NISHAT CHUNIAN POWER LIMITED
Annual Report 2013

Brief Profile

2011 — First year of profitable operations

2010 — Started commercial operations

2009 — Listed on KSE & LSE

2007 — Incorporated as a Public Ltd Company

Contents

Company Information

Board of Directors:	Mrs. Farhat Saleem	Director
	Mr. Shahzad Saleem (Nominee NCL)	Chairman
	Mr. Yahya Saleem	Chief Executive
	Sahibzada Rafat Raoof Ali (Nominee NBP)	Director
	Mr. Wasif M. Khan	Director
	Mr. Aftab Ahmad Khan	Director
	Mr. Shahid Malik	Director
	Mr. Kamran Rasool	Director
Audit Committee:	Mr. Wasif M. Khan	Chairman
	Mr. Aftab Ahmad Khan	Member
	Mr. Shahid Malik	Member
HR & R Committee:	Mr. Shahzad Saleem	Chairman
	Mr. Aftab Ahmad Khan	Member
	Mr. Kamran Rasool	Member
Chief Financial Officer:	Ms. Sonia Karim	
Head of Internal Audit:	Mr. Saqib Riaz	
Company Secretary:	Mr. Babar Ali Khan	
Bankers to the Company:	Allied Bank Limited Habib Bank Limited United Bank Limited National Bank of Pakistan Faysal Bank Limited Summit Bank Limited Sindh Bank Limited Bank Alfalah Limited Askari Bank Limited Habib Metropolitan Bank Limited Al Baraka Bank (Pakistan) Limited Meezan Bank Limited Burj Bank Limited	
Auditors:	A.F. Ferguson & Co. Chartered Accountants	
Legal Advisers:	Raja Muhammad Akram & Co. Advocates & Legal Consultants Cornelius Lane & Mufti Advocates & Solicitors	
Registered & Head Office:	31 -Q, Gulberg II, Lahore, Pakistan. Ph: 042-35761730 Fax: 042-35878696-97 www.nishat.net	
Share Registrar:	Hameed Majeed Associates (Pvt) Limited 1st Floor, H.M. House 7-Bank Square, Lahore Ph: 042 37235081-2 Fax: 042 37358817	
Plant:	66-km, Multan Road, Pattoki Kasur.	

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Notice of Annual General Meeting

Notice is hereby given that the 6th Annual General Meeting of the Shareholders of Nishat Chunian Power Limited will be held at the Registered Office of the Company, 31-Q, Gulberg II, Lahore on 30th October 2013 (Wednesday) at 10.00 A.M to transact the following business:-

ORDINARY BUSINESS:

1. To confirm the minutes of last annual general meeting held on 30th October 2012.
2. To receive and adopt audited accounts of the Company for the year ended 30 June 2013 together with Directors' and Auditors' reports thereon.
3. To approve 20% final cash dividend i.e Rs.2.0 per share as recommended by the Board of Directors. This is in addition to 1st interim dividend already paid at Rs.2.00 per share i.e.20% and 2nd interim dividend already approved by the Board of Directors in their meeting held on 30 August 2013 @Rs.2.00 per share i.e.20%.
4. To appoint auditors for the year ending 30 June 2014 and to fix their remuneration. The present auditors M/s. A.F.Ferguson & Company, Chartered Accountants retired and being eligible offered themselves for re-appointment.
5. To transact any other business with the permission of the Chair.

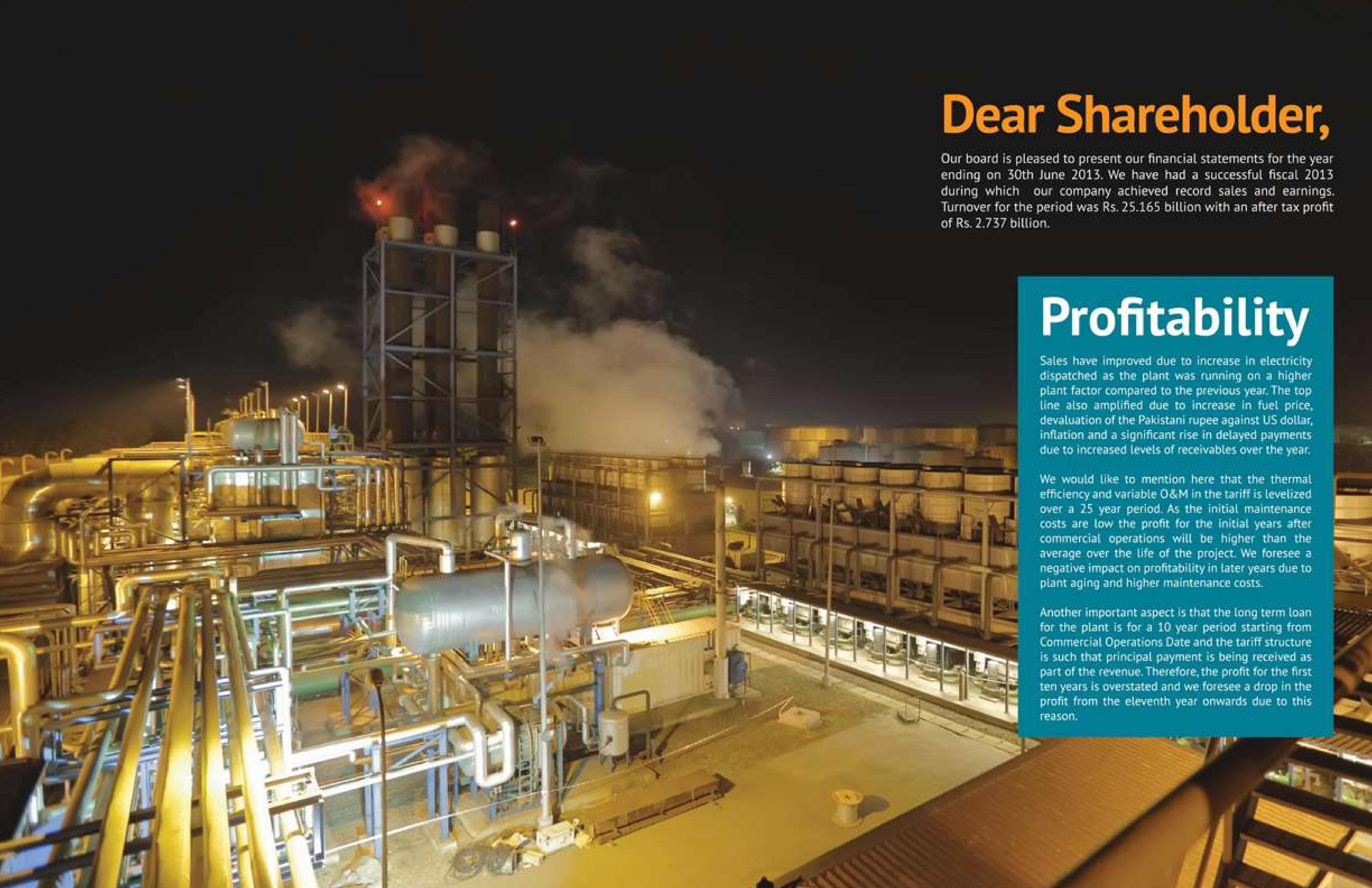
By Order of the Board

Lahore: October 09, 2013

Babar Ali Khan
Company Secretary

Notes:

1. The Members' Register will remain closed from 22-10-2013 to 29-10-2013 (both days inclusive).Transfers received at Hameed Majeed Associate (Pvt) Limited, H.M. House, 7-Bank Square, Lahore, the Registrar and share transfer office of the Company by the close of business on 21-10-2013 will be considered in time for attending the AGM and for above entitlement.
2. A member eligible to attend and vote at this meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
3. Shareholders are requested to immediately notify the change in address, if any.
4. CDC account holders will further have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan:
   a. For attending the meeting
      i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
      ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting
   b. For Appointing Proxies
      i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
      ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
      iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
      iv) The proxy shall produce his original CNIC or original passport at the time of the Meeting.
      v). In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures shall be submitted (unless it has been provided earlier) along with proxy form to the company.



Dear Shareholder,

Our board is pleased to present our financial statements for the year ending on 30th June 2013. We have had a successful fiscal 2013 during which our company achieved record sales and earnings. Turnover for the period was Rs. 25.165 billion with an after tax profit of Rs. 2.737 billion.

Profitability

Sales have improved due to increase in electricity dispatched as the plant was running on a higher plant factor compared to the previous year. The top line also amplified due to increase in fuel price, devaluation of the Pakistani rupee against US dollar, inflation and a significant rise in delayed payments due to increased levels of receivables over the year.

We would like to mention here that the thermal efficiency and variable O&M in the tariff is levelized over a 25 year period. As the initial maintenance costs are low the profit for the initial years after commercial operations will be higher than the average over the life of the project. We foresee a negative impact on profitability in later years due to plant aging and higher maintenance costs.

Another important aspect is that the long term loan for the plant is for a 10 year period starting from Commercial Operations Date and the tariff structure is such that principal payment is being received as part of the revenue. Therefore, the profit for the first ten years is overstated and we foresee a drop in the profit from the eleventh year onwards due to this reason.

Circular Debt

The new government made a payment of Rs. 6.8 billion to the Company before June 30, 2013 resulting in the adjustment of all working capital lines and reduction in debt ratio to 57% from 69%.

We foresee that the new government will not let the circular debt amass to the levels seen in 2012. The increase in electricity tariff will also help in managing circular debt, however a medium to long term plan comprising of change in the energy mix towards more cost effective sources and strategies for stream lining distribution & generation companies need to be implemented to address this issue permanently.

Pending Issues

An amount of Rs 957 million relating to capacity purchase price is currently not acknowledged by NTDCL as the plant had reduced generation. However, the sole reason of this reduced generation was non-availability of fuel owing to non-payment by NTDCL. The Company maintains the view that this amount should be payable by NTDCL. However, as part of the settlement with the GOP at the time of payment of Rs. 6.8 billion in June 2013, the IPPs withdrew their case of with-held capacity payments from the Supreme Court of Pakistan. NTDC and the IPPs have now agreed to appoint Justice Sair Ali as the expert for mediation on this issue.

