SAIF POWER LIMITED
A Saif Group Company

Annual Report **2017**

“There are moments in our lives, there are moments in a day, when we seem to see beyond the usual. Such are the moments of our greatest happiness. Such are the moments of our greatest wisdom. A painting is thus an expression of meanings, value and principles. Paintings influence...

... a human, guides his behavior towards a certain direction and present issues as principles and values. Paintings tell us “do whatever you do intensely”. On the other hand, “the artist is the man who leaves the crowd and goes pioneering. With him there is an idea which is his life”

Financials at a Glance

	2017	2016
	Rs. Million	
Turnover	12,257	11,946
Gross Profit	3,478	3,188
Financial Cost	707	761
Net Profit	2,592	2,312
Shareholders Equity	10,396	9,216
	Rs.	
Dividend per share	3.65	3.65
	Times	
Current Ratio	1.06	1.11

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Basic Corporate Profile

Board of Directors

Mrs. Hoor Yousafzai	Chairperson
Mr. Osman Saifullah Khan	Director
Mr. Jehangir Saifullah Khan	Director
Mr. Assad Saifullah Khan	Director
Ms. Jehannaz Saifullah Khan	Director
Mr. Omar Ayub Khan	Director

Audit Committee

Mr. Omar Ayub Khan	Chairman
Mr. Osman Saifullah Khan	Member
Mr. Jehangir Saifullah Khan	Member

Human Resource & Remuneration Committee

Mr. Omar Ayub Khan	Chairman
Mr. Jehangir Saifullah Khan	Member
Mr. Assad Saifullah Khan	Member

Management

Mr. Sohail H Hydari
Dpty. Chief Executive Officer

Mr. Hammad Mahmood
Chief Financial Officer

Mr. Ghias Ul Hassan
GM Power Plant

Mr. Waseemullah
Company Secretary

Registered/ Head Office

1st Floor, Kashmir Commercial Complex (KCC),
Fazal-ul-Haq Road, Block E, Blue Area,
Islamabad, Pakistan.
Tel: +92-51-2271378-83
Fax: +92-51-2277670
Email: info.spl@saifgroup.com

Plant Location

Chak 56/5L, Qadarabad,
Multan Road, District Sahiwal,
Punjab, Pakistan.

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Islami Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Brunei Investment Company
Pak Oman Investment Company Limited
Saudi Pak Industrial and Agricultural-
Investment Company Limited
Soneri Bank Limited
Summit Bank Limited
The Bank of Punjab
United Bank Limited

Legal Advisors

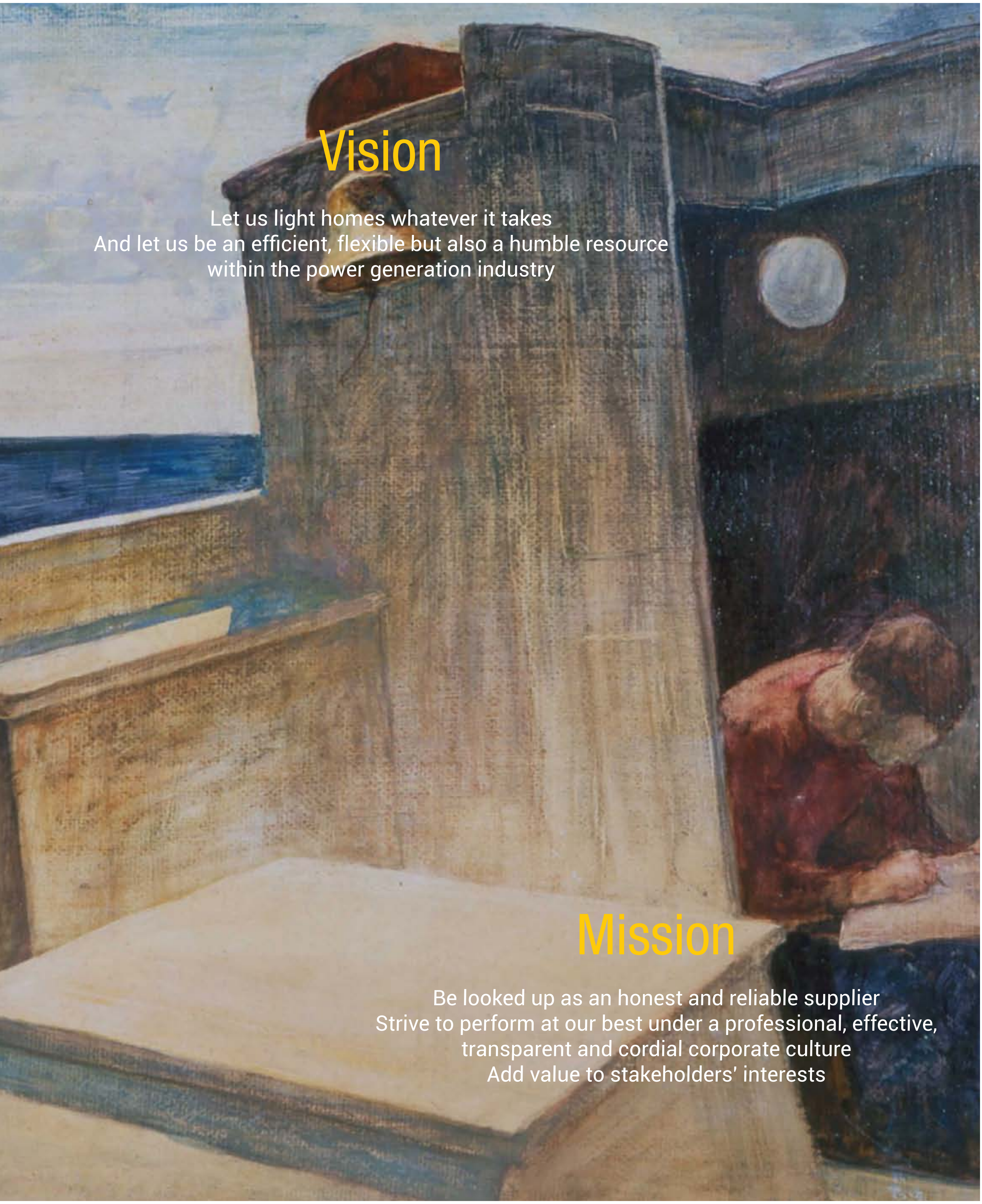
M/s Salahuddin, Saif & Aslam
Attorneys at Law
M/s Cornelius, Lane & Mufti
Advocate & Solicitors

Share Registrar

THK Associates (Private) Ltd.
1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi 75400,
P.O Box. No: 8533
Tel: +92-21-111-000-322
Fax: +91-21-34168271
Email: secretariat@thk.com.pk
sfc@thk.com.pk

Website

www.saifpower.com



Vision

Let us light homes whatever it takes
And let us be an efficient, flexible but also a humble resource within the power generation industry

Mission

Be looked up as an honest and reliable supplier
Strive to perform at our best under a professional, effective, transparent and cordial corporate culture
Add value to stakeholders' interests

Sharing & Team Work

Core Values

It is our objective to ensure that we:

Ethics

- Adhere to high ethical standards and transparency in the conduct of our business
- Take ownership of our actions
- Give top most priority to Company's image and integrity as a legal entity
- Do not allow our directors or employees to be placed in a situation of conflict of interest

People

- Encourage and promote open communication and free enterprise
- Give attention to the health, safety and well being of our employees and provide a safe and secure environment
- Inculcate team work and sharing

Quality, Compliance and Business Excellence

- Strive to bring excellence within our performances and scope of work while observing all applicable laws
- Never trespass or deviate from our approved operational and financial systems
- Concentrate fully on maximizing shareholders' returns through good governance and through proper application of all management functions

Corporate Social Responsibility (CSR)

CSR is a relationship with all of our stakeholders.

Our Employment Practices ensure competitive salaries and wages along with benefits including healthcare. All of our employees are entitled to OPD and hospital beds at Kulsum International Hospital (run by Saif Group) at nominal rates.

Along with General Electric, USA who are our O&M Contractors, the Company provides highest standards of occupational health and safety all around our plant premises.

We are committed to the community around us and, therefore, we comply with all applicable regulations in this area. Every year, young boys with relevant qualifications from our neighbourhood community get internships which serve as a platform for them considering the fact they are able to work along GE experienced personnel and, under the guidance of our own senior management.

Besides the above, the owner/directors provide substantial services in their own local areas as follows:

Saifullah Foundation for Sustainable Development (SFSD) was established as an independent non-political, non-profit NGO registered under Khyber Pakhtunkhwa Social Welfare Agencies (Registration and Control Ordinance, 1961). Begum Kulsum Saifullah Khan (Hilal-e-Imtiaz), the founding Chairperson, was the inspiration behind its establishment. SFSD manages;

- Saifullah Khan Trust
- Akbar Care Institute

SAIFULLAH KHAN TRUST (SKT)

SKT focuses on promotion of skill based education and, financial help to bright students in the shape of stipends. Around 300 students receive stipends each year. FM – 88 radio station was set up in 2004 in Lakki District for awareness oriented program and for entertainment. Both of these objectives are being achieved and FM 88 has gained huge popularity. Clean water facility has been provided to the village of Lawang Khel with a population of 2000 people. Earlier these villagers did not have access to clean drinking water despite an existing water supply scheme which had not functioned for 10 years.

AKBAR CARE INSTITUTE (AKI)

AKI is a therapy centre for all children of Khyber Pakhtunkhwa (K.P.K), Pakistan who have Motor Developmental Delay primarily due to Cerebral Palsy. Cerebral palsy is a disorder of movement, muscle tone or posture that is caused by injury or abnormal development in the immature brain, most often before birth.

As often happens with innovative new projects in the developing world, AKI was inspired by the personal experiences of one woman and her family. Costs and expenses have been met by the founding family through their organization, the Saifullah Foundation for Sustainable Development (SFSD). All services, aids, and referrals are free and no expense is passed onto the client families.

Operations Analysis

Comparison of Plant Operation For Year 2017 & 2016

Parameters	Units	2017	2016
Plant Operating Hours on Gas Fuel	Hrs	**535**	4,291
Plant Operating Hours on HSD Fuel	Hrs	**3,160**	1,155
Utilization Factor	%	**32.30**	58.45
Load Factor	%	**32.64**	58.9
Complex Reliability Factor	%	**97.73**	98.97
Complex Start Up Reliability Factor	%	**93.01**	96.77
Generation on HSD Fuel	MWh	**470,235**	203,442
Generation on Gas Fuel	MWh	**106,814**	849,562
Net Generation	MWh	**577,049**	1,053,004
Period Hours	Hrs	**8,760**	8,784
Service Hours	Hrs	**4,370**	6,493
Standby Hours	Hrs	**2,784**	1,692
Available Hours	Hrs	**7,154**	8,185
Planned Outage Hours	Hrs	**1,440**	514
Unplanned Outage Hours	Hrs	**166**	85
Total Outage Hours	Hrs	**1,606**	599
Availability Factor	%	**81.67**	93.18

Chairperson's Review

Dear Shareholders

I have this honor to present you the 2017 Annual Report of Saif Power Limited and appreciate your trust in the Company.

Your Company's performance has been better than last year. Details of financial and operational performance indicators have been described in more detail in Directors' Report to shareholders along with the Audited Financial Statements.

In the end, I would also like to thank Shareholders and others Stakeholders for showing confidence in the Company and in the decision of its directors and management.

27 April, 2018
Islamabad

Hoor Yousafzai
Chairperson

چیئر پر سن کی جائزہ رپورٹ

معزز حصص یافتگان

مجھے یہ فخر حاصل ہے کہ میں نے آپکی خدمت میں سیف پاور لمیٹڈ کی مالی سال **2017** کی سالانہ رپورٹ پیش کی ہے۔

کمپنی پر جو آپ نے اعتماد کیا میں اس پر آپکی مشکور ہوں۔ آپکی کمپنی کی کارکردگی گزشتہ سال سے بہتر ہے۔ جامعہ مالی اور کام کی کارکردگی کے اعداد و شمار کی تفصیلات جو کہ ڈائیکٹر رپورٹ کے ساتھ مالیاتی آڈٹ کے اعداد شمار کے ساتھ حصص یافتگان کو پیش کی گئی ہے اس میں درج ہیں۔

آخر میں، میں تمام حصص یافتگان اور دوسرے اسٹیک ہولڈرز کا شکریہ ادا کرتی ہوں جنہوں نے کمپنی پر اور اسکے ڈائریکٹروں کے فیصلے پر اپنے اعتماد کا اظہار کیا۔

حور یوسف زئی

چیئر پرسن

مورخہ **27** اپریل **2018**

اسلام آباد

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors (BOD), I am pleased to present the Annual Report of Saif Power Limited for the year ended December 31, 2017, along with the audited financial statements and auditors' report

ABOUT THE COMPANY

Saif Power Limited (SPL) is an Independent Power Producer (IPP) and its power plant is located at Qadarabad, Sahiwal. The Complex – Combined Cycle Thermal Power Plant is a dual fuel power generating station where the primary fuel is natural gas and the backup fuel is High Speed Diesel (HSD). Gross Capacity of the plant is 225MWs with two Gas Turbines from GE France and a Steam Turbine from Siemens Sweden. The 6 FA.03 Gas Turbines are perhaps the most fuel efficient in the world in their rated capacity and, our combined cycle efficiency is the highest in Pakistan within such Gross capacity.

OPERATIONS

The company continued to follow best practices to ensure Reliability, Availability and Operational Performance. Dispatch was 32.30% for the year as compared to 59.00% in 2016. Out of this, RLNG accounted for 5.98% and HSD accounted for 26.32%. Availability factor was at 81.67% as against 93.50% in 2016 (due to scheduled, major maintenance of steam turbine in year 2017) while reliability factor for the year was 97.73% as against 99% in 2016.

FINANCIAL PERFORMANCE

Your Company's performance has been steady. Turnover for current year is Rs.12,257 million almost the same as per last year, which was Rs.11,946 million. Your Company's net profit for the year is Rs. 2,592 million (2016: Rs. 2,312 million) and 'Earnings per Share' stands at Rs. 6.71 (2016: Rs. 5.98).

KEY FINANCIAL AND OPERATING DATA OF LAST SIX YEARS IS AS FOLLOWS:

(Rs. in Million)

FOR THE YEAR ENDED DECEMBER	2017	2016	2015	2014	2013	2012
Turnover	12,257	11,946	14,981	18,520	11,891	17,027
Gross Profit	3,478	3,188	3,290	3,746	3,145	3,786
Net Profit	2,592	2,312	2,063	1,988	1,225	1,455
Property, Plant and Equipment	13,688	14,213	14,802	15,353	15,966	16,213
Net worth	10,396	9,216	7,872	6,969	6,334	6,464
Long term financing	4,761	6,499	7,823	9,529	10,550	11,311
Short term borrowing	1,928	1,267	866	1,508	3,256	4,075
Earnings per share (Rupees)	6.71	5.98	5.34	5.14	3.17	3.76
Dispatch level (Percentage)	32.30%	58.79%	50.85%	41.99%	37.96%	49.30%
Capacity Made Available (GWHs)	1,786	1,675	1,652	1,746	1,512	1,633

PENDING ISSUES

In the case against SNGPL, the arbitration award in Company's favor for an amount of Rs.239.68 million was challenged by SNGPL both in civil court and in Lahore High Court (LHC). However, as expected, the LHC dismissed the petition from SNGPL, which has now been challenged by SNGPL in Supreme Court of Pakistan. Company has also filed a petition in the Civil Court Lahore to obtain the Decree in lieu of the Arbitration award. This amount has already been adjusted against payables to SNGPL.

In the case against Power Purchaser, the Arbitrator has awarded Rs. 477.56 M in Company's favour along with related Costs. Company has filed a petition in Lahore High Court for its enforcement. Power Purchaser has also challenged partial award in UK as well as in Civil Courts, which are pending adjudication.

RECEIVABLE FROM POWER PURCHASER

The receivables have increased against corresponding last year. However, this is cyclical and, the GoP usually bails out the Power Purchaser. PACRA's rating for the Company is A+ in the long term and A1 in the short term while the Outlook has been determined as Stable.

CORPORATE SOCIAL RESPONSIBILITY, SAFETY, HEALTH AND QUALITY

Your company works with all stakeholders to ensure that it complies with all applicable regulations; contribute to community development; provide highest standards of safety, health and environment; offer competitive wages and benefits to its employees. The parent company provides necessary support in this regard with a centralized process.

