



SAIF POWER LIMITED

A Saif Group Company

**Condensed Interim
Financial Information**
FOR THE FIRST QUARTER ENDED
MARCH 31, 2024

CONTENTS

02	Corporate Information
03	Directors' Report to the Shareholders
	Condensed Interim Unconsolidated Financial Statements
08	Condensed Interim Unconsolidated Statement of Financial Position
09	Condensed Interim Unconsolidated Statement of Profit or Loss
10	Condensed Interim Unconsolidated Statement of Comprehensive Income
11	Condensed Interim Unconsolidated Statement of Cash Flows
12	Condensed Interim Unconsolidated Statement of Changes in Equity
13	Notes to the Condensed Interim Unconsolidated Financial Statements
	Condensed Interim Consolidated Financial Statements
19	Condensed Interim Consolidated Statement of Financial Position
20	Condensed Interim Consolidated Statement of Profit or Loss
21	Condensed Interim Consolidated Statement of Comprehensive Income
22	Condensed Interim Consolidated Statement of Cash Flows
23	Condensed Interim Consolidated Statement of Changes in Equity
24	Notes to the Condensed Interim Consolidated Financial Statements

Board of Directors

Mrs. Hoor Yousafzai	Chairperson
Mr. Javed Saifullah Khan	Director
Mr. Osman Saifullah Khan	Director
Mr. Assad Saifullah Khan	Director
Mr. Asif Saifullah Khan	Director
Miss. Saima Akbar Khattak	Independent Director
Mr. Rashid Ibrahim	Independent Director

Audit Committee

Mr. Rashid Ibrahim	Chairman
Mr. Osman Saifullah Khan	Member
Mr. Asif Saifullah Khan	Member

Human Resource and Remuneration Committee

Miss. Saima Akbar Khattak	Chairperson
Mrs. Hoor Yousafzai	Member
Mr. Assad Saifullah Khan	Member

Management

Mr. Sohail H. Hydari
Chief Executive Officer

Mr. Muhammad Shakeel
Chief Financial Officer

Mr. Ghias Ul Hassan
GM Power Plant

Mr. Waseemullah
Company Secretary

Auditors

Grant Thornton Anjum Rahman
302 B, 3rd Floor, Evacuee Trust Complex,
Aga Khan Road, F-5/1, Islamabad, Pakistan.
Tel: +92 51 2271906, Fax: +92 51 2273874

Legal Advisors

Mr. Muhammad Naeem Amer (MNA) Rehan
Advocate High Court

Registered/ Head Office

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

Website

<http://www.saifpower.com>

Share Registrar

THK Associates (Private) Ltd.
Plot No. 32-C, Jami Commercial
Street 2, DHA Phase VII, Karachi.
Tel: +92-21- 111 000 322,
Email: sfc@thk.com.pk

Banks & Financial Institutions

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
First Habib Modaraba
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Bank Makramah Limited
The Bank of Punjab
United Bank Limited

Plant Location

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

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

The Board of Directors is pleased to present a concise review of Company's financial and operational performance on the condensed interim financial statements for the period ended March 31, 2024.

SUMMARY OF FINANCIAL PERFORMANCE

Turnover of the Company was Rs. 1,064 million as compared to Rs. 2,055 million for the same period last year. Dispatch level was 0.13% as compared to 8.04% during the same period last year. Central Power Purchasing Agency (CPPA-G) has applied 'Period Weighing Factors' (PWF) on monthly Capacity Purchase Price (CPP) of the Company. As a result of this, different quarters will have different profit and loss figures. Overall PWF for the year should remain equivalent to 1. PWF for the first quarter was less than 1 which caused reduction in monthly CPP revenue. In next quarter, the PWF will be more than 1 and Capacity will be adjusted substantially to cover the shortfall of this quarter.