Industry Outlook

The energy mix in Pakistan is heavily skewed towards more expensive sources of energy namely gas, oil and diesel. Compared to neighbouring countries like India and China which generate 69% and 79% of their power from coal respectively (Source: http://www.iea.org/stats/); Pakistan generates less than 0.1% from coal. A medium-long term strategy for improving the energy mix needs to be chalked out to effectively address the energy problems of the country.

Future Outlook

We expect the Company will continue to operate at full load during next year. We expect the NTDC to make regular payments throughout the year and reign in circular debt at lower levels compared to before, thereby improving the liquidity position of the company.

Corporate Social Responsibility

The Saleem family is in the process of setting up a state of the art not for profit hospital. The Hospital will be based on a model of Self pay for those who can afford & subsidized medical treatment for the underprivileged. The board has approved a donation of PKR 150 million for this project.

We are committed to providing a healthy, safe and learning work environment to our employees. The Company has been offering employment opportunities to people from various ethnicities and genders without any bias or prejudice. We offer apprenticeship to fresh graduates, post graduates and engineers on a regular basis, to elevate their professional and technical skills.

Appropriation

The Board of Directors in its meeting held on 4 th October 2013, has recommended final dividend of Rupees 2.00 per share. This is in addition to interim dividends of Rupees 4.00 per share, bringing the total to RS 6.00 per share for the fiscal year 2012-13.

Corporate Governance

As required by the Code of Corporate Governance, Directors are pleased to report that:

(a) The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

(b) Proper books of accounts have been maintained by the Company.

(c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement.

(d) The International Financial Reporting Standards, as applicable in Pakistan have been followed in preparation of financial statements.

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

(f) There are no doubts upon the Company's ability to continue as a going concern.

(g) There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations of the stock exchanges.

(h) The value of investment of contributory provident fund as at June 30, 2013 amounts to Rupees 12.923 million (based on un-audited financial statements).

(i) The pattern of shareholding as at June 30, 2013 is annexed.

(j) Information about outstanding taxes and levies is given in Notes to the Accounts.

Board Meetings

During the year under review Five (5) meeting were held. Attendance by each director is as follows:

Name of Director	Attendance
Mr. Shahzad Saleem (Nominee NCL) (Chairman)	5
Mr. Yahya Saleem (Chief Executive)	4
Mrs. Farhat Saleem	2
Mr. Wasif M. Khan	4
Mr. Badar ul Hasan (Resigned on 16-07-2013)	5
Mr. Mushtaq Ahmad (Resigned on 16-07-2013)	5
Mr. Manzar Mushtaq (Resigned on 16-07-2013)	0
Sahibzada Rafat Raoof Ali (Nominee NBP)	3

Acknowledgement

The Directors of your Company would like to show their appreciation of the support of respected customers, banks, financial institutions, regulators and shareholders for achieving good results and hope that this cooperation and support continues to grow in the future.

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.

On behalf of the Board
Shahzad Saleem (Chairman)
Lahore: October 04, 2013

Financial Highlights

	2008/09	2009/10	2010/11	2011/12	2012/13
			(Rupees)		
Result of Operations					
Net Sales	-	-	20,353,055,242	21,585,391,983	25,165,538,264
Gross Profit	-	-	4,623,556,899	5,168,429,599	5,067,708,707
Operating Income	(1,544,784)	(6,453,809)	4,587,535,361	5,096,641,997	5,136,846,341
Financial Charges	-	-	(2,940,579,074)	(3,080,778,539)	(2,424,115,317)
Tax Reversal/(Taxation)	-	(1,303,361)	(13,579,721)	(11,207,516)	24,760,917
Net Income	(1,544,784)	(7,757,170)	1,633,376,566	2,004,655,942	2,737,491,941
Financial Position at Year-end:					
Capital	1,797,364,860	3,673,469,390	3,673,469,390	3,673,469,390	3,673,469,390
Accumulated profit/(loss)	(2,307,663)	(24,139,607)	1,241,889,312	2,328,177,906	3,596,282,092
Net Worth	**1,795,057,197**	**3,649,329,783**	**4,915,358,702**	**6,001,647,296**	**7,269,751,482**
Fixed Assets	9,217,914,140	18,073,016,518	16,765,215,626	15,825,927,605	14,772,193,670
Long Term Deposits & Advances	105,000	265,650	2,197,525	960,796	486,506
Current Assets	12,508,032	4,629,745,779	8,047,407,087	12,761,209,694	7,857,827,423
Total Assets	**9,230,527,172**	**22,703,027,947**	**24,814,820,238**	**28,588,098,095**	**22,630,507,599**
Long Term Liabilities	7,114,484,369	15,378,142,653	13,811,282,788	12,898,060,793	11,836,995,051
Current Liabilities	320,985,606	3,675,555,511	6,088,178,748	9,688,390,006	3,523,761,066
Net Interest-Bearing Debt	**7,435,469,975**	**19,053,698,164**	**19,899,461,536**	**22,586,450,799**	**15,360,756,117**
Financial Measures					
EPS	(0.02)	(0.02)	4.45	5.46	7.45
Shareholders' Equity Ratio	19.4%	16.1%	19.8%	21.0%	32.1%
Net Debt to Equity Ratio (times)	4.14	5.22	4.05	3.76	2.11
Current Ratio	0.04	1.26	1.32	1.32	2.23
Common Stock					
Number of Shares					
Outstanding at Year-End	179,736,486	367,346,939	367,346,939	367,346,939	367,346,939

Statement of Compliance

with the Code of Corporate Governance for the year ended June 30, 2013

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No.35 of Listing Regulations of Karachi Stock Exchange Limited and Lahore Stock Exchange Limited 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 Directors	Mr. Wasif M. Khan	
Executive Directors	Mr. Shahzad Saleem	
	Mr. Yahya Saleem	
Non Executive Directors	Mrs. Farhat Saleem	
	Sahibzada Rafat Raoof Ali	
	Mr. Kamran Rasool	(Joined on 16 July 2013)
	Mr. Aftab Ahmad Khan	(Joined on 16 July 2013)
	Mr. Shahid Malik	(Joined on 16 July 2013)
	Mr. Mushtaq Ahmed	(Resigned on 16 July 2013)
	Mr. Badar ul Hassan	(Resigned on 16 July 2013)
	Mr. Manzar Mushtaq	(Resigned on 16 July 2013)

   The requirement of Executive Directors in composition of Board under CCG will be fulfilled at the time of next election of directors, scheduled to be held on 31 March, 2015.

   The independent director meets the criteria of independence as required under clause i (b) of the CCG.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).

3. All the resident 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 member of stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy was occurred on the Board during the year.

5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the board in accordance with the Articles of Association of the Company.

8. The meetings of the Board were presided over by the Chairman and, in his 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. 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

10. The Board considers that some of its directors are exempt from Directors' training program ('DTP') requirement, hence there is no need for enrollment in DTP until the exemption period lasts.

11. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment.

12. 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.

13. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

14. 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.

15. The Company has complied with all the corporate and financial reporting requirements of the CCG.

16. The Board has formed an Audit Committee. It comprises of 3 members, all are non-executive directors. The Chairman of the committee is an independent director and will be changed on next election date to bring the composition of the Audit Committee in line with the requirements of COCG 2012.

17. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the CCG. The Terms of Reference of the committee have been formed and approved by the Board and advised to the committee for compliance.

18. The Board has formed a Human Resource and Remuneration (HR&R) Committee. It comprises of 3 members, of whom 2 are non-executive directors and the chairman of the Committee is an Executive director.

19. The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company and they are involved in the internal audit function on full time basis.

20. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

21. 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.

22. 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 Exchanges.

23. Material/price sensitive information has been disseminated among all market participants at once through Stock Exchanges.

24. We confirm that all other material principles enshrined in the CCG have been complied with.

Shahzad Saleem
Chairman

Lahore: October 04, 2013

Review Report

to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of NishatChunian Power Limited (the 'company') to comply with the Listing Regulation No. 35 of Karachi and Lahore Stock Exchanges, where the company is listed.

The responsibility for compliance with the Code of Corporate Governance 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 of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's 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.

Further, Sub-Regulation (x) of Listing Regulation No. 35 of Karachi and Lahore Stock Exchanges requires the company to place before the Board of Directors for their consideration and approval 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 recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before 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.

The Board has not made arrangements for directors' training program for one of the non-exempted directors of the company during the year ended June 30, 2013 as required by clause (xi) of the Code of Corporate Governance.

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 of Corporate Governance as applicable to the company for the year ended June 30, 2013.

