

**TRANSKARACHI**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	-----Rupees-----	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property and equipment	5	19,247,772,008	17,438,754,979
Intangible assets	6	2,260,834	2,513,157
Security deposit against lease liability		1,050,000	1,050,000
		<u>19,251,082,842</u>	<u>17,442,318,136</u>
<b>CURRENT ASSETS</b>			
Advances, deposits and prepayments	7	9,099,933	6,413,255
Stores and Consumables	8	997,535	1,527,902
Bank balances	9	460,986,086	95,041,583
		<u>471,083,554</u>	<u>102,982,740</u>
<b>TOTAL ASSETS</b>		<u>19,722,166,396</u>	<u>17,545,300,876</u>
<b>FUNDS AND LIABILITIES</b>			
Unrestricted Funds		70,000	-
<b>RESTRICTED FUNDS</b>			
Deferred capital grant	10	19,004,009,383	16,309,434,811
<b>NON CURRENT LIABILITIES</b>			
Lease liabilities	11	1,988,807	4,039,786
Retention money under construction contracts	12	378,228,464	297,018,617
		<u>380,217,271</u>	<u>301,058,403</u>
<b>CURRENT LIABILITIES</b>			
Current portion of long term lease liabilities	11	6,242,390	5,590,200
Accrued and other liabilities	13	311,969,108	911,442,267
Provident fund payable	14	19,658,244	17,775,195
		<u>337,869,742</u>	<u>934,807,662</u>
<b>TOTAL FUNDS AND LIABILITIES</b>		<u>19,722,166,396</u>	<u>17,545,300,876</u>

The annexed notes from 1 to 17 form an integral part of these financial statements

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

TRANSKARACHI  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF INCOME AND EXPENDITURE (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

INCOME	Half year ended December 31, 2024		Half year ended December 31, 2023		Quarter year ended December 31, 2024		Quarter year ended December 31, 2023	
	Restricted	Un-restricted	Restricted	Un-restricted	Restricted	Un-restricted	Restricted	Un-restricted
Income recognized on deferred loan / restricted funds	-	70,000	-	-	70,831,776	-	71,515,993	-
Tender Fee	142,057,264	142,057,264	143,612,664	143,612,664	70,831,776	-	71,515,993	-
	142,057,264	142,127,264	143,612,664	143,612,664	70,831,776	-	71,515,993	-
<b>EXPENDITURE</b>								
Staff salaries and other benefits	103,220,679	103,220,679	105,726,517	105,726,517	51,388,488	-	53,665,719	-
Legal and professional charges	1,595,000	1,595,000	45,625	45,625	163,382	-	45,625	-
Repairs and maintenance	826,443	826,443	893,877	893,877	163,382	-	392,303	-
Communication charges	1,313,533	1,313,533	1,458,228	1,458,228	494,163	-	202,413	-
Printing and stationery	772,483	772,483	911,322	911,322	401,299	-	448,847	-
Insurance expense - Health	2,331,439	2,331,439	2,645,849	2,645,849	1,011,398	-	1,322,924	-
Insurance expense - Vehicle	714,222	714,222	790,318	790,318	224,259	-	395,159	-
POL - Vehicle	4,148,982	4,148,982	3,776,175	3,776,175	1,910,190	-	2,122,894	-
POL - Generator	169,593	169,593	157,341	157,341	25,544	-	88,454	-
Travelling, conveyance and entertainment	131,417	131,417	1,854,478	1,854,478	485,324	-	371,757	-
Office expenses	1,256,920	1,256,920	1,048,662	1,048,662	984,574	-	551,577	-
IT expenses	2,462,370	2,462,370	1,487,671	1,487,671	2,205,939	-	709,876	-
Utilities	4,654,802	4,654,802	3,516,174	3,516,174	683,977	-	2,221,782	-
Advertisement expense	1,297,508	1,297,508	1,266,225	1,266,225	11,224	-	1,000,757	-
Postage expenses	25,942	25,942	26,764	26,764	9,900	-	9,900	-
Consulancy charges	600,000	600,000	-	-	600,000	-	-	-
Fee and Subscription	15,000	15,000	1,911,142	1,911,142	15,000	-	10,000	-
Directors' fee	5,156,272	5,156,272	4,001,566	4,001,566	3,750,016	-	1,718,752	-
Auditor's remuneration	-	-	400,000	400,000	-	-	400,000	-
Office supplies	288,718	288,718	664,248	664,248	71,686	-	458,530	-
Meal and Entertainment	1,636,189	1,636,189	1,321,981	1,321,981	847,165	-	731,770	-
Training, Seminar & Workshop	-	-	642,712	642,712	-	-	101,700	-
Compensation to Displaced Person	1,565,000	1,565,000	-	-	1,565,000	-	-	-
Interest charge on leases	718,711	718,711	1,392,771	1,392,771	415,127	-	653,490	-
Amortization	252,323	252,323	270,898	270,898	126,162	-	139,453	-
Depreciation	6,903,718	6,903,718	7,402,120	7,402,120	3,451,859	-	3,752,311	-
	142,057,264	142,057,264	143,612,664	143,612,664	70,831,776	-	71,515,993	-
<b>SURPLUS FOR THE PERIOD</b>								
	-	70,000	-	-	-	-	-	-
	-	70,000	-	-	-	-	-	-