In lieu of the above, Net profit during the period comes to Rs. 2 million resulting in an Earning per share for the period is Rs. 0.01 as against loss of Rs. 100 million (even this loss figure of Rs. 100 million is in fact not a loss: The financial position of the Company has not deteriorated at all although apparently the books say so. You may kindly note that in earlier years after COD, expenses against the major overhaul of the plant were charged/accrued annually based on the actual operating hours of the plant in that year. This accumulation of accruals was done for around 6 years (a major overhaul comes after around 6 years) and when the time would come for the payment, the payment would be made without booking further expense as the expenses had already been accrued. This accounting treatment was changed in the year 2022 considering the relevant opinion issued by the Institute of Chartered Accountants of Pakistan with reference to the International Accounting Standards. The standards disallowed the accrual and instead, it was stated that all the expenses may be borne at the time of the actual payment. Resultantly, accruals charged in the previous years were reversed and the same amount was incurred as payment in the year ended December 2023. Therefore, it was just a replacement in the years only. There was zero effect in actual on the actual results of the company.

PENDING ISSUES

(a) In the case against M/s Sui Northern Gas Pipelines Limited (SNGPL), after the arbitration award in Company's favor for an amount of Rs. 270.66 million (disputed amount of Rs. 239.68 million & related costs of Rs. 30.98 million), the Company filed a petition in the Civil Court Lahore to obtain the enforcement Decree in lieu of the Arbitration award. The Company has already adjusted the awarded amount as above against payables to SNGPL.

SNGPL enforced another arbitration saying that Company could not adjust without a decree from the court. The arbitration tribunal has agreed with SNGPL in its decision dated April 22, 2022. SNGPL has filed a petition in the Lahore High Court. During the year, Civil Court Lahore issued decree in favor of the Company. The Honorable Court, whilst making the Award a rule of Court, modified the Award to the extent that the interest awarded by the Arbitrator would not run from August 18, 2014 and the date of Award, respectively, but from the date of Honorable Court's Order date. This modification of interest date in Award made by Civil Court, Lahore is against the arbitration rules and decisions made by high courts as well as the Supreme Court of Pakistan.

During the period, Company has challenged this modification made by the Honorable Civil Court Lahore only to the extent of interest date of award in Lahore High Court which is pending adjudication. Company is confident that ultimately the money will be retained by the Company.

(b) In disputes with Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) on account of 'Period Weighing Factors' (PWF) and 'Heat Rate Correction Factor', the Company has proceeded and filed request for arbitration in London Court of International Arbitration. However, the Company and Power Purchaser are discussing the matter and the Arbitrator has been requested to suspend any further proceedings at the moment. In addition to this, the Company has obtained stay order against deduction on account of 'Heat Rate Correction Factor' from Civil Court, Islamabad.

KEY OPERATIONAL AND FINANCIAL DATA (STANDALONE)

	Three Months ended	
	March 31, 2024	March 31, 2023
	Rupees in Million	
Turnover	1,064	2,055
Net profit / (loss)	2	(100)
Earnings / (loss) per share	0.01	(0.26)
Dispatch level	0.13%	8.04%
Capacity made available – GWs	446	440

	March 31, 2024	December 31, 2023
	Rupees in Million	
Property, plant and equipment	10,696	10,863
Net worth	12,168	12,166
Short term borrowings	7,985	11,669

KEY FINANCIAL HIGHLIGHTS DATA CONSOLIDATED

	Three Months ended	
	March 31, 2024	March 31, 2023
	Rupees in Million	
Turnover	1,064	2,055
Net profit / (loss)	55	(103)
	March 31, 2024	December 31, 2023
	Rupees in Million	
Property, plant and equipment	10,696	10,863
Net worth	12,720	12,664

RECEIVABLES FROM POWER PURCHASER

The Company's total receivables are Rs. 9,062 million (December 31, 2023: Rs. 9,159 million) at the period end.

INVESTMENTS

In 2023, the Board of Directors of the Company recommended voluntary winding up of SCL which has also been approved by the shareholders in their Extra Ordinary General Meeting held on September 11, 2023. The final amount of the final tax at this stage is still under process with the tax department after which the net amount will be declared. Once the winding up is completed, proceeds from liquidation will be used to pay back to the Company and other sponsors according to their investment.

LOAN TO SAIF TEXTILE MILLS LIMITED, an associated company

(a) Board of Directors of the Company recommended long term loan maximum up to Rs. 1 (one) billion in compliance with requirements of section 199 of the Companies Act 2017 on as and when required basis. The same was approved by the shareholders in their Extraordinary General Meeting held on September 11, 2023. At the period end, the outstanding amount of long-term loan amounts to Rs. 901 million (December 31, 2023: Rs. 492 million.)

