

# Sindh Transmission & Dispatch Company (Private) Limited

Financial Statements  
For the Year Ended June 30, 2016

**JALIS AHMAD & CO.**  
CHARTERED ACCOUNTANTS  
121, CLIFTON CENTRE,  
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# JALIS AHMAD & CO.

CHARTERED ACCOUNTANTS

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121-CLIFTON CENTRE,  
BLOCK-5, MAIN CLIFTON ROAD,  
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## AUDITOR'S REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of **Sindh Transmission and Dispatch Company (Private) Limited** ("the Company"), as at June 30, 2016 and the related Income Statement, Cash Flow Statement, Statement of Comprehensive Income 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 used 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:-

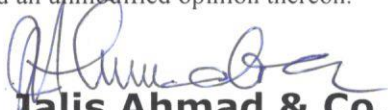
- a) in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- b) in our opinion-
  - i) the Balance Sheet and Income Statement together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in 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, Income Statement, Cash Flow Statement, Statement of Comprehensive Income 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 June 30, 2016 and of the loss, its comprehensive loss, its cash flows and changes in equity for the year then ended; and
- d) In our opinion no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The financial statements of the Company for the year ended June 30, 2015 were audited by another firm of Chartered Accountants whose report dated October 16, 2015, expressed an unmodified opinion thereon.

Date: **07 JUL 2017**

Place: **KARACHI**



  
**Jalil Ahmad & Co.**  
Chartered Accountants  
Engagement person: Mr. Iqbal Yousuf- FCA

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**BALANCE SHEET  
AS AT JUNE 30, 2016**

|                                                                    | Notes | 2016<br>Rupees       | 2015<br>Rupees     |
|--------------------------------------------------------------------|-------|----------------------|--------------------|
| <b>NON-CURRENT ASSETS</b>                                          |       |                      |                    |
| Property plant and equipment                                       | 5     | 8,828,994            | -                  |
| Capital work in progress                                           | 6     | 1,153,078,779        | -                  |
| <b>CURRENT ASSETS</b>                                              |       |                      |                    |
| Prepaid and advances                                               | 7     | 1,948,426            | 183,062            |
| Cash and bank balances                                             | 8     | 1,034,562,346        | 299,938,425        |
|                                                                    |       | 1,036,510,772        | 300,121,487        |
|                                                                    |       | <b>2,198,418,545</b> | <b>300,121,487</b> |
| <b>SHARE CAPITAL AND RESERVES</b>                                  |       |                      |                    |
| Authorised 100,000 (2015:100,000) ordinary shares of Rs. 10/- each | 9     | <b>1,000,000</b>     | <b>1,000,000</b>   |
| Issued, subscribed and paid up capital                             |       | 1,000,000            | 1,000,000          |
| Reserves                                                           | 10    | (11,728,841)         | (241,513)          |
|                                                                    |       | (10,728,841)         | 758,487            |
| <b>NON-CURRENT LIABILITIES</b>                                     |       |                      |                    |
| Due to Government                                                  | 11    | 730,000,000          | -                  |
| <b>CURRENT LIABILITIES</b>                                         |       |                      |                    |
| Creditors, accrued and other liabilities                           | 12    | 154,400              | 363,000            |
| Payable to Sindh Energy Holding Company (Private) Limited          | 12    | 1,299,000,000        | 299,000,000        |
| Payable against project                                            | 13    | 179,992,986          | -                  |
|                                                                    |       | 1,479,147,386        | 299,363,000        |
| Contingencies and commitments                                      |       | -                    | -                  |
|                                                                    |       | <b>2,198,418,545</b> | <b>300,121,487</b> |

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

  
Chief Executive

  
Director

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                     | Notes | 2016<br>Rupees             | From<br>January 07,<br>2015 to<br>June 30,<br>2015<br>Rupees |
|-------------------------------------|-------|----------------------------|--------------------------------------------------------------|
| Revenue                             |       | -                          | -                                                            |
| General and administrative expenses | 15    | (21,425,630)               | (444,575)                                                    |
| Other income                        | 16    | 10,055,517                 | 205,113                                                      |
| (Loss) before tax                   |       | <u>(11,370,113)</u>        | <u>(239,462)</u>                                             |
| Taxation                            | 17    | 117,215                    | 2,051                                                        |
| <b>(Loss) after tax</b>             |       | <u><b>(11,487,328)</b></u> | <u><b>(241,513)</b></u>                                      |