The annexed notes from 1 to 17 form an integral part of these financial statements

*[Signature]*  
CHIEF EXECUTIVE OFFICER

*[Signature]*  
CHIEF FINANCIAL OFFICER

**TRANSKARACHI**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Half Year ended December 31, 2024	Half Year ended December 31, 2023	Quarter ended December 31, 2024	Quarter ended December 31, 2023
	-----Rupees-----		-----Rupees-----	
Surplus for the period	70,000	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

The annexed notes from 1 to 17 form an integral part of these financial statements

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**

TRANSKARACHI  
(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
STATEMENT OF CHANGES IN ACCUMULATED FUND (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Unrestricted Fund	Restricted Fund	Total
	General fund	Deferred Grant	
-----Rupees-----			
Balance as at July 1, 2023	-	7,291,989,136	7,291,989,136
Surplus / (Deficit) transferred from income and expenditure account	-	-	-
Funds received during the period	-	4,370,684,775	4,370,684,775
Transferred to income and expenditure account	-	(143,612,664)	(143,612,664)
<b>Balance as at December 31, 2023</b>	<b>-</b>	<b>11,519,061,247</b>	<b>11,519,061,247</b>
Balance as at July 1, 2024	-	16,309,434,811	16,309,434,811
Surplus / (Deficit) transferred from income and expenditure account	70,000	-	70,000
Funds received during the period	-	2,836,631,836	2,836,631,836
Transferred to income and expenditure account	-	(142,057,264)	(142,057,264)
<b>Balance as at December 31, 2024</b>	<b>70,000</b>	<b>19,004,009,383</b>	<b>19,004,079,383</b>

The annexed notes from 1 to 17 form an integral part of these financial statements

  
CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

**TRANSKARACHI****(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)  
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	December 31 2024 (Un-audited)	December 31 2023 (Un-audited)
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the period	70,000	-
Adjustments for items not involving movement of funds:		
Depreciation	6,903,718	7,402,120
Amortisation	252,323	270,898
Interest charge on leases	718,711	1,392,771
Surplus before working capital changes	7,944,752	9,065,789
<b>(Increase) / Decrease in current assets</b>		
Deposits and prepayments	(2,686,678)	(3,296,545)
Stores and consumables	530,367	146,842
	(2,156,311)	(3,149,703)
<b>Increase / (Decrease) in current liabilities</b>		
Accrued and other liabilities	(599,473,159)	293,591,943
Provident fund	1,883,049	2,955,619
	(597,590,110)	296,547,562
Interest charge paid	(718,711)	(1,392,771)
Net cash (used in) / generated from operating activities	(592,520,380)	301,070,877
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to operating fixed assets	-	(2,470,071)
Additions to intangible assets	-	(480,481)
Disposal of operating fixed assets	-	-
Capital work in progress	(1,815,920,747)	(4,546,300,417)
Net cash used in investing activities	(1,815,920,747)	(4,549,250,969)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Deferred capital grant	2,694,574,572	4,222,853,611
Additions to lease liability	-	-
Lease rentals paid-Principal	(1,398,789)	(1,232,928)
Retention money	81,209,847	154,280,816
Net cash generated from financing activities	2,774,385,630	4,375,901,499
Net increase / (decrease) in cash and cash equivalents	365,944,503	127,721,407
Cash and cash equivalents at the beginning of the Period	95,041,583	12,772,260
Cash and cash equivalents at the end of the Period	460,986,086	140,493,667

