Court and continued to take part in the arbitration proceedings. Furthermore, in response to the company's continued participation in the arbitration proceedings, PPIB filed contempt petition before Lahore High Court (LHC) in respect of the decision of the Civil Court, Lahore and the LHC passed an order in those proceedings favouring NTDC. The Company challenged the LHC's order before the Division Bench of LHC, which decided the matter in favour of the company through its order dated May 31, 2017 whereby, the aforementioned order of the LHC was suspended. As a consequence of the aforementioned order of Division Bench of LHC, the Arbitrator on June 8, 2017, declared his final partial decision on the aforementioned matter and decided the matter principally in company's favour and declared that the above mentioned Expert's determination is final and binding on all parties ("Final Partial Award"). However, the matter of determining the appropriate quantum and form of the company's claim has been deferred by the Arbitrator for consideration at a further urgent hearing which is still pending. Aggrieved by the Final Partial Award, the NTDC challenged the Arbitrator's decision in Lahore Civil Court ("Civil Case 2017"), which suspended the Final Partial Award on 10th July 2017. In response to this decision of Civil Court, the Company filed an appeal in District Court and the District Court while granting interim relief to the company, suspended the Civil Court's order on 12th August 2017. Alongwith challenging the Final Partial Award in Lahore Civil Court, the NTDC also challenged the same, on 6th July 2017, in Commercial Court of England, which is pending adjudication. As per advice of foreign counsel, the Company has also filed a case in Commercial Court of England against NTDC on 14th August 2017. The court has issued an interim favourable decision, thereby preventing NTDC from pursuing case in Pakistan Civil Courts against Partial Final Award and taking any steps outside England to set aside Partial Final Award. This case is also pending adjudication.

Furthermore, subsequent to the year end, the District Judge, Lahore through its order dated July 8, 2017 has set-aside the aforementioned orders of the Civil Judge, Lahore dated April 18, 2017 and accepted company's appeals but dismissed the company's revision petitions concerning the issue of jurisdiction. Aggrieved by this decision, the Company filed writ petitions before the LHC, which announced a favourable decision and suspended the proceedings of Civil Case 2015 & 2016 till the final decision of LHC, which is pending adjudication.

Based on the advice of the company's legal counsel, Expert's determination and Arbitration Award, management strongly feels that under the terms of the PPA and Implementation Agreement the above amount is likely to be recovered by the company. Consequently, no provision for the above mentioned amount has been made in these financial statements.

		2017	2016
		(Rupees in thousand)	
18.	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
	Advances - considered good:		
	- To employees - note 18.1	14,924	639
	- To suppliers - note 18.2	106,212	370,348
	Current portion of long term loans		
	- considered good - note 14	1,941	1,051
	Balances with statutory authorities:		
	- Customs duty recoverable	91	-
	- Sales tax	332,021	133,619
	Claims recoverable from NTDC for pass through items:		
	- Workers' Profit Participation Fund - note 18.3	567,720	579,369
	Interest receivable	1,091	10,590
	Security deposits	32,325	175
	Prepayments	5,659	4,626
	Insurance claim receivable - note 18.4	833	-
	Other receivables - note 18.5	39,806	7,804
		<u>1,102,623</u>	<u>1,108,221</u>

18.1 Includes advances made to executives aggregating Rs 10.874 million (2016: Rs 0.293 million).

18.2 Includes advances made to the following related parties against services:

		2017	2016
		(Rupees in thousand)	
	Nishat Hotel and Properties Limited (associated company)	-	2
	Pakistan Aviators and Aviation (Private) Limited (associated company)	6,000	-
		<u>6,000</u>	<u>2</u>
18.3	Workers' Profit Participation Fund		
	Opening balance	579,369	436,816
	Accrued for the year - note 9.2	144,186	142,553
		<u>723,555</u>	<u>579,369</u>
	Less: Amount received during the year	155,834	-
	Closing balance	<u>567,721</u>	<u>579,369</u>

18.3.1 Under section 9.3(a) of the PPA with NTDC, payments to Workers' Profit Participation Fund are recoverable from NTDC as a pass through item.