IMPACT OF COMPANY'S BUSINESS ON ENVIRONMENT

Your Company maintains a tight control on all type of emissions from the Plant and ensures that under no circumstances any value of the emission exceeds beyond the limits provided in the Environmental Protection Agency (EPA) guidelines.

INTERNAL AUDIT AND CONTROL

The Board has set up an independent audit function headed by 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, the safeguarding of assets, the accuracy and completeness of accounting records.

FUNDED GRATUITY SCHEME

The Company operates a funded gratuity scheme, registered under the Income Tax Ordinance 2001 as Saif Power Limited Staff Gratuity Fund "the Fund", for all of its permanent employees completing the minimum qualifying period of service as specified by the scheme. The value of investments by the fund amounts to Rs. 22.61 million (Approx.) as disclosed in the latest audited accounts of the fund.

DIVIDEND

The board has recommended dividend for the year is 36.5% (Rs. 3.65 per share) for shareholders' approval in annual general meeting as against 36.5% (Rs. 3.65 per share) during the previous year. Unless there is any contingency, the Board of Directors of your company would continue with the policy of paying out all surplus cash available within the Company.

SUBSEQUENT EVENT

Subsequent to the financial year-end, an Extraordinary General Meeting was held where in investment proposal of US Dollar 20 million for equity investment in Saif Cement (Private) Limited was in principal approved by the members.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

In compliance with the Corporate and Financial Reporting Framework of the Code of Corporate

Governance, the Directors confirm the following:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in 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 departures therefrom 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 a 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.
- There has been no trading of shares by CEO, Directors, CFO Company Secretary and their spouses.

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

Name of Directors	Status	Meetings Attended
Mr. Salim Saifullah Khan	Resigned	02/02
Mr. Javed Saifullah Khan	Resigned	01/02
Mr. Anwar Saifullah Khan	Resigned	01/02
Mr. Omar Saifullah Khan	Re-elected	04/04
Mr. Osman Saifullah Khan	Re-elected	02/04
Mr. Jehangir Saifullah Khan	Re-elected	03/04
Mrs. Hoor Yousafzai	Re-elected	04/04
Mr. Assad Saifullah Khan	Elected	01/02
Ms. Jehannaz Saifullah Khan	Elected	02/02
Mr. Shakil Durrani	Resigned	00/01
Mr. Shahid Ghaffar	Resigned	00/00
Mr. Omar Ayub Khan	Appointed	00/00

Leave of absence was granted to Director(s) who could not attend any meeting. During the year, Election of Directors was held dated 31 October, 2017 in an Extraordinary General Meeting. The current term of the directors shall stand completed in October 2020 when fresh elections will be held for appointment of directors through general meeting of the shareholders.

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

Name of Directors	Status	Meetings attended
Mr. Javed Saifullah Khan		01/02
Mr. Salim Saifullah Khan		02/02
Mrs. Hoor Yousafzai		02/02
Mr. Osman Saifullah Khan	Member	02/02
Mr. Jehangir Saifullah Khan	Member	02/02
Mr. Shakil Durrani		00/01
Mr. Shahid Ghaffar		00/00
Mr. Omar Ayub Khan	Chairman	00/00

Leave of absence was granted to Director(s) who could not attend any meeting.

DIRECTORS' TRAINING

One of the directors who joined during the year had already completed director training under directors' training program duly approved by SECP. The total number of directors who have completed/ are exempt from training is four out of seven directors.

RELATED PARTY TRANSACTIONS

Transaction undertaken with related parties during the year have been ratified by audit committee and approved by the Board.

PATTERN OF SHAREHOLDING

The statement of pattern of shareholding as on December 31, 2017 is appended below.

AUDITORS

The present auditors M/s KPMG Taseer Hadi & Co, Chartered Accountants, Islamabad retire and being eligible, offer themselves for re-appointment for the year 2018. The Audit Committee and the Board of Directors of the Company have endorsed their re-appointment for shareholders consideration in the forthcoming AGM.

ACKNOWLEDGEMENT

The Directors of your company would like to show their appreciation to its customers, suppliers, financial institutions, regulators and to all other stakeholders for their cooperation and support during the year.

The Directors of your company would also like to express their deep appreciation for the services, loyalty and efforts being continuously rendered by the employees of the Company and hope that they will continue to do so in the future.

The Board would like to record its appreciation for the invaluable contributions rendered by the outgoing directors and welcomes the new directors.

For and on behalf of the Board

Assad Saifullah Khan
Director

Hoor Yousafzai
Chairperson

April 27, 2018
Islamabad

2018 میں خدمات کیلیئے خودکودوبارہ پیش کرتے ہیں۔آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے کمپنی میں انکی دوبارہ تقرری کیلیئے توثیق کی ہے۔جس پر AGM میں آنیوالے شراکت دار اندراج کروائیں گے۔

اعتراف

آپکی کمپنی کے ڈائریکٹرز اس سال کے دوران اپنے گاہکوں،سپلائرز مالیاتی اداروں ریگولیٹرز اورتمام دوسرے شراکت داروں کے تعاون اور مدد کیلیئے انکے ممنون ومشکور ہیں۔آپکی کمپنی کے ڈائریکٹرز کمپنی کے ملازمین کی خدمات وفاداری،مسلسل جدوجہد پر دل کی اتھاہ گہرائیوں سے انکی تعریف وتوصیف کرتے ہیں اورامید ہے کہ وہ مستقبل میں بھی اسی لگن سے کام کرینگے۔

کمپنی کا بورڈ رخصت ہونے والے اور نئے آنیوالے ڈائریکٹرز کوانکی پیش بہا گراں قدر خدمات اورشراکت پر خوش آمدید کہتا ہے۔

Asad S Khan
اسدسیف اللہ خان
ڈائریکٹر

Hur Yusufzai
حور یوسف زئی
چیئر پرسن

تاریخ27اپریل 2018ء
اسلام آباد

ڈائریکٹرز کی رپورٹ ممبران کے لیے

اس سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد کیے گئے ہیں جو کہ مندرجہ ذیل ہیں۔

ڈائریکٹر کے نام	موجودہ پوزیشن	حاضریاں
محترم جاوید سیف اللہ خان		01/02
محترم سلیم سیف اللہ خان		02/02
محترمہ حور یوسف زئی		02/02
محترم عثمان سیف اللہ خان	ممبر	02/02
محترم جہانگیر سیف اللہ خان	ممبر	02/02
محترم شکیل درانی		00/01
محترم شاہد غفار		00/00
محترم عمر ایوب خان	چیئر مین	00/00

غیر حاضری پر ڈائریکٹرز کو رخصت دی گئی ۔

ڈائریکٹرز کی تربیت

ایک ڈائریکٹر جس نے اس سال کے دوران شمولیت اختیار کی انکی تربیت پہلے سے ہی مکمل ہے جو کہ SECP سے منظور شدہ ہے سات ڈائریکٹرز میں سے چار نے اپنی تربیت مکمل کر لی ہے یا ان کو استثنا حاصل ہے۔

متعلقہ پارٹی سے لین دین

اس سال کے دوران متعلقہ فریقین کے ساتھ لین دین کی آڈٹ کمیٹی کی طرف سے توثیق ہو چکی ہے اور اسے بورڈ کی طرف سے منظور کیا گیا ہے۔

حصہ داری کا تناسب

31 دسمبر 2017 کی مالیاتی رپورٹ میں حصہ داری کا تناسب رپورٹ کے ساتھ منسلک ہے۔

آڈیٹرز

موجودہ آڈیٹرز KMPG تاثیر حادی اینڈ کمپنی چارٹرڈ اکاؤنٹس اسلام آباد جو کہ ریٹائرڈ ہیں اور دوبارہ تعیناتی کیلئے اہل ہیں وہ سال

- ان مالیاتی بیانات کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS)، جوکہ پاکستان میں قابل عمل ہیں ، کی پیروی کی گئی ہے اور ہر چیز کی مناسب طور پر وضاحت کردی گئی ہے۔
- اندرونی کنٹرول کا نظام ڈائزین میں مستحکم ہے، اسے موثر طریقے سے لاگو کیا گیا ہے اور اس کی اچھے سے نگرانی کی گئی ہے۔
- حالیہ تشویش کے طور پر جاری رکھنے کے لیے کمپنی کی صلاحیت پر کوئی قابل ذکر شکوک وشبہات نہیں ہیں۔
- بورڈ کے تمام ڈائریکٹرز، کارپوریٹ باڈیز کے ڈائریکٹر کے طور پر اپنے فرائض اور ذمہ داریوں سے مکمل طور پر واقف ہیں۔ ڈائریکٹرز کو واقفیتی کورسز کے ذریعے ان کے فرائض اور ذمہ داریوں کے بارے میں آگاہ کیا گیا تھا۔
- سال کے دوران ڈائریکٹرز، ایگزیکٹوز، اور ان کی بیویوں کی طرف سے حصص میں کوئی ٹریڈنگ نہیں ہوئی۔

اس سال کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد کیے گئے جن میں ان کی حاضری کی پوزیشن مندرجہ ذیل ہے۔

ڈائریکٹرز کے نام	موجودہ پوزیشن	حاضریاں
محترم سلیم سیف اللہ خان	مستعفی	02/02
محترم جاوید سیف اللہ خان	مستعفی	01/02
محترم انور سیف اللہ خان	مستعفی	01/02
محترم عمر سیف اللہ خان	دوبارہ منتخب	04/04
محترم عثمان سیف اللہ خان	دوبارہ منتخب	02/04
محترم جہانگیر سیف اللہ خان	دوبارہ منتخب	03/04
محترمہ حور یوسف زئی	دوبارہ منتخب	04/04
محترم اسد سیف اللہ خان	منتخب	01/02
محترمہ جہاں ناز سیف اللہ خان	منتخب	02/02
محترم شکیل درانی	مستعفی	00/01
محترم شاہد غفار	مستعفی	00/00
محترم عمر ایوب خان	تقرری کردی گئی	00/00

غیر حاضری پر ڈائریکٹرز کو رخصت دی گئی جو اس سال کے دوران اجلاس میں شریک نہ ہوسکے۔ اس سال کے دوران ڈائریکٹرز کے الیکشن کا انعقاد 31 اکتوبر 2017 کو ایک غیر معمولی اجلاس میں کیا گیا تھا۔ ڈائریکٹرز کی موجودہ مدت اکتوبر 2020 تک مکمل ہوگی۔ جبکہ نئے الیکشن میں ڈائریکٹرز کی تقرریاں شیئر ہولڈرز کے جنرل اجلاس میں کی جائیں گی۔

ڈائریکٹرز کی رپورٹ ممبران کے لیے

داخلی آڈٹ اور اختیار

بورڈ نے کوالیفائیڈ آڈیٹر کی سربراہی میں ایک خودمختار آڈٹ کا نظام قائم کیا ہوا ہے جو کہ آڈٹ کمیٹی کو رپورٹ پیش کرتا ہے۔ کمپنی کے اندر داخلی آڈیٹنگ کے دائرہ کار کو واضع طور پر بیان کیا گیا ہے۔ جس میں کمپنی کے داخلی کنٹرول کا جائزہ لینے اور تشخیص شامل ہے۔ جو کہ اثاثہ جات کی حفاظت اور ریکارڈ کی درستگی حساب اور تکمیل بناتا ہے۔

گریجویٹی فنڈ سکیم

کمپنی ایک گریجویٹی فنڈ سکیم چلاتی ہے۔ جو کہ انکم ٹیکس آرڈیننس 2001 کے تحت سیف پاور لمیٹڈ سٹاف گریجویٹی فنڈ کے نام سے رجسٹرڈ اور منظور شُدہ ہے۔ جو کہ اس کے مستقل ملازمین کے لیے ہے جو سکیم کی طرف سے مخصوص کردہ سروس کی کم از کم کوالیفائنگ مدت کو مکمل کرتے ہیں۔ جس میں سرمایہ کاری کی رقم 22.61 ملین انداز ہے جو کہ فنڈ کے تازہ ترین آڈٹ اکاؤنٹ میں دکھائی گئی ہے۔

تقسیم شدہ منافع

بورڈ نے اس سال تقسیم شدہ منافع 36.5 فیصد (3.65 روپے فی حصص) رکھنے کی سفارش کی ہے جسکی منظوری سالانہ جنرل میٹنگ میں شیر ہولڈرز دیں گے ۔ گذشتہ سال یہ شرح 36.5 فیصد (3.65 فی حصص) تھی جب تک کوئی ہنگامی صورت حال نہیں ہوگی، آپ کی کمپنی کے بورڈ آف ڈائریکٹرز، کمپنی کے اندر تمام سرپلس نقد کی ادائیگی کی پالیسی کو جاری رکھیں گے۔

مالیاتی سال کے اختتام کے بعد کے واقعات

مالیاتی سال کے آخر پر ایک غیر معمولی اجلاس ہوا جس میں سیف سیمنٹ پرائیویٹ لمٹیڈ میں 20 ملین امریکی ڈالر کی سرمایہ کاری کی تجویز پیش کی گئی۔ جسکی ممبران کی طرف سے منظوری دے دی گئی۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

منظّم انتظامی کوڈ اور مالیاتی رپورٹنگ کا فریم ورک کے مطابق جو کہ ڈائریکٹر کی تصدیق کے بعد مندرجہ ذیل ہے۔

- کمپنی کیطرف سے تیار کردہ مالیاتی بیانات، کمپنی کے معاملات کی اصل حالت، نقد رقم کے بہاؤ، ایکوئٹی میں تبدیلیوں اور کاروائیوں کے نتائج کو منصفانہ طریقے سے پیش کرتے ہیں۔
- کمپنی کے اکاؤنٹس کی مناسب کتابوں کو برقرار رکھا جاچکا ہے۔
- کمپنی کے مالی بیانات کی تیاری میں اکاؤنٹس پالیسیوں کو لاگو کیا گیا ہے۔ اور مالی بیانات کے اندازہ جات کی بنیاد معقول اور منصفانہ فیصلے پر رکھی گئی ہے۔

زیر التوا مسائل

سوئی ناردرن گیس پائپ لائن لمٹیڈ نے ثالثی ایوارڈ جو کہ کمپنی کے حق میں آیا تھا کی رقم 239.68 ملین روپے کو سول اور ہائی کورٹ میں چیلنج کیا تھا اور جیسا کہ متوقع تھا لاہور ہائی کورٹ نے سوئی ناردرن گیس پائپ لائن لمٹیڈ کی طرف سے دائر کردہ درخواست مسترد کردی جو کہ اب سوئی ناردرن گیس پائپ لائن لمٹیڈ نے سپریم کورٹ میں چیلنج کررکھا ہے۔ جبکہ ہماری کمپنی نے سول کورٹ لاہور میں ثالثی ایوارڈ کے حق میں فیصلہ حاصل کرنے کیلئے ایک درخواست دائر کررکھی ہے۔ یہ رقم پہلے ہی سوئی ناردرن کو قابل ادائیگی رقم کے برخلاف ایڈجسٹ کردی گئی ہے۔

بجلی کے خریدار کے خلاف کیس میں، ثالثی ایوارڈ کمپنی کے حق میں آیا ہے۔ جس میں 477.56 ملین روپے اور اس سے متعلقہ اخراجات دیے گئے ہیں۔ کمپنی نے لاہور ہائی کورٹ میں ایک درخواست اس پر عمل درآمد کرنے کیلئے دائر کی ہے۔ جبکہ بجلی کے خریدار نے برطانیہ اور سول عدالتوں میں اس جزوی ایوارڈ کو چیلنج کیا ہوا ہے۔ جسکا کیس عدالت میں ابھی تک جاری ہے۔

بجلی کے خریدار سے وصولی

گذشتہ سال کے مقابلے میں اس سال بجلی کے خریدار سے وصول کنندگی میں اضافہ ہوا ہے تاہم یہ متواتر اور حکومت پاکستان عام طور پر بجلی کے خریدار کو بیل آؤٹ کرتی ہے اور پیکرا نے کمپنی کی طویل المدتی درجہ بندی +A قلیل المدتی درجہ بندی A1 کی ہے۔ جبکہ مستقبل قریب کی درجہ بندی کو مستحکم رکھا گیا ہے۔

