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Message from the Managing Partner



Saeed A. Chaudhury
Managing Partner

Dear Crowe Pakistan Team,

Since our establishment in 1947 we have adhered to our basic philosophy of servicing the needs of our clients with utmost professionalism, mutual trust and integrity. The Crowe platform has brought about many fruitful collaborations, enabling excellence in our client services and fostering strong personal relationships.

I am continually impressed by the resourcefulness and entrepreneurial quality displayed by our team and the exceptional value they bring to the company. Our team at HHC is regularly assessing and reviewing our clients' needs and the effectiveness of the services we provide.

Looking to the future, and our next stage of growth, it is important to remember what first inspired this Firm to succeed. Our founder, Late Mr. Hussain Chaudhury, set the example for us to follow with his passion for excellence in service, nourishing the field of Audit and his zest for life. That passion remains the lifeblood of this company and continues to translate into tremendous success.

Best of luck and keep up the good work.

The Art of Smart 2019



What Is Behind **Smart Decision-Making**?



The Crowe 100 Decision-Making Index

#thecrowe100



Be smart

Learn how to tame biases that impact decision-making



The Crowe 100 Decision-Making Index

#thecrowe100



Crowe's flagship global thought leadership, The Art of Smart 2019, is now live and ready to use. The Art of Smart provides a unique opportunity to promote the Crowe brand and is to be used as part of your marketing and business development activity.

This year the campaign focuses on providing an enhanced digital experience; the online Hub is a dedicated forum for The Art of Smart where all insight and related content can be viewed. New material will be posted to the Hub regularly to provide further insight and new ways for you to take it to market.

The complete report can be studied here;

[Read Here](#)



What makes a **smart business decision**?

Learn from best

#thecrowe100



Latest from Crowe Pakistan

➤ Corporate Governance in Pakistan 2019

SECP has issued new code of Corporate Governance called " the Listed Companies (Code of Corporate Governance) Regulations, 2019" on September 30, 2019. SECP has improved its earlier issued code of corporate governance 2017.

This code has been based upon Compliance and Explain approach. certain provisions have been declared mandatory.

Crowe Pakistan has issued a commentary on the new Code and is also planning to conduct Crowe Dialogue for its clients on new Code of Corporate Governance.

To download the commentary, click on;

[Download here](#)

➤ Challenges of Business Families and way forward

Mr. Iftikhar Taj, Director Governance & Strategy Crowe Pakistan and Vice President ICAP, made a presentation at IFAC New York on Challenges and Opportunities for Professional Accountants working in Family Owned Businesses. the presentation was based upon survey results.

Now firm is going to conduct a survey on "Challenges of Business Families and way forward". the results will be shared in due course

➤ HHC Nominated as Quality Assurance Consultant by SEPCO Sukkur

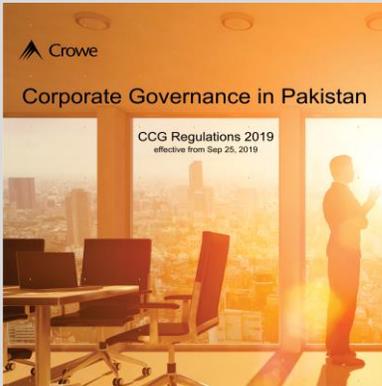
The distribution company SEPCO (Sukkur Electric Power Company) has been formed by bifurcating HESCO (modified) so that the areas of operation that were entirely under the jurisdiction of HESCO have now been divided between the two DISCOs. SEPCO is a newly created company and started functioning with effect from 16.08.2010.

The distribution system of the SEPCO consist of three operation circles namely, SUKKUR, LARKANA and DADU

HHC is proud to serve SEPCO as Quality Assurance Consultant for ERP Implementation.

➤ HHC was appointed by CPPAWAPDA for a case in ICC

HHC was appointed by CPPAWAPDA for a case in ICC International Court of Arbitration. Waleed khan, Director Risk Advisory, represented the CPPAWAPDA as a Financial Expert in the hearing conducted at Singapore.



Tax Due Diligence of a Foreign Controlled Resident Company (FCRC) working for Sahiwal Coal Project



Our firm has recently conducted tax due diligence of a Foreign Controlled Resident Company (FCRC). The scope of the engagement was to identify tax risks associated with the Target company.

The Target company owns two docks of Port Qasim. Port Qasim, is a deep-water seaport in Karachi, handling about 35% of the nation's cargo and the Target company has signed an implementation agreement with the Port Qasim Authority (PQA) by virtue of which the company was granted the concession, right and license to establish, operate and maintain a dedicated Coal Terminal for a period of 30 Years.

The Target company renders services in respect of receiving, unloading, handling, weighing and storage of coal at port and deliver the same to The Sahiwal Coal Power Project which is Pakistan's first supercritical coal power plant, and consists of two plants that generate a total of 1,320 megawatts of electricity.

Our Tax Due Diligence would enhance the acquirer's understanding of the tax risks and would help the acquirer to validate the key points at the time of pre-deal negotiations therefore by increasing the likelihood of the deal to be sealed at a reasonable price. It would help the acquirer to identify and understand critical success factors so that informed acquisition decisions can be made.

➤ About Sahiwal Coal Power Project

The power plant is located about (12 mi) from Sahiwal and (9.3 mi) from Okara cantonment, just north of the road which connects the two towns, in Pakistan's Punjab Province. The power plant is Pakistan's first supercritical coal power plant, and consists of two 660-megawatt (890,000 hp) plants for a combined capacity of 1,320 MW. This is the first phase, and may be followed by a possible second phase which will include two 1,000-megawatt (1,300,000 hp) plants.

Though the plant is now considered to be part of the China Pakistan Economic Corridor (CPEC) which was announced in April 2015, the symbolic ground breaking for the project actually preceded the announcement of CPEC and took place in May 2014, as the government of Punjab in March 2014 invited bids for the construction of two 660MW power plants in order to help alleviate Pakistan's energy shortfalls.

The plant was built by a joint consortium of China's state-owned China Huaneng Group which will own 51% of shares, and the Shandong Ruyi, which will hold 49% of shares. The Government of Pakistan will purchase electricity from the consortium at a tariff of 8.3601 US Cents/kWh. The project was built on a build, operate, transfer basis in which the plant's ownership will be transferred to the Government of Punjab after 30 years of operation.

➤ Coal Source for the Project

As with the Pakistan Port Qasim Power Project, most of the coal used for the power plant is imported from Indonesia and South Africa, and is transported by rail from the Port of Karachi and Port Qasim in Pakistan's Sindh Province to the nearby village of Yusuf Wala on Pakistan's existing railway infrastructure.

An estimated 4.48 million tons of coal will be required annually for the plant, based on a calculation of 22 hours of power generation per day. Indonesia is identified as a primary source for its high quality coal, reliable production, and short transit times to Pakistan. Coal from Pakistan's own Thar coalfield was found to contain excessive amounts of sulfur and lime, and was not deemed to be of high enough quality for the project. The supply of reliable coal from the fields was also considered to be inadequate. A mixture of Pakistani indigenous coal with imported coal was also deemed to be unsuitable as it would decrease heat production from coal, and would compromise safety of the boilers which are to be used in the project.