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CHIEF EXECUTIVE OFFICER

  
CHIEF FINANCIAL OFFICER

**TRANSKARACHI**  
**(A COMPANY SET UP UNDER SECTION 42 OF THE COMPANIES ACT, 2017)**  
**NOTES TO THE CONDESNSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**1 NATURE AND STATUS OF BUSINESS**

TransKarachi "the Company" was incorporated on October 11, 2018 as a company limited by guarantee under section 42 of the Companies Act 2017. The primary objective is to carry out the project implementation, management and maintenance of Karachi Bus Rapid Transit Red Line Project assigned by Sindh Mass Transit Authority (SMTA) for the benefit of public at large.

The company is wholly owned by the Government of Sindh.

The registered office of the Company is situated at C-89, Block 2 , Clifton, Karachi.

**1.1 Project Description**

On October 04, 2016 Islamic Republic of Pakistan entered into loan agreement through Secretary Economic Affair Division vide loan No.6008 with Asian Development Bank (ADB) to finance Project Design Advance (PDA) in form of a Loan "PDA Loan" of USD 9.7 million for:

- a. Capacity building;
- b. Detailed engineering design; and
- c. Operational design.

Out of "PDA Loan" of USD 9.7 million, USD 8.33 million equivalent to Rs. 1,132 million were utilized against project design advance and 94.82 million against taxes were financed by Government of Sindh hence total expense against PDA incurred amounted to Rs. 1,226 million.

The Sindh Mass Transit Authority (SMTA) established TransKarachi on October 11, 2018 "the Company" as wholly responsible for the implementation of Karachi Bus Rapid Transit "The BRT project" which will help increase the use of quality public transport in Karachi by delivering the 26.6 kilometre Red Line Bus Rapid Transit (BRT) corridor and associated facilities, directly benefiting millions of people.

As mentioned in Project Administration Manual issued in June 2019, cost of the project was estimated to be USD 572 million. To help finance the project, the Islamic Republic of Pakistan required financing USD 484 million from financial institutions and remaining USD 88 million to be financed by Government of Sindh.

In updated Project Administration Manual issued in November 2021, cost of the estimated cost was revised to be USD 503 million. To help finance the project, the Islamic Republic of Pakistan required financing of USD 427.6 million from financial institutions and remaining USD 75.6 million to be financed by Government of Sindh.

The Islamic Republic of Pakistan entered into loan agreement through Secretary Economic Affairs Division with following institutions for financing of USD 427.6 Million through following institutions:

- A loan agreement of USD 235 million from ADB's ordinary capital resources vide Loan No 3799 dated June 19, 2020, inclusive of USD 9.7 million project design advance;
- A loan agreement of USD 71.8 million from Asian Infrastructure Investment Bank (AIIB) vide Loan No 8368 dated February 24, 2021;
- A loan agreement of USD 71.8 million from Agence Francaise de Development (AFD) vide loan No 8366 March 15, 2021;
- A loan agreement of USD 37.2 million from Green Climate Fund (GCF) vide Loan No 8367 dated June 19, 2020; and
- A grant agreement of USD 11.8 million from Green Climate Fund (GCF) vide Grant No 0649 dated June 19, 2020.

On August 10, 2020 Sindh Mass Transit Authority (SMTA), (the Executing Agency), handed over all documents and details of expenses incurred till date against the project and assigned to TransKarachi as Implementing Agency with responsibility of implementation of carrying out the project as per Project Administration Manual issued in November 2021.

On March 26, 2021 a tripartite agreement between SMTA, Government of Sindh & TransKarachi was entered whereby TransKarachi was agreed to be responsible for carrying out project implementation, management and operation of Mass Transit System.