کارپوریٹ کی سماجی ذمہ داری + حفاظت، صحت، ماحول اور معیار

آپکی کمپنی تمام اسٹیک ہولڈرز کے ساتھ اس بات کو یقینی بناتے ہوئے کام کرتی ہے کہ یہ کمپنی تمام قابل اطلاق قوانین پر عمل پیرا ہوتی ہے۔ کمیونٹی کی ترقی کے لیے حصہ ڈالتی ہے، حفاظت، صحت اور ماحول کے اعلیٰ ترین معیار فراہم کرتی ہے۔ اپنے ملازمین کو مسابقتی تنخواہ اور فوائد مہیا کرتی ہے۔ پیرنٹ کمپنی ایک مرکزی عمل کے ساتھ اس سلسلے میں ضروری مدد فراہم کرتی ہے۔

کمپنی کے کاروبار کے ماحول پر اثرات

آپکی کمپنی پلانٹ سے ہر قسم کے اخراج پر سخت کنٹرول رکھتی ہے اور اس بات کو یقینی بنایا جاتا ہے کہ ماحولیاتی تحفظ ایجنسی (EPA) کی راہنما ہدایات کی روشنی میں اخراج اپنی حدود سے زیادہ اخراج نہ کرے۔

ڈائریکٹرز کی رپورٹ ممبران کے لیے

کمپنی کے بارے میں

سیف پاور لمیٹڈ (SPL) بجلی پیدا کرنے والا ایک خود مختار ادارہ (IPP) ہے اور اس کا بجلی گھر قادر آباد، ساہیوال میں واقع ہے۔ اس کا کمپلیکس کمبائنڈ سائیکل تھرمل پاور پلانٹ ''دو ایندھن کی مدد سے بجلی پیدا کرنے والا ایک ایسا اسٹیشن ہے جہاں پر ائمری ایندھن ''قدرتی گیس'' ہے اور بیک اپ ایندھن ہائی سپیڈ ڈیزل (HSD) ہے۔ جنرل الیکٹرک فرانس کے دو طرفہ گیس ٹربائن اور سیمنز سویڈن کے ایک سٹیم ٹربائن کے ساتھ پلانٹ کی مجموعی صلاحیت 225 میگاواٹ ہے۔''6FA.03'' ہیوی ڈیوٹی گیس ٹربائینز اپنی درجہ بندی کی صلاحیت میں ایندھن کے لحاظ سے شاید دنیا میں سب سے موثر ہیں اور مجموعی صلاحیت کے لحاظ سے ہمارے کمبائنڈ سائیکل تھرمل پاور پلانٹ کی کارکردگی پاکستان میں سب سے زیادہ ہے۔

کارکردگی

کمپنی نے عملی کارکردگی قابل اعتماد اور یقینی بنانے کے لیے بہترین طریقوں پر عملدرآمد جاری رکھا۔ اس کی ترسیل سال 2016 کے 59.00 فیصد کے مقابلے میں 32.30 فیصد ہوئی، اس میں ایل این جی کا حصہ 5.98 فیصد اور HSD کا حصہ 26.32 فیصد رہا اور دستیابی کے حساب سے 2016 کی دستیابی 93.50 فیصد کے مقابلے میں 2017 کی دستیابی 81.67 فیصد رہی (سال 2017 میں سٹیم ٹربائن کی شیڈول میجر مٹینینس اس کی اہم وجہ بنی)۔ اعتمادیت کا عنصر 97.73 فیصد رہا جبکہ 2016 میں 99 فیصد تھا۔

مالیاتی کارکردگی

آپ کی کمپنی کی کارکردگی مستحکم رہی ہے۔ کمپنی کی کل مجموعی فروخت اس سال 12,257 ملین روپے رہی جو کہ گذشتہ سال 11,946 ملین روپے تھی اس سال آپ کی کمپنی کا خالص منافع 2,592 ملین روپے رہا۔ (جو کہ 2016 میں 2,312 ملین روپے تھا) اور فی حصص آمدن 6.71 روپے رہی جو کہ (2016 میں 5.98 روپے فی حصص) تھی۔

گزشتہ چھ سال کی اہم مالیاتی اور آپریشنل کارکردگی کی تفصیل درج ذیل ہے۔

برائے اختتامی سال دسمبر	2017 ملین روپے	2016 ملین روپے	2015 ملین روپے	2014 ملین روپے	2013 ملین روپے	2012 ملین روپے
کل مجموعی فروخت	12,257	11,946	14,981	18,519	11,891	17,027
مجموعی منافع	3,478	3,188	3,290	3,746	3,145	3,786
کل منافع	2,592	2,312	2,063	1,988	1,224	1,454
جائیداد، پلانٹ اور سامان	13,688	14,213	14,802	15,353	15,966	16,213
کل مالیت	10,396	9,216	7,872	6,969	6,334	6,464
طویل المدتی فنانسنگ	4,761	6,499	7,823	9,529	10,550	11,311
قلیل المدتی قرضہ	1,928	1,267	866	1,508	3,256	4,075
فی حصص منافع (روپے)	6.71	5.98	5.34	5.14	3.17	3.76
ترسیل کی سطح (فیصد)	32.30%	58.79%	50.85%	41.99%	37.96%	49.30%
دستیاب صلاحیت GWHs	1,786	1,675	1,652	1,746	1,512	1,633

Statement of Compliance with the Code of Corporate Governance (CCG)

This statement is being presented to comply with the Code of Corporate Governance(the code) contained in listing regulations of Pakistan Stock Exchange Limited (PSX) 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. Omar Ayub Khan
Non- Executive Directors	Mrs. Hoor Yousafzai
	Mr. Osman Saifullah Khan
	Mr. Jehangir Saifullah Khan
	Mr. Assad Saifullah Khan
	Ms. Jehannaz Saifullah Khan

The Chief Executive Officer (CEO) of the Company has resigned on 25 April 2018 and no appointment has been made till date.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.

3. All directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a broker of a stock exchange, has been declared as a defaulter by that stock exchange.

4. During the year three casual vacancies occurred on the Board on 29 May 2017 and one vacancy

occurred on 15 September 2017. Out of three vacancies that occurred on 29 May 2017, two vacancies were filed up by the Board w.e.f. 10 June 2017 and one w.e.f. 10 August 2017. Vacancy occurred on 15 September was filled through board election in EOGM on 31 October 2017. All the above vacancies were filled in within 90 days.

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 if any, have been taken by the board/shareholders.

8. The meetings of the board were presided over by the Chairman/Chairperson and, in his/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. Within the Board of Directors four directors comply with the requirements of directors' training program/ 15 years practical experience. Three directors have obtained training from ICAP under ICAP Directors Training Program duly approved by SECP, while one director Mr. Osman Saifullah Khan is exempt from training under the provisions of CCG. The remaining directors would complete certifications under directors' training program in future.

10. The appointment of Chief Financial Officer, Head of Internal Audit and Company Secretary, including their remuneration and terms and conditions of employment, has been approved by 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 the 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 including independent director, who are non-executive directors and chairman of committee is a non-executive 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 of three members, who 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.

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 Institute of Chartered Accountants ('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, was determined and intimated to directors, employees and stock exchange(s).

22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.

23. The Company has complied with the requirements relating to the 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.

Assad Saifullah Khan	Hoor Yousafzai
Director	Chairperson

27 April, 2018
Islamabad

REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (“the Code”) prepared by the Board of Directors of Saif Power Limited (“the Company”) for the year ended 31 December 2017 to comply with the requirements of Listing Regulation No. 5.19.24 of 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 a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 31 December 2017.

KPMG Taseer Hadi & Co.
Chartered Accounts
Engagement Partner:
Inam Ullah Kakra

27 April 2018
Islamabad

Auditors' Report to the Members

We have audited the annexed balance sheet of Saif Power Limited ("the Company") as at 31 December 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 except for the change as indicated in note 3 with which we concur;

   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 31 December 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 the Zakat and Ushr Ordinance, 1980 (XVIII 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 14.2 and 14.3 to the financial statements, which describe the matters regarding the recoverability and adjustment of certain trade debts. Our opinion is not modified in respect of these matters.

KPMG Taseer Hadi & Co.
Chartered Accounts
Engagement Partner:
Inam Ullah Kakra

27 April 2018
Islamabad

Financial Statements 2017

Balance Sheet
As at 31 December 2017

	Note	2017	2016
		Rupees	
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Share capital	4	**3,864,717,790**	3,864,717,790
Un-appropriated profit		**6,531,380,266**	5,351,061,011
Total equity		**10,396,098,056**	9,215,778,801
Liabilities			
Long term financing	5	**2,858,104,162**	4,761,277,269
Sub-ordinated loan	6	**762,252,708**	722,932,879
Liabilities against assets subject to finance lease	7	**11,381,837**	2,015,640
Non-current liabilities		**3,631,738,707**	5,486,225,788
Trade and other payables	8	**1,431,225,639**	1,163,048,419
Markup accrued	9	**379,873,196**	359,724,299
Short term borrowings	10	**1,927,513,747**	1,266,873,073
Current portion of non-current liabilities	11	**1,909,106,803**	1,742,259,627
Current liabilities		**5,647,719,385**	4,531,905,418
Total liabilities		**9,279,458,092**	10,018,131,206
Total equity and liabilities		**19,675,556,148**	19,233,910,007
Contingencies and commitments	12		

The annexed notes 1 to 33 form an integral part of these financial statements.

	Note	2017	2016
		Rupees	
ASSETS			
Property, plant and equipment	13	**13,687,610,378**	14,213,512,866
Long term deposits		**3,834,710**	4,162,760
Non-current assets		**13,691,445,088**	14,217,675,626
Stock in trade - HSD		**127,995,836**	128,114,620
Trade debts	14	**5,383,547,937**	4,377,319,135
Advances	15	**1,482,758**	2,320,034
Trade deposits and short term prepayments	16	**46,837,326**	47,686,740
Other receivables	17	**407,449,846**	296,082,915
Advance income tax		**12,372,853**	11,947,872
Bank balances	18	**4,424,504**	152,763,065
Current assets		**5,984,111,060**	5,016,234,381
Total Assets		**19,675,556,148**	19,233,910,007

Chief Financial Officer **Director** **Director**

Profit and Loss Account
For the year ended 31 December 2017

	Note	2017	2016
		Rupees	
Turnover - net	19	**12,257,197,103**	11,946,156,136
Cost of sales	20	**(8,779,522,661)**	(8,758,048,644)
Gross profit		**3,477,674,442**	3,188,107,492
Administrative expenses	21	**(182,395,624)**	(127,836,390)
Finance cost	22	**(707,339,260)**	(760,674,058)
Other income	23	**4,185,386**	12,736,311
Profit for the year		**2,592,124,944**	2,312,333,355
Earnings per share - basic and diluted	24	**6.71**	5.98

The annexed notes 1 to 33 form an integral part of these financial statements.

Chief Financial Officer	**Director**	**Director**

Statement of Comprehensive Income

For the year ended 31 December 2017

	Note	2017	2016
		Rupees	
Profit for the year		**2,592,124,944**	2,312,333,355
Other comprehensive income for the year			
Items that will never be reclassified to profit and loss account			
Remeasurements of defined benefit obligation	8.2.1 & 8.2.2	**(1,183,696)**	(2,080,367)
Total comprehensive income for the year		**2,590,941,248**	2,310,252,988

The annexed notes 1 to 33 form an integral part of these financial statements.

Chief Financial Officer **Director** **Director**

Cash Flow Statement
For the year ended 31 December 2017

	Note	2017	2016
		Rupees	
Cash flows from operating activities			
Profit for the year		2,592,124,944	2,312,333,355
Adjustments for:			
Provision for staff retirement benefits - gratuity	8.2.1	8,183,592	7,516,777
Depreciation	13	591,532,040	588,247,825
Finance cost	22	707,339,260	759,796,758
Gain on sale of property, plant and equipment	23	-	(695,959)
Insurance claim	23	(87,000)	(1,232,700)
Profit on deposit accounts	23	(147,646)	(1,152,093)
Return on investments	23	(3,532,349)	(9,453,831)
		3,895,412,841	3,655,360,132
Changes in:			
Stock in trade		118,784	96,002
Trade debts		(1,006,228,802)	697,746,323
Advances		837,276	2,779,795
Trade deposits and prepayments		849,414	2,519,806
Other receivable		(111,366,931)	(14,288,284)
Trade and other payables		262,771,950	(1,530,443,439)
Cash generated from operations		3,042,394,532	2,813,770,335
Income taxes paid		(424,981)	(565,433)
Finance cost paid		(654,528,959)	(777,919,362)
Staff retirement benefits paid		(36,623,422)	(4,380,898)
Net cash flows generated from operating activities		2,350,817,170	2,030,904,642
Cash flows from investing activities			
Acquisition of property, plant and equipment		(9,184,401)	(1,114,373)
Decrease in long term deposits		328,050	(3,393,360)
Proceeds from sale of property, plant and equipment		-	1,670,802
Insurance claim received		87,000	1,785,978
Profit on deposit accounts		147,646	1,152,093
Return on investments - receipt		3,532,349	9,453,831
Net cash (used in) / generated from investing activities		(5,089,356)	9,554,971
Cash flows from financing activities			
Repayment of long term financing		(1,738,206,389)	(1,323,739,259)
Dividend paid		(1,410,621,993)	(965,983,414)
Short term borrowings - net		660,640,674	401,069,763
Repayment of liabilities against assets subject to finance lease		(5,878,667)	(3,809,099)
Net cash used in financing activities	29	(2,494,066,375)	(1,892,462,009)
Net (decrease) / increase in cash and cash equivalents		(148,338,561)	147,997,604
Cash and cash equivalents at 01 January		152,763,065	4,765,461
Cash and cash equivalents at 31 December		4,424,504	152,763,065

The annexed notes 1 to 33 form an integral part of these financial statements.

Chief Financial Officer **Director** **Director**

Statement of Changes in Equity

For the year ended 31 December 2017

	Share capital	Un-appropriated profit	Total
		Rupees	
Balance at 01 January 2016	3,864,717,790	4,006,987,470	7,871,705,260
Total comprehensive income for the year			
Profit for the year	-	2,312,333,355	2,312,333,355
Other comprehensive income for the year	-	(2,080,367)	(2,080,367)
Total comprehensive income for the year	-	2,310,252,988	2,310,252,988
Transaction with owners of the Company			
Distributions			
Final dividend - 2015 @ Rs. 0.75 per share	-	(289,853,834)	(289,853,834)
Ist interim dividend - 2016 @ Rs. 1.75 per share	-	(676,325,613)	(676,325,613)
Total transactions with owners of the Company	-	(966,179,447)	(966,179,447)
Balance at 31 December 2016	3,864,717,790	5,351,061,011	9,215,778,801
Balance at 01 January 2017	**3,864,717,790**	**5,351,061,011**	**9,215,778,801**
Total comprehensive income for the year			
Profit for the year	**-**	**2,592,124,944**	**2,592,124,944**
Other comprehensive income for the year	**-**	**(1,183,696)**	**(1,183,696)**
Total comprehensive income for the year	**-**	**2,590,941,248**	**2,590,941,248**
Transaction with owners of the company			
Distributions			
Final dividend - 2016 @ Rs. 1.90 per share	**-**	**(734,296,380)**	**(734,296,380)**
First interim dividend - 2017 @ Rs. 1.75 per share	**-**	**(676,325,613)**	**(676,325,613)**
Total transactions with owners of the Company	**-**	**(1,410,621,993)**	**(1,410,621,993)**
Balance at 31 December 2017	**3,864,717,790**	**6,531,380,266**	**10,396,098,056**

The annexed notes 1 to 33 form an integral part of these financial statements.

Chief Financial Officer **Director** **Director**

Notes to the Financial Statements
For the year ended 31 December 2017

1 Reporting entity

Saif Power Limited ("the Company") was incorporated in Pakistan on 11 November 2004 as a public limited Company under the Companies Ordinance 1984. The shares of the Company have been quoted on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a combined cycle power plant having nameplate capacity of 225 Mega Watts (ISO) in district Sahiwal, Punjab, Pakistan and sell the electricity to National Transmission and Dispatch Company (NTDC). The registered office of the Company is situated at 4th Floor, Kashmir Commercial Complex Fazal-ul-Haq Road, Block E, Blue Area, Islamabad. The Company has commenced operations from 30 April 2010. The Company is a subsidiary of Saif Holdings Limited (''the Holding Company'') with shareholding of 51.04% (2016: 51.04%) ordinary shares.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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 Company Ordinance, 1984 shall prevail.

2.2 Basis of measurement and preparation

2.2.1 These financial statements have been prepared under the historical cost convention except for staff retirement benefits, which has been measured at values determined through actuarial valuation.