A.F. Ferguson & Co.
Chartered Accountants

Name of engagement partner:
Muhammad Masood

Lahore: October 04, 2013

Auditors’ Report to the Members

We have audited the annexed balance sheet of Nishat Chunian Power Limited (the 'company') as at June 30, 2013 and the related profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement 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 in accounting policy as stated in note 4.1 to the annexed financial statements 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, statement of changes in equity and cash flow statement together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2013 and of the profit, total comprehensive income, changes in equity and its cash flows for the year then ended;

(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; and

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

A.F. Ferguson & Co.
Chartered Accountants

Name of engagement partner:
Muhammad Masood

Lahore: October 04, 2013

Balance Sheet

as at 30 June 2013

	NOTE	2013 Rupees	2012 Rupees (restated)	2011 Rupees (restated)
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorised share capital				
385,000,000 (2012: 385,000,000)				
ordinary shares of Rs 10 each		3,850,000,000	3,850,000,000	3,850,000,000
Issued, subscribed and paid up share capital				
367,346,939 (2012: 367,346,939)				
ordinary shares of Rs 10 each	5	3,673,469,390	3,673,469,390	3,673,469,390
Revenue reserve: Un-appropriated profit	6	3,596,282,092	2,328,177,906	1,241,889,312
		7,269,751,482	6,001,647,296	4,915,358,702
NON-CURRENT LIABILITY				
Long term financing - secured	7	11,836,995,051	12,898,060,793	13,811,282,788
CURRENT LIABILITIES				
Current portion of long term financing - secured	7	1,061,065,742	913,221,996	1,034,722,060
Short term borrowings - secured	8	4,210,860	5,829,752,814	3,611,299,988
Short term loan from holding company - unsecured	9	-	1,132,500,000	-
Trade and other payables	10	1,938,833,399	1,023,990,436	671,851,264
Accrued finance cost	11	519,651,065	741,897,621	762,295,525
Derivative financial instruments		-	35,090,369	-
Provision for taxation		-	11,936,770	8,009,911
		3,523,761,066	9,688,390,006	6,088,178,748
CONTINGENCIES AND COMMITMENTS	12			
		22,630,507,599	28,588,098,095	24,814,820,238

The annexed notes 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE

Balance Sheet

as at 30 June 2013

	NOTE	2013 Rupees	2012 Rupees (restated)	2011 Rupees (restated)
ASSETS				
NON-CURRENT ASSETS				
Fixed assets	13	14,772,193,670	15,825,927,605	16,765,215,626
Long term loans to executives	14	381,506	855,796	2,092,525
Long term security deposits		105,000	105,000	105,000
		14,772,680,176	15,826,888,401	16,767,413,151
CURRENT ASSETS				
Stores and spares	15	675,127,598	418,044,035	246,430,257
Inventories	16	419,779,447	368,581,523	677,305,899
Trade debts	17	5,812,566,330	11,710,530,028	6,909,141,190
Advances, deposits, prepayments and other receivables	18	664,427,747	224,257,019	172,166,818
Income tax receivable		13,525,039	-	-
Derivative financial instruments	19	2,362,939	-	3,061,396
Bank balances	20	270,038,323	39,797,089	39,301,527
		7,857,827,423	12,761,209,694	8,047,407,087
		22,630,507,599	28,588,098,095	24,814,820,238

DIRECTOR

Profit and Loss Account

for the year ended 30 June 2013

	NOTE	2013 Rupees	2012 Rupees (restated)
Sales	21	25,165,538,264	21,585,391,983
Cost of sales	22	(20,097,829,557)	(16,416,962,384)
Gross profit		5,067,708,707	5,168,429,599
Administrative expenses	23	(75,795,295)	(57,318,279)
Other expenses	24	(11,053,652)	(48,097,305)
Other income	25	155,986,581	33,627,982
Finance cost	26	(2,424,115,317)	(3,080,778,539)
Profit before taxation		2,712,731,024	2,015,863,458
Taxation	27	24,760,917	(11,207,516)
Profit for the year		2,737,491,941	2,004,655,942
Earnings per share - basic and diluted	28	7.452	5.457

The annexed notes 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Statement of Comprehensive Income

for the year ended 30 June 2013

	NOTE	2013 Rupees	2012 Rupees (restated)
Profit for the year		2,737,491,941	2,004,655,942
Other comprehensive income		-	-
Total comprehensive income for the year		2,737,491,941	2,004,655,942

The annexed notes 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Statement of Changes in Equity

for the year ended 30 June 2013

	Share capital	Revenue reserve: Un-appropriated profit	Total
Balance as on July 01, 2011 as previously reported	3,673,469,390	1,220,946,168	4,894,415,558
Effect of change in accounting policy as referred to in note 4.1	-	20,943,144	20,943,144
Balance as on July 01, 2011 - restated	3,673,469,390	1,241,889,312	4,915,358,702
Profit for the year - restated - refer note 4.1	-	2,004,655,942	2,004,655,942
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	2,004,655,942	2,004,655,942
Dividend to equity holders of the company:			
Final dividend for the year ended June 30, 2011 @ Rupee 1 per share	-	(367,346,939)	(367,346,939)
Interim dividend @ Rs 1.5 per share	-	(551,020,409)	(551,020,409)
Total distributions to owners of the company recognised directly in equity	-	(918,367,348)	(918,367,348)
Balance as on June 30, 2012 - restated	3,673,469,390	2,328,177,906	6,001,647,296
Profit for the year	-	2,737,491,941	2,737,491,941
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	2,737,491,941	2,737,491,941
Dividend to equity holders of the company:			
Final dividend for the year ended June 30, 2012 @ Rs 2 per share	-	(734,693,878)	(734,693,878)
Interim dividend @ Rs 2 per share	-	(734,693,877)	(734,693,877)
Total distributions to owners of the company recognised directly in equity	-	(1,469,387,755)	(1,469,387,755)
Balance as on June 30, 2013	3,673,469,390	3,596,282,092	7,269,751,482

The annexed notes 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Cash Flow Statement

for the year ended 30 June 2013

	NOTE	2013 Rupees	2012 Rupees (restated)
Cash flows from operating activities			
Cash generated from operations	29	12,266,356,273	1,764,428,650
Finance cost paid		(2,646,361,873)	(3,101,176,443)
Taxes paid		(700,892)	(7,280,657)
Retirement benefits paid		(1,886,171)	(1,444,850)
Net decrease in long term loans to executives		474,290	1,236,729
Net cash inflow/(outflow) from operating activities		9,617,881,627	(1,344,236,571)
Cash flows from investing activities			
Fixed capital expenditure		(49,606,151)	(17,339,791)
Proceeds from disposal of property, plant and equipment		649,000	1,353,999
Profit on bank deposits received		111,487	719,127
Net cash outflow from investing activities		(48,845,664)	(15,266,665)
Cash flows from financing activities			
Repayment of long term financing		(913,221,996)	(1,034,722,059)
Short term borrowings from holding company		1,430,000,000	3,299,394,249
Repayment of short term borrowings from holding company		(2,562,500,000)	(2,166,894,249)
Dividend paid		(1,467,530,779)	(956,231,969)
Net cash outflow from financing activities		(3,513,252,775)	(858,454,028)
Net increase/(decrease) in cash and cash equivalents		6,055,783,188	(2,217,957,264)
Cash and cash equivalents at the beginning of the year		(5,789,955,725)	(3,571,998,461)
Cash and cash equivalents at the end of the year	30	265,827,463	(5,789,955,725)

The annexed notes 1 to 38 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

Notes to the Financial Statements

for the year ended 30 June 2013

1. The company and its activities

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

The principal activity of the company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW and net capacity of 195.722 MW at Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the company is 31-Q, Gulberg II, Lahore. The company has a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from July 21, 2010.

2. Basis of preparation

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standards (IFAS) issued by Institute of Chartered Accountants of Pakistan as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS or IFAS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

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

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

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

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2012 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in these financial statements.

2.2.2 Exemption from applicability of certain interpretations to standards

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

Consequently, the company is not required to account for a portion of its PPA with NTDC as a lease under IAS - 17. If the company were to follow IFRIC - 4 and IAS - 17, the effect on the financial statements would be as follows:

	2013 Rupees	2012 Rupees
De-recognition of property, plant and equipment	(14,737,223,714)	(15,790,973,077)
Recognition of lease debtor	16,029,526,248	16,816,544,994
Increase in un-appropriated profit at the beginning of the year	1,025,571,917	732,542,131
Increase in profit for the year	266,730,617	293,029,786
Increase in un-appropriated profit at the end of the year	1,292,302,534	1,025,571,917

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

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after January 01, 2013 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in these financial statements.

3. Basis of measurement

3.1 These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments at fair value.

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

a) Provision for taxation

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

b) Useful lives and residual values of property, plant and equipment

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

4. Significant accounting policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, except for the change in accounting policy as explained in note 4.1.

4.1 Change in accounting policy

During the year, the company has changed its accounting policy for valuation of furnace oil inventory. As per the new policy, furnace oil is valued on First In First Out ('FIFO') cost basis where as previously, it was valued on weighted average cost basis. The accounting policy has been revised as the management believes that the new policy is more in line with the basis adopted by National Electric Power Regulatory Authority ('NEPRA') for determination of fuel cost component of the company’s tariff. Hence, in management's view, the new policy provides relevant information because it results in a consistent measurement of furnace oil inventory.

The change in accounting policy has been applied retrospectively and the comparative information has been restated in accordance with the treatment specified in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Effects of re-statement are as follows:

	June 30, 2012		
	As previously reported	Re-stated	Re-statement
	------------- Rupees -------------		
Total comprehensive income for the year	2,025,098,642	2,004,655,942	(20,442,700)
Operating fixed assets	15,815,864,081	15,824,496,605	8,632,524
Inventories	376,713,603	368,581,523	(8,132,080)
Workers' Profit Participation Fund recoverable	183,115,965	183,140,987	25,022
Workers' Profit Participation Fund payable	101,815,308	101,840,330	25,022
Equity	6,001,146,852	6,001,647,296	500,444

	June 30, 2011		
	As previously reported	Re-stated	Re-statement
	------------- Rupees -------------		
Total comprehensive income for the year	1,612,433,422	1,633,376,566	20,943,144
Operating fixed assets	16,754,299,774	16,763,307,627	9,007,853
Inventories	665,370,607	677,305,899	11,935,292
Workers' Profit Participation Fund recoverable	81,300,657	82,347,814	1,047,157
Workers' Profit Participation Fund payable	81,300,657	82,347,814	1,047,157
Equity	4,894,415,558	4,915,358,702	20,943,144

	June 30, 2010		
	As previously reported	Re-stated	Re-statement
	------------- Rupees -------------		
Total comprehensive loss for the year	(7,757,170)	(7,757,170)	-
Capital work-in-progress	17,984,649,259	17,994,032,439	9,383,180
Inventories	305,640,255	296,257,075	(9,383,180)
Equity	3,649,329,783	3,649,329,783	-

Had there been no change in the accounting policy, un-appropriated profits, operating fixed assets, inventories as at June 30, 2013 and total comprehensive income for the year ended June 30, 2013 would have been lower by Rs 10.208 million, Rs 8.257 million, Rs 1.953 million and Rs 9.708 million respectively.