As per tripartite agreement Sindh Mass Transit Authority (SMTA) shall retain title to and legal ownership of all immovable assets for and in connection with the project, whereas TransKarachi shall be entitled to sub lease and sub license the immovable assets.

TransKarachi shall retain title to and legal ownership of all movable assets procured in connection with the project.

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ( IASB ) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.
- Accounting Standard for Not for Profit Organizations (Accounting Standards for NPOs) issued by Institute of the Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### **2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention, unless stated otherwise.

### **2.3 Functional and presentation currency**

These financial statements are presented in Pak Rupee ('Rs' or 'Rupee') which is the Company's functional and Presentation currency.

### **2.4 Key judgements and estimates**

The preparation of Interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial position and significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2024.

## **4 FINANCIAL RISK MANAGEMENT**

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2024.



		December 31 2024 (Un-audited)	June 30 2023 (Audited)
<b>5</b>	<b>PROPERTY AND EQUIPMENT</b>		
	Operating fixed assets - owned	5.1 47,142,610	54,046,327
	Capital work in progress	5.2 19,200,629,398	17,384,708,652
		<u>19,247,772,008</u>	<u>17,438,754,979</u>
<b>5.2</b>	<b>Capital work in progress</b>		
	KBRT Redline Project Design	5.2.1 1,224,787,514	1,224,787,514
	Civil Works - Main corridor - (24.2 Km)	5.2.2 12,850,308,326	11,548,956,869
	and 2 Depots	5.2.3 2,897,599,940	2,897,499,940
	Relocation of utilities		
	Consultant - Project Management and		
	Construction Supervision	5.2.4 1,457,311,001	1,099,527,086
	Consultant - Project management Co-		
	ordination and Capacity building	5.2.5 35,470,391	35,470,391
	Consultant - Operational Design Business		
	model	5.2.6 246,412,621	246,412,621
	Environment and Social Safeguards		
	Assessment	5.2.7 11,699,488	10,242,837
	Consultant - EPCM (engineering,		
	procurement and construction management)	5.2.8 313,466,857	313,466,857
	Biogas Site	5.2.9 13,030,161	8,344,537
	Resettlement Plan-Relocating Rangers		
	Facility	5.2.10 150,543,099	-
		<u>19,200,629,398</u>	<u>17,384,708,652</u>
5.2.1	This represents cost incurred on BRT Project Feasibility financed by Asian Development Bank as Project Design Advance (PDA) Loan whereas taxes and ancillary expenses were financed by Government of Sindh.		
5.2.2	<b>Civil Works - Main corridor - - (24.2 Km) and 2 Depots</b>		
	Zahir Khan & Brothers - Lot 1	5.2.2.1 5,116,024,482	4,275,018,090
	CR3-AM Associates JV - Lot 2	5.2.2.2 7,734,283,844	7,273,938,779
		<u>12,850,308,326</u>	<u>11,548,956,869</u>

5.2.2.1 The contract, BRT Corridor and Buildings Construction Lot-1: Malir Halt Depot to Mausmiyat, was signed with M/s Zahir Khan & Brothers on December 8, 2021. Accepted contract value amounts to Rs. 13,795.327 million comprising of Phase 1 and Phase 2 of Rs. 12,818.465 million and Rs. 976.861 million respectively. Mobilization advance is 10% and Additional Advance is 7.5% of Phase-1 value as per terms of the contract. As of December 31, 2024 disbursement upto IPC 07 along with price adjustment EPC 06 has been processed.