(b) During the period, the Board of Directors in their meeting held on March 21, 2024 recommended to the shareholders for their approval to provide unsecured running finance facility maximum up to Rs. 1.5 billion in compliance with requirements of section 199 of the Companies Act 2017. Subsequent to the period end, shareholders of the Company in their Extraordinary General Meeting held on April 15, 2024 approved unsecured running finance facility of Rs. 1.5 billion. The running finance facility is renewable every year by mutual consent and approval of the shareholders.

ACKNOWLEDGEMENTS

Directors of the Company would like to show their appreciation to its customer, suppliers, financial institutions, regulators and to all other stakeholders for their cooperation and support during the period.

Directors 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,

Islamabad
April 26, 2024


Javed Saifullah Khan
Director

جلی خریدار کی طرف سے وصولی:

کمپنی کی کل وصولی مدت کے اختتام پر 9,062 ملین روپے (31 دسمبر 2023: 9,159 ملین روپے) ہیں۔

سرمایہ کاری:

2023 میں، کمپنی کے بورڈ آف ڈائریکٹرز نے SCL کو رضا کارانہ طور پر ختم کرنے کی سفارش کی جسے 11 ستمبر 2023 کو ہونے والی اپنی ایکسٹرا آرڈینری جنرل میٹنگ میں شیئرز ہولڈرز نے بھی منظور کر لیا ہے۔ اس مرحلے پر ٹیکس کی حتمی رقم کا تخمینہ لگانا باقی ہے۔ ایک بار ختم ہونے کے بعد، لیکویڈیشن سے حاصل ہونے والی رقم کو کمپنی اور دیگر اسپانسرز کو ان کی سرمایہ کاری کے مطابق واپس کرنے کے لیے استعمال کیا جائے گی۔

سیف ٹیکسٹائل ملز لمیٹڈ کمپنی کو قرض:

(a) کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنیز ایکٹ 2017 کے سیکشن 199 کے تقاضوں کے تعین کے مطابق ضرورت کے حساب سے زیادہ سے زیادہ 1 (ایک) ارب روپے تک طویل مدتی قرض کی سفارش کی۔ 11 ستمبر 2023 کو حصص یافتگان نے اپنی غیر معمولی جنرل میٹنگ میں اس کی منظوری دی۔ مدت کے اختتام پر، طویل مدتی قرض کی بقایا رقم 901 ملین روپے (31 دسمبر 2023: 492 ملین روپے) بنتی ہے۔

(b) اس مدت کے دوران، بورڈ آف ڈائریکٹرز نے 21 مارچ 2024 کو منعقدہ اپنی میٹنگ میں شیئرز ہولڈرز کو ان کی منظوری کے لیے سفارش کی جو کہ کمپنیز ایکٹ 2017 کے سیکشن 199 کے تقاضوں کی تعین کے مطابق زیادہ سے زیادہ 1.5 ارب روپے تک غیر محفوظ چلنے والی مالیاتی سہولت فراہم کریں گے۔ مدت کے اختتام کے بعد، 15 اپریل 2024 کو منعقدہ اپنی غیر معمولی جنرل میٹنگ میں کمپنی کے شیئرز ہولڈرز نے 1.5 ارب روپے کی غیر محفوظ چلنے والی مالیاتی سہولت کی منظوری دی۔ رنگ فنانس کی سہولت ہر سال شیئرز ہولڈرز کی باہمی رضامندی اور منظوری سے قابل تجدید ہوگی۔

اعتراف:

آپ کی کمپنی کے ڈائریکٹرز اپنے کسٹمر، سپلائرز، مالیاتی اداروں، ریگولیٹرز اور دیگر تمام اسٹیک ہولڈرز کے لیے تعریفی کلمات کہنا چاہتے ہیں جنہوں نے اس سال اپنا تعاون اور حمایت پیش کی۔

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے ملازمین کی طرف سے مسلسل پیش کی گئی خدمات، وفاداری اور کوششوں کے لیے گہری تعریف کا اظہار کرنا چاہتے ہیں اور امید کرتے ہیں کہ وہ مستقبل میں بھی ایسا ہی کریں گے۔