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

  
Chief Executive

  
Director

SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2016

|                                                | 2016<br>Rupees             | From<br>January 07,<br>2015 to<br>June 30,<br>2015<br>Rupees |
|------------------------------------------------|----------------------------|--------------------------------------------------------------|
| (Loss) for the year / period                   | (11,487,328)               | (241,513)                                                    |
| Other comprehensive income                     | -                          | -                                                            |
| <b>Total comprehensive (loss) for the year</b> | <b><u>(11,487,328)</u></b> | <b><u>(241,513)</u></b>                                      |

The annexed notes form an integral of these financial statements

  
Chief Executive

  
Director

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                                                 | <b>2016<br/>Rupees</b>      | <b>From<br/>January 07,<br/>2015 to June<br/>30, 2015<br/>Rupees</b> |
|-----------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                             |                                                                      |
| (Loss) before tax                                               | (11,370,113)                | (239,462)                                                            |
| <b>Adjustments</b>                                              |                             |                                                                      |
| Depreciation expense                                            | 1,145,506                   | -                                                                    |
|                                                                 | <u>(10,224,607)</u>         | <u>(239,462)</u>                                                     |
| <b>Changes in working capital</b>                               |                             |                                                                      |
| (Increase) in current asset                                     | (1,765,364)                 | (183,062)                                                            |
| Increase in current liability                                   | 1,179,784,386               | 299,363,000                                                          |
|                                                                 | 1,178,019,022               | 299,179,938                                                          |
| Tax paid                                                        | (117,215)                   | (2,051)                                                              |
| <b>Net cash flows from operating activities</b>                 | <u>1,167,677,200</u>        | <u>298,938,425</u>                                                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                             |                                                                      |
| <b>Net cash generated from investing activities</b>             | -                           | -                                                                    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                      |                             |                                                                      |
| Due to government                                               | 730,000,000                 | -                                                                    |
| Capital work in progress                                        | (1,153,078,779)             | -                                                                    |
| Acquisition of fixed assets                                     | (9,974,500)                 | 1,000,000                                                            |
| <b>Net cash used in financing activities</b>                    | <u>(433,053,279)</u>        | <u>1,000,000</u>                                                     |
| Net increase in cash and cash equivalents                       | 734,623,921                 | 299,938,425                                                          |
| Cash and cash equivalents at the beginning of the year / period | 299,938,425                 | -                                                                    |
| <b>Cash and cash equivalents at the end of the year</b>         | <u><u>1,034,562,346</u></u> | <u><u>299,938,425</u></u>                                            |
| <b>Cash and cash equivalents</b>                                |                             |                                                                      |
| Cash in hand                                                    | 35,757                      | -                                                                    |
| Cash at bank                                                    | 1,034,526,589               | 299,938,425                                                          |
|                                                                 | <u><u>1,034,562,346</u></u> | <u><u>299,938,425</u></u>                                            |

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

  
Chief Executive

  
Director

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                    | Share capital<br>Rupees | Unappropriate<br>profit / (loss)<br>Rupees | Net<br>shareholders'<br>equity<br>Rupees |
|------------------------------------|-------------------------|--------------------------------------------|------------------------------------------|
| Issue of share capital             | 1,000,000               | -                                          | 1,000,000                                |
| (Loss) for the period              | -                       | (241,513)                                  | (241,513)                                |
| <b>Balance as at June 30, 2015</b> | <b>1,000,000</b>        | <b>(241,513)</b>                           | <b>758,487</b>                           |
| (Loss) for the year                | -                       | (11,487,328)                               | (11,487,328)                             |
| <b>Balance as at June 30, 2016</b> | <b>1,000,000</b>        | <b>(11,728,841)</b>                        | <b>(10,728,841)</b>                      |

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

  
Chief Executive

  
Director

# SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

### 1 LEGAL STATUS AND NATURE OF BUSINESS

The company was incorporated on 7th January 2015 as a private limited company under Companies Ordinance 1984. The registered office of the company is situated at 3rd floor, State Life Insurance Corporation of Pakistan Building No.3, Dr.Zia-ud-din Ahmed Road, Karachi. The company is mainly engaged in the business of provision of catering the need of extra high voltage electric power infrastructure.