- 5.2.2.2 The contract, BRT Corridor and Buildings Construction Lot-2: Mausmiyat to Numaish, was signed with CR3 - AM Associates JV on January 4, 2022. Accepted contract value amounts to Rs. 15,935.701 million comprising of Phase 1 and Phase 2 of Rs. 14,724.136 million and Rs. 1,211.564 million respectively. Mobilization advance is 10% and Additional Advance is 7.5% of Phase-1 value as per terms of the contract. As of December 31, 2024 disbursement upto IPC 09 along with price adjustment EPC-07 has been processed.
- 5.2.3 This is in relation to payment for relocation of utilities so that respective utility providers can start their own procurement process. Disbursement against relocation of utilities has been paid in full as per PC-1, further payment has also been made to these utility providers as per their revised estimate submitted.
- 5.2.4 This represents payments of Rs. 1,457.311 million (June 2024: Rs. 1,099.527 million ) Equivalent to USD 5.533 million (June 2024: USD 4.247 million) against Project Management & Construction Supervision (PMCS) contract.
- 5.2.5 This represents payments of Rs. 35.47 million (June 2024: Rs. 35.47 million ) Equivalent to USD 0.201 million (June 2024: USD 0.201 million) against Project Management, Co-ordination and Capacity Building (PMCCB) contract.
- 5.2.6 This represents payments of Rs.246.412 million (June 2024: Rs.246.412 million) Equivalent to USD 0.885 million (June 2024: USD 0.885 million) against Variation No.1&2 to Operational Design and Business Modeling (ODBM) Contract.
- 5.2.7 This represents payments of Rs.11.699 million (June 2024: 10.242 million) against Environmental and Social Safeguards (ESS) consultants.
- 5.2.8 This represents payments of Rs. 313.466 million (June 2024: 313.466 million) Equivalent to USD 1.115 million (2024 USD: 1.115 million) against remaining balance of EPCM original contract plus variation order no.1&2, after novation of contracts in the name of TransKarachi
- 5.2.9 This represents payment of Rs. 13.030 million (June 2024: Rs. 8.344 million) against Biogas Site security company and Geotechnical investigation tests of Site.
- 5.2.10 This represents payment of Rs. 150.543 million (June 2024: Nil) against relocation of Rangers Facility at Malir Depot, Mehran Depot and Mosamiyat Depot from GOS funding under Land Acquisition & Resettlement Plan (LARP) of PC-I.

December 31 2024 (Un-audited)	June 30 2023 (Audited)
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**5.3 Movement of carrying amount of Capital work in progress**

Opening balance	17,384,708,652	7,336,761,386
Additions (at cost)	1,815,920,746	10,047,947,266
Transfer to PPE	-	-
Closing balance	19,200,629,398	17,384,708,652

	Note	December 31 2024 (Un-audited)	June 30 2023 (Audited)
<b>6</b>			
<b>INTANGIBLE ASSESTS</b>			
<b>Net carrying value basis</b>			
Opening net book value		2,513,158	2,614,513
Additions ( at cost)		-	480,480
Amortisation charged		(252,323)	(581,835)
Closing net book value		<u>2,260,835</u>	<u>2,513,158</u>
<b>Gross carrying value basis</b>			
Cost		4,129,452	4,129,452
Accumulated Amortisation		(1,868,617)	(1,616,294)
Net book value		<u>2,260,835</u>	<u>2,513,158</u>
Amortisation rate per annum		20%	20%
<b>7</b>			
<b>ADVANCES, DEPOSITS AND PREPAYMENTS</b>			
Advance tax		2,244,838	2,089,184
Security deposits		2,695,250	2,688,250
Prepayments		3,784,532	1,333,158
Advances		375,313	302,663
		<u>9,099,933</u>	<u>6,413,255</u>
<b>8</b>			
<b>STORES AND CONSUMABLES</b>			
Stationary and office supplies		<u>997,535</u>	<u>1,527,902</u>
<b>9</b>			
<b>CASH AND BANK BALANCES</b>			
Cash in hand		-	-
Cash in bank - current account	9.1	<u>460,986,086</u>	<u>95,041,583</u>
		<u>460,986,086</u>	<u>95,041,583</u>
<b>9.1</b>			
<b>Current accounts</b>			
Asian Development Bank - RFA account	9.1.1	54,781,983	93,641,585
Government of Sindh - Assignment		404,734,105	-
TransKarachi - Operations Account	9.1.2	<u>1,469,998</u>	<u>1,399,998</u>
		<u>460,986,086</u>	<u>95,041,583</u>
9.1.1	This is Revolving Fund Account (RFA) maintained with National Bank of Pakistan (NBP) and represents remaining balance against advance of Rs. 101.322 million equivalent to USD 364,681 (2024: Rs. 352.090 million equivalent to USD 1,243,650) from Asian Development Bank (ADB) recieved during the period through Government of Pakistan under the loan agreement Karachi Bus Rapid Transit Red Line Loan No. 3799-PAK.		
9.1.2	This represents BOD members subscripton under Company's act deposited in separate bank account		