بورڈ آف ڈائریکٹرز کی جگہ اور بورڈ کی نیابت سے:



جاويد سيف الله خان
ڈائریکٹر

اسلام آباد: 26 اپریل 2024

اس مدت کے دوران، کمپنی نے معزز سول کورٹ لاہور کی طرف سے کی گئی اس ترمیم کو صرف سود کی تاریخ کی حد تک لاہور ہائی کورٹ میں چیلنج کیا ہے جو زیر التوا ہے۔ کمپنی کو یقین ہے کہ بالآخر رقم کمپنی کے پاس ہی رہے گی۔

(b) سنٹرل پاور پراجیکٹس انجینئرنگ (گرنٹی) لمیٹڈ (CPPA-G) کے ساتھ 'پیریڈ و بکنگ فیکٹرز' (PWF) اور 'ہیٹ ریٹ کریکشن فیکٹر' کی وجہ سے تنازعات میں، کمپنی نے آگے بڑھ کر بین الاقوامی ثالثی کی لندن کورٹ میں ثالثی کی درخواست دائر کی ہے۔ سال کے دوران، تاہم، کمپنی اور پاور خریدار اس معاملے پر بات کر رہے ہیں اور ثالث سے درخواست کی گئی ہے کہ وہ اس وقت مزید کارروائی کو معطل کر دیں۔ اس کے علاوہ، کمپنی نے سول کورٹ، اسلام آباد سے 'ہیٹ ریٹ کریکشن فیکٹر' کی وجہ سے کٹوتی کے خلاف حکم امتناعی حاصل کیا ہے۔

مالیاتی جھلکیاں: (غیر مستحکم):

تین مہینے کے اختتام پر		
31 مارچ 2023ء	31 مارچ 2024ء	
(روپے ملین میں)		
2,055	1,064	کاروبار
(100)	2	خالص منافع / (نقصان)
(0.26)	0.01	فی شیئر منافع / (نقصان)
8.04 فیصد	0.13 فیصد	ترسیل کالیول
440	446	دستیاب صلاحیت GWHS
31 دسمبر 2023ء	31 مارچ 2024ء	
(روپے ملین میں)		
10,863	10,696	پراپرٹی، پلانٹ اور آلات
12,166	12,168	نیٹ مالیت
11,669	7,985	مختصر مدت کے قرضوں کے حصول

مالیاتی جھلکیاں: (مستحکم):

تین مہینے کے اختتام پر		
31 مارچ 2023ء	31 مارچ 2024ء	
(روپے ملین میں)		
2,055	1,064	کاروبار
(103)	55	خالص منافع / (نقصان)
31 دسمبر 2023ء	31 مارچ 2024ء	
10,863	10,696	پراپرٹی، پلانٹ اور آلات
12,664	12,720	نیٹ مالیت

حصص کنندگان کے لیے بورڈ آف ڈائریکٹرز کی جائزہ رپورٹ

31 مارچ 2024 کو ختم ہونے والی تین ماہ کی مدت کے لیے

بورڈ آف ڈائریکٹرز کی 31 مارچ 2024 کو ختم ہونے والی مدت کے لیے ملخص عبوری مالیاتی بیانات پر کمپنی کی مالیاتی اور آپریشنل کارکردگی کا ایک جامع جائزہ پیش کرنے پر خوشی ہے۔

مالیاتی کارکردگی کا خلاصہ:

کمپنی کا کاروبار 1,064 ملین روپے کے مقابلے میں گزشتہ سال اسی مدت کے لیے 2,055 ملین تھا۔ ڈسپینج کی سطح 0.13 فیصد رہی جو پچھلے سال کی اسی مدت کے دوران 8.04 فیصد تھی۔ سنٹرل پاور پراجیکٹنگ ایجنسی (CPPA-G) نے کمپنی کی ماہانہ صلاحیت پراجیز پرائس (CPPA-G) پر 'پیریڈ ویجنگ فیکٹرز' (PWF) کا اطلاق کیا ہے۔ اس کے نتیجے میں، مختلف حلقوں میں نفع و نقصان کے اعداد و شمار مختلف ہوں گے۔ سال کے لیے مجموعی طور پر 1 PWF کے برابر رہنا چاہیے۔ پہلی سہ ماہی کے لیے 1 PWF سے کم تھا جس کی وجہ سے ماہانہ CPPA ریونیو میں کمی واقع ہوئی۔ اگلی سہ ماہی میں، 1 PWF سے زیادہ ہو جائے گا اور اس سہ ماہی کی کمی کو پورا کرنے کے لیے صلاحیت کو کافی حد تک ایڈجسٹ کیا جائے گا۔