2.2.2 During the year, the Companies Act, 2017 (the Act) was enacted on May 30, 2017, which replaced and repealed the Companies Ordinance, 1984 (the repealed Ordinance). However, the Securities and Exchange Commission of Pakistan (SECP) through its Circular No. 23 of 2017 dated October 4, 2017 has advised the Companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Ordinance.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (PKR), which is the Company's functional currency. All financial information presented in PKR has been rounded off to the nearest of rupees, unless otherwise indicated.

2.4 Use of judgements and estimates

The preparation of financial statements in conformity with the approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods. Judgments and estimates made by management in the application of approved accounting standards that may have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next years are discussed in the ensuing paragraphs;

(a) Property, plant and equipment

The Company reviews the useful lives of property, plant and equipment on a regular basis. Any change in estimate in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on depreciation charge and impairment.

(b) Impairment of financial assets

In making an estimate of future cash flows of the Company's financial assets, the management considers estimated cash flows and their terminal value for impairment testing.

(c) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using the criteria given in respective accounting standards to determine the extent of impairment loss, if any.

(d) Taxation

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

(e) Employee benefits

Defined benefits plan is provided for permanent employees of the Company for which deferred liability is recognized in the Company's financial statements. The calculation of defined benefit liability requires assumptions to be made of future outcomes, the principal ones being in respect of expected salary growth, expected mortality of active members and the discount rate used to convert future cash flows to current values. Calculations are sensitive to the changes in assumptions used.

(f) Provision for inventory obsolescence and doubtful receivables

The Company reviews the carrying amount of stores and spares and stock in trade on regular basis and provision is made for obsolescence, if there is any change in usage pattern and physical form of related stores and spares. Further the carrying amounts of trade and other receivables are assessed on regular basis and if there is any doubt about the realisability of these receivables, appropriate amount is provided for.

(g) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost, if any.

Where 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, it is disclosed as contingent liability.

(h) Other

Pursuant to recent decisions of Supreme Court of Pakistan related to discretionary beneficial ownership in an overseas trusts on a prudent basis and in good faith transactions with "Orastar" have been disclosed in note 27 irrespective of the absence of significant influence and the fact that the companies are not associated under Companies Act, 2017.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the change as indicated below:

Amendments to IAS 7 'Statement of Cash Flows' became effective during the year. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. Accordingly, those disclosure have been included the note 29 to these financial statements. However, there was no change in the reported figures of profit and loss account or balance sheet.

3.1 Property, plant and equipment

(a) Tangible assets

Owned

These are stated at cost less accumulated depreciation and impairment loss, if any, except for freehold land, stores held for capitalization and capital work in progress which are stated at cost less impairment loss, if any. Cost comprises purchase price, including import duties, non-recourse purchase taxes and other related costs of bringing the asset to its present working condition and location for intended use. While exchange gains or losses on long term foreign currency loans utilized for acquisition of assets are added to / deducted from cost of respective asset in accordance with note 3.8.

Depreciation is charged to profit and loss account on straight line method at the rates given in note 13, after taking into account their respective residual values if any, so as to write off the depreciable amount over their estimated useful lives whereby depreciable amount adjusted for above exchange rate movements of an asset is written off over its remaining estimated useful life. Depreciation is charged from the month asset is available for use whereas no depreciation is charged in the month in which the asset is disposed off.

Normal repairs and maintenance are charged to the profit and loss account as and when incurred whereas major improvements and modifications are capitalised. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment disposed off, and are recognized net within "other income" in profit and loss account.

Leased assets

Assets subject to finance lease in which the Company bears substantially all risks and rewards of ownership of the assets are recognised at the inception of lease at lower of their fair value and the present value of minimum lease payments. Related obligations under the agreement are accounted for as liabilities and financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of interest on the outstanding liability. Depreciation is charged on leased assets at the rates given in note 13.

Ijarah

Rentals payable under ijarah arrangement are charged to profit and loss account on a straight line basis over the term of the Ijarah lease arrangement.

3.2 Staff retirement benefits - Defined benefit plan

The Company operates a funded gratuity scheme covering all permanent employees completing the minimum qualifying year of service, for which deferred liability is recognized in the Company's financial statements. The assets of the fund plan are held independently in a separate fund. Provision for gratuity is made to cover obligations under the scheme in accordance with actuarial recommendations. The latest actuarial valuation was carried out by the Company as on December 31, 2017. The details of actuarial valuation are given in note 8.2 to the financial statements. The actuarial gains and losses are recognized in other comprehensive income in the year in which they arise.

3.3 Taxation

(a) Current

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. Further, the Company is also exempt from minimum tax on turnover under clause (11 A) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

(b) Deferred

Deferred tax has not been provided in these financial statements as 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.

3.4 Borrowing costs

Borrowing costs on loans which are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent that these are regarded as adjustment to borrowing cost. All other borrowing costs are charged to profit or loss account.

3.5 Markup bearing borrowings

Mark-up bearing borrowings are recognized initially at cost, less attributable transaction costs. Subsequent to initial recognition, mark-up bearing borrowings are stated at originally recognized amount less subsequent repayments, while the difference between the original recognized amounts (as reduced by periodic payments) and redemption value is recognized in the profit and loss account over the period of borrowings on an effective rate basis except to the extent capitalised as borrowing cost.

3.6 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle such obligations and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimate.

3.7 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined using weighted average cost method. Cost of inventory comprises of the purchase price and other direct costs incurred in bringing the inventory items to their present location and condition. 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.

3.8 Foreign currency transactions and translations

Foreign currency transactions are recorded in PKR at the rate of exchange prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate prevalent on the reporting date. Non monetary assets that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transactions. Exchange differences are accounted for as follows:

(i) Exchange differences related to foreign currency loans obtained for financing of the plant and machinery are capitalized and depreciated over the remaining useful life of the related assets in accordance with SRO 24 (1) / 2012 of SECP.

(ii) All other exchange differences are charged to the profit and loss account on net basis.

3.9 Revenue recognition

Revenue from sale of electricity to National Transmission and Despatch Company Limited (NTDC) is recognised based on the transmission of electricity and whereas on account of capacity is recognised when due, at rates as specified under the Power Purchase Agreement (PPA) and revised reference tariff determined by National Electric Power Regulatory Authority (NEPRA) and after incorporation of relevant applicable quarterly indexation.

3.10 Financial instruments

Non-derivative financial assets

These are initially recognized on the date that they are originated i.e. on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. Investments are recognised on settlement date.

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or when the Company transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company's non-derivative financial assets are classified as loans and receivables.

Loans and receivables comprise trade debts, deposits, other receivables, advances to employees and cash and cash equivalents.

Trade debts, deposits and other receivables

Deposits and trade and other receivable are stated initially at the fair value. Subsequent to initial

recognition these are stated at their amortised cost as reduced by appropriate provision for impairment. Known impaired receivables are written off, while receivables considered doubtful of recovery are fully provided for.
The allowance for doubtful accounts is based on the Company's assessment of the collectability of counterparty accounts. The Company regularly reviews its debts and receivables that remain outstanding past their applicable payment terms and establishes allowance and potential write-offs by considering factors such as historical experience, credit quality, age of the accounts receivable balances, and current economic conditions that may affect a counterparty's ability to pay.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and short term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in their fair value.

Non-derivative financial liabilities

The Company initially recognises non derivative financial liabilities on the date that they are originated or the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

These financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Non derivative financial liabilities comprise mark-up bearing borrowings including long term financing, obligations under finance lease, Subordinated loan, short term borrowings, markup accrued and trade and other payables.

Trade and other payables

Liabilities for trade and other payable are carried at amortized cost, which approximates the fair value of consideration to be paid in future for goods and services received, whether or not billed to the Company.

Borrowings

Subsequent to initial recognition borrowings are measured at amortised cost using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under mark-up payable on borrowings to the extent of the amount remains unpaid.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.11 Finance income and finance cost

Finance income comprises profit on deposit accounts and profit on short term investment. Profit on deposit accounts is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return. Income on term deposit receipts is recognized on time proportion basis taking into account the effective yield of such securities.

Finance cost comprises interest expense on borrowings, interest on finance lease liabilities, bank charges, exchange loss - net and other charges on borrowings. Mark-up and other charges on borrowings other than expense incurred on qualifying assets are charged to profit and loss account in the period in which they are incurred.

3.12 Impairment

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor or indications that a debtor or issuer will enter bankruptcy.

All individually significant assets are assessed for specific impairment. All individually significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit and loss account and are reflected in an allowance account. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss account.

3.13 Provision for Workers' Profit Participation Fund

The Company does not account for Provision for Workers Profit Participation Fund (WPPF) in its profit and loss account as they are pass through items to NTDC under the Power Purchase Agreement (PPA). In case the liability arises, it is recovered from NTDC.

3.14 Dividend

Dividend distribution to the shareholders is recognized as liability in the period in which it is declared.

3.15 Forthcoming changes in approved accounting standards that are not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2018:

- Classification and Measurement of Share-based Payment Transactions - amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.

- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' -effective for annual periods beginning on or after 1 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.

- Annual Improvements to IFRSs 2014-2016 Cycle [Amendments to IAS 28 'Investments in Associates and Joint Ventures'] (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on Company's financial statements.

- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The application of interpretation is not likely to have an impact on Company's financial statements.

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on Company's financial statements.

- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

- IFRS 9 'Financial Instruments' and amendment – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.

- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on Company's financial statements.

- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:

  (a) IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

  (b) IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.

  (c) IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

  The above improvements are not likely to have an impact on the financial statements of the Company.

- In addition, the Companies Act, 2017 was enacted on 30 May 2017 and SECP vide its circular 23 of 2017 has clarified that the companies whose financial year closes on or before 31 December 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Companies Act, 2017 applicable for financial year beginning on 1 January 2018 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017.

Notes to the Financial Statements
For the year ended 31 December 2017

4 SHARE CAPITAL

	2017	2016
	Rupees	
4.1 Authorized share capital		
405,000,000 (2016: 405,000,000) ordinary shares of Rs.10 each	**4,050,000,000**	4,050,000,000
4.2 Issued, subscribed and paid-up capital		
386,471,779 (2016: 386,471,779) ordinary shares of Rs. 10 each fully paid in cash	**3,864,717,790**	3,864,717,790

4.3 Saif Holding Limited ("Holding Company") holds 197,272,619 i.e. 51.04% shares (2016: 197,272,619 i.e. 51.04%) ordinary shares of Rs.10/- each at the reporting date and 12,002 (2016: 20,002) ordinary shares of Rs. 10 each and 100 (2016: 100) ordinary shares of Rs. 10 each are held by directors and a related party respectively. Orastar Limited held 74,670,004 (2016: 79,280,604) ordinary shares of the Company.

5 LONG TERM FINANCING

	Note	2017	2016
		Rupees	
Loan from banking companies and financial institutions			
Syndicate term finance facilities	5.1	**4,761,277,267**	6,499,483,656
Current portion of long term financing	11	**(1,903,173,105)**	(1,738,206,387)
		2,858,104,162	4,761,277,269

5.1 Breakup of syndicate term finance facilities is as follows:

Syndicate term finance facility under SFA	5.1.1	**3,946,162,973**	5,388,869,013
Syndicate term finance facility under TFFA	5.1.2	**815,114,294**	1,110,614,643
		4,761,277,267	6,499,483,656

5.1.1 Syndicated term finance facility under Senior Facility Agreement ("SFA")

	2017	2016
	Rupees	
National Bank of Pakistan	**919,634,716**	1,237,424,275
Habib Bank Limited	**919,634,716**	1,237,424,275
United Bank Limited	**919,634,713**	1,309,895,967
Allied Bank Limited	**441,424,663**	593,963,650
Faysal Bank Limited	**183,926,942**	247,484,855
Askari Bank Limited	**183,926,942**	247,484,855
Bank of Punjab	**183,926,942**	247,484,855
Pak Oman Investment Company Limited	**110,356,164**	148,490,911
Saudi Pak Industrial & Agricultural Investment Company Limited	**83,697,175**	119,215,370
	3,946,162,973	5,388,869,013

This represents a syndicated senior facility of Rs. 10,727.53 million (2016: Rs. 10,727.53 million) obtained from a consortium of seven banks and two Development Finance Institutions (DFIs) led by Habib Bank Limited, the agent bank. The facility carries mark-up at the rate of 3 months KIBOR plus 3% per annum with no floor or cap and payable in quarterly installments in a period of ten years, starting from 30 June 2010. The facility is secured against immovable property located at Sahiwal, project receivables, sponsors' shares constituting 51% of total issued share capital of the Company, lien over project accounts and all present and future assets and properties of the Company for an amount of Rs. 27,210.47 million (2016: Rs. 27,210.47 million) and assignment of the Company's rights and benefits under all project agreements.

5.1.2 Syndicated term finance facility under Term Finance Facility Agreement ("TFFA")

	2017	2016
	Rupees	
National Bank of Pakistan	**189,950,200**	255,050,941
Habib Bank Limited	**189,950,200**	255,050,941
United Bank Limited	**189,950,200**	269,842,043
Allied Bank Limited	**91,176,095**	122,424,451
Faysal Bank Limited	**37,990,039**	51,010,187
Askari Bank Limited	**37,990,039**	51,010,187
Saudi Pak Industrial & Agricultural Investment Company Limited	**17,323,458**	24,609,593
Pak Brunei Investment Company Limited	**60,784,063**	81,616,300
	815,114,294	1,110,614,643

This represents a syndicated term finance facility of Rs. 2,180 million (2016: Rs. 2,180 million) obtained from a consortium of six banks and two DFIs led by Habib Bank Limited, the agent bank. The facility carries mark-up at the rate of 3 months KIBOR plus 3% per annum with no floor or cap and payable in quarterly installments in a period of ten years, starting from 30 June 2010. The facility is secured against immovable property located at Sahiwal, project receivables, sponsors' shares constituting 51% of total issued share capital of the Company, lien over project accounts and all present and future assets and properties of the Company for an amount of Rs. 2,906.66 million (2016: Rs. 2,906.66 million) and assignment of the Company's rights and benefits under all project agreements.

5.2 Subject to certain materiality test, significant covenants of above facilities are as follows:

(i) Restriction of creation of further charge on the Company's assets;
(ii) Certain restriction on distribution of dividend; and
(iii) Maintenance of debt service coverage ratio, debt equity ratio and leverage ratio.

Further covenants under these loans relate to the operation of the Company, project accounts, PPA and material agreements.

6 SUB-ORDINATED LOAN - UNSECURED

	Note	2017	2016
		Rupees	
Balance at 01 January		**722,932,879**	65,965,049
Exchange loss capitalized	6.2	**39,319,829**	-
Effect of rescheduling		**-**	656,967,830
	6.1	**762,252,708**	722,932,879
Current portion of subordinated loan		**-**	-
Balance at 31 December		**762,252,708**	722,932,879

6.1 This represents remaining balance of US $ 6,898,215 (2016: US $ 6,898,215) from the original foreign currency loan of US $ 8,946,353 obtained from Orastar Limited, incorporated under the laws of British Virgin Island (BVI). The loan is duly registered with State Bank of Pakistan (SBP). The loan carries a mark-up at the rate of 3 months USD LIBOR plus 3% per annum and payable in quarterly installments in a period of six years starting from 01 January 2019 subject to availability of surplus funds available for distribution. As per agreement, the Company can also issue shares to Orastar Limited in lieu of repayment on mutually agreed basis.

6.2 Exchange loss on sub-ordinated loan has been capitalized as in accordance with note 3.8 (i).

Notes to the Financial Statements
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7 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	Note	2017 Minimum lease payments	2017 Finance cost for future periods	2017 Present value of minimum lease payments	2016 Present value of minimum lease payments
		Rupees			
Within one year	7.2	**6,656,791**	**723,093**	**5,933,698**	4,053,240
Later than one year and not later than five years		**12,307,691**	**925,854**	**11,381,837**	2,015,640
		18,964,482	**1,648,947**	**17,315,535**	6,068,880

7.1 Minimum lease payments have been discounted at an implicit interest rates ranging from 7.12% to 8.65% (2016: 7.01% to 8.99%) per annum. Lease rental are repayable monthly. These lease facilities were arranged by the Holding Company from banks and title to the assets acquired under the leasing arrangements are transferable to the Company upon payment of entire lease obligations and adjustment of lease key deposits.