4.2 Taxation

Current

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

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

Deferred

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

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

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

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

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

Depreciation on operating fixed assets is charged to profit and loss account on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 13.1 after taking into account their residual values.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant. The company's estimate of the residual value of its operating fixed assets as at June 30, 2013 has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

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

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

4.3.2 Capital work-in-progress

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

4.4 Intangible assets

Computer software

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

4.5 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

4.6 Leases

The company is the lessee:

4.6.1 Operating leases

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

4.7 Stores and spares

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

4.8 Inventories

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

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

4.9 Financial assets

4.9.1 Classification

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

a) Financial assets at fair value through profit or loss

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

b) Loans and receivables

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

c) Available-for-sale financial assets

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

d) Held to maturity

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

4.9.2 Recognition and measurement

All financial assets are recognised at the time when the company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognised on trade-date – the date on which the company commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest rate method.

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

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

The fair values of quoted investments are based on current prices. If the market for a financial asset is not active (and for unlisted securities), the company measures the investments at cost less impairment in value, if any.

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss is removed from equity and recognised in the profit and loss account. Impairment losses recognised in the profit and loss account on equity instruments are not reversed through the profit and loss account. Impairment testing of trade debts and other receivables is described in note 4.13.

4.10 Financial liabilities

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

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

4.11 Offsetting of financial assets and financial liabilities

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

4.12 Derivative financial instruments

These are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The company has not designated any derivatives as hedging instruments and accordingly, the changes in fair value re-measurement are recognised in the profit and loss account. Trading derivatives are classified as a current asset or liability.

4.13 Trade debts and other receivables

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

4.14 Share capital

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

4.15 Employees' retirement benefits - Defined contribution plan

There is an approved defined contributory provident fund for all employees. Equal monthly contributions are made both by the company and employees to the fund at the rate of 8.33 percent of the basic salary. Retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme.

4.16 Trade and other payables

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

4.17 Provisions

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

4.18 Cash and cash equivalents

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

4.19 Borrowings

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

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

4.20 Borrowing costs

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

4.21 Revenue recognition

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

Revenue on account of energy is recognised on transmission of electricity to NTDC, whereas on account of capacity is recognised when due. Income on bank deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

4.22 Foreign currency transactions and translation

a) Functional and presentation currency

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

b) Transactions and balances

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

4.23 Dividend

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

5. Issued, subscribed and paid up share capital

This represents 367,346,939 (2012: 367,346,939) ordinary shares of Rs 10 each fully paid in cash. 187,585,820 (2012: 187,585,820) ordinary shares of the company are held by Nishat (Chunian) Limited, the holding company.

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

	2013 Rupees	2012 Rupees
7. Long term financing - secured		
Senior facility - note 7.1	10,398,126,373	11,134,874,752
Term finance facility - note 7.2	2,499,934,420	2,676,408,037
	12,898,060,793	13,811,282,789
Less: Current portion shown under current liabilities	1,061,065,742	913,221,996
	11,836,995,051	12,898,060,793
7.1 Senior facility		
Long term financing under mark-up arrangement obtained from following banks:		
Lender		
National Bank of Pakistan	1,789,863,401	1,916,682,331
Habib Bank Limited	2,396,998,777	2,566,835,659
Allied Bank Limited	2,396,998,777	2,566,835,659
United Bank Limited	2,396,998,776	2,566,835,658
Faysal Bank Limited	1,080,605,695	1,157,170,900
Summit Bank Limited	140,336,593	360,514,545
Sindh Bank Limited	196,324,354	-
	10,398,126,373	11,134,874,752
Less: Current portion shown under current liabilities	856,022,379	736,748,379
	9,542,103,994	10,398,126,373
7.2 Term finance facility		
Long term financing under mark-up arrangement obtained from following banks:		
Lender		
National Bank of Pakistan	430,321,643	460,698,606
Habib Bank Limited	576,290,459	616,971,551
Allied Bank Limited	576,290,458	616,971,550
United Bank Limited	576,290,459	616,971,551
Faysal Bank Limited	340,741,401	364,794,779
	2,499,934,420	2,676,408,037
Less: Current portion shown under current liabilities	205,043,363	176,473,617
	2,294,891,057	2,499,934,420

7.3 This represents long term financing obtained from a consortium of banks led by United Bank Limited (Agent Bank). The portion of long term financing from Faysal Bank Limited is on murabaha basis. The overall financing is secured against registered first joint pari passu charge on immovable property, mortgage of project receivables (excluding energy payment receivables), hypothecation of all present and future assets and all properties of the company (excluding working capital hypothecated property), lien over project bank accounts and pledge of shares held by the holding company in Nishat Chunian Power Limited. It carries mark-up at the rate of three months Karachi Inter-Bank Offered Rate (KIBOR) plus three percent per annum, payable on quarterly basis. The effective mark-up rate charged during the year on the outstanding balance ranged from 12.31% to 14.99% (2012: 14.91% to 16.53%) per annum. As of June 30, 2013, the finance is repayable in twenty nine quarterly instalments ending on July 01, 2020.

	2013 Rupees	2012 Rupees
8. Short term borrowings - secured		
Short term borrowings under mark-up arrangements obtained as under:		
Running finances - note 8.1	4,210,860	4,391,237,614
Term finances - note 8.2	-	1,438,515,200
	4,210,860	5,829,752,814

8.1 Running finances

Running finance facilities available from various commercial banks under mark-up arrangements amount to Rs 4,526.06 million (2012: Rs 4,526.06 million) at mark-up rate of three months KIBOR plus 2% per annum, payable quarterly, on the balance outstanding. The aggregate running finances are secured against first pari passu assignment of the present and future energy payment price of the tariff, first pari passu hypothecation charge on the fuel stock and inventory, ranking charge over all present and future project assets (including moveable/immoveable assets) of the company. The effective mark-up rate charged during the year on the outstanding balance ranged from 11.31% to 13.90% (2012: 13.91% to 15.53%) per annum.

8.2 Term finances

This represents murabaha finance facilities aggregating to Rs 1,800 million (2012: 1,500 million) under mark-up arrangements from commercial banks at mark-up rates ranging from three to nine months KIBOR plus 1.5% to 2% per annum, to finance the procurement of multiple oils from the fuel suppliers. Mark-up is payable at the maturity of the respective murabaha transaction/term finance facility. The aggregate facilities are secured against first pari passu charge on current assets comprising of fuel stocks, inventories and assignment of energy payment receivables from NTDC. The effective mark-up rate charged during the year on the outstanding balance ranged from 11.04% to 14.32% (2012: 13.58% to 16.14%) per annum.

8.3 Letters of credit and guarantees

Of the aggregate facilities of Rs 1,000 million (2012: Rs 800 million) for opening letters of credit and guarantees, the amount utilised at June 30, 2013 was Rs 202.410 million (2012: Rs 110.528 million). The aggregate facilities for opening letters of credit and guarantees are secured by ranking charge on current assets comprising of fuel stocks and inventories of the company and lien over import documents.

9. This has been repaid during the year. The effective mark-up rate charged on the outstanding balance during the year ranged from 11.08% to 13.99% (2012: 13.91% to 15.54%) per annum.

	2013 Rupees	2012 Rupees (restated)
10. Trade and other payables		
Creditors - notes 10.1 and 10.2	1,711,828,789	909,936,732
Retention money	898,639	898,639
Security deposits	1,100,000	1,000,000
Accrued liabilities	85,072,805	8,571,934
Workers' profit participation fund - note 10.3	135,661,573	101,840,330
Withholding tax payable	-	366,672
Unclaimed dividend	3,058,070	1,201,094
Other liabilities	1,213,523	175,035
	1,938,833,399	1,023,990,436

10.1 Includes an amount of Rs 1,507,000 (2012: Nil) due to Nishat (Chunian) Limited, the holding company.

10.2 Includes an amount of Rs 46,241,756 (2012: Rs 40,368,369) due to Adamjee Insurance Company Limited, a related party.

	2013 Rupees	2012 Rupees (restated)
10.3 Workers' Profit Participation Fund		
Opening balance	101,840,330	82,347,814
Provision for the year - note 18.1	135,636,551	100,793,173
Interest for the year - note 26	131,454	185,504
	237,608,335	183,326,491
Less: Payments	101,946,762	81,486,161
Closing balance	135,661,573	101,840,330

10.4 Workers' Welfare Fund has not been provided for in the financial statements on the advice of the company's legal consultant.

	2013 Rupees	2012 Rupees
11. Accrued finance cost		
Accrued mark-up/interest on:		
Long term financing - secured	405,500,045	520,901,553
Short term borrowings - secured	114,151,020	215,074,674
Short term loan from holding company - unsecured	-	5,921,394
	519,651,065	741,897,621

12. Contingencies and commitments

12.1 Contingencies

(i) National Electric Power Regulatory Authority ('NEPRA') issued an order dated 8th February, 2013 through which it has raised a demand of Rs 243.702 million payable by the company to NTDC for the period upto June 30, 2011 in respect of Calorific Value ('CV') adjustment on fuel consumed for power generation as per the terms of the PPA and various CV adjustment mechanisms prescribed by NEPRA. The first such CV adjustment mechanism was announced by NEPRA in March 2009 and as per this mechanism, the company has already made a provision of Rs 81.211 million in its financial statements for the above CV adjustment. In July 2011, NEPRA revised its CV adjustment mechanism and directed all Independent Power Producers ('IPPs') to maintain consignment-wise CV record of the fuel received and consumed for power generation. Consequently, the company started maintaining such CV record after such direction was received from NEPRA.

NEPRA directed the company to submit consignment-wise record of CV for the period upto June 30, 2011. The company disputed such direction as it was not required to maintain consignment-wise record prior to July 2011. However, NEPRA computed retrospectively and determined Rs 243.702 million payable by the company to NTDC for the period upto June 30, 2011 in respect of CV adjustment on the basis of the mechanism directed by it in July 2011. The company filed a Motion for Leave for Review before NEPRA requesting it to reconsider its decision, which was decided against the company. Consequently, the company filed a writ petition before the Islamabad High Court against NEPRA's decision on the grounds that change in CV adjustment mechanism in July 2011 cannot be applied retrospectively and credible information is also not available from any source upon which CV adjustment computations can be made. The case is pending adjudication before Islamabad High Court.