مندرجہ بالا کے بدلے، مدت کے دوران خالص منافع 2 ملین روپے رہا۔ جس کے نتیجے میں اس مدت کے لیے فی حصص 0.01 روپے کی آمدنی کے مقابلے میں 100 ملین روپے کے نقصان (یہاں تک کہ 100 ملین روپے کے نقصان کا یہ اعداد و شمار بھی درحقیقت نقصان نہیں ہے): کمپنی کی مالی حالت بالکل بھی خراب نہیں ہوئی ہے حالانکہ بظاہر کمپنی ایسا ہی بتاتی ہیں۔ آپ براہ کرم نوٹ کریں کہ COD کے بعد ابتدائی سالوں میں، اخراجات پلانٹ کا بڑا امر متی کام اس سال پلانٹ کے اصل کام کے اوقات کی بنیاد پر سالانہ وصول کیا جاتا تھا (تقریباً 6 سال بعد ایک بڑا امر متی کام ہوتا ہے)۔ ادائیگی کے لیے، مزید اخراجات کی بٹنگ کے بغیر ادائیگی کی جائے گی کیونکہ اخراجات پہلے ہی جمع ہو چکے تھے، اس اکاؤنٹنگ ٹریٹمنٹ کو سال 2022 میں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کی جانب سے بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز کے حوالے سے جاری کردہ متعلقہ رائے کو مد نظر رکھتے ہوئے تبدیل کیا گیا تھا۔ 2023۔ لہذا، یہ صرف سالوں میں صرف ایک متبادل تھا۔ کمپنی کے حقیقی نتائج پر اصل میں صفر اثر تھا۔

زیر التواء مسائل:

میسرز سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) کے خلاف مقدمے میں، کمپنی کے حق میں ثالثی کے فیصلے کے بعد 270.66 ملین روپے کی رقم (توازن رقم 239.68 ملین روپے اور متعلقہ اخراجات 30.98 ملین روپے)، کمپنی نے ثالثی کے ایوارڈ کے عوض قابل نفاذ حکم نامہ حاصل کرنے کے لیے سول کورٹ لاہور میں درخواست بھی درج کر رکھی ہے۔ کمپنی نے سوئی ناردرن گیس پائپ لائن کو قابل ادارتوں کے معاملے میں یہ رقم پہلے ہی ایڈجسٹ کر دی ہے۔

(a) سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) نے ثالثی نافذ کرتے ہوئے کہا کہ کمپنی عدالت کے حکم نامے کے بغیر ایڈجسٹ نہیں کر سکتی۔ ثالثی ٹریبونل نے 22 اپریل 2022 کے اپنے فیصلے میں سوئی ناردرن گیس پائپ لائنز لمیٹڈ سے اتفاق کیا ہے۔ سوئی ناردرن گیس پائپ لائنز لمیٹڈ نے لاہور ہائی کورٹ میں درخواست دائر کی ہے۔ سال کے دوران سول کورٹ لاہور نے کمپنی کے حق میں حکم نامہ جاری کیا۔ معزز عدالت نے، ایوارڈ کو عدالت کا اصول بناتے ہوئے، ایوارڈ میں اس حد تک ترمیم کی کہ ثالثی کی طرف سے دیا جانے والا سود بالترتیب 18 اگست 2014 اور ایوارڈ کی تاریخ سے نہیں بلکہ معزز عدالت کے حکم کی تاریخ سے چلے گا، سود کی تاریخ میں تبدیلی سول کورٹ، لاہور کی جانب سے ایوارڈ میں سود کی تاریخ میں یہ تبدیلی ہائی کورٹس کے ساتھ ساتھ سپریم کورٹ آف پاکستان کے ثالثی کے قوانین اور فیصلوں کے خلاف ہے۔

**UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS**
FOR THE FIRST QUARTER ENDED
MARCH 31, 2024

SAIF POWER LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	Note	Un-audited March 31, 2024	Audited December 31, 2023
(Rupees)			
Share capital and reserves			
Share capital		3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		8,092,903,963	8,087,810,847
Maintenance reserve		210,776,732	213,728,363
Total equity	5	12,168,398,485	12,166,257,000
Liabilities			
Lease liabilities		11,699,330	9,436,235
Non-current liabilities		11,699,330	9,436,235
Trade and other payables	6	428,484,331	411,968,780
Short term borrowings		7,985,400,724	11,669,326,413
Sub-ordinated loan	7	640,368,438	730,519,567
Markup accrued	8	1,361,348,802	1,390,558,249
Unclaimed and unpaid dividend	9	117,988,030	118,163,748
Current portion of lease liabilities		8,970,519	6,801,757
Current liabilities		10,542,560,844	14,327,338,514
Total liabilities		10,554,260,174	14,336,774,749
Total equity and liabilities		22,722,658,659	26,503,031,749
Contingencies and commitments			
	10		
Assets			
Property, plant and equipment	11	10,695,598,404	10,862,567,248
Right of use assets		27,681,831	24,098,636
Loan to associated company	12	900,981,000	492,300,000
Non-current assets		11,624,261,235	11,378,965,884
Stock in trade - HSD		399,899,817	399,899,817
Trade debts	13	9,062,113,809	9,159,264,055
Other receivables	14	756,436,229	678,076,008
Advances		12,657,024	1,923,347
Advance income tax		13,687,789	9,771,832
Trade deposits and prepayments		34,938,244	128,239,903
Short term investments		28,738,940	3,956,220,043
Bank balances		746,932	1,492,220
		10,309,218,784	14,334,887,225
Assets classified as held for sale	15	789,178,640	789,178,640
Current assets		11,098,397,424	15,124,065,865
Total assets		22,722,658,659	26,503,031,749

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
Note	(Rupees)	
Turnover - net	1,064,434,597	2,055,012,584
Cost of sales	(603,316,056)	(1,536,403,219)
Gross profit	461,118,541	518,609,365
Other income	39,584,021	7,185,001
Administrative expenses	(67,077,547)	(47,966,193)
Finance cost	(431,483,530)	(577,884,424)
Net profit / (loss) for the period	2,141,485	(100,056,251)
Earning / (loss) per share - basic and diluted	0.01	(0.26)

The annexed notes 1 to 23 form an integral part of these financial statements


Chief Financial Officer


Chief Executive Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
Profit / (loss) for the period	2,141,485	(100,056,251)
Other comprehensive income for the period	-	-
Total comprehensive profit / (loss) for the period	2,141,485	(100,056,251)

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
Note	(Rupees)	
Cash flows from operating activities		
Profit / (loss) for the period	2,141,485	(100,056,251)
Adjustments for non-cash income and expenses:		
Provision for staff retirement benefits - gratuity	26,995,000	2,812,362
Depreciation - property, plant and equipment	160,505,840	157,110,193
Depreciation - right of use assets	2,590,619	3,130,029
Finance cost	431,483,530	577,884,424
Loss / (gain) on disposal of property, plant and equipment	9,599	(63,000)
Profit on deposit accounts	-	(113,963)
Return on investments	(39,593,620)	(7,008,038)
	584,132,453	633,695,756
Changes in working capital:		
Trade debts	97,150,246	(969,457,940)
Other receivable	(78,360,221)	(32,894,470)
Advances	(10,733,677)	(6,169,959)
Trade deposits and prepayments	93,301,659	63,496,668
Trade and other payables	16,515,551	583,731,255
Cash generated from operations	702,006,011	272,401,310
Income taxes paid	(3,915,957)	(226,886)
Finance cost paid	(460,692,977)	(400,138,910)
Net cash generated from / (used in) operating activities	237,397,077	(127,964,486)
Cash flows from investing activities		
Acquisition of property, plant and equipment	2,504,652	167,000
Acquisition of right of use assets	6,173,814	-
Long term loan	(408,681,000)	-
Proceeds from sale of property, plant and equipment	54,000	-
Insurance claim received	-	63,000
Profit on deposit accounts	-	113,963
Return on investments - receipt	2,858,075	7,008,038
Net cash (used in) / generated from investing activities	(397,090,459)	7,352,001
Cash flows from financing activities		
Repayment of long term financing	(81,183,473)	(65,216,870)
Dividend paid	(175,718)	(157,907)
Short term borrowings - net	(3,683,925,689)	(7,027,320,078)
Lease liabilities paid	(3,248,129)	(6,342,742)
Net cash used in financing activities	(3,768,533,009)	(7,099,037,597)
Net decrease in cash and cash equivalents	(3,928,226,391)	(7,219,650,082)
Cash and cash equivalents at beginning of the period	3,957,712,263	7,246,040,901
Cash and cash equivalents at end of the period	29,485,872	26,390,819