7.2 This includes past due principal amount of Rs. 1,462,151 (2016: nil).

8 TRADE AND OTHER PAYABLES

	Note	2017	2016
		Rupees	
Creditors		**992,030,560**	741,911,837
Accrued liabilities		**59,470,889**	35,149,708
Dividend payable		**6,654,069**	5,162,897
Withholding tax payable		**1,285,350**	5,149,261
Sales tax payable		**8,186,294**	-
WPPF payable	8.1	**129,606,247**	115,616,668
Payable to staff gratuity fund	8.2	**8,979,287**	36,235,421
Support services fee payable to Holding Company		**221,525,725**	221,525,725
Other payables	8.3	**3,487,218**	2,296,902
		1,431,225,639	1,163,048,419

8.1 Workers' Profit Participation Fund Payable

	Note	2017	2016
		Rupees	
Balance at 01 January		**115,616,668**	103,130,758
Provision for the year		**129,606,247**	115,616,668
Payment during the year		**(115,616,668)**	(103,130,758)
Balance at 31 December	8.1.1	**129,606,247**	115,616,668

8.1.1 This represent Workers' Profit Participation Fund (WPPF) payable at the rate of 5% of the net profit for the year and is a pass through item under the provisions of Power Purchase Agreement.

8.2 Payable to staff gratuity fund

The amount recognized in the balance sheet is as follows:

	Note	2017	2016
		Rupees	
Present value of defined benefit obligation	8.2.1	**45,809,648**	36,235,421
Less: Fair value of plan assets	8.2.2	**(36,830,361)**	-
Net defined benefit liability		**8,979,287**	36,235,421

		Note	2017	2016
			Rupees	
8.2.1	The movement in present value of defined benefit obligation is as follows:			
	Balance at 01 January		**36,235,421**	31,108,775
	Included in profit and loss account			
	Current service cost		**5,311,697**	4,918,160
	Interest cost		**2,871,895**	2,598,617
			8,183,592	7,516,777
	Included in other comprehensive income			
	Remeasurement loss:			
	- Actuarial loss		**2,064,099**	2,080,367
	Others			
	Benefits paid		**(673,464)**	(4,380,898)
	Transfer to short term liability		**-**	(89,600)
	Balance at 31 December		**45,809,648**	36,235,421
8.2.2	The movement in fair value of plan assets is as follows:			
	Balance at 01 January		**-**	-
	Included in profit and loss account			
	Interest income		**-**	-
	Included in other comprehensive income			
	Retrun on plan assets excluding interest income		**880,403**	-
	Others			
	Contribution by the Company		**36,623,422**	-
	Benfits paid		**(673,464)**	-
	Balance at 31 December		**36,830,361**	-
8.2.3	**Breakup of plan assets is as follows:**			
	Cash at bank		**314,611**	-
	Treasury bills		**36,515,750**	-
			36,830,361	**-**
8.2.4	**Allocation of gratuity expense is as follows:**			
	Cost of sales	21.1	**6,546,874**	6,013,422
	Administrative expenses	22.1	**1,636,718**	1,503,355
			8,183,592	7,516,777

8.2.5 Gratuity plan entitles a retired employee to receive gratuity equivalent to last drawn salary into number of years of service. The gratuity plan is administered by a gratuity fund that is legally separated from the Company and is fully funded by the Company based on actuarial valuation. Employees are not required to contribute to this plan. The latest actuarial valuation was carried out on 31 December 2017 using projected unit credit method. Expected gratuity expense for the next financial year is Rs. 5,195,892. This defined benefit plan exposes the Company to the following actuarial risks:

(a) Final salary risk

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

(b) Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

(c) Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

(d) Investment risk

The risk of the investment under-performing and being not sufficient to meet the Liabilities.

8.2.6 Key actuarial assumptions

	2017	2016
Discount rate used for interest cost	**8.0%**	9.0%
Discount rate used for year end obligation	**8.25%**	8.00%
Future salary growth	**7.25%**	7.00%
Expected mortality for active members	**As per SLIC 2001-2005 setback 1 Year**	As per SLIC 2001-2005 setback 1 Year
Average expected remaining working life time of employees	**5 years**	5 years

8.2.7 Sensitivity analysis

Reasonably possible changes at the reporting date at one of the relevant actuarial assumptions, holding other assumption constant, would have affected the defined benefit obligations by the amount shown below;

	31 December 2017		31 December 2016	
	Increase	Decrease	Increase	Decrease
	Rupees			
Discount rate (1% movement)	**43,571,534**	**48,381,098**	34,404,722	38,331,745
Future salary growth (1% movement)	**48,454,744**	**43,464,747**	38,394,730	34,314,549

8.2.8 Pursuant to constitution of separate fund for gratuity on 25 January 2016, the payable to gratuity fund amounting to Rs. 36,235,421 that was previously presented as "deferred liability-gratuity" under the non-current liabilities, has now been presented under current liabilities and has been classified under trade and other payables (refer note 8 to these financial statements). Accordingly, the comparative has also been reclassified. The third balance sheet has not been presented as this has no effect on the balance sheet as at 01 January 2016.

31 Dec 2016	Impact of reclassification		
	As previously reported	Reclassification	As restated
		Rupees	
Non-current liabilities	5,522,461,209	(36,235,421)	5,486,225,788
Deferred liability - gratuity	36,235,421	(36,235,421)	-
Current liabilities	4,495,669,997	36,235,421	4,531,905,418
Trade and other payables	1,126,812,998	36,235,421	1,163,048,419

8.3 This includes payable amounting to Rs. 158,173 (2016: Rs. Nil) due to an associated company.

		Note	2017	2016
9	**MARKUP ACCRUED**		Rupees	
	Markup on long term financing		**119,492,960**	154,294,722
	Markup on short term borrowings		**25,376,954**	12,893,049
	Markup on sub-ordinated loan		**235,003,282**	192,536,528
			379,873,196	359,724,299

		Note	2017	2016
10	**SHORT TERM BORROWINGS**			
	Short term borrowings from banking companies			
	Working capital facilities	10.1	**1,677,513,509**	951,873,158
	Short term loan facility		**-**	265,000,000
	Short term murabaha facility	10.2	**250,000,238**	49,999,915
			1,927,513,747	1,266,873,073

10.1 The Company has obtained working capital facilities amounting to Rs. 6.36 billion (2016: Rs. 5.29 billion) from several commercial banks for meeting the working capital requirements, expiring on various dates during 2018. Effective mark-up rates during the year on these facilities ranges between 6.53% to 7.65% (31 December 2016: 6.69% to 8.49%) with no floor or cap and payable in arrears on quarterly basis. The facilities are secured by way of mortgage charge on fuel stocks inventory and energy payment receivables up to Rs. 10.06 billion (2016: Rs. 6.70 billion) and subordinated / ranking charge on all present and future assets and properties of the Company for an amount of Rs. 1.52 billion (2016: 0.93 billion).

10.2 The Company has obtained short term Islamic Finance facilities from Islamic banks subject to a maximum limit of Rs. 1.00 billion (2016: Rs. 0.5 billion). Effective variable mark-up rate during the year on these facilities ranges between 6.72% to 6.91% (2016: 6.80%) and are secured by pari passu / ranking charge on fuel stock and energy purchase price receivables of the company up to Rs. 1.292 billion (2016: Rs. 667 million) and subordinated / ranking charge on all present and future assets and properties of the Company up to Rs. 0.15 billion (2016: Rs. 0.15 billion).

10.3 Letter of credit / guarantees

Facility of letter of guarantees amounting to Rs. 4.67 billion (2016: Rs. 4.47 billion) are available to the Company. These facilities are secured against the ranking charge over all present and future project assets and lien on SBLC.

Orastar Limited has obtained, on behalf of the Company, a Standby Letter of Credit amounting to USD 4,013,578 (2016: USD 7,246,545) issued by Bank of Singapore Limited in favor of Habib Bank Limited as a counter-guarantee for letter of guarantees mentioned in the preceding paragraph. The guarantee will expire on 30 June 2018.

Notes to the Financial Statements

For the year ended 31 December 2017

11 CURRENT PORTION OF NON CURRENT LIABILITIES

	2017	2016
	Rupees	
Current portion of long term financing	**1,903,173,105**	1,738,206,387
Current portion of liabilities against assets subject to finance lease	**5,933,698**	4,053,240
	1,909,106,803	1,742,259,627

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies:

12.1.1 In 2014, the tax authorities raised sales tax demand of Rs. 1,498.51 million by partially disallowing input sales tax for the tax periods 2010 to 2013 by apportioning the total claim to energy purchase price and capacity purchase price, the latter being not subject to sales tax. On appeal filed by the Company, the Appellate Tribunal Inland Revenue (ATIR) directed the taxation officer to decide the matter in line with expected judgment of the Honorable High Court in parallel cases. Consequently, at present, the aforesaid tax demand is no more payable. Tax Authorities, against the decision of ATIR, filed reference application under section 47 of the Sales Tax Act, 1990 before the Honorable Islamabad High Court. However, in case the matter is eventually resolved against the Company, the tax payment will be claimable under the Power Purchase Agreement.

Based on the advice of the Company's tax consultants and decision of the Lahore High Court in a parallel case, the Company’s management believes that the contention of tax department even after filing of reference application does not commensurate with the related statutory provisions and the issue is likely to be decided in favor of the Company.

12.1.2 For the tax period July 2015 to June 2016, the taxation officer raised sales tax demand of Rs. 10.43 million in the matter of inadmissibility of input tax in relation to financial banking services, security services and business support services procured by the Company. The Company is contesting the matter before the Commissioner (Appeals). Maximum amount of contingency as per the Company's records is Rs. 5.03 million.

12.1.3 In respect of Tax Years 2014 and 2015, the taxation authorities amended the Company’s assessments and raised tax demand amounting to Rs. 25.15 million and Rs. 9.45 million respectively by subjecting bank profit, return on investments, and foreign exchange gain to tax. The Company’s appeals are pending decision by the Commissioner (Appeals).

12.1.4 SNGPL has claimed an amount of Rs.84.03 million on account of late payment by the Company against SNGPL's invoices of Regasified Liquified Natural Gas (RLNG). SNGPL submitted these RLNG invoices to the Company without getting determination of RLNG tariff from OGRA. The Company has considered such SNGPL invoices to be invalid without OGRA determination. Therefore, no provision for the above mentioned amount has been made in these financial statements.

12.2 Commitments:

The Company is committed to pay monthly fee and milestone payments to its O&M contractors as per terms agreed in the Operations & Maintenance (O&M) agreement.

Notes to the Financial Statements

For the year ended 31 December 2017

13 PROPERTY, PLANT AND EQUIPMENT

	Owned assets										Leased assets	
	Freehold land	Buildings on freehold land	Plant and machinery	Office equipment	Computer and accessories	Furniture and fixtures	Motorcycle and bicycle	Vehicles	Other assets	Stores held for capitalization	Vehicles	Total
Cost	Rupees											
Balance at 01 January 2016	43,890,600	2,352,888,758	15,095,828,055	10,087,514	5,015,784	3,531,214	326,190	7,781,571	626,230	511,038,581	13,179,374	18,044,193,871
Additions	-	-	-	327,433	441,531	275,954	69,455	-	-	-	-	1,114,373
Disposals	-	-	-	(172,934)	(242,500)	-	-	(4,811,513)	-	-	-	(5,226,947)
Transfer	-	-	-	-	-	-	-	-	-	-	-	-
Effect of exchange loss (Refer note 6.2)	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2016	43,890,600	2,352,888,758	15,095,828,055	10,242,013	5,214,815	3,807,168	395,645	2,970,058	626,230	511,038,581	13,179,374	18,040,081,297
Balance at 01 January 2017	**43,890,600**	**2,352,888,758**	**15,095,828,055**	**10,242,013**	**5,214,815**	**3,807,168**	**395,645**	**2,970,058**	**626,230**	**511,038,581**	**13,179,374**	**18,040,081,297**
Additions	**-**	**-**	**8,720,884**	**135,017**	**328,500**	**-**	**-**	**-**	**-**	**-**	**17,125,322**	**26,309,723**
Transfers								**5,275,136**			**(5,275,136)**	**-**
Disposals	**-**	**-**	**-**	**-**	**(262,490)**	**-**	**-**	**-**	**-**	**-**	**-**	**(262,490)**
Effect of exchange loss (Refer note 6.2)	**-**	**-**	**39,319,829**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**39,319,829**
Balance at 31 December 2017	**43,890,600**	**2,352,888,758**	**15,143,868,768**	**10,377,030**	**5,280,825**	**3,807,168**	**395,645**	**8,245,194**	**626,230**	**511,038,581**	**25,029,560**	**18,105,448,359**
DEPRECIATION												
Balance at 01 January 2016	-	454,091,308	2,766,239,943	6,232,155	4,618,257	2,602,567	227,039	4,468,165	611,094	-	2,928,903	3,242,019,431
Charge for the year	-	78,351,192	505,866,527	977,562	243,642	215,060	38,802	431,204	15,136	-	2,108,700	588,247,825
On disposals	-	-	-	(133,486)	(226,497)	-	-	(3,338,842)	-	-	-	(3,698,825)
On transfers	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2016	-	532,442,500	3,272,106,470	7,076,231	4,635,402	2,817,627	265,841	1,560,527	626,230	-	5,037,603	3,826,568,431
Balance at 01 January 2017	**-**	**532,442,500**	**3,272,106,470**	**7,076,231**	**4,635,402**	**2,817,627**	**265,841**	**1,560,527**	**626,230**	**-**	**5,037,603**	**3,826,568,431**
Charge for the year	**-**	**78,351,192**	**506,004,608**	**901,220**	**168,122**	**188,760**	**28,380**	**1,245,048**	**-**	**-**	**4,644,710**	**591,532,040**
On disposals	**-**	**-**	**-**	**-**	**(262,490)**	**-**	**-**	**-**	**-**	**-**	**-**	**(262,490)**
On transfers	**-**	**-**	**-**	**-**	**-**	**-**		**2,889,981**	**-**	**-**		
Balance at 31 December 2017	**-**	**610,793,692**	**3,778,111,078**	**7,977,451**	**4,541,034**	**3,006,387**	**294,221**	**5,695,556**	**626,230**	**-**	**6,792,332**	**4,417,837,981**
Carrying amounts												
At 01 January 2016	43,890,600	1,898,797,450	12,329,588,112	3,855,359	397,527	928,647	99,151	3,313,406	15,136	511,038,581	10,250,471	14,802,174,440
At 31 December 2016	43,890,600	1,820,446,258	11,823,721,585	3,165,782	579,413	989,541	129,804	1,409,531	-	511,038,581	8,141,771	14,213,512,866
At 31 December 2017	**43,890,600**	**1,742,095,066**	**11,365,757,690**	**2,399,579**	**739,791**	**800,781**	**101,424**	**2,549,638**	**-**	**511,038,581**	**18,237,228**	**13,687,610,378**
Rates of depreciation per annum (%)	-	3.33%	3.33% to 3.8%	10 % to 33.33%	33.33%	10%	20%	20%	10%	-	20%	

Notes to the Financial Statements
For the year ended 31 December 2017

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

	Note	2017	2016
		Rupees	
Cost of sales	20	**584,355,800**	584,217,719
Administrative expenses	21	**7,176,240**	4,030,106
		591,532,040	588,247,825

13.2 Detail of property, plant and equipment disposed during the year

Asset description	Cost	Carrying amount	Sale proceeds	Purchaser	Mode of disposal
		Rupees			
Computers and accessories	262,490	-	87,000	-	Insurance Claim
31 Dec 2017	**262,490**	**-**	**87,000**		
31 Dec 2016	5,226,947	1,528,122	3,456,780		

		Note	2017	2016
			Rupees	
14	**TRADE DEBTS - secured, considered good**			
	National Transmission and Dispatch Company (NTDC)	14.1	**5,383,547,937**	4,377,319,135

14.1 These are secured by way of guarantee issued by the Government of Pakistan (GoP) under the Implementation Agreement (IA). These are subject to mark-up on delayed payments under section 9.6 (d) of PPA at the rate of KIBOR + 4.5% per annum.

14.2 Included in trade debts is an amount of Rs. 477.56 million (2016: Rs. 477.56 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.

The Company along with other IPPs agreed with NTDC to resolve the dispute through dispute resolution mechanism (appointment of expert) under the PPA. In his decision the expert in August 2015 determined that the amount mentioned above is payable to the Company and accordingly the Company has claimed the said amount from NTDC. Since NTDC did not confirm to requirements of PPA relating to Expert decision within 30 days, the IPPs went to London Court of International Arbitration (LCIA).