18.4 This is receivable from Security General Insurance Company Limited, a related party (associated company).

18.5 Includes amounts due from the following related parties:

		2017 (Rupees in thousand)	2016
Nishat Energy Limited (associated company)	- note 18.5.1	2,283	2,732
Lalpir Solar Power (Private) Limited (subsidiary company)		4,373	4,526
		6,656	7,258

18.5.1 Subsequent to the year end, the company has fully received the amount due.

		2017 (Rupees in thousand)	2016
19. CASH AND BANK BALANCES			
Cash at bank:			
- On saving accounts	- note 19.1	160,671	669,680
- On current accounts		772	3,714
		161,443	673,394
Cash in hand		758	600
		162,201	673,994

19.1 Profit on balances in saving accounts ranges from 2.96% to 4.50% (2016: 3.52% to 6.50%) per annum.

		2017 (Rupees in thousand)	2016
20. SALES			
Energy purchase price		12,755,532	11,445,437
Less: Sales tax		1,818,001	1,678,596
		10,937,532	9,766,841
Capacity purchase price		4,104,160	4,129,195
		15,041,692	13,896,036

		2017	2016
		(Rupees in thousand)	
21.	COST OF SALES		
	Raw materials consumed	9,363,373	8,292,264
	Salaries and other benefits - note 21.1	227,256	110,678
	Operations and maintenance	-	169,317
	Repairs and maintenance	49,731	5,453
	Stores, spares and loose tools consumed	360,074	254,824
	Electricity consumed in-house	1,187	1,571
	Insurance - note 21.2	163,269	163,259
	Travelling and conveyance	21,608	9,760
	Printing and stationery	804	673
	Postage and telephone	634	304
	Vehicle running expenses	2,022	2,282
	Entertainment	952	841
	Depreciation on operating fixed assets - note 12.1.2	962,981	986,983
	Amortization of intangible asset - note 12.4	1,508	251
	Fee and subscription	3,606	3,605
	Miscellaneous	16,468	6,626
		11,175,473	10,008,691

21.1 Salaries and other benefits include Rs 12.007 million (2016: Rs 6.553 million) in respect of provident fund contribution by the company and Rs 26.862 million (2016: Rs 10.599 million) in respect of labour contractors.

21.2 This represents amount charged by Security General Insurance Company Limited, a related party (associated company), in respect of insurance of the company's assets.

		2017	2016
		(Rupees in thousand)	
22.	ADMINISTRATIVE EXPENSES		
	Salaries and other benefits - note 22.1	96,547	79,076
	Travelling and conveyance - note 22.2	56,319	58,685
	Entertainment - note 22.3	1,135	1,154
	Rent, rates and taxes - note 22.4	12,521	12,551
	Printing and stationery	1,036	960
	Postage and telephone	1,775	1,468
	Vehicle running expenses	5,913	3,851
	Legal and professional charges - note 22.5	44,181	14,591
	Advertisement	332	324
	Fee and subscription	4,495	1,962
	Depreciation on operating fixed assets - note 12.1.2	21,456	18,767
	Miscellaneous	8,095	8,334
		253,805	201,723

- 22.1** Salaries and other benefits include Rs 4.920 million (2016: Rs 4.238 million) in respect of provident fund contribution by the company.
- 22.2** Includes Rs 45.209 million (2016: Rs 45.130 million) in respect of aviation services from Pakistan Aviators and Aviation (Private) Limited, a related party (associated company).
- 22.3** Includes Rs 0.762 million (2016: Rs 2.230 million) in respect of lodging services from Nishat Hospitality (Private) Limited, a related party (associated company).
- 22.4** Includes operating lease rentals of Rs 12.461 million (2016: Rs 12.461 million) in respect of property leased from Nishat (Aziz Avenue) Hotels and Properties Limited, a related party (associated company).
- 22.5** Legal and professional charges include the following in respect of auditor's services for:

	2017 (Rupees in thousand)	2016
Statutory audit	1,500	1,400
Half yearly review	840	800
Tax services	1,560	1,210
Other assurance services	430	165
Reimbursement of expenses	219	179
	4,549	3,754
23. This represents exchange loss.		
24. OTHER INCOME		
Income from financial assets:		
Profit on bank deposits	16,430	31,219
Income from non-financial assets:		
Gain on disposal of operating fixed assets	4,650	52
Scrap sales	1,954	2,484
	23,034	33,755
25. FINANCE COST		
Interest / mark-up on:		
- Long term financing - secured	677,116	857,565
- Short term borrowings - secured	69,371	6,223
- Workers' Profit Participation Fund - note 9.2	126	667
Financing fee and bank charges	2,439	2,106
	749,052	866,561