Based on the advice of the company's legal counsel, management feels that there are meritorious grounds to support the company's stance and the aforesaid NEPRA's decision is likely to be revoked. Under these circumstances, no provision of the balance amount of Rs 162.491 million has been made in these financial statements.

(ii) The banks have issued the following on behalf of the company:

(a) Irrevocable standby letter of credit in favour of Wartsila Pakistan (Private) Limited for Rs 45,000,000 (2012: Rs 45,000,000) as required under the terms of the Operations and Maintenance Agreement.

(b) Letter of guarantee of Rs 2,031,988 (2012: Rs 1,031,988) in favour of Director, Excise and Taxation, Karachi under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.

12.2 Commitments in respect of

(i) Letters of credit and contracts other than for capital expenditure aggregate to Rs 202,410,806 (2012: Rs 29,684,959).

(ii) The company has entered into an agreement with Wartsila Pakistan (Private) Limited for the operations and maintenance ('O&M') of the power station for a five years period starting from the Commercial Operations Date of the power station i.e. July 21, 2010. Under the terms of the O&M agreement, the company is required to pay a monthly fixed O&M fee and a variable O&M fee depending on the net electrical output, both of which are adjustable according to the Wholesale Price Index.

	2013 Rupees	2012 Rupees (restated)
13. Fixed assets		
Property, plant and equipment:		
Operating fixed assets - note 13.1	14,768,739,670	15,824,496,605
Capital work-in-progress - advance to supplier	2,500,000	-
	14,771,239,670	15,824,496,605
Intangible asset:		
Computer software - note 13.2	954,000	1,431,000
	14,772,193,670	15,825,927,605

13.1 Operating fixed assets

	Freehold land	Buildings on Freehold land	Plant and Machinery	Electric Installations	Computer Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
					Rupees				
COST									
Balance as at July 01, 2011 - restated	71,016,715	169,264,965	17,760,807,826	2,535,539	2,240,351	3,370,526	597,752	11,412,838	18,021,246,512
Additions during the year	-	1,269,620	-	-	1,625,372	6,281,225	346,825	7,816,748	17,339,790
Disposal during the year	-	-	-	-	(240,394)	-	-	(1,289,706)	(1,530,100)
Balance as at June 30, 2012 - restated	71,016,715	170,534,585	17,760,807,826	2,535,539	3,625,329	9,651,751	944,577	17,939,880	18,037,056,202
Balance as at July 01, 2012 - restated	71,016,715	170,534,585	17,760,807,826	2,535,539	3,625,329	9,651,751	944,577	17,939,880	18,037,056,202
Additions during the year	-	1,126,206	40,245,800	78,500	1,319,125	26,000	64,500	4,246,020	47,106,151
Disposal during the year	-	-	(45,187,669)	-	(74,921)	-	-	(667,420)	(45,930,010)
Balance as at June 30, 2013	71,016,715	171,660,791	17,755,865,957	2,614,039	4,869,533	9,677,751	1,009,077	21,518,480	18,038,232,343
DEPRECIATION									
Balance as at July 01, 2011 - restated	-	6,798,519	1,245,891,889	254,596	799,691	342,664	64,833	3,786,693	1,257,938,885
Charge for the year - restated	-	6,804,496	943,258,626	253,554	852,470	496,329	73,323	3,311,700	955,050,498
Disposal during the year	-	-	-	-	(117,759)	-	-	(312,027)	(429,786)
Balance as at June 30, 2012 - restated	-	13,603,015	2,189,150,515	508,150	1,534,402	838,993	138,156	6,786,366	2,212,559,597
Balance as at July 01, 2012 - restated	-	13,603,015	2,189,150,515	508,150	1,534,402	838,993	138,156	6,786,366	2,212,559,597
Charge for the year	-	6,842,205	1,088,654,492	261,404	1,049,365	2,203,829	100,529	3,624,865	1,102,736,689
Disposal during the year	-	-	(45,187,669)	-	(3,746)	-	-	(612,198)	(45,803,613)
Balance as at June 30, 2013	-	20,445,220	3,232,617,338	769,554	2,580,021	3,042,822	238,685	9,799,033	3,269,492,673
Book value as at June 30, 2012 - restated	71,016,715	156,931,570	15,571,657,311	2,027,389	2,090,927	8,812,758	806,421	11,153,514	15,824,496,605
ta sa eulav kooB	71,016,715	151,215,571	14,523,248,619	1,844,485	2,289,512	6,634,929	770,392	11,719,447	14,768,739,670
Annual depreciation rate %	-	4 to 4.31	4 to 29.28	10	30	10	10	20	

	2013 Rupees	2012 Rupees (restated)
13.1.1 The depreciation charge for the year has been allocated as follows:		
Cost of sales - note 22	1,099,919,300	952,556,500
Administrative expenses - note 23	2,817,389	2,493,998
	1,102,736,689	955,050,498

13.1.2 Disposal of operating fixed assets

	2013				
	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal
	Rupees				
Plant and machinery Assets written off	45,187,669	45,187,669	-	-	Write off
Vehicle damaged in accident	667,420	612,198	55,222	609,000	Insurance claim
Office equipments sold to: Outside party - Mr Usman Pervaiz	74,921	3,746	71,175	40,000	Bid
	45,930,010	45,803,613	126,397	649,000	

	2012				
	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal
	Rupees				
Vehicles sold to: Outside party - Mr Muhammad Najeeb Iqbal	725,750	133,054	592,696	680,000	Bid
Company employee - Mr Buland Akhtar	563,956	178,973	384,983	549,000	Bid
Computer equipments: Company employees	240,394	117,759	122,635	125,000	As per company policy
	1,530,100	429,786	1,100,314	1,354,000	

	Computer Software Rupees
13.2 Intangible asset	
COST	
Balance as at July 01, 2011	2,385,000
Additions during the year	-
Balance as at June 30, 2012	2,385,000
Balance as at July 01, 2012	2,385,000
Additions during the year	-
Balance as at June 30, 2013	2,385,000
AMORTISATION	
Balance as at July 01, 2011	477,000
Charge for the year - note 23	477,000
Balance as at June 30, 2012	954,000
Balance as at July 01, 2012	954,000
Charge for the year - note 23	477,000
Balance as at June 30, 2013	1,431,000
Book value as at June 30, 2012	1,431,000
Book value as at June 30, 2013	954,000
Annual amortisation rate %	20%

	2013 Rupees	2012 Rupees
14. Long term loans to executives		
Considered good:		
Loans to executives - note 14.3	659,546	1,455,796
Less: Current portion shown under current assets - note 18	278,040	600,000
	381,506	855,796

14.1 This represents car and house construction loans to executives, payable in thirty three monthly installments. It carries interest at the rate of 10.57% (2012: 13.5%) per annum. The loan is secured to the extent of balance standing to the credit of the relevant executive in his/her provident fund account.

14.2 Maximum aggregate balance due from the executives at the end of any month during the year is Rs 1,557,723 (2012: Rs 2,674,619).

	2013 Rupees	2012 Rupees
14.3 Reconciliation of carrying amount of loans		
Opening balance	1,455,796	2,672,012
Disbursements	700,000	-
Markup for the year	107,813	263,562
Less: Repayments	1,604,063	1,479,778
Closing balance	659,546	1,455,796

15. Stores and spares

Most of the items of stores and spares are of interchangeable nature and can be used as machine spares or consumed as stores. Accordingly, it is not practicable to distinguish stores from spares until their actual usage. Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

	2013 Rupees	2012 Rupees (restated)
16. Inventories		
Furnace oil	399,786,720	352,602,250
Diesel	10,014,980	4,299,563
Lubricating oil	9,977,747	11,679,710
	419,779,447	368,581,523

17. Trade debts

17.1 These represent trade receivables from NTDC and are considered good. These are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and are in the normal course of business and interest free, however, a delayed payment mark-up at the rate of three months KIBOR plus 4.5% is charged in case the amounts are not paid within due dates. The effective rate of delayed payment mark-up charged during the year on outstanding amounts ranged from 13.72% to 16.47% (2012 :16.25% to 18.04%) per annum.

17.2 Included in trade debts is an amount of Rs 957.876 million relating to capacity purchase price not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

Since management considers that the primary reason for claiming these payments is that plant was available, however, could not generate electricity due to non-payment by NTDC, therefore, management believes that company cannot be penalized in the form of payment deductions due to NTDC's default of making timely payments under the PPA. Hence, the company had taken up this issue at appropriate forums. On June 28, 2013, the company entered into a Memorandum of Understanding ('MoU') for cooperation on extension of credit terms with NTDC whereby it was agreed that the constitutional petition filed by the company before the Supreme Court of Pakistan on the abovementioned issue would be withdrawn unconditionally and it would be resolved through the dispute resolution mechanism under the PPA. Accordingly, as per terms of the MoU, subsequent to year end, the company applied for withdrawal of the aforesaid petition which is pending adjudication before Supreme Court of Pakistan, and initiated the process of appointment of Expert for dispute resolution under the PPA. Based on the advice of the company’s legal counsel, management feels that there are meritorious grounds to support the company’s stance and such amounts are likely to be recovered. Consequently, no provision for the above mentioned amount has been made in these financial statements.

	2013 Rupees	2012 Rupees (restated)
18. Advances, deposits, prepayments and other receivables		
Current portion of loans to executives - note 14	278,040	600,000
Advances - considered good:		
- To employees	-	25,601
- To suppliers	211,449,219	2,969,676
Balances with statutory authorities:		
- Sales tax	64,816,666	35,484,021
Claim recoverable from NTDC for pass through items:		
- Workers' Profit Participation Fund - note 18.1	237,476,881	183,140,987
Rebate receivable on early retirement of short term finances	56,355,393	-
Interest receivable	161,854	26,650
Security deposit	2,031,988	1,031,988
Prepayments	66,798	62,957
Insurance claim receivable - note 18.2	91,790,908	-
Other receivables	-	915,139
	664,427,747	224,257,019

	2013 Rupees	2012 Rupees (restated)
18.1 Workers' Profit Participation Fund		
Opening balance	183,140,987	82,347,814
Accrued for the year - note 10.3	135,636,551	100,793,173
	318,777,538	183,140,987
Less: Amount received during the year	81,300,657	-
Closing balance	237,476,881	183,140,987

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

18.2 In December 2012, the compressor rotor of the Steam Turbine Generator of the company’s power plant was damaged. The company filed an insurance claim in respect of the loss due to this damage which comprises Property Damage ('PD') and Business Interruption Loss ('BIL') as per the terms of the insurance policy. Subsequent to year end, the insurance company has approved the claim at Rs 159.378 million which includes BIL of Rs 69.829 million. For the period up to June 30, 2013, the PD claim receivable works out at Rs 39.156 million based on the restoration/repair costs incurred upto that date for the above rotor while the BIL claim receivable comes to Rs 52.634 million.