Sole arbitrator appointed by LCIA issued a partial final award on June 08, 2017 wherein it was inter alia held that the expert determination is final and binding. Thereafter, a final award was issued by the sole arbitrator on October 29, 2017 pursuant to which NTDC was ordered to pay Rs. 477.56 million (2016: Rs. 477.56 million) along with cost of proceedings, interest from the date of expert determination till payment by NTDC after Arbitrator decision to the Company. Both the awards have been filed by the Company in the Lahore High Court for enforcement, which proceedings are pending. NTDC has also challenged the partial final award and final award in English Courts as well as Lahore Civil Court, which are pending adjudication.

14.3 During year ended 31 December 2016, an amount of Rs. 239.68 million relating to capacity purchase price not acknowledged by NTDC was adjusted by the Company against payable to SNGPL pursuant to award in favor of the Company for the whole amount by the London Court of International Arbitration (Arbitrator). SNGPL disputed the adjustment/set off amount of Award in the Lahore High Court, however, the court dismissed such petition of SNGPL. Thereafter, SNGPL filed appeal before the Supreme Court of Pakistan, which is pending adjudication. SNGPL has also challenged the award in Civil Court, Lahore which is pending adjudication. During the year ended 31 December 2016, the Company filed a petition in the Civil Court Lahore to obtain a Decree in lieu of the arbitration award and also adjusted an amount of Rs. 270.66 million from payable to SNGPL as such amount was allowed by the Arbitrator in its award.

14.4 For aging of receivable from NTDC at the reporting date, refer to note 25.4.

15 ADVANCES - considered good	**Note**	**2017**	2016
		Rupees	
Advances to supplier		**617,590**	1,154,615
Advances to employees	15.1	**865,168**	1,165,419
		1,482,758	2,320,034

15.1 Advances to employees includes an amount of Rs. 0.551 million (2016: Rs. 0.63 million) receivable from executives. These are secured and considered good.

16 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS	**2017**	2016
	Rupees	
Prepayments	**45,029,926**	46,136,940
Security deposit	**1,038,000**	1,038,000
Current portion of long term deposits	**769,400**	511,800
	46,837,326	47,686,740

17 OTHER RECEIVABLES

Sales tax receivable - net	**-**	18,400,940
WPPF receivable	**405,718,556**	276,112,309
Other receivables	**1,731,290**	1,569,666
	407,449,846	296,082,915

Notes to the Financial Statements
For the year ended 31 December 2017

18	BANK BALANCES	Note	2017	2016
			Rupees	
	Cash at bank:			
	Current accounts			
	Local currency	18.1	231,878	289,318
	Foreign currency	18.2	499,360	345,309
			731,238	634,627
	Deposit accounts			
	Local currency	18.1	3,477,224	1,923,446
	Foreign currency	18.2	216,042	204,992
			3,693,266	2,128,438
	Term deposit receipt	18.3	-	150,000,000
			4,424,504	152,763,065

18.1 These carry markup ranging from 3.84% to 3.99% (2016: 3.84% to 3.99%) per annum for PKR denominated balances while 0.05% (2016: 0.15%) per annum for USD denominated balances.

18.2 This represents an amount of USD 6,485 (2016: USD 5,251) in US Dollar deposit and current accounts.

18.3 These carried markup of 6.55% (2016: 7%) per annum.

19	TURNOVER - NET	Note	2017	2016
			Rupees	
	Gross Energy Purchase Price (EPP)		10,242,980,782	9,665,682,643
	Less: Sales tax		(2,370,631,699)	(1,906,424,785)
			7,872,349,083	7,759,257,858
	Capacity Purchase Price (CPP)		4,384,848,020	4,186,898,278
			12,257,197,103	11,946,156,136

20 COST OF SALES

	Note	2017	2016
Raw material consumed		7,208,099,606	7,238,427,237
Operation and maintenance		756,995,163	729,604,148
Salaries and other benefits	20.1	52,894,010	43,836,416
Electricity charges		41,684,931	26,622,616
Insurance		132,890,646	133,230,319
Depreciation	13.1	584,355,800	584,217,719
Office expenses		963,462	955,364
Travelling, conveyance and entertainment		1,046,083	727,560
Repair and maintenance		215,383	150,004
Communication		136,048	114,045
Others		241,529	163,216
		8,779,522,661	8,758,048,644

20.1 These include Rs. 6,546,874 (2016: Rs. 6,013,422) charged in respect of staff retirement benefits - gratuity.

21 ADMINISTRATIVE EXPENSES

	Note	2017 Rupees	2016 Rupees
Salaries and other benefits	21.1	**36,418,536**	33,522,637
Traveling and conveyance		**2,594,769**	2,825,149
Rent, rates and taxes	21.2	**9,375,357**	9,917,552
Security services		**11,662,656**	10,654,373
Office expenses		**8,176,955**	4,823,015
Fees and subscriptions		**12,805,111**	19,503,751
Legal and professional		**69,614,842**	26,043,854
Consultancy		**12,139,050**	6,671,123
Repair and maintenance		**4,884,932**	4,181,072
Utilities		**1,528,518**	2,192,212
Insurance		**2,202,493**	1,869,613
Depreciation	13.1	**7,176,240**	4,030,106
Auditors' remuneration	21.3	**1,953,050**	1,235,200
Donations	21.4	**1,600,000**	100,000
Advertisements		**263,115**	366,733
		182,395,624	127,836,390

21.1 These include Rs. 1,636,718 (2016: Rs. 1,503,355) charged in respect of staff retirement benefits - gratuity.

21.2 This includes Ijarah payments of Rs.2,516,571 (2016: Rs.1,289,885) and vehicles registration charges under an Ijarah (lease) agreement. As required under IFAS 2 " IJARAH" (notified through SRO 43(1) / 2007 by Securities & Exchange Commission of Pakistan) ijarah payments under an Ijarah (lease) agreement are recognized as an expense in the profit and loss account on straight line basis over the term of ijarah. The amount of future ijarah payments and the periods in which these will be due are as follows:

	2017 Rupees	2016 Rupees
Within one year	**2,346,604**	2,475,610
After one year but not more than five years	**948,537**	3,294,862
	3,295,141	5,770,472

21.3 Auditors' remuneration

	2017	2016
Annual audit fee	**670,000**	607,500
Half yearly review fee	**370,000**	337,500
Out of pocket expenses	**177,550**	115,200
Certifications	**735,500**	175,000
	1,953,050	1,235,200

21.4 This includes donation amounting to Rs. 1.5 million in Akbar Kare Institute, Kulsum Plaza, Jinnah Avenue, Blue Area, Islamabad, a company registered under Section 42 of the Companies Ordinance, 1984 and in which the following directors of the Company are common directors:

Name of Director	Nature of interest in donee
Ms. Hoor Yousafzai	Director
Mr. Jehangir Saifullah Khan	Director
Mr. Assad Saifullah Khan	Director

Notes to the Financial Statements
For the year ended 31 December 2017

22 FINANCE COST

	Note	2017 Rupees	2016 Rupees
Markup on short term borrowings		**92,953,809**	32,677,385
Markup on long term financing		**529,776,453**	676,710,700
Markup on sub-ordinated loan		**30,971,925**	26,561,436
Guarantee commission and arrangement fee		**3,500,000**	22,571,272
Markup on liabilities against assets subject to finance lease		**1,395,113**	867,671
Bank charges		**433,890**	408,294
Exchange loss - net		**48,308,070**	877,300
		707,339,260	760,674,058

23 OTHER INCOME

	Note	2017 Rupees	2016 Rupees
Income from financial assets			
Profit on deposit accounts		**147,646**	1,152,093
Return on investments		**3,532,349**	9,453,831
Income from non-financial assets			
Insurance claim	23.1	**87,000**	1,232,700
Gain on disposal of property, plant and equipment		**-**	695,959
Scrap sales		**418,391**	201,728
		4,185,386	12,736,311

23.1 This represents net amount of insurance claim received against assets having written down value of Rs. Nil (2016: Rs. 0.55 million).

24 EARNINGS PER SHARE

	2017 Rupees	2016 Rupees
Profit for the year (Rupees)	**2,592,124,944**	2,312,333,355
Weighted average number of shares (Numbers)	**386,471,779**	386,471,779
Earnings per share - basic (Rupees)	**6.71**	5.98

There is no dilution effect on the basic earnings per share of the Company.

25 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Fair value measurement

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Financial Statements

For the year ended 31 December 2017

A. Accounting classifications and fair values

25.1 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		Carrying Amount					Fair value			
On-balance sheet financial instruments	**Note**	**Fair value through profit and loss**	**Loans and receivables**	**Other financial liabilities**	**Total**		**Level 1**	**Level 2**	**Level 3**	**Total**
						Rupees				
31 December 2017										
Financial assets measured at fair value		-	-	-	-		-	-	-	-
Financial assets not measured at fair value	**25.2**									
Long term deposits		-	4,604,110	-	4,604,110		-	-	-	-
Advances to employees		-	865,168	-	865,168		-	-	-	-
Trade debts		-	5,383,547,937	-	5,383,547,937		-	-	-	-
Security deposits		-	1,038,000	-	1,038,000		-	-	-	-
Other receivables		-	1,731,290	-	1,731,290		-	-	-	-
Bank balances		-	4,424,504	-	4,424,504		-	-	-	-
Total		-	5,396,211,009	-	5,396,211,009		-	-	-	-
Financial liabilities not measured at fair value	**25.2**									
Long term financing		-	-	4,761,277,267	4,761,277,267		-	-	-	-
Sub-ordinated loan		-	-	762,252,708	762,252,708		-	-	-	-
Liabilities against assets subject to finance lease		-	-	17,315,535	17,315,535		-	-	-	-
Trade and other payables	25.3	-	-	1,292,147,748	1,292,147,748		-	-	-	-
Markup accrued		-	-	379,873,196	379,873,196		-	-	-	-
Short term borrowings		-	-	1,927,513,747	1,927,513,747		-	-	-	-
Total		-	-	9,140,380,201	9,140,380,201		-	-	-	-
On-balance sheet financial instruments										
31 December 2016										
Financial assets measured at fair value		-	-	-	-		-	-	-	-
Financial assets not measured at fair value	**25.2**									
Long term deposits		-	4,674,560	-	4,674,560		-	-	-	-
Advances		-	1,165,419	-	1,165,419		-	-	-	-
Trade debts		-	4,377,319,135	-	4,377,319,135		-	-	-	-
Security deposits		-	1,038,000	-	1,038,000		-	-	-	-
Other receivables		-	1,569,666	-	1,569,666		-	-	-	-
Bank balances		-	152,763,065	-	152,763,065		-	-	-	-
Total		-	4,538,529,845	-	4,538,529,845		-	-	-	-
Financial liabilities not measured at fair value	**25.2**									
Long term financing		-	-	6,499,483,656	6,499,483,656		-	-	-	-
Sub-ordinated loan		-	-	722,932,879	722,932,879		-	-	-	-
Liabilities against assets subject to finance lease		-	-	6,068,880	6,068,880		-	-	-	-
Trade and other payables	25.3	-	-	1,042,282,490	1,042,282,490		-	-	-	-
Markup accrued		-	-	359,724,299	359,724,299		-	-	-	-
Short term borrowings		-	-	1,266,873,073	1,266,873,073		-	-	-	-
Total		-	-	9,897,365,277	9,897,365,277		-	-	-	-

25.2 The Company has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25.3 This excludes withholding tax payable, sales tax payable and payable against WPPF.

B. Financial risk management

The Company has exposure to the credit risk, market risk and liquidity risk from its use of financial instruments.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the result of which are reported to the Audit Committee.

25.4 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The primary activity of the Company is power generation and sale of total output to NTDC. The Company is exposed to credit risk from its operations.

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:

	Note	2017	2016
		Rupees	
Long term deposits		**4,604,110**	4,674,560
Trade debts	14	**5,383,547,937**	4,377,319,135
Advances to employees	15	**865,168**	1,165,419
Security deposits	16	**1,038,000**	1,038,000
Other receivables	17	**1,731,290**	1,569,666
Bank balances	18	**4,424,504**	152,763,065
		5,396,211,009	4,538,529,845

Credit risk is minimum as the bank accounts are maintained with reputable banks with good credit ratings. Further, as disclosed in note 14.1 that the trade debts are secured by way of guarantee issued by the Government of Pakistan (GoP) under the Implementation Agreement (IA).

Notes to the Financial Statements

For the year ended 31 December 2017

Credit quality of financial assets

The credit quality of Company's financial assets have been assessed as follows by reference to external credit rating of counterparties determined by the Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR - VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any default in meeting obligations.

	2017	2016
Trade debts	Rupees	
Counterparties without external credit ratings	5,383,547,937	4,377,319,135

Impairment losses

The aging of trade debts at the reporting date was:

	31 December 2017		31 December 2016	
	Gross	Impairment	Gross	Impairment
	Rupees			
Not past due	1,008,055,908	-	1,746,624,293	-
Past due 0 - 60 days	924,970,510	-	1,045,044,440	-
Past due 61 - 120 days	1,013,422,512	-	66,150,622	-
Past due 121 - 180 days	1,221,764,026	-	59,103,649	-
181 days and above	1,215,334,981	-	1,460,396,131	-
	5,383,547,937	-	4,377,319,135	-

	2017	2016
Security deposits	Rupees	
Counterparties without external credit ratings	1,038,000	1,038,000
Other receivables		
Counterparties without external credit ratings	1,731,290	1,569,666
Long term deposits		
Counterparties with external credit ratings - A1+	4,604,110	4,674,560
Advances to employees		
Counterparties without external credit ratings	865,168	1,165,419

Cash and cash equivalents

The Company held cash at bank balance of Rs.4,424,504 as at 31 December 2017 (2016: Rs. 152,763,065) Cash at bank balances are held with banks and financial institution counter parties, which are rated AA+ based on PACRA and JCR-VIS rating.

25.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

There were no defaults on loans payable during the year.

The maturity profile of the Company's financial liabilities based on the contractual amounts is as follows:

	Carrying amount	**Contractual cash flows**	**Maturity in less than 1 year**	**Maturity after 1 year and up to 5 years**	**Maturity after 5 years**
			Rupees		
2017					
Liabilities against assets subject to finance lease	**17,315,535**	**18,964,482**	**6,656,791**	**12,307,691**	**-**
Long term financing	**4,761,277,267**	**6,291,643,955**	**2,893,916,385**	**3,397,727,570**	**-**
Sub-ordinated loan	**762,252,708**	**911,934,510**	**-**	**647,407,455**	**264,527,055**
Trade and other payables	**1,292,147,748**	**1,292,147,748**	**1,292,147,748**	**-**	**-**
Mark-up accrued	**379,873,196**	**379,873,196**	**379,873,196**	**-**	**-**
Short term borrowing	**1,927,513,747**	**1,927,513,747**	**1,927,513,747**	**-**	**-**
	9,140,380,201	**10,822,077,638**	**6,500,107,867**	**4,057,442,716**	**264,527,055**

	Carrying amount	Contractual cash flows	Maturity in less than 1 year	Maturity after 1 year and up to 5 years	Maturity after 5 years
			Rupees		
2016					
Liabilities against assets subject to finance lease	6,068,880	6,360,940	4,312,236	2,048,704	-
Long term financing	6,499,483,656	7,601,381,393	2,267,452,990	5,333,928,403	-
Sub-ordinated loan	722,932,879	863,830,780	21,676,600	457,204,757	384,949,423
Trade and other payables	1,042,282,490	1,042,282,490	1,042,282,490	-	-
Mark-up accrued	359,724,299	359,724,299	359,724,299	-	-
Short term borrowing	1,266,873,073	1,266,873,073	1,266,873,073	-	-
	9,897,365,277	11,140,452,975	4,962,321,688	5,793,181,864	384,949,423

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

The contractual cash flows relating to long term borrowings and liabilities against assets subject to finance lease have been determined on the basis of expected markup rates. The markup rates have been disclosed in notes 5, 6 and 7 to these financial statements.

25.6 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is exposed to currency risk and interest rates only.

Currency risk

The PKR is the functional currency of the Company and as a result currency exposures arise from transactions and balances in currencies other than PKR. The Company's potential foreign currency exposure comprise:

- Transactional exposure in respect of non functional currency monetary items
- Transactional exposure in respect of non functional currency expenditure and revenues

Transactional exposure in respect of non functional currency monetary items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to PKR equivalent, and the associated gain or loss is taken to the profit and loss account. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

Transactional exposure in respect of non functional currency expenditure and revenues

Certain operating and capital expenditure is incurred by the Company in currencies other than the functional currency. These currency risks are managed as part of overall risk management strategy. The Company does not enter into forward exchange contracts.