		2017	2016
		(Rupees in thousand)	
26.	TAXATION		
	Current:		
	- For the year	-	-
	- Prior years	(2,714)	-
		(2,714)	-
26.1	Relationship between tax income and accounting profit		
	Profit before taxation	2,883,715	2,851,065
	Tax at the applicable rate of 31% (2016: 32%)	893,952	912,341
	Tax effect of amounts that are:		
	Exempt as referred to in note 4.1	(888,859)	(902,351)
	Allowable as tax credit	(5,093)	(9,990)
	Prior years' tax	(2,714)	-
		(2,714)	-

26.2 For the purposes of current taxation, the tax credit available for carry forward is estimated at Rs 90.653 million (2016: Rs 22.666 million). As explained in note 4.1, management believes that the tax credit available for carry forward may not be utilized in the foreseeable future. Consequently, based on the prudence principle, deferred tax asset on tax credit available for carry forward has not been recognized in these financial statements.

		2017	2016	
27.	EARNINGS PER SHARE			
27.1	Basic earnings per share			
	Net profit for the year	Rs in '000	2,886,429	2,851,065
	Weighted average number of ordinary shares	Number	354,089	354,089
	Earnings per share	in Rupees	8.152	8.052
27.2	Diluted earnings per share			

A diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at June 30, 2017 and June 30, 2016 which would have any effect on the earnings per share if the option to convert is exercised.

	2017 (Rupees in thousand)	2016
28. CASH GENERATED FROM OPERATIONS		
Profit before taxation	2,883,715	2,851,065
Adjustment for non cash charges and other items:		
Depreciation on operating fixed assets - note 12.1.2	984,437	1,005,750
Amortization on intangible assets - note 12.4	1,508	251
Profit on bank deposits	(16,430)	(31,219)
Finance cost	749,052	866,561
Provision for employee retirement benefits	16,927	10,791
Share of loss of associate	53	403
Gain on disposal of operating fixed assets - note 24	(4,650)	(52)
Profit before working capital changes	4,614,612	4,703,550
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(132,121)	75,585
Inventories	(272,881)	566,230
Trade debts	(2,560,190)	1,665,355
Advances, deposits, prepayments and other receivables	(3,901)	(437,292)
	(2,969,093)	1,869,878
Increase / (decrease) in current liabilities		
Trade and other payables	271,889	(280,600)
	(2,697,204)	1,589,278
	1,917,408	6,292,828
29. CASH AND CASH EQUIVALENTS		
Cash and bank balances - note 19	162,201	673,994
Short term borrowings - secured - note 8	(1,798,577)	-
	(1,636,376)	673,994

30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

30.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive, directors and executives of the company is as follows:

	Chief Executive		Executive Director		Non Executive Directors		Executives	
	2017	2016	2017	2016	2017	2016	2017	2016
	(Rupees in thousand)							
Short term employee benefits								
Managerial remuneration	13,800	13,800	6,735	6,288	-	-	146,096	84,840
House rent allowance	-	-	-	-	-	-	-	540
Medical allowance and reimbursement	1,380	1,380	674	602	-	-	14,610	8,484
Bonus	2,530	2,200	1,153	969	-	-	13,604	4,952
Leave encashment	-	-	374	262	-	-	5,110	924
	17,710	17,380	8,936	8,121	-	-	179,420	99,740
Meeting fee	-	-	-	-	775	325	-	-
Post employment benefits								
Contribution to provident fund	-	-	674	629	-	-	14,610	8,199
	17,710	17,380	9,609	8,750	775	325	194,030	107,939
Number of persons	1	1	1	1	5	5	110	101

30.2 The chief executive, executive director and certain executives are provided with company maintained vehicles.

31. TRANSACTIONS WITH RELATED PARTIES

The related parties include the holding company, subsidiaries and associates of holding company, subsidiary company, associated undertakings, directors and key management personnel of the company, its subsidiary company and its holding company and post employment benefit plan (provident fund). The company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of directors and key management personnel is disclosed in note 30. Significant related party transactions have been disclosed in respective notes in these financial statements other than the following:

Relationship with the company	Nature of transactions	2017 (Rupees in thousand)	2016
i. Holding company	Dividends paid	632,216	1,128,956
ii. Associated undertakings	Insurance premium	2,791	1,287

	2017 MWH	2016 MWH
32. CAPACITY AND PRODUCTION		
Installed capacity [based on 8,760 hours (2016: 8,784 hours)]	1,710,872	1,715,559
Actual energy delivered	1,239,754	1,272,157
Output produced by the plant is dependent on the load demanded by NTDC and plant availability.		

	2017	2016
33. NUMBER OF EMPLOYEES		
Total number of employees as at June 30	216	207
Average number of employees during the year	212	151

	2017 (Rupees in thousand)	2016
34. DISCLOSURES RELATING TO PROVIDENT FUND		
(i) Size of the Fund - net assets	103,428	62,164
(ii) Cost of investments made	85,730	53,479
(iii) Percentage of investments made	83.67%	86.98%
(iv) Fair value of investments	86,540	54,070
Break up of fair value of investments		
Balance with bank - savings account	10,737	5,481
Unit Trust Schemes - Mutual Funds	49,412	22,902
Listed shares	-	4,363
Government securities - Treasury Bills	26,391	21,324
	86,540	54,070

	2017 % age of size of the Fund	2016
Break up of fair value of investments		
Balance with bank - savings account	10.38%	8.82%
Unit Trust Schemes- Mutual Funds	47.77%	36.84%
Listed shares	0.00%	7.02%
Government securities - Treasury Bills	25.52%	34.30%

The figures for 2017 are based on the un-audited financial statements of the Provident Fund. Investments out of Provident Fund have been made in accordance with the provisions of section 218 of the Act and the rules formulated for this purpose.

35. FINANCIAL RISK MANAGEMENT

35.1 Financial risk factors

The company is exposed to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks 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 foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(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 significant currency risk.

(ii) 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 instruments traded in the market. The company is not exposed to equity price risk since there are no investments in equity instruments traded in the market at the reporting date. The company is also not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

(iii) Interest rate risk

Interest rate risk 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 has no significant long-term interest-bearing assets. The company's interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the company to cash flow interest rate risk.

At the balance sheet date, the interest rate profile of the company's interest bearing financial instruments was:

	2017 (Rupees in thousand)	2016
Fixed rate instruments		
Financial assets		
Bank balances - saving accounts - note 19	160,671	669,680
Financial liabilities		
	-	-
Net exposure	160,671	669,680
Floating rate instruments		
Financial assets		
Trade debts - overdue	3,463,527	2,162,360
WPPF receivable from NTDC - overdue	409,235	436,817
Financial liabilities		
Long term financing	(6,857,693)	(8,376,352)
Short term borrowings	(1,798,577)	-
	(8,656,270)	(8,376,352)
Net exposure	(4,783,508)	(5,777,175)

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on variable rate financial instruments, at the year end date, fluctuates by 1% higher / lower with all other variables held constant, post tax profit for the year would have been Rs 45.634 million (2016: Rs 53.393 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate instruments.

(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. Credit risk arises from deposits with banks, trade and other receivables.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2017 (Rupees in thousand)	2016
Long term loans and advances	2,794	3,133
Trade debts	8,944,440	6,384,250
Advances, deposits and other receivables	643,716	598,989
Bank balances	161,443	673,394
	9,752,393	7,659,766
As of June 30, age analysis of trade debts was as follows:		
Neither past due nor impaired	3,379,937	2,466,959
Past due but not impaired:		
- 1 to 30 days	1,623,405	565,872
- 31 to 90 days	2,211,763	591,869
- 91 to 180 days	57,188	961,067
- 181 to 365 days	197,676	278,478
- above 365 days	1,474,471	1,520,005
	5,564,503	3,917,291
	8,944,440	6,384,250