The company has incurred restoration/repair costs of Rs 80.071 million up to June 30, 2013. The resultant net loss on PD of Rs 40.915 million has been charged to the profit and loss account for the year. Similarly, BIL claim of Rs 52.634 million has been recognised for this period as referred to in note 25. The balance of Rs 50.746 million for PD claim will be recognised in the subsequent year as its related restoration/repair costs are incurred subsequently and balance BIL claim of Rs 17.229 million will be recognised in the subsequent year as it relates to the period subsequent to the year end.

19. This represents the derivative cross currency swap the company entered into with a commercial bank. Under the terms of the cross currency swap arrangement, the company pays London Inter-Bank Offered Rate (LIBOR) plus bank spread to the arranging bank on the notional USD amount for the purposes of the cross currency swap and receives fixed interest at the rate of 11.65% from the arranging bank on the Rupee amount. There has been no transfer of liability under the arrangement, only the nature of the interest payment has changed. The derivative cross currency swap outstanding as at June 30, 2013 has been marked to market and the resulting gain has been recognized in the profit and loss account.

	2013 Rupees	2012 Rupees
20. Bank balances		
Cash at bank:		
- On saving accounts - note 20.1	678,175	25,853
- On current accounts - note 20.2	269,360,148	39,771,236
	270,038,323	39,797,089

20.1 Profit on balances in saving accounts ranged from 6.0% to 6.5% (2012: 5% to 6%) per annum.

20.2 Includes an amount of Rs 93,267 (2012: Rs 113,402) deposited with MCB Bank Limited, a related party.

	2013 Rupees	2012 Rupees
21. Sales		
Energy purchase price	23,706,952,677	19,214,602,983
Less: Sales tax	3,231,404,122	2,577,481,238
	20,475,548,555	16,637,121,745
Capacity purchase price	4,689,989,709	4,948,270,238
	25,165,538,264	21,585,391,983

	2013 Rupees	2012 Rupees (restated)
22. Cost of sales		
Raw materials consumed	18,253,722,477	14,615,293,981
Salaries and other benefits - note 22.1	18,148,220	12,999,119
Operations and maintenance	325,609,443	290,907,302
Stores and spares consumed	181,295,363	368,268,493
Electricity consumed in-house	325,669	4,242,475
Insurance	160,038,187	147,915,626
Travelling and conveyance	1,648,142	3,614,022
Postage and telephone	2,040,549	1,804,951
Repairs and maintenance	42,159,708	2,496,634
Entertainment	547,577	379,714
Depreciation on operating fixed assets - note 13.1.1	1,099,919,300	952,556,500
Fee and subscription	7,342,725	7,271,933
Miscellaneous	5,032,197	9,211,634
	20,097,829,557	16,416,962,384

22.1 Salaries and other benefits include Rs 735,866 (2012: Rs 507,863) in respect of provident fund contribution by the company

	2013 Rupees	2012 Rupees
23. Administrative expenses		
Salaries and other benefits - note 23.1	35,597,579	29,172,070
Travelling and conveyance	9,189,091	7,242,417
Entertainment	290,282	751,438
Common facilities cost - note 23.2	9,900,000	1,800,000
Printing and stationery	536,090	453,860
Postage and telephone	488,646	462,857
Insurance	252,681	205,695
Vehicle running expenses	1,537,802	1,088,757
Repairs and maintenance	99,805	98,326
Legal and professional charges - note 23.3	10,012,599	8,662,376
Advertisement	86,940	368,471
Fee and subscription	3,641,318	3,537,191
Depreciation on operating fixed assets - note 13.1.1	2,817,389	2,493,998
Amortisation on intangible asset - note 13.2	477,000	477,000
Miscellaneous	868,073	503,823
	75,795,295	57,318,279

23.1 Salaries and other benefits include Rs 1,150,305 (2012: Rs 936,988) in respect of provident fund contribution by the company.

23.2 The amount represents common facilities cost charged to the company by Nishat (Chunian) Limited, the holding company.

	2013 Rupees	2012 Rupees
23.3 Legal and professional charges include the following in respect of auditors' services for:		
Statutory audit	1,100,000	1,100,000
Half yearly review	650,000	600,000
Tax services	129,700	115,000
Other assurance services	92,200	195,000
Reimbursement of expenses	170,679	68,479
	2,142,579	2,078,479
24. Other expenses		
Donation - note 24.1	3,694,978	450,000
Exchange loss	-	5,412
Loss on derivative financial instruments:		
- Realized	-	4,534,529
- Un-realized	-	38,151,764
	-	42,686,293
Interest on delayed payments	7,358,674	-
Advances written off	-	4,955,600
	11,053,652	48,097,305

24.1 Following is the interest of the directors in the donee:

Name and address of donee	Directors of the company	Interest in donee
Mian Muhammad Yahya Trust, 31-Q, Gulberg II, Lahore	Mr Shahzad Saleem and Mrs Farhat Saleem	Trustees

	2013 Rupees	2012 Rupees
25. Other income		
Income from financial assets:		
Profit on bank deposits	246,693	60,157
Gain on derivative financial instruments:		
- Realized	27,433,806	-
- Un-realized	28,469,093	-
	55,902,899	-
Mark-up on loans to executives	107,812	263,562
Income from non-financial assets:		
Business interruption loss receivable from insurer	52,634,436	-
Gain on disposal of operating fixed assets	522,603	253,685
Scrap sales	44,865,500	31,444,069
Liabilities no longer payable written back	75,745	1,560,159
Miscellaneous	1,630,893	46,350
	155,986,581	33,627,982
26. Finance cost		
Interest/mark-up on:		
- Long term financing - secured	1,769,082,023	2,246,308,597
- Short term borrowings - secured	636,174,430	793,502,058
- Short term loan from holding company - unsecured - note 26.1	15,946,610	28,907,061
- Workers' Profit Participation Fund - note 10.3	131,454	185,504
Bank charges and commission	2,780,800	11,875,319
	2,424,115,317	3,080,778,539

26.1 This represents mark-up on short term loan from the holding company, Nishat (Chunian) Limited.

	2013 Rupees	2012 Rupees
27. Taxation		
Current:		
- for the year	-	11,207,515
- prior years	(24,760,917)	-
	(24,760,917)	11,207,515

	2013 Rupees	2012 Rupees (restated)
27.1 Relationship between tax income and accounting profit		
Profit before taxation	2,712,731,024	2,015,863,458
Tax at the applicable rate of 35% (2012: 35%)	949,455,858	705,552,210
Tax effect of exempt income as referred to in note 4.2	(949,455,858)	(694,344,695)
Effect of change in prior years' tax	(24,760,917)	-
	(24,760,917)	11,207,516

27.2 For the purposes of current taxation, the tax losses and tax credit available for carry forward as at June 30, 2013 are estimated at Rs 2,723.677 million (2012: Rs 5,527.419 million) and Rs 3.745 million (2012: Rs 0.169 million) respectively. As explained in note 4.2, management believes that the deductible temporary differences will not reverse in the foreseeable future. Consequently, based on the prudence principle, deferred tax asset has not been recognized in these financial statements.

		2013 Rupees	2012 Rupees (restated)

28. Earnings per share

28.1 Basic earnings per share

		2013 Rupees	2012 Rupees (restated)
Net profit for the year	Rupees	2,737,491,941	2,004,655,942
Weighted average number of ordinary shares	Number	367,346,939	367,346,939
Earnings per share	Rupees	7.452	5.457

28.2 Diluted earnings per share

A diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at June 30, 2013 and June 30, 2012 which would have any effect on the earnings per share if the option to convert is exercised.

29. Cash generated from operations

	2013 Rupees	2012 Rupees (restated)
Profit before taxation	2,712,731,024	2,015,863,458
Adjustment for non cash charges and other items:		
Depreciation on operating fixed assets	1,102,736,689	955,050,498
Amortisation on intangible assets	477,000	477,000
Profit on bank deposits	(246,693)	(60,157)
Unrealized (gain)/loss on derivative financial instruments	(37,453,306)	38,151,764
Finance cost	2,424,115,317	3,080,778,539
Provision for employee retirement benefits	1,886,171	1,444,851
Profit on disposal of operating fixed assets	(522,603)	(253,685)
Profit before working capital changes	6,203,723,599	6,091,452,268
Effect on cash flow due to working capital changes:		
Increase in stores and spares	(257,083,563)	(171,613,778)
(Increase)/decrease in inventories	(51,197,924)	308,724,376
Decrease/(increase) in trade debts	5,897,963,698	(4,801,388,838)
Increase in advances, deposits, prepayments and other receivables	(440,035,524)	(53,771,306)
Increase in trade and other payables	912,985,987	391,025,928
	6,062,632,674	(4,327,023,618)
	12,266,356,273	1,764,428,650

30. Cash and cash equivalents

	2013 Rupees	2012 Rupees
Bank balances - note 20	270,038,323	39,797,089
Short term borrowings - secured - note 8	(4,210,860)	(5,829,752,814)
	265,827,463	(5,789,955,725)