### 2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standard comprise of such International Financial Reporting Standard (IFRS) issued by the International Accounting Standard Board as are notified under the companies ordinance, 1984, provisions of and directives issued under the companies ordinance, 1984. In case requirements differ, the provisions or directives of the companies ordinance, 1984 shall prevail.

### 3 ACCOUNTING CONVENTION

These accounts have been prepared under historical cost convention, except for measurement of certain financial instruments at fair values.

### 4 SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 TAXATION

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

#### 4.2 PROPERTY PLANT & EQUIPMENT

##### Owned assets

Property plant and equipment are stated at cost less accumulated depreciation and impairment loss if any except for capital work in progress which is stated at cost.

Expenditure incurred subsequent to the initial acquisition of asset is capitalized only when it increases the future economic benefits embodied in the items of above assets. All other expenditure is recognized in the profit and loss account as and when incurred.

Gains and losses on disposal are included in income currently.

Depreciation is charged to the profit and loss account applying reducing balance method whereby the cost of asset is written off over its estimated useful life at the rates given in note 4 to these financial statements. Depreciation is charged from the month of addition upto the month of disposal.

Company accounts for impairment where, indication exists, by reducing its carrying value to the assessed recoverable amount. However, no such indication exists till the authorization of these financial statements.



# SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

### Leases

#### Assets subject to finance lease

Assets subject to finance lease are accounted for by recording the asset and related liability at the amounts determined on the basis of lower of fair value of the asset and the present value of minimum lease payments.

The outstanding obligation under the lease less finance charges allocated to future periods is shown as a liability.

Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

Depreciation is charged on the leased assets on the basis similar to that of owned tangible assets.

#### Assets subject to operating lease

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 are charged to profit on a straight line basis over the lease term.

### 4.3 INVESTMENTS

The investments of the organization if any are classified under investments held for trading, held to maturity and available for sale. Investments in securities are recognized on a trade date basis and are initially measured at cost, which is the fair value of the consideration paid.

#### Subsequent measurement

##### - Held for trading

These are securities which are either acquired for generating a profit from short term fluctuation in prices, or are securities included in a portfolio in which a pattern of short term profit taking exists.

Held for trading investments are measured at subsequent reporting dates at fair value. Unrealized gains and losses are included in the net profit and loss account for the year.

Gain or losses on disposal are taken to profit and loss account currently.

##### - Available for sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available for sale.

Subsequent to the initial measurement of available for sale investments at cost, the fund measure the investments at their fair values. A gain or loss arising from a change in the fair value of available for sale investments is recognized directly in equity, until the investments is derecognized, at which time the cumulative gain or loss previously recognized in equity is recognized in profit and loss account.

Investments on associated undertaking are stated at cost. Permanent diminution in value, if any, is provided for.

##### - Held to maturity

Investments in fixed maturity, where the management has both the intent and the ability to hold the investments to maturity, are classified as held-to-maturity.

Subsequent to initial recognition at cost, these investments are measured at amortized cost less any accumulated impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition by using the rates as specified in respective investment rules.

# SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

### 4.4 Investments in subsidiaries

Investments in subsidiaries are initially recognized and carried at cost. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exists the investment's recoverable amount is estimated which is the higher of its value in use and its fair value less cost to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount. Impairment losses are recognized in Profit and Loss Account. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the Profit and Loss Account.

### 4.5 TRADE AND OTHER DEBTS

Trade and other debts are stated at original invoice amount as reduced by appropriate provision for debts considered doubtful. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

### 4.6 PROVISIONS

Provision 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 will be required to settle the obligation, and a reliable estimate of the amount can be made.

### 4.7 TRADE AND OTHERS PAYABLE

Liabilities for trade and other amounts payable are stated at cost which is the fair value of the consideration to be paid in future for goods and services.

Liabilities are booked on the basis of Procurement orders issued during the financial year. This treatment is in accordance with the industry practice followed by the government /semi-government organizations and is adopted to show the overall utilization of funds for the year and to meet the budgeted targets.

### 4.8 IMPAIRMENT

At each balance sheet, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the greater of net selling price and value in use.

If the recoverable amount of an asset is established to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined has no impairment loss been recognized for the assets in prior years. A reversal on a impairment loss is recognized as income immediately.

# SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

### 4.9 REVENUE RECOGNITION

Government grants are recognized as per requirements of IAS-20

Income on investments / deposits is accrued on a time proportionate basis, taking into account the effective interest rates

### 4.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise of cash and cheques in hand, with banks on current and deposit accounts and running finance under mark-up arrangements, if any.

### 4.11 FINANCIAL INSTRUMENTS

#### - Financial assets

Financial assets comprise cash and bank balance, trade debts, advances and other receivables and investments. All financial assets are stated at their fair values.

#### - Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are long term loans, obligation under finance lease, short term running finance and creditors, accrued and other liabilities and deferred liabilities.

Any gain or loss on the recognition and derecognition of the financial assets and liabilities is included in net profit and loss for the year in which it arises.

Assets and liabilities that are of contractual nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the company.

#### Offsetting of a financial asset and a financial liability

A financial asset and a financial liability is offset and net amount is reported in the balance sheet when an enterprise has a legally enforceable right to set off the recognized amounts; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 4.12 EXPENSES

Expenses are recorded in the period in which they are incurred.

### 4.13 RELATED PARTY TRANSACTIONS

All transactions with related parties are priced on an arm's length basis. Prices for these transactions are determined on the basis of admissible valuation methods, which sets the price by reference to comparable goods sold in an economically comparable market to a buyer unrelated to the seller.

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**5 PROPERTY, PLANT AND EQUIPMENT**

| <b>Motor vehicles</b> | <b>Computers</b> | <b>Total</b>  |
|-----------------------|------------------|---------------|
| <b>Owned</b>          | <b>Owned</b>     |               |
| <b>Rupees</b>         | <b>Rupees</b>    | <b>Rupees</b> |

**Year ended June 30, 2016**

|                          |                  |                |                  |
|--------------------------|------------------|----------------|------------------|
| Cost                     | 9,600,500        | 374,000        | 9,974,500        |
| Accumulated depreciation | (1,080,056)      | (65,450)       | (1,145,506)      |
| Net book value           | <b>8,520,444</b> | <b>308,550</b> | <b>8,828,994</b> |

**Net carrying value basis**

**Year ended June 30, 2016**

|                        |                  |                |                  |
|------------------------|------------------|----------------|------------------|
| Opening net book value |                  |                | -                |
| Additions - cost       | 9,600,500        | 374,000        | 9,974,500        |
| Disposals at NBV       | -                | -              | -                |
| Depreciation charge    | (1,080,056)      | (65,450)       | (1,145,506)      |
| Closing net book value | <b>8,520,444</b> | <b>308,550</b> | <b>8,828,994</b> |

**Depreciation rate**

|           |           |
|-----------|-----------|
| <b>15</b> | <b>30</b> |
|-----------|-----------|