(ii) Credit quality of financial assets

The credit quality of major financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		Rating Agency	(Rupees in thousand)	
	Short term	Long term		2017	2016
NTDC	Not available			3,379,937	2,466,959
Al Baraka Bank (Pakistan) Limited	A1	A	JCR-VIS	4	2
Allied Bank Limited	A1+	AA+	PACRA	78	220,201
Askari Bank Limited	A-1+	AA	JCR-VIS	105	13
Bank Alfalah Limited	A-1+	AA+	JCR-VIS	9	210
Bank Islami Pakistan Limited	A1	A	PACRA	3	3
Burj Bank Limited	A-2	A-	JCR-VIS	2	2
Dubai Islamic Bank Pakistan Limited	A-1	AA	JCR-VIS	0	61
Habib Bank Limited	A-1+	AAA	JCR-VIS	369	367
Alfalah GHP Sovereign Fund (Formerly IGI Funds Limited)	N/A	AA-(f)	PACRA	6	6
MCB Bank Limited	A1+	AAA	PACRA	41,792	452,190
National Bank of Pakistan	A-1+	AAA	JCR-VIS	12	221
The Bank of Punjab	A1+	AA-	PACRA	46	86
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	-	11
Silk Bank Ltd	A-	A-2	JCR-VIS	1	-
Soneri Bank Limited	A1+	AA-	PACRA	0	1
Faysal Bank Limited	A1+	AA	PACRA	2	-
Meezan Bank Limited	A-1+	AA	JCR-VIS	-	8
United Bank Limited	A-1+	AAA	JCR-VIS	119,014	12
				3,541,380	3,140,353

Due to the company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the company. Accordingly, the credit risk is minimal.

(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 managing liquidity is to ensure that, as far as possible, it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable loss or risking damage to the company's reputation.

The following are the contractual maturities of financial liabilities as at June 30, 2017.

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term financing	6,857,693	1,765,368	5,092,325	-
Short term borrowings	1,798,577	1,798,577	-	-
Trade and other payables	379,360	379,360	-	-
Accrued finance cost	185,182	185,182	-	-
	9,220,812	4,128,487	5,092,325	-

The following are the contractual maturities of financial liabilities as at June 30, 2016.

	Carrying amount	Less than one year	One to five years	More than five years
(Rupees in thousand)				
Long term financing	8,376,352	1,518,659	6,857,693	-
Trade and other payables	108,205	108,205	-	-
Accrued finance cost	196,082	196,082	-	-
	8,680,639	1,822,946	6,857,693	-

35.2 Fair value estimation

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

35.3 Financial instruments by categories

	Loans and receivables	
	2017	2016
	(Rupees in thousand)	
Assets as per balance sheet		
Long term loans and advances	2,794	3,133
Trade debts	8,944,440	6,384,250
Advances, deposits and other receivables	643,716	598,989
Cash and bank balances	162,201	673,994
	<u>9,753,151</u>	<u>7,660,366</u>
Financial liabilities at amortised cost		
	2017	2016
	(Rupees in thousand)	
Liabilities as per balance sheet		
Long term financing	6,857,693	8,376,352
Short term borrowings	1,798,577	-
Trade and other payables	379,360	108,205
Accrued finance cost	185,182	196,082
	<u>9,220,812</u>	<u>8,680,639</u>

35.4 Financial assets and financial liabilities subject to offsetting

There are no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements.

35.5 Capital management

The company's objectives when managing capital are to safeguard company's ability to continue as a going concern in order to provide returns for shareholders and lenders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net borrowings divided by total capital employed. Net borrowings are calculated as total borrowings including current and non-current borrowings as disclosed in note 7 to these financial statements less cash and cash equivalents as disclosed in note 29 to these financial statements. Total capital employed includes equity as shown in the balance sheet, plus net borrowings.

The gearing ratio as at June 30, 2017 and June 30, 2016 is as follows:

	2017 (Rupees in thousand)	2016
Borrowings - note 7	6,857,693	8,376,352
Less: Cash and cash equivalents - note 29	(1,636,376)	673,994
Net borrowings	8,494,069	7,702,358
Total equity	13,898,197	12,251,079
Total capital employed	22,392,266	19,953,437
Gearing ratio	37.93	38.60
	Percentage	

In accordance with the terms of agreement with the lenders of long term finances (as discussed in note 7 to these financial statements), the company is required to comply with certain financial covenants in respect of capital requirements which the company has complied with throughout the reporting period.

36. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 21, 2017 by the Board of Directors of the company.

37. EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors have proposed a final cash dividend for the year ended June 30, 2017 of Rs 2 (2016: Rs 1.5) per share, amounting to Rs 708.177 million (2016: Rs 531.133 million) at their meeting held on September 21, 2017 for approval of the members at the Annual General Meeting to be held on October 27, 2017. These financial statements do not include the effect of the above dividend which will be accounted for in the period in which it is approved.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

FORM OF PROXY

I/We, _____
of _____ CDC A/C NO. / FOLIO NO. _____

being a shareholder of the Nishat Power Limited (The Company) do hereby appoint.

Mr./Miss/Ms. _____
of _____ CDC A/C NO. / FOLIO NO. _____

and or failing him/her _____ of _____

who is/are also a shareholder of the said Company, as my/our proxy in my/our absence and to vote for me/us at the Annual General Meeting of the Company to be held on October 27, 2017 (Friday) at 11:00 A.M. at Nishat Hotel, 9-A, Gulberg III, Mian Mahmood Ali Kasuri Road, Lahore and at any adjournment thereof in the same manner as I/we myself/ourselves would vote if personally present at such meeting.

As witness my/our hands in this day of _____ 2017.

Revenue
Stamp
of Rs. 5/-

Signature _____

Address _____

CNIC No. _____

No. of shares held _____

Witness:-

Name _____

Address _____

CNIC No. _____

IMPORTANT:

- This instrument appointing a proxy, duly completed, must be received at the registered Office of the Company at Nishat House, 53-A, Lawrence Road, Lahore not later than 48 hours before the time of holding the Annual General Meeting. For Appointing Proxies.
- Attested copies of the CNIC or the passport of beneficial owners shall be furnished with the proxy form.
- The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company.

AFFIX
CORRECT
POSTAGE

The Company Secretary

NISHAT POWER LIMITED

Nishat House,
53 - A, Lawrence Road, Lahore.



پراکسی فارم (مختار نامہ)

میں / ہم _____
کا / کے _____
بحیثیت رکن نشاط پاور لمیٹڈ (دی کمپنی) سی ڈی سی اکاؤنٹ نمبر / فولیو نمبر _____ بذریعہ ہذا
محترم / محترمہ _____ کا / کی _____ سی ڈی سی اکاؤنٹ نمبر / فولیو نمبر _____
یا اسکی غیر موجودگی میں _____ کا / کے _____
جو مذکورہ کمپنی کا حصص دار بھی ہے

کو اپنے / ہمارے ایما پر _____ مورخہ 27 اکتوبر 2017ء، بروز جمعہ صبح 11:00 بجے
نشاط ہوٹل، 9-A، گلبرگ III، میاں محمود علی قصوری روڈ، لاہور پر
برہم مقام: _____
منعقد ہونے والے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا
ہوں / کرتے ہیں۔
آج بروز بتاریخ 2017ء کو میرے / ہمارے دستخط سے گواہوں کی تصدیق سے جاری ہوا۔

گواہان

1-	دستخط: _____	2-	دستخط: _____
نام: _____	نام: _____	پتہ: _____	پتہ: _____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: _____	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: _____		

اہم نوٹ:








- پراکسی کی تقرری کے آلات، باقاعدہ مکمل شدہ، کمپنی کے رجسٹرڈ دفتر، نشاط ہاؤس، 53-A، لارنس روڈ لاہور میں سالانہ اجلاس منعقد ہونے سے کم از کم 48 (اڑتالیس) گھنٹے قبل پراکسی مقرر کرنے کے لئے لازماً وصول ہو جانے چاہئیں۔
- بینیفیشل اونرز کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول، پراکسی فارم (مختار نامہ) کے ہمراہ جمع کرانا ہوگی۔
- پراکسی اجلاس کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ مہیا کرے گا۔
- بصورت کارپوریٹ اینٹنٹی، بورڈ کی قرارداد / مختار نامہ معہ پراکسی ہولڈر کے دستخط پراکسی فارم (مختار نامہ) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔



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N I S H A T

Nishat POWER LIMITED

53-A, Lawrence Road, Lahore. Te: 042-6367812-16

Fax: 042-6367414 UAN: 042-111-11-33-33