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	2017	2016	**2017**	2016
	Rupees		**USD**	
Subordinated loan	**997,255,990**	915,469,407	**9,024,941**	6,898,215
Trade and other payables	**751,653,565**	528,733,238	**6,802,295**	5,045,164
Bank balances	**715,402**	550,301	**6,474**	5,251
	1,749,624,957	1,444,752,946	**15,833,710**	11,948,630

The following significant exchange rates have been applied:

	Average Rate		**Balance sheet date rate**	
	2017	2016	**2017**	2016
US Dollars	**105.6**	104.7	**110.5**	104.8

Foreign Currency

A 5% strengthening of the functional currency against USD at 31 December 2017 would have increased profit and loss by Rs. 49.36 million (2016: Rs. 26.40 million). A 5 % weakening of the functional currency against USD at 31 December 2017 would have had the equal but opposite effect of these amounts. The analysis assumes that all other variables remain constant.

Interest rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rate. The Company has long term PKR and USD based loans and short term running finance arrangement at variable rates. The local currency loans have variable rate pricing that is dependent on the Karachi Inter Bank Offer Rate (KIBOR) and London Inter Bank Offer Rate (LIBOR). Any increase / decrease in KIBOR is adjustable and approved by NEPRA.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2017	2016	**2017**	2016
	Interest Rate		**Rupees**	
Fixed rate instruments				
Financial assets	**3.84% - 3.99%**	3.67%	**3,693,266**	152,128,438
Variable rate instruments				
Financial liabilities	**6.47%**	6.49%	**(7,468,359,257)**	(8,495,358,488)

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 rates at the reporting date would not effect profit or loss account.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit and loss by Rs. 74.68 million (2016: Rs. 84.95 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as for 2016.

Other market price risk

The primary goal of the Company’s investment strategy is to maximize investment returns on surplus funds. The Company adopts a policy of ensuring to minimize its price risk by investing in securities having sound market performance. Certain investments are designated as held for trading because their performance is actively monitored and these are managed on a fair value basis. Equity price risk arises from investments at fair value through profit and loss.

Determination of fair values

A number of the Company’s accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

Non - derivative financial assets

The fair value of non - derivative financial assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

Non - derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

25.7 Capital Risk Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business. The Company manages its capital structure which comprises of capital and reserves by monitoring the return on net assets and makes adjustments, if required, in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend to shareholders, appropriation of amounts to capital reserves or / and issue new shares. There was no change in the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirement.

26 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements for remuneration including benefits applicable to the chief executive officer, directors and executives of the Company are given below:

	2017	2016
	Rupees	
Managerial remuneration	56,654,187	47,602,274
Staff retirement benefits	7,094,621	3,994,835
Bonus	9,592,673	7,127,170
	73,341,481	58,724,279
Number of Persons	12	13

26.1 In addition to the above, executives are provided with the company maintained vehicles and health insurance coverage as per the Company's policy. Executives have also been provided with personal loans amounting to Rs. 15.15 million (2016: Rs. Nil) secured against gratuity balance.

26.2 No remuneration has been paid to Chief Executive Officer (CEO) and directors of the Company, except for meeting fee amounting to Rs. 140,000 (2016: Rs. 180,000) paid to directors of the Company.

27 RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Saif Holdings Limited ("the Holding Company"), therefore the Holding Company and all associated undertakings of the Holding Company are the related parties of the Company. Other related parties comprise of directors, key management personnel, entities over which the directors are able to exercise significant influence and major shareholders. Balances and other arrangements with Orastar Limited have been disclosed in note 4, 6, 9 and 10.3 to the financial statements. Balances with related parties are disclosed in note 4, 8 and 15 to the financial statements. Transactions with related parties other than those disclosed in note 7.1 and 21.4 to these financial statements are as follows:

Notes to the Financial Statements

For the year ended 31 December 2017

	Note	2017 Rupees	2016 Rupees
Transactions with the Holding Company			
Rent		**3,943,310**	5,398,176
Dividend		**720,045,059**	493,181,547
Expenses incurred on behalf of the Company		**253,089**	-
Transactions with associated undertakings due to common directorship			
Expenses incurred on behalf of the Company		**380,893**	177,084
Dividend		**365**	250
Transactions with key management personnel			
Dividend		**73,008**	50,006
Remuneration to key management personnel	26	**73,341,481**	58,724,279
Other related parties			
Contribution to Saif Power Limited - Staff Gratuity Fund	8.2.2	**36,623,422**	-

28 APPLICATION OF IFRIC INTERPRETATION - 4 (IFRIC-4)

"Determining whether an arrangement contain a lease"

International Accounting Standards Board (IASB) has issued IFRIC-4 "Determining whether an Arrangement contains a Lease", which is effective for financial periods beginning on or after 01 January 2006. According to the said interpretation an arrangement conveys the right to use the asset, if the arrangement conveys to the purchaser (lessee) the right to control the use of the underlying asset. The right to control the use of the underlying asset is conveyed when the purchaser has the ability or right to operate the asset or direct others to operate the asset in a manner it determines while obtaining or controlling more than an insignificant amount of the output or other utility of the asset. Such arrangements are to be accounted for as a lease in accordance with the requirements of IAS 17- "Leases".

The Company's plant's control due to purchase of total output by WAPDA appears to fall under the scope of IFRIC 4. However, Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O No. 24 (I)/2012 has exempted application of IFRIC 4 for all companies. However, impact of IFRIC-4 is mandatory to be disclosed in the financial statements as per requirements of IAS-8.

	2017 Rupees	2016 Rupees
Decrease in unappropriated profit at 01 January	**(1,998,616,682)**	(846,723,303)
Decrease in profit for the year	**(680,966,098)**	(1,151,893,379)
Decrease in unappropriated profit at 31 December	**(2,679,582,780)**	(1,998,616,682)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

29 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities				Equity		Total
	Long Term Financing	Sub-ordinated loan	Short term borrowings	Liabilities against assets subject to finance lease	Share Capital	Un-appropriated profit	
	(Rupees)						
Balance at 01 January 2017	**6,499,483,656**	**722,932,879**	**1,266,873,073**	**6,068,880**	**3,864,717,790**	**5,351,061,011**	**17,711,137,289**
Changes from financing cash flows							
Proceeds from short-term borrowings- net	-	-	660,640,674	-	-	-	660,640,674
Repayments of long term financing	(1,738,206,389)	-	-	-	-	-	(1,738,206,389)
Payment of finance lease liabilities	-	-	-	(5,878,667)	-	-	(5,878,667)
Dividend Paid	-	-	-		-	(1,410,621,993)	(1,410,621,993)
Total changes from financing cash flows	**(1,738,206,389)**	**-**	**660,640,674**	**(5,878,667)**	**-**	**(1,410,621,993)**	**(2,494,066,375)**
The effect of changes in foreign exchange rates	**-**	**39,319,829**	**-**	**-**	**-**	**-**	**39,319,829**
Other changes							
Liability related							
New finance leases	-	-	-	17,125,322	-	-	17,125,322
Total liability related other changes	**-**	**-**	**-**	**17,125,322**	**-**	**-**	**17,125,322**
Equity related							
Total comprehensive income for the year	-	-	-	-	-	2,590,941,248	2,590,941,248
Total equity related other changes	**-**	**-**	**-**	**-**	**-**	**2,590,941,248**	**2,590,941,248**
Balance at 31 December 2017	**4,761,277,267**	**762,252,708**	**1,927,513,747**	**17,315,535**	**3,864,717,790**	**6,531,380,266**	**17,864,457,313**

Notes to the Financial Statements

For the year ended 31 December 2017

30	NUMBER OF EMPLOYEES	2017	2016
	Employees on year end (Number)	**39**	39
	Average employees during the year (Number)	**40**	39

31 CAPACITY AND PRODUCTION

	Installed capacity based on hours 8,760 (2016: 8,784) – Megawatt hours	**1,786,374**	1,791,116
	Actual energy delivered – Megawatt hours	**577,041**	1,053,004

Output produced by the plant is dependent on the load demanded by NTDC.

32 NON ADJUSTING EVENTS AFTER BALANCE SHEET DATE

32.1 On 28 February 2018, the members of the Company passed a special resolution pursuant to Section 199 of the Companies Act, 2017 for equity investment by way of acquiring 221 million ordinary shares at par value of Rs. 10 per share in Saif Cement (Private) Limited, an unlisted company.

32.2 The Board of Directors proposed final dividend for the year ended 31 December 2017 Rs. 1.90 (2016: Rs. 1.90) per share in their meeting held on 27 April 2018.

33 DATE OF APPROVAL OF FINANCIAL STATEMENTS

33.1 These financial statements were approved by the Board of Directors in their meeting held on 27 April 2018.

33.2 The Chief Executive Officer has resigned on 25 April 2018 and no appointment has been made till date of the Board Meeting i.e 27 April 2018. Accordingly, the financial statements have been signed by two directors and the Chief Financial Officer of the Company.

Chief Financial Officer | **Director** | **Director**

Pattern of Shareholding
As at 31 December 2017

NO. OF SHAREHOLDERS	SHAREHOLDING From	To	SHARES HELD	PERCENTAGE
82	1	100	2,347	0.0006
2722	101	500	1,356,851	0.3511
819	501	1,000	813,834	0.2106
527	1,001	5,000	1,337,483	0.3461
114	5,001	10,000	885,905	0.2292
41	10,001	15,000	520,088	0.1346
28	15,001	20,000	506,500	0.1311
19	20,001	25,000	460,000	0.1190
11	25,001	30,000	313,500	0.0811
4	30,001	35,000	133,500	0.0345
10	35,001	40,000	389,000	0.1007
5	40,001	45,000	219,500	0.0568
14	45,001	50,000	684,500	0.1771
4	50,001	55,000	215,000	0.0556
1	55,001	60,000	58,000	0.0150
3	60,001	65,000	189,500	0.0490
7	65,001	70,000	475,000	0.1229
1	70,001	75,000	73,500	0.0190
1	75,001	80,000	78,000	0.0202
3	80,001	85,000	249,000	0.0644
1	85,001	90,000	88,000	0.0228
2	90,001	95,000	186,000	0.0481
7	95,001	100,000	698,000	0.1806
2	100,001	105,000	209,000	0.0541
1	105,001	110,000	107,000	0.0277
2	125,001	130,000	259,500	0.0671
1	135,001	140,000	140,000	0.0362
2	140,001	145,000	289,500	0.0749
2	145,001	150,000	300,000	0.0776
1	150,001	155,000	152,500	0.0395
1	205,001	210,000	210,000	0.0543
1	220,001	225,000	224,000	0.0580
1	230,001	235,000	235,000	0.0608
1	255,001	260,000	257,500	0.0666
1	265,001	270,000	267,000	0.0691

Pattern of Shareholding

As at 31 December 2017

NO. OF SHAREHOLDERS	SHAREHOLDING From	To	SHARES HELD	PERCENTAGE
1	270,001	275,000	275,000	0.0712
2	305,001	310,000	619,500	0.1603
2	345,001	350,000	700,000	0.1811
1	390,001	395,000	392,500	0.1016
1	395,001	400,000	400,000	0.1035
1	410,001	415,000	412,500	0.1067
2	440,001	445,000	886,500	0.2294
1	475,001	480,000	477,000	0.1234
1	500,001	505,000	503,500	0.1303
1	530,001	535,000	532,000	0.1377
1	795,001	800,000	800,000	0.2070
1	1,495,001	1,500,000	1,500,000	0.3881
1	1,995,001	2,000,000	2,000,000	0.5175
1	2,105,001	2,110,000	2,108,500	0.5456
1	3,245,001	3,250,000	3,248,000	0.8404
1	4,445,001	4,450,000	4,449,500	1.1513
1	4,935,001	4,940,000	4,935,882	1.2772
1	10,235,001	10,240,000	10,237,000	2.6488
1	10,470,001	10,475,000	10,475,000	2.7104
1	13,885,001	13,890,000	13,889,000	3.5938
1	15,345,001	15,350,000	15,350,000	3.9718
1	24,670,001	24,675,000	24,670,004	6.3834
1	27,765,001	27,770,000	27,768,354	7.1851
1	49,995,001	50,000,000	50,000,000	12.9376
1	197,255,001	197,260,000	197,258,031	51.0407
Total 4470			**386,471,779**	**100.000**

CATEGORY OF SHAREHOLDERS	NO	SHARES	PERCENTAGE
SPONSORS, DIRECTORS, CEO AND CHILDREN	7	12,002	0.0031
ASSOCIATED COMPANIES	3	197,272,719	51.0445
BANKS, DFI AND NBFI	7	72,301,854	18.7082
INSURANCE COMPANIES	4	6,264,382	1.6209
MODARABAS AND MUTUTAL FUNDS	4	776,000	0.2008
GENERAL PUBLIC (LOCAL)	4,349	15,372,289	3.9776
GENERAL PUBLIC (FOREIGN)	67	1,193,326	0.3088
OTHERS	30	93,279,107	24.1361
Company Total	**4,470**	**386,471,779**	**100.0000**

Pattern of Shareholding

As at 31 December 2017

SPONSORS, DIRECTORS CEO AND CHILDREN	SHARES	PERCENTAGE
HOOR YOUSAFZAI	1	0.0000
OMAR SAIFULLAH KHAN	1,000	0.0013
OSMAN SAIFULLAH KHAN	5,000	0.0013
JEHANGIR SAIFULLAH KHAN	4,000	0.0010
ASSAD SAIFULLAH KHAN	1,000	0.0003
JEHANNAZ SAIFULLAH KHAN	1,000	0.0003
SHAHID GHAFFAR	1	-

ASSOCIATED COMPANIES	SHARES	PERCENTAGE
SAIF HOLDINGS LIMITED	197,272,619	51.0445
SAIF TEXTILE MILLS LIMITED	100	-

BANKS, DFI AND NBFI	SHARES	PERCENTAGE
SAMBA BANK LIMITED	1,500,000	0.3881
ALLIED BANK LIMITED	13,889,000	3.5938
HABIB BANK LIMITED	27,768,354	7.1851
BANK AL HABIB LIMITED	3,248,000	0.8404
UNITED BANK LIMITED	10,237,000	2.6488
MCB BANK LIMITED	15,350,000	3.9718
PAIR INVESTMENT COMPANY LIMITED	309,500	0.0801

INSURANCE COMPANIES	SHARES	PERCENTAGE
UBL INSURERS LIMITED	503,500	0.1303
EFU GENERAL INSURANCE LIMITED	800,000	0.2070
ADAMJEE LIFE ASSURANCE COMPANY LIMITED	25,000	0.0065
ADAMJEE INSURANCE COMPANY LIMITED	4,935,882	1.2772

Pattern of Shareholding

As at 31 December 2017

MODARABAS AND MUTUAL FUNDS	SHARES	PERCENTAGE
CDC - TRUSTEE AKD INDEX TRACKER FUND	39,500	0.0102
CDC - TRUSTEE NAFA STOCK FUND	477,000	0.2478
CDC - TRUSTEE NAFA MULTI ASSET FUND	130,000	0.0665
CDC-TRUSTEE NAFA ASSET ALLOCATION FUND	129,500	0.0335

GENERAL PUBLIC (LOCAL)	SHARES	PERCENTAGE
GENERAL PUBLIC (LOCAL)	15,372,289	3.9776
GENERAL PUBLIC (FOREIGN)	1,193,326	0.3088

HOLDING MORE THAN FIVE PERCENT	SHARES	PERCENTAGE
SAIF HOLDINGS LIMITED	197,272,619	51.0445
HABIB BANK LIMITED	27,768,354	7.1851
ORASTAR LIMITED	74,670,004	19.3210

OTHERS	SHARES	PERCENTAGE
OTHERS	18,609,103	4.8151

حصہ داری کا تناسب

انشورنس کمپنیاں	حصص	فیصد
یو بی ایل انشورنشن لمیٹڈ	503,500	0.1303
ای ایف یو جنرل انشورنس لمیٹڈ	800,000	0.2070
آدم جی لائف انشورنس کمپنی لمیٹڈ	25,000	0.0065
آدم جی انشورنس کمپنی لمیٹڈ	4,935,882	1.2772