	Note	December 31 2024 (Un-audited)	June 30 2023 (Audited)
<b>10 DEFERRED CAPITAL GRANT</b>			
Deferred grant	10.1	17,777,097,869	15,082,523,297
Deferred capital grant project design advan	10.2	1,226,911,514	1,226,911,514
		<u>19,004,009,383</u>	<u>16,309,434,811</u>
<b>10.1 DEFERRED GRANT</b>			
Asian Development Bank	10.1.1	8,757,838,980	7,722,640,714
Asian Infrastructure Investment Bank	10.1.2	2,216,539,882	2,019,252,369
Agence Française de Développement	10.1.3	2,428,781,482	1,522,135,425
Government of Sindh	10.1.4	5,296,578,149	4,599,078,149
Grant utilized against expense	10.1.5	(922,640,624)	(780,583,360)
		<u>17,777,097,869</u>	<u>15,082,523,297</u>

10.1.1 This includes the grant of Rs 8,757.838 million (Equivalent to USD 35.693 million) (June 2024: Rs. 7,722.640 million equivalent to USD 31.969 million) from Asian Development Bank (ADB) through government of Pakistan under the loan agreement Karachi Bus Rapid Transit Red Line loan no. 3799 - PAK dated June 19, 2020. The main objective of the loan is to meet the capital and operational expenditures of the project.

10.1.2 This represents grant of Rs 2,216.539 million (Equivalent to USD 8.919 million) (June 2024: Rs. 2,019.252 million equivalent to USD 8.208 million) from Asian Infrastructure Investment Bank (AIIB) through government of Pakistan under the loan agreement Karachi Bus Rapid Transit Red Line vide loan No 8368 dated February 24, 2021.

10.1.3 This represents grant of Rs 2,428.781 million (Equivalent to USD 10.001 million) (June 2024: Rs. 1,522.135 million equivalent to USD 6.70 million) from Agence Française de Développement (AFD) through Government of Pakistan under the loan agreement Karachi Bus Rapid Transit Red Line vide loan No 8366 dated March 15, 2021.

10.1.4 This represents the grant of Rupees 5,296.578 million (June 2024: Rs.4,599.078 million) received from the Government of Sindh for the payment of all the taxes, relocation of utilities and environment & resettlement plan.

10.1.5 This represents the amount spent on operational and administrative expenses of the Company.

**10.2 Deferred grant Project Design Advance (PDA)**

Asian Development Bank	10.2.1	1,132,087,037	1,132,087,037
Government of Sindh	10.2.2	94,824,477	94,824,477
		<u>1,226,911,514</u>	<u>1,226,911,514</u>

10.2.1 This represents the loan received from Asian Development Bank (ADB) equivalent to USD 8,331,147 (2024: USD 8,331,147) through Government of Pakistan under loan agreement for Karachi Bus Rapid Transit Red Line Project No. 47279-003 vide Loan No: 6008 which became part of Loan No. 3799-PAK on June 19, 2020. The main objective of the loan was to meet the cost of Project Design Advance incurred by Project Implementation Unit (PIU) i.e Sindh Mass Transit Authority which was later on handed over to TransKarachi on August 08, 2020.

10.2.2 This represents the expenses incurred and taxes paid by Government of Sindh on Project Design. The expenses were incurred by Project Implementation Unit (PIU) i.e Sindh Mass Transit Authority, which was subsequently handed over to TransKarachi on August 08, 2020.