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                                                                                                                                                                                                                                                  | Notes      | 2016<br>Rupees              | From January<br>07, 2015 to<br>June 30, 2015<br>Rupees |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------------------|--------------------------------------------------------|
| <b>6 CAPITAL WORK IN PROGRESS</b>                                                                                                                                                                                                                                | <b>6.1</b> | <b><u>1,153,078,779</u></b> | <b><u>-</u></b>                                        |
| <b>6.1</b> Capital work in progress represents expenditures incurred specifically on the project till reporting date.                                                                                                                                            |            |                             |                                                        |
| <b>7 ADVANCES, DEPOSITS AND PREPAYMENTS</b>                                                                                                                                                                                                                      |            |                             |                                                        |
| Prepaid expense                                                                                                                                                                                                                                                  |            | -                           | 166,602                                                |
| Advance income tax                                                                                                                                                                                                                                               | 7.1        | 1,948,426                   | 16,460                                                 |
|                                                                                                                                                                                                                                                                  |            | <b><u>1,948,426</u></b>     | <b><u>183,062</u></b>                                  |
| <b>7.1 Advance income tax</b>                                                                                                                                                                                                                                    |            |                             |                                                        |
| Deduction during the year                                                                                                                                                                                                                                        |            | 2,048,981                   | -                                                      |
| Provided / adjustment during the year                                                                                                                                                                                                                            |            | 100,555                     | -                                                      |
|                                                                                                                                                                                                                                                                  |            | <b><u>1,948,426</u></b>     | <b><u>-</u></b>                                        |
| <b>8 CASH AND BANK BALANCES</b>                                                                                                                                                                                                                                  |            |                             |                                                        |
| Cash at bank - deposit account                                                                                                                                                                                                                                   |            | 1,034,526,589               | 299,938,425                                            |
| Cash in hand                                                                                                                                                                                                                                                     |            | 35,757                      | -                                                      |
|                                                                                                                                                                                                                                                                  |            | <b><u>1,034,562,346</u></b> | <b><u>299,938,425</u></b>                              |
| <b>9 SHARE CAPITAL</b>                                                                                                                                                                                                                                           |            |                             |                                                        |
| <b>Authorized capital</b>                                                                                                                                                                                                                                        |            |                             |                                                        |
| This represents Authorised capital 100,000 (2015:100,000) ordinary shares of Rs. 10/- each fully paid in cash                                                                                                                                                    |            | <b><u>1,000,000</u></b>     | <b><u>1,000,000</u></b>                                |
| <b>Issued, subscribed and paid up share capital</b>                                                                                                                                                                                                              |            |                             |                                                        |
| 100,000 (2015: 100,000) ordinary shares of Rs. 10/- each fully paid in cash                                                                                                                                                                                      |            | <b><u>1,000,000</u></b>     | <b><u>1,000,000</u></b>                                |
| <b>10 RESERVES</b>                                                                                                                                                                                                                                               |            |                             |                                                        |
| Unappropriate profit                                                                                                                                                                                                                                             |            | <b><u>(11,728,841)</u></b>  | <b><u>(241,513)</u></b>                                |
| <b>11 DUE TO GOVERNMENT</b>                                                                                                                                                                                                                                      |            |                             |                                                        |
| Long term loan                                                                                                                                                                                                                                                   | 10.1       | <b><u>730,000,000</u></b>   | <b><u>-</u></b>                                        |
| <b>11.1</b> This represents interest free loan from Government of Sindh amounting to Rs.730,000,000/- for the transmission of electricity from Sindh Nooriabad Power Company (SNPC & SNPC-II) Nooriabad Power Project to K-Electric KDA-33 Grid Station Karachi. |            |                             |                                                        |

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                                                     | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2016<br>Rupees              | From January<br>07, 2015 to<br>June 30, 2015<br>Rupees |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------------------------------------|
| <b>12 OTHER LIABILITY</b>                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |                                                        |
| Auditor's remuneration                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 59,400                      | -                                                      |
| Other liability                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 95,000                      | 363,000                                                |
|                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <u>154,400</u>              | <u>363,000</u>                                         |
| <br>                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |                                                        |
| <b>13 Payable to Sindh Energy Holding Company (Private) Limited</b> | <b>13.1</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u><b>1,299,000,000</b></u> | <u><b>299,000,000</b></u>                              |
| <b>13.1</b>                                                         | This represents funds provided by Government of Sindh as grant-in-aid for Investment in Sindh Transmission and Dispatch Company (Private) Limited for construction of 132 KV Double Circuit Transmission Line Project of 75 KM from Nooriabad Power Project to K-Electric Grid Station , Karachi. Subsequent to balance sheet date a letter No. FD(FMH) 212(1)/2015-16, dated 27th March, 2017 was issued by Finance Department Government of Sindh, clarifying the above amount to be treated as equity investment on behalf of Sindh Energy Holding Company (Pvt) Limited in Sindh Transmission & Dispatch Company (Pvt) Limited. |                             |                                                        |
| <br>                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |                                                        |
| <b>14 PROJECT PAYABLE</b>                                           | <b>14.1</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u><b>179,992,986</b></u>   | <u><b>-</b></u>                                        |
| <b>14.1</b>                                                         | Project payable represents outstanding bills towards Technoman Kinetics (Pvt) Limited in accordance with agreement signed between Technoman Kinetics (Pvt) Limited and Sindh Transmission and Dispatch Company (Private) Limited for the construction of 132 KV Double Circuit Transmission Line from Sindh Nooriabad Power Company Limited to K-Electric KDA-33 Grid Station vide agreement Engineering, Procurement, Construction (EPC) contract dated June 12, 2015.                                                                                                                                                             |                             |                                                        |