مضاربہ اور مشترکہ فنڈز	حصص	فیصد
سی ڈی سی ۔ٹرسٹی اے کے ڈی انڈیکس ٹریکر فنڈ	39,500	0.0102
سی ڈی سی ۔ٹرسٹی نافاسٹاک فنڈ	477,000	0.2478
سی ڈی سی ٹرسٹی نافاملٹی ایسٹ فنڈ	130,000	0.0665
سی ڈی سی ۔ٹرستی نافاایسٹ ایلوکیشن فنڈ	129,500	0.0335

عوام الناس (مقامی/غیرملکی)	حصص	فیصد
عوام الناس (مقامی)	15,372,289	3.9776
عوام الناس (غیرملکی)	1,193,326	0.3088

05فیصد یا اس سے زائد والے	حصص	فیصد
سیف ہولڈنگ لمیٹڈ	197,272,619	51.0445
حبیب بینک لمیٹڈ	27,670,004	7.1851
اورا سٹار لمیٹڈ	74,670,004	19.3210

دیگر	حصص	فیصد
دیگر	18,609,103	4.8151

شیئرز کی اقسام	فولیو کی تعداد	حصص	فیصد
سپانسرز، ڈائریکٹرز، سی ای او، اور بچے	7	12,002	0.0031
وابستہ کمپنیاں	3	197,272,719	51.0445
بینک، ڈی ایف آئی اور این بی ایف آئی	7	72,301,854	18.7082
انشورنس کمپنیاں	4	6,264,382	1.6209
مضاربہ اور مشترکہ فنڈز	4	776,000	0.2008
عوام الناس (مقامی)	4,349	15,372,389	3.9776
عوام الناس (غیر ملکی)	67	1,193,326	0.3088
دیگر	30	93,279,107	24.1361
کل تعداد	4,470	386,471,779	100.0000

سپانسرز، ڈائریکٹرش سی ای او اور بچے	حصص	فیصد
محترمہ حور یوسفزئی	1	-
محترم عمر سیف اللہ خان	1,000	0.0013
محترم عثمان سیف اللہ خان	5,000	0.0013
محترم جہانگیر سیف اللہ خان	4,000	0.0010
محترم اسد سیف اللہ خان	1,000	0.0003
محترمہ جہاں ناز سیف اللہ خان	1,000	0.0003
محترم شاہد غفار	1	-

وابستہ کمپنیاں	حصص	فیصد
سیف ہولڈنگ لمیٹڈ	197,272,619	51.0445
سیف ٹیکسٹائل ملز لمیٹڈ	100	-

بینک، ڈی ایف آئی اور این بی ایف آئی	حصص	فیصد
سامبا بینک لمیٹڈ	1,500,000	0.3881
الائیڈ بینک لمیٹڈ	13,889,000	3.5938
حبیب بینک لمیٹڈ	27,768,354	7.1851
بینک الحبیب لمیٹڈ	3,248,000	0.8404
یونائیٹڈ بینک لمیٹڈ	10,237,000	2.6488
ایم سی بی لمیٹڈ	15,350,000	3.9718
پیئر انوسٹمنٹ کمپنی لمیٹڈ	309,500	0.0801

حصہ داری کا تناسب

فیصد	حصص	جہاں تک	سے	حصہ داری کی تعداد
0.0712	275,000	275,000	270,001	1
0.1603	619,500	310,000	305,001	2
0.1811	700,000	350,000	345,001	2
0.1016	392,500	395,000	390,001	1
0.1035	400,000	400,000	395,001	1
0.1067	412,500	415,000	410,001	1
0.2294	886,500	445,000	440,001	2
0.1234	477,000	480,000	475,001	1
0.1303	503,500	505,000	500,001	1
0.1377	532,000	535,000	530,001	1
0.2070	800,000	800,000	795,001	1
0.3881	1,500,000	1,500,000	1,495,001	1
0.5175	2,000,000	2,000,000	1,995,001	1
0.5456	2,108,500	2,110,000	2,105,001	1
0.8404	3,248,000	3,250,000	3,245,001	1
1.1513	4,449,500	4,450,000	4,445,001	1
1.2772	4,935,882	4,940,000	4,935,001	1
2.6488	10,237,000	10,240,000	10,235,001	1
2.7104	10,475,000	10,475,000	10,470,001	1
3.5938	13,889,000	13,890,000	13,885,001	1
3.9718	15,350,000	15,350,000	15,345,001	1
6.3834	24,670,004	24,675,000	24,670,001	1
7.1851	27,768,354	27,770,000	27,765,001	1
12.9376	50,000,000	50,000,000	49,995,001	1
51.0407	197,258,031	197,260,000	197,255,001	1
100.000	386,471,779			ٹوٹل 4470

حصہ داری کا تناسب

فیصد	حصص	جہاں تک	سے	حصہ داری کی تعداد
0.0006	2,347	100	1	82
0.3511	1,356,851	500	101	2722
0.2106	813,834	1,000	501	819
0.3461	1,337,483	5,000	1,001	527
0.2292	885,905	10,000	5,001	114
0.1346	520,088	15,000	10,001	41
0.1311	506,500	20,000	15,001	28
0.1190	460,000	25,000	20,001	19
0.0811	313,500	30,000	25,001	11
0.0345	133,500	35,000	30,001	4
0.1007	389,000	40,000	35,001	10
0.0568	219,500	45,000	40,001	5
0.1771	684,500	50,000	45,001	14
0.0556	215,000	55,000	50,001	4
0.0150	58,000	60,000	55,001	1
0.0490	189,500	65,000	60,001	3
0.1229	475,000	70,000	65,001	7
0.0190	73,500	75,000	70,001	1
0.0202	78,000	80,000	75,001	1
0.0644	249,000	85,000	80,001	3
0.0228	88,000	90,000	85,001	1
0.0481	186,000	95,000	90,001	2
0.1806	698,000	100,000	95,001	7
0.0541	209,000	105,000	100,001	2
0.0277	107,000	110,000	105,001	1
0.0671	259,500	130,000	125,001	2
0.0362	140,000	140,000	135,001	1
0.0749	289,500	145,000	140,001	2
0.0776	300,000	150,000	145,001	2
0.0395	152,500	155,000	150,001	1
0.0543	210,000	210,000	205,001	1
0.0580	224,000	225,000	220,001	1
0.0608	235,000	235,000	230,001	1
0.0666	257,500	260,000	255,001	1
0.0691	267,000	270,000	265,001	1

Notice of 14th Annual General Meeting

Notice is hereby given that the 14th Annual General Meeting (AGM) of Shareholders of Saif Power Limited ("the Company") will be held on 29 May, 2018, Tuesday at 11:00 A.M, at 3rd floor, Razia Sharif Plaza, Jinnah Avenue, Blue Area, Islamabad, to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Extraordinary General Meeting held on 28 February, 2018.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2017 together with Directors' and Auditors' reports thereon.
3. To consider and approve the final dividend Rs.1.9 per share i.e. 19% in addition to interim dividend of Rs. 1.75 per share i.e. 17.5 %, making total dividend Rs. 3.65 per share i.e. 36.5%, Rs. 1.75 per share already paid, as recommended by the directors.
4. To appoint statutory auditors of the Company for the year ending 31 December 2018 and fix their remuneration. The present auditors M/s KPMG Taseer Hadi & co. Chartered Accountants, Islamabad, being eligible, have offered themselves for re-appointment.
5. To transact any other business with the permission of Chair.

By Order Of The Board

Waseemullah
Company Secretary

May 08, 2018
Islamabad

Notes:

i. Share Transfer Book of the Company will remain closed from May 23, 2018 to May 29, 2018 (Both days inclusive). Transfer received in order at the share Registrar's office by the close of business on May 22, 2018 will be treated in time for the purpose of payment of final dividend.

ii. A member entitled to attend and vote at the Meeting may appoint another member as his / her proxy to attend and vote on his/ her behalf. The instrument appointing the proxy duly completed must be received at the Company's Registered Office not later than 48 hours before the time of holding of the meeting.

iii. CDC individual Account holders or Sub-account holders are required to bring with them their original Computerized National Identity Card (CNIC) / Original Passport along with participant's ID number and their account number in order to facilitate identification.

iv. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen signature of nominees shall be produced (unless provided earlier) at the time of meeting.

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

SPECIAL NOTES TO SHAREHOLDERS:

vi. **Transmission of Annual Financial Statements through Email (optional):**
Shareholders who wish to receive the Annual Report through e-mail are requested to provide a duly completed annexed consent form to Company's Share Registrar, M/s THK Associates (Pvt) Ltd. 1st Floor, 40-C, Block-6, P.E.C.H.S Karachi. Form is also available at Company's website www.saifpower.com

vii. Consent for video conference facility

Members can also avail video conference facility under the provision of Section 134 of the Companies Act, 2017 to participate in AGM. The members must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the Annual General Meeting in order to participate in the meeting through video conference. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

I, ___________________________________ S/o., D/o., W/o., _________________________
being member of Saif Power Limited , holder of______________________ ordinary share(s) as per Register folio/CDC Account no.______________________ hereby opt for video conference facility at___________ (subject to availability of facility in city)

____
Signature of shareholder
CNIC No.__________________
Copy attach

vii. Payment of Cash dividend electronically into the bank account

Under proviso to Section 242 of the Companies Act-2017, listed companies are required to pay cash dividends only through electronically mode directly into the bank accounts. The shareholders are requested to submit their information, to their investor account services or their brokers where shares are placed electronically. Physical holding, the shareholders are requested to submit their information to the Company's Shares Registrar as appended below:

THK ASSOCIATES (PVT) LIMITED
1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400.
UAN: +92-21-111-000-322 Direct: +92-21-34168270 Fax: +92-21-34168271
Email: sfc@thk.com.pk

I Mr./Ms./Mrs.________________________ S/o, D/o, w/o, ___________________________ hereby authorizes Saif Power Limited to directly credit cash dividends into following bank account:

- Title of Bank Account
- International Bank Account Number (IBNR)
- Bank's Name
- Branch Name and address

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company/ Share Registrar informed in case of any changes in the said particulars in future.

____

Signature of the shareholder

Contact information

For any query/problem/information, the investors may contact the company/or share registrar at the following:

Company Secretary
waseem.ullah@saifgroup.com
051-2271381-83

Share Registrar
THK Associates (Pvt) Ltd
UAN: +92-21-111-000-322
Email: sfc@thk.com.pk

www.jamapunji.pk
Jama Punji
سرمایہ کاری سمجھداری کے ساتھ
Be aware, Be alert, Be safe
Learn about investing at www.jamapunji.pk
Key features:
Licensed Entities Verification
Scam meter*
Jamapunji games*
Tax credit calculator*
Company Verification
Insurance & Investment Checklist
FAQs Answered
Stock trading simulator (based on live feed from KSE)
Knowledge center
Risk profiler*
Financial calculator
Subscription to Alerts (event notifications, corporate and regulatory actions)
Jamapunji application for mobile device
Online Quizzes
jamapunji.pk
@jamapunji_pk
*Mobile apps are also available for download for android and ios devices
SECP
Jama Punji is an Investor Education Initiative of Securites and Exchange Commission of Pakistan

نیابتی (پراکسی) فارم

میں/ہم---

کا/ کی--سیف پاورلمیٹڈ کاممبراورحامل--------------------------

----

(حصص کی تعداد)

عمومی حصص کے مطابق رجسٹرفولیونمبر------------------------------------اور/یاسی ڈی سی حصہ لینے والا I.D. نمبراور

------------------------------ذیلی اکاؤنٹ نمبر---تقرری

--کا/ کی--یااس کی ناکامی

کا/ کی---

میری طرف سے میرامختار/نائب کی حیثیت سے 29 مئی 2018 کو بروزمنگل بوقت 11 بجے کمپنی کے سالانہ عام اجلاس میں میری طرف سے میری صوابدید پرووٹ ڈالے گا یا اجلاس ملتوی ہو جائے۔

دستخط---------------------بتاریخ-----------------2018

گواہان

۱) دستخط--------------------------

نام--------------------------

پتہ--------------------------

شناختی کارڈ/پاسپورٹ نمبر---------------

اس پر 5 روپے
مالیت کا ٹکٹ لگائیں

دستخط کمپنی کے رجسٹر والے جیسے ہونے چاہیئں

۲) دستخط--------------------------

نام--------------------------

پتہ--------------------------

شناختی کارڈ/پاسپورٹ نمبر---------------

نوٹس:

۱) کوئی پراکسی فارم درست تسلیم نہیں کیا جائے گا حتیٰ کہ 5 روپے کی ٹکٹ دستخط کے ساتھ چسپاں نہ ہواوراس پر مجاز فرد/اتھارٹی کی مہراور دستخط نہ ہوں۔

۲) یہ پراکسی کے تعین کا معاون ہے، اسے درست طریقے سے مکمل کریں۔ کمپنی کے رجسٹرڈ آفس کو جو کہ کمپنی کے آفس پہلی منزل کشمیر کمرشل کمپلیکس، بلاک-ای فضل الحق روڈ، بلیو ایریا اسلام آباد میں واقعہ ہے۔اور یہ اجلاس سے اڑتالیس (48) گھنٹے قبل موصول ہونے چاہیں۔

۳) شناختی کارڈ پاسپورٹ کی کاپیاں/فائدہ حاصل کرنے والے مالک کے پراکسی فارم کے ساتھ پیش کی جائیں۔

۴) اجلاس کے وقت اپنے اصل شناختی کارڈ یا پاسپورٹ کے ساتھ پیش کریں۔

۵) کارپوریٹ ادارے کی صورت میں بورڈ کی قرارداد کی/مختارنامہ اور نامزد کردہ آدمی کے دستخط کے ساتھ اور یہ پراکسی فارم کے ساتھ منسلک کر کے کمپنی کو پیش کریں۔

The Company Secretary

SAIF POWER LIMITED
Kashmir Commercial Complex
1st Floor, Block E, Fazal-ul-Haq Road
Blue Area,
Islamabad

AFFIX
POSTAGE

Form of Proxy

I/We____

of ____being a member of SAIF POWER LIMITED

and holder of ____

(Number of Shares)

Ordinary shares as per share Register Folio No. ____________________________________and/or CDC

Participant I.D.No. ___________________________and Sub Account No.___________________, hereby appoint

______________________________________of ___________________________________or failing him

____of

____

as my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held the 29 May 2018 Tuesday at 11:00 am at any adjournment thereof.

Signed this _________________day of _________2018.

Witnesses

1) Signature : ____________________________

Name : ____________________________

Address : ____________________________

____

CNIC/Passport No. : ____________________________

2) Signature : ____________________________

Name : ____________________________

Address : ____________________________

____

CNIC/Passport No. : ____________________________

Signature on
Rs. 5/- Revenue
Stamp

(Signature must agree with the specimen signature registered with the company)

NOTES:

1. No Proxy shall be valid unless duly signed along with revenue stamp and in case of company should be executed under its common seal under signed by its authorized person.

2. This instrument appointing a proxy, duly completed, must be received at the registered Office of the Company at first Floor, Kashmir Commercial Complex, Block E, Fazal-ul-Haq Road, Blue Area, Islamabad not later than 48 hours before the time of holding the Annual General Meeting.

3. Attested copies of the CNIC or the passport of benefical owners shall be furnished with the proxy form.

4. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

5. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be furnished along with proxy form to the Company.

The Company Secretary

SAIF POWER LIMITED
Kashmir Commercial Complex
1st Floor, Block E, Fazal-ul-Haq Road
Blue Area,
Islamabad

AFFIX
POSTAGE

Electronic Transmission Consent Form

Date: ____________________

General Manager
THK Associates (Pvt.) Ltd,
1st Floor, 40-C, Block-6, P.E.C.H.S,
Karachi 75400, P.O Box. No: 8533

Pursuant to the directions given by Securities and Exchange Commission of Pakistan through its SRO 787 (I)/2014 dated September 8, 2014, I/we Mr./Ms/M/s ________________

____________________________ S/o, D/o, W/o ______________________________

hereby give consent to receive the Audited Financial Statements along with notice of Annual General Meeting of M/s Saif Power Limited through email on my/our email address provided as under:

Name of Member / shareholder: ____

Folio/CDC Account Number: ____

Email Address: ____

It is stated that above mentioned praticulars are true and correct. I/we shall notify you and the the Company in writing in case of any change in my/our email address or withdrawal of my/our above mentioned consent.

____
Signature of the Member/Shareholder
CNIC Number:

Design & Produced by: **DESIGN MEDIA INC.** 0335-5557717