31. Remuneration of Chief Executive, Directors and Executives

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

	Chief Executive		Executive Director		Non-executive Director		Executives	
	2013	2012	2013	2012	2013	2012	2013	2012
Short term employee benefits								
Managerial remuneration	1,906,762	-	3,289,055	5,000,000	1,146,057	-	12,588,629	14,357,997
Housing rent	762,562	-	1,315,375	2,000,000	458,337	-	5,034,545	7,743,199
Medical expenses	190,676	-	328,906	500,000	114,606	-	1,258,863	1,935,800
Bonus	-	-	-	-	-	-	804,050	1,282,919
Leave encashment	-	-	-	-	-	-	790,172	-
	2,860,000	-	4,933,336	7,500,000	1,719,000	-	20,476,259	25,319,915
Post employment benefits								
Contribution to provident fund	-	-	-	-	-	-	1,006,648	1,159,369
	2,860,000	-	4,933,336	7,500,000	1,719,000	-	21,482,907	26,479,284
Number of persons	1	1	1	1	1	-	10	18

31.2 The executive director and certain executives are provided with company maintained vehicles.

32. Transactions with related parties

The related parties comprise the holding company, subsidiaries and associates of holding company, associated undertakings, directors, key management personnel and post employment benefit plan. The company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of directors and key management personnel is disclosed in note 31. Other significant transactions with related parties are as follows:

Relationship with the company	Nature of transactions	2013 Rupees	2012 Rupees
i. Holding company	Short term loan - proceeds	1,430,000,000	3,299,394,249
	Short term loan repaid	2,562,500,000	2,166,894,249
	Mark-up paid on short term loan	21,868,005	28,907,061
ii. Associated undertakings	Reimbursement of common lab expenses	3,023,159	-
iii. Post employment benefit plan	Expense charged in respect of retirement benefit plan	1,886,171	1,444,851

33. Capacity and production

	2013 MWH	2012 MWH
Installed capacity [based on 8,760 hours (2012: 8,784 hours)]	1,714,525	1,719,222
Actual energy delivered	1,283,004	1,072,855

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

	2013	2012
34. Number of employees		
Total number of employees as at June 30	83	72
Average number of employees during the year	77	67

		2013 Rupees	2012 Rupees
35. Disclosures relating to Provident Fund			
(i)	Size of the Fund - total assets	15,222,662	11,186,548
(ii)	Cost of investments made	12,044,697	9,487,874
(iii)	Percentage of investments made	79.12%	84.82%
(iv)	Fair value of investments	12,923,725	9,875,246
	Break up of investments		
	Special accounts in a scheduled bank	329,852	218,296
	Government securities	11,770,987	9,158,233
	Mutual funds - listed	822,886	498,717

	2013 Rupees	2012 Rupees
Break up of investments		
Special accounts in a scheduled bank	2.17%	1.95%
Government securities	77.33%	81.87%
Mutual funds - listed	5.41%	4.46%

The figures for 2013 are based on the un-audited financial statements of the Provident Fund. The figures for 2012 are based on the financial statements of the Provident Fund audited by M/s Riaz Ahmad and Co., Chartered Accountants, whose report dated December 31, 2012 expressed an unqualified opinion thereon. Investments out of Provident Fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

36. Financial risk management

36.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The company is not exposed to any significant currency risk.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company is not exposed to equity price risk since there are no investments in equity instruments traded in the market at the reporting date. The company is also not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

(iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

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

	2013 Rupees	2012 Rupees
Fixed rate instruments		
Financial assets		
Bank balances - savings accounts	678,175	25,853
Financial liabilities	-	-
Net exposure	678,175	25,853
Floating rate instruments		
Financial assets		
Trade debts - overdue	500,609,344	6,961,012,548
Derivative financial instruments	2,362,939	-
	502,972,283	6,961,012,548
Financial liabilities		
Long term financing	(12,898,060,793)	(13,811,282,789)
Short term borrowings	(4,210,860)	(5,829,752,814)
Short term loan from holding company	-	(1,132,500,000)
Derivative financial instruments	-	(34,874,136)
	(12,902,271,653)	(20,808,409,739)
Net exposure	(12,399,299,370)	(13,847,397,191)

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates on variable rate financial instruments, at the year end date, fluctuates by 1% higher/lower with all other variables held constant, post tax profit for the year would have been Rs 131.188 million (2012: Rs 137.645) lower/higher, mainly as a result of higher/lower interest expense on floating rate instruments.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from deposits with banks, trade and other receivables.

(i) Exposure to credit risk

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

	2013 Rupees	2012 Rupees
Long term loans to executive	381,506	855,796
Long term deposits	105,000	105,000
Trade debts	5,812,566,330	11,710,530,028
Advances, deposits and other receivables	664,082,909	223,594,062
Derivative financial instrument	2,362,939	-
Bank balances	270,038,323	39,797,089
	6,749,537,007	11,974,881,975
As of June 30, age analysis of trade debts was as follows:		
Neither past due nor impaired	4,579,750,410	3,459,773,701
Past due but not impaired:		
- 0 to 30 days	500,609,344	2,531,970,177
- 31 to 90 days	-	3,406,020,126
- 91 to 180 days	-	903,944,342
- 181 to 365 days	443,596,990	1,408,821,682
- above 365 days	288,609,586	-
	1,232,815,920	8,250,756,327
	5,812,566,330	11,710,530,028

(ii) Credit quality of financial assets

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

	Rating			2013	2012
	Short Term	Long term	Agency	Rupees	Rupees
NTDC		Not Available		4,579,750,410	3,459,773,701
Al Baraka Bank (Pakistan) Limited	A-1	A	JCR-VIS	8,493	5,968
Askari Bank Limited	A1+	AA	PACRA	176,305,560	4,645
Bank Alfalah Limited	A1+	AA	PACRA	696,421	38,604,366
Barclays Bank Limited	A-1	A+	Standard & Poor's	54,094	1,026,147
Burj Bank Limited	A-1	A	JCR-VIS	13,800	-
Faysal Bank Limited	A-1+	AA	JCR-VIS	1,978	1,840
Habib Bank Limited	A-1+	AAA	JCR-VIS	2,271	11,859
MCB Bank Limited	A1+	AA+	PACRA	93,267	113,402
Meezan Bank Limited	A-1+	AA	JCR-VIS	1,309	4,333
National Bank of Pakistan	A-1+	AAA	JCR-VIS	92,844,050	2,372
United Bank Limited	A-1+	AA+	JCR-VIS	17,080	22,158
				4,849,788,733	3,499,570,791

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

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

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

The following are the contractual maturities of financial liabilities as at June 30, 2013.

	Carrying amount	Less than one year	One to five years	More than five years
	--------------------	Rupees	--------------------	
Long term financing	12,898,060,793	1,061,065,742	6,263,384,478	5,573,610,573
Short term borrowings	4,210,860	4,210,860	-	-
Trade and other payables	1,803,171,826	1,801,958,303	1,213,523	-
Accrued finance cost	519,651,065	519,651,065	-	-
	15,225,094,544	3,386,885,970	6,264,598,001	5,573,610,573

The following are the contractual maturities of financial liabilities as at June 30, 2012.

	Carrying amount	Less than one year	One to five years	More than five years
	--------------------	Rupees	--------------------	
Long term financing	13,811,282,789	913,221,996	5,390,674,915	7,507,385,878
Short term borrowings	5,829,752,814	5,829,752,814	-	-
Short term loan from holding company	1,132,500,000	1,132,500,000	-	-
Trade and other payables	921,783,434	921,783,434	-	-
Accrued finance cost	741,897,621	741,897,621	-	-
Derivative financial instruments	35,090,369	35,090,369	-	-
	22,472,307,027	9,574,246,234	5,390,674,915	7,507,385,878

36.2 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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).

The following table presents the company's assets and liabilities that are measured at fair value at June 30, 2013.

	Level 1	Level 2	Level 3	Total
	--------------------	Rupees	--------------------	
Assets				
At fair value through profit or loss				
Derivative financial instruments	-	2,362,939	-	2,362,939
	-	2,362,939	-	2,362,939
Liabilities	-	-	-	-

The following table presents the company's assets and liabilities that are measured at fair value at June 30, 2012.

	Level 1	Level 2	Level 3	Total
	-------------------- Rupees		--------------------	
Assets	-	-	-	-
Liabilities				
At fair value through profit or loss				
Derivative financial instruments	-	35,090,369	-	35,090,369
	-	35,090,369	-	35,090,369

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active 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. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value a financial instrument are observable, those financial instruments are classified under level 2 in above referred table.

If one or more of the significant inputs is not based on observable market data, the financial instrument is classified under level 3. The company has no such type of financial instruments as on June 30, 2013.

36.3 Financial instruments by categories

As at June 30, 2013	At fair value through profit or loss	Loans and receivables	Total
	-------------------- Rupees	--------------------	
Assets as per balance sheet			
Long term loans to executives	-	381,506	381,506
Long term security deposits	-	105,000	105,000
Trade debts	-	5,812,566,330	5,812,566,330
Loans, advances, deposits and other receivables	-	664,082,909	664,082,909
Derivative financial instrument	2,362,939	-	2,362,939
Bank balances	-	270,038,323	270,038,323
	2,362,939	6,747,174,068	6,749,537,007

As at June 30, 2012	At fair value through profit or loss	Loans and receivables	Total
	-------------------- Rupees	--------------------	
Assets as per balance sheet			
Long term loans to executives	-	855,796	855,796
Long term security deposits	-	105,000	105,000
Trade debts	-	11,710,530,028	11,710,530,028
Loans, advances, deposits and other receivables	-	223,594,062	223,594,062
Bank balances	-	39,797,089	39,797,089
	-	11,974,881,975	11,974,881,975

As at June 30, 2013	At fair value through profit or loss	Financial liabilities at amortized cost	Total
	------------------- Rupees	--------------------	
Liabilities as per balance sheet			
Long term financing	-	12,898,060,793	12,898,060,793
Short term borrowings	-	4,210,860	4,210,860
Trade and other payables	-	1,938,833,399	1,938,833,399
Accrued finance cost	-	519,651,065	519,651,065
	-	15,360,756,117	15,360,756,117

As at June 30, 2012	At fair value through profit or loss	Financial liabilities at amortized cost	Total
	------------------- Rupees	--------------------	
Liabilities as per balance sheet			
Long term financing	-	13,811,282,789	13,811,282,789
Short term borrowings	-	5,829,752,814	5,829,752,814
Short term loan from holding company	-	1,132,500,000	1,132,500,000
Trade and other payables	-	1,023,623,764	1,023,623,764
Accrued finance cost	-	741,897,621	741,897,621
Derivative financial instruments	35,090,369	-	35,090,369
	35,090,369	22,539,056,988	22,574,147,357

36.4 Fair values of financial assets and liabilities

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

36.5 Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total long term borrowings, as disclosed in note 7, less cash and cash equivalents as disclosed in note 30. Total capital is calculated as 'equity' as shown in the balance sheet plus borrowings.