	<b>December 31</b>	<b>June 30</b>
	<b>2024</b>	<b>2023</b>
Note	(Un-audited)	(Audited)

### 10.3 GRANT RECONCILIATION

#### Asian Development Bank

Deferred capital grant	10.1.1	8,757,838,980	7,722,640,714
Project design grant	10.2.1	1,132,087,037	1,132,087,037
		9,889,926,017	8,854,727,751

#### Asian Infrastructure Investment Bank Agence Française de Développement

2,216,539,882	2,019,252,369
2,428,781,482	1,522,135,425

#### Government of Sindh

Deferred capital grant	10.1.4	5,296,578,149	4,599,078,149
Project design grant	10.2.2	94,824,477	94,824,477
		5,391,402,626	4,693,902,626

Total grants	19,926,650,007	17,090,018,171
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#### Utilization of grant

Funds utilized upto the period		(922,640,624)	(780,583,360)
Operating Fixed Assets	5.1	(47,142,610)	(54,046,327)
Capital Work in Progress	5.2	(19,200,629,398)	(17,384,708,652)
Intangible assets	6	(2,260,835)	(2,513,157)
Security deposit against lease liability		(1,050,000)	(1,050,000)
Deposits and Prepayments	7	(9,099,933)	(6,413,255)
Stores and consumables	8	(997,535)	(1,527,902)
Lease Liabilities	11	8,231,197	9,629,986
Retention Money		378,228,464	297,018,617
Accrued and other liabilities	13	311,969,109	911,442,267
Provident fund payable	14	19,658,244	17,775,195
		(19,465,733,921)	(16,994,976,588)

Unrestricted fund	70,000	-
<b>Un-utilized grant represented by bank</b>	460,986,086	95,041,583

		December 31 2024 (Un-audited)	June 30 2023 (Audited)
<b>11</b>	<b>LEASE LIABILITIES</b>		
	Non-current portion	1,988,807	4,039,786
	Current portion	6,242,390	5,590,200
		<u>8,231,197</u>	<u>9,629,986</u>
<b>11.1</b>	<b>Movement of lease liability</b>		
	Outstanding amount at the start of the year	9,629,986	5,103,149
	Additions during the year	-	-
	Interest expense	718,711	2,334,723
	Lease payments	(2,117,500)	(5,082,001)
	Reassessment in lease liabilities	-	7,274,115
	Balance at the end of the year	<u>8,231,197</u>	<u>9,629,986</u>
	Current portion of lease liability	<u>(6,242,390)</u>	<u>(5,590,200)</u>
		<u>1,988,807</u>	<u>4,039,786</u>

11.2 When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate which is 20.22% per annum and recorded corresponding right of use as disclosed in note 5.1 of these financial statements.

## **12 RETENTION MONEY UNDER CONSTRUCTION CONTRACTS**

This represents the amount retained by the company as a security to ensure the contract is completed on time and to the company's satisfaction, which will be released after the completion of the contract.

## **13 ACCRUED AND OTHER LIABILITIES**

Payable against contract	13.1	244,131,515	900,870,932
Accrued liabilities		4,040,082	3,203,121
Withholding tax payable		62,778,725	5,869,437
Auditor's remuneration		900,000	1,332,000
EOBI Payable		118,786	166,777
		<u>311,969,108</u>	<u>911,442,267</u>

13.1 This represents balance amounting to Rs. 244.131 million (June 2024: 900.870 million) payable to contractors against capital work in progress.

	Note	December 31 2024 (Un-audited)	June 30 2023 (Audited)
<b>14 PROVIDENT FUND PAYABLE</b>			
Provident fund payable	14.1	<u>19,658,244</u>	<u>17,775,195</u>

14.1 The Company has contributory provident fund scheme for benefit of all its permanent employees under the title of "TRANSKARACHI- Employees Provident Fund". The Fund is maintained by Trustee and all decisions regarding investments and distribution of income etc. are made by the Trustee independent of the Company.

According to the Trustees, investments out of provident fund have been made in accordance with the provision of section 218 of the Companies Act, 2017 and the rules made thereunder.

## 15 CONTINGENCIES AND COMMITMENTS

### 15.1 Contingencies

There were no contingencies as at the reporting date (2024: Rs.Nil).

### 15.2 Commitments

Capital commitment for ongoing construction contract USD 364.65 million (June 2024: USD 372.5 million).

## 16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 14-MAY-2025 by the Board of Directors of the Company.

## 17 GENERAL

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

Figures have been rounded off to the nearest rupee unless otherwise stated.

**CHIEF EXECUTIVE OFFICER**

**CHIEF FINANCIAL OFFICER**