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

|                                               | Notes | 2016<br>Rupees    | From January<br>07, 2015 to<br>June 30, 2015<br>Rupees |
|-----------------------------------------------|-------|-------------------|--------------------------------------------------------|
| <b>15 GENERAL AND ADMINISTRATIVE EXPENSES</b> |       |                   |                                                        |
| Staff salaries and wages                      |       | 14,669,445        | 100,000                                                |
| Honorarium expense                            |       | 415,000           | 290,000                                                |
| Training and development                      |       | 48,000            | -                                                      |
| ISO certification fee                         |       | 327,500           | -                                                      |
| Bank charges                                  |       | 2,654             | 500                                                    |
| Legal and professional                        |       | 595,400           | 43,700                                                 |
| Utilities expense                             |       | 14,032            | -                                                      |
| Stationary expense                            |       | 118,116           | 10,150                                                 |
| Information technology expense                |       | 203,075           | -                                                      |
| Travelling expense                            |       | 1,253,007         | -                                                      |
| Fuel and maintenance                          |       | 262,835           | -                                                      |
| Vehicle expenses                              |       | 796,864           | -                                                      |
| Company logo expense                          |       | 17,100            | -                                                      |
| SECP challan fee                              |       | 5,075             | -                                                      |
| Medical expenses                              |       | 155,019           | -                                                      |
| Janitorial expense                            |       | 58,000            | -                                                      |
| Fee and subscription                          |       | 776,344           | -                                                      |
| Entertainment expense                         |       | 19,130            | -                                                      |
| Security guard expense                        |       | 406,000           | -                                                      |
| Depreciation expense                          |       | 1,145,506         | -                                                      |
| Miscellaneous expenses                        |       | 78,128            | 225                                                    |
| Auditors' remuneration                        |       | 59,400            | -                                                      |
|                                               |       | <b>21,425,630</b> | <b>444,575</b>                                         |
| <b>16 OTHER INCOME</b>                        |       |                   |                                                        |
| Profit on bank account                        |       | 9,920,517         | 185,113                                                |
| Bidding fee                                   |       | 135,000           | 20,000                                                 |
|                                               |       | <b>10,055,517</b> | <b>205,113</b>                                         |
| <b>17 TAXATION</b>                            |       |                   |                                                        |
| - Current                                     |       | 100,555           | 2,051                                                  |
| - Prior period                                |       | 16,660            | -                                                      |
|                                               |       | <b>117,215</b>    | <b>2,051</b>                                           |

**SINDH TRANSMISSION AND DISPATCH COMPANY (PRIVATE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

|                               | Notes                                                                                                                                                                                                                                                                                                                                                       | 2016<br>Rupees | From January<br>07, 2015 to<br>June 30, 2015<br>Rupees |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------|
| <b>18 RECLASSIFICATION</b>    |                                                                                                                                                                                                                                                                                                                                                             |                |                                                        |
| <b>Classified from</b>        |                                                                                                                                                                                                                                                                                                                                                             |                |                                                        |
| <b>Component</b>              | <b>Reason for reclassification</b>                                                                                                                                                                                                                                                                                                                          |                | <b>Amount</b>                                          |
| Due to government             | This represents funds by Government of Sindh as grant-in-aid for Equity Investment in Sindh Transmission and Dispatch Company (Private) Limited for construction of 132 KV Double Circuit Transmission Line Project of 75 KM from Nooriabad Power Project to K-Electric Grid Station, Karachi, on behalf of Sindh Energy Holding Company (Private) Limited. |                | 299,000,000                                            |
| <b>Classified to</b>          |                                                                                                                                                                                                                                                                                                                                                             |                |                                                        |
| Payable to associated company | This represents funds by Government of Sindh as grant-in-aid for Equity Investment in Sindh Transmission and Dispatch Company (Private) Limited for construction of 132 KV Double Circuit Transmission Line Project of 75 KM from Nooriabad Power Project to K-Electric Grid Station, Karachi, on behalf of Sindh Energy Holding Company (Private) Limited. |                | 299,000,000                                            |

**19 Number of employees**

Average number of employees during the year were 3 (2015: 3).

**20 CORRESPONDING FIGURES**

Figures have been rounded off to a nearest thousand of rupees, unless otherwise stated.

**21 COMPARATIVES**

Comparatives have been rearranged wherever necessary for better presentation.

**22 DATE OF AUTHORIZATION**

These financial statements were authorized for issue by the Board of Directors in their meeting held on JUNE 12, 2017.

  
Chief Executive

  
Director