The company's strategy, which was unchanged from last year, was to maintain a gearing ratio of 80% debt and 20% equity. The gearing ratio as at June 30, 2013 and June 30, 2012 is as follows:

		2013 Rupees	2012 Rupees (restated)
Borrowings - note 7		12,898,060,793	13,811,282,789
Less: Cash and cash equivalents - note 30		265,827,463	(5,789,955,725)
Net debt		12,632,233,330	19,601,238,514
Total equity		7,269,751,482	6,001,647,296
Total capital		19,901,984,812	25,602,885,810
Gearing ratio	Percentage	63.47	76.56

37. Date of authorisation for issue

These financial statements were authorised for issue on October 4, 2013 by the Board of Directors of the company.

38. Events after the balance sheet date

The Board of Directors ('BOD') has declared 2nd interim cash dividend for the year ended June 30, 2013 of Rs 2 per share, amounting to Rs 734,693,878 at their meeting held on August 30, 2013. The BOD has also proposed a final cash dividend for the year ended June 30, 2013 of Rs 2 (2012: Rs 2) per share, amounting to Rs 734,693,878 (2012: Rs 734,693,878) at their meeting held on October 4, 2013 for approval of the members at the Annual General Meeting to be held on October 30, 2013. These financial statements do not include the effect of the above dividends which will be accounted for in the period in which they are approved.

CHIEF EXECUTIVE

DIRECTOR

Categories of Shareholders

as on June 30, 2013

	Categories of Shareholders	Number of Shareholders	Total Shares Held	Percentage
A)	Associated Companies, Undertakings and related parties			
	Nishat (Chunian) Limited	1	187,585,820	51.07
B)	Mutual Funds	20	17,992,103	4.90
C)	Directors/Chief Executive Officer and their spouse and minor Children			
	Mr. Shahzad Saleem - Chairman/Director (Nominee NCL)	-	-	-
	Mrs. Farhat Saleem - Director	1	137,511	0.04
	Mr. Yahya Saleem -Director	1	1	0.00
	Mr. Wasif M. Khan - Director	1	1	0.00
	Mr. Mushtaq Ahmad - Director (resigned on 16-07-2013)	1	1	0.00
	Mr. Manzar Mushtaq - Director (Resinged on 16-07-2013)	1	1	0.00
	Mr. Badar ul Hassan - Director (Resinged on 16-07-2013)	1	1	0.00
	Mr. Sahibzada Rafat Raoof Ali (Nominee NBP)	-	-	-
	Spouse:	-	-	-
	TOTAL: -	6	137,516	0.04
D)	Executives N/A	-	-	-
E)	Public Sectors Companies & Corporations	-	-	
F)	Banks, Development Financial Institutions & Non-Banking Financial Companies, Insurance Companies, Takaful Modarabas and Pension Fund	24	104,742,466	28.51
G)	*Shareholding 5% or more	*3	*244384320	*66.53
H)	Joint Stock Companies	52	6,945,731	1.89
I)	Investment Companies	-	-	-
J)	Others	11	499,303	0.13
K)	General Public	2,102	49,444,000	13.46
	TOTAL: -	2,217	367,346,939	100.00

* Shareholders having 5% or above shares exist in other categories therefore not included in total.

Shareholding Detail of 5% or more

Name of Shareholder	Shares held	%
Name of Shareholder	Shares held	%
Nishat (Chunian) Limited	187,585,820	51.07
United Bank Limited - Trading portfolio	26,798,500	7.30
Allied Bank Limited	30,000,000	8.17
TOTAL :-	244,384,320	66.53

INFORMATION UNDER CLAUSE XIX(i) OF THE CODE OF CORPORATE GOVERNANCE
All trade in the Company's shares, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor childern during the year July 01, 2012 to June 30, 2013

July 01, 2012 to June 30, 2013	Sale	Purchanse
Mr. Shahzad Saleem	200,000	-

Pattern of Shareholding

as on June 30, 2013

Number of Shareholders	Shareholding From	Shareholding To	Total Shares Held	% of Capital
129	1	100	2,958	0.00
634	101	500	307,245	0.08
301	501	1000	296,535	0.08
521	1001	5000	1,642,212	0.45
218	5001	10000	1,852,052	0.50
68	10001	15000	925,800	0.25
50	15001	20000	940,960	0.26
33	20001	25000	796,600	0.22
17	25001	30000	486,701	0.13
9	30001	35000	297,329	0.08
9	35001	40000	343,565	0.09
11	40001	45000	479,272	0.13
33	45001	50000	1,641,260	0.45
7	50001	55000	375,001	0.10
4	55001	60000	231,000	0.06
4	60001	65000	250,286	0.07
3	65001	70000	204,000	0.06
10	70001	75000	742,500	0.20
4	75001	80000	311,800	0.08
2	80001	85000	167,063	0.05
2	85001	90000	180,000	0.05
1	90001	95000	95,000	0.03
32	95001	100000	3,200,000	0.87
1	100001	105000	100,002	0.03
2	105001	110000	220,000	0.06
3	110001	115000	337,420	0.09
1	115001	120000	120,000	0.03
2	125001	130000	255,511	0.07
7	130001	135000	933,300	0.25
2	135001	140000	275,500	0.07
7	145001	150000	1,050,000	0.29
1	150001	155000	152,000	0.04
2	155001	160000	317,000	0.09
3	160001	165000	487,054	0.13
1	165001	170000	165,783	0.05
4	170001	175000	696,000	0.19
1	175001	180000	177,000	0.05
1	185001	190000	187,000	0.05
8	195001	200000	1,600,000	0.44
2	200001	205000	410,000	0.11
1	205001	210000	210,000	0.06
1	210001	215000	214,500	0.06
1	225001	230000	230,000	0.06
1	230001	235000	230,906	0.06
1	235001	240000	239,000	0.07
2	260001	265000	523,500	0.14
1	280001	285000	280,300	0.08
3	295001	300000	899,500	0.24
1	300001	305000	302,500	0.08
1	315001	320000	315,200	0.09
1	345001	350000	348,500	0.09
1	395001	400000	396,000	0.11
1	400001	405000	400,210	0.11
1	490001	495000	495,000	0.13
5	495001	500000	2,500,000	0.68
2	500001	505000	1,005,786	0.27
1	515001	520000	516,000	0.14
1	530001	535000	531,500	0.14
2	570001	575000	1,146,500	0.31
1	595001	600000	600,000	0.16
1	655001	660000	660,000	0.18
1	670001	675000	672,000	0.18
1	680001	685000	680,696	0.19
1	700001	705000	700,905	0.19
1	730001	735000	730,500	0.20
1	760001	765000	761,339	0.21
1	775001	780000	776,500	0.21
1	805001	810000	809,415	0.22
1	885001	890000	890,000	0.24
1	895001	900000	900,000	0.24
1	910001	915000	914,080	0.25
1	965001	970000	967,500	0.26
1	990001	995000	991,726	0.27
1	995001	1000000	1,000,000	0.27
1	1235001	1240000	1,237,000	0.34
1	1240001	1245000	1,242,500	0.34
1	1470001	1475000	1,474,000	0.40
1	1695001	1700000	1,700,000	0.46
1	1795001	1800000	1,800,000	0.49
1	1895001	1900000	1,900,000	0.52
1	2305001	2310000	2,309,500	0.63
1	2395001	2400000	2,400,000	0.65
1	2510001	2515000	2,513,500	0.68
1	2780001	2785000	2,783,911	0.76
1	3095001	3100000	3,100,000	0.84
1	3155001	3160000	3,156,325	0.86
1	3295001	3300000	3,297,470	0.90
1	3850001	3855000	3,850,066	1.05
1	3995001	4000000	4,000,000	1.09
1	4410001	4415000	4,412,679	1.20
1	4420001	4425000	4,424,500	1.20
1	5370001	5375000	5,371,500	1.46
1	6295001	6300000	6,300,000	1.71
1	6495001	6500000	6,500,000	1.77
1	13325001	13330000	13,328,302	3.63
1	26795001	26800000	26,798,500	7.30
1	29995001	30000000	30,000,000	8.17
1	187350001	187355000	187,354,914	51.00
2,217			367,346,939	100.00

Proxy Form

The Company Secretary,
Nishat Chunian Power Limited
31-Q, Gulberg-II,
Lahore.

I / We ____

of ____ being a member(s) of

Nishat Chunian Power Limited, and a holder of ______________________________ Ordinary shares

as per Share Register Folio No. ____

(in case of Central Depository System Account Holder A/c No. ______________________________

Participant I.D. No. ______________________) hereby appoint ______________________

of ______________________________________ another member of the Company as per

Share Register Folio No. ______________________ (or failing him / her ______________________

of ______________________________ another member of the Company) as my / our Proxy to attend and vote for me / us and on my / our behalf at Annual General Meeting of the Company, to be held on October 30, 2013 (Tuesday) at 10:00 A.M at the Registered Office of the Company (31-Q, Gulberg II, Lahore) and at any adjournment thereof.

As witness my hand this ______________________ day of ________________ 2013

signed by the said ____ in presence

of ____

Witness

Signature

Signature

Affix Rs. 5/-
Revenue
Stamp

Notes:

1. Proxies, in order to be effective, must be received at the Company's Registered Office / Head Office not less than 48 hours before the meeting duly stamped, signed and witnessed.

2. Signature must agree with the specimen signature registered with the Company.

Nishat Chunian Limited

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