The annexed notes 1 to 23 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Share capital	Unappropriated profit-revenue reserve	Maintenance reserve	Total equity
	(Rupees)			
Balance as at January 1, 2023 (Audited)	3,864,717,790	9,001,248,625	1,001,140,025	13,867,106,440
Loss for the period	-	(100,056,251)	-	(100,056,251)
Other comprehensive income /(loss) for the period	-	-	-	-
Total comprehensive loss for the period	-	(100,056,251)	-	(100,056,251)
Transfer from unappropriated profit to maintenance reserve	-	(264,981,980)	264,981,980	-
Balance as at March 31, 2023 - (Un- audited)	<u>3,864,717,790</u>	<u>8,636,210,394</u>	<u>1,266,122,005</u>	<u>13,767,050,189</u>
Balance as at January 1, 2024 - (Audited)	3,864,717,790	8,087,810,847	213,728,363	12,166,257,000
Profit for the period	-	2,141,485	-	2,141,485
Other comprehensive income /(loss) for the period	-	-	-	-
Total comprehensive income for the period	-	2,141,485	-	2,141,485
Transfer from unappropriated profit to maintenance reserve	-	2,951,631	(2,951,631)	-
Balance as at March 31, 2024 - (Un- audited)	<u>3,864,717,790</u>	<u>8,092,903,963</u>	<u>210,776,732</u>	<u>12,168,398,485</u>

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

1 REPORTING ENTITY

Saif Power Limited (“the Company”) was incorporated in Pakistan on November 11, 2004 as a public limited company under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017) and commenced operations from April 30, 2010. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a combined cycle power plant having nameplate capacity of 225 MW (ISO) and sell the electricity to Central Power Purchasing Agency Guarantee Limited (CPPA-G). The Company has amended its Implementation Agreement on February 11, 2021 whereby National Transmission and Dispatch Company (NTDC) has been replaced with CPPA-G as Power Purchaser. Saif Holdings Limited, major share holder of the Company, holds 23.01% shareholding of the Company.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the first quarter ended March 31, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION

These condensed interim financial statements do not include all the information required in the annual financial statements prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant in understanding of the changes in the Company’s financial positing and performance since the last annual financial statements. These condensed financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2023.

These condensed interim unconsolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

- 3.1** Turnover of the Company was Rs. 1,064 million as compared to Rs. 2,055 million for the same period last year. Dispatch level was 0.13% as compared to 8.04% during the same period last year. Central Power Purchasing Agency (CPPA-G) has applied ‘Period Weighing Factors’ (PWF) on monthly Capacity Purchase Price (CPP) of the Company. As a result of this, different quarters will have different profit and loss figures. Overall PWF for the year should remain equivalent to 1. PWF for the first quarter was less than 1 (0.62 for the first quarter) which caused reduction in monthly CPP revenue. In next quarter, the PWF will be more than 1 and Capacity will be adjusted substantially to cover the shortfall of this quarter.

In lieu of the above, Net profit during the period comes to Rs. 2 million resulting in an Earning per share for the period is Rs. 0.01 as against loss of Rs. 100 million (even this loss figure of Rs. 100 million is in fact not a loss: The financial position of the Company has not deteriorated at all although apparently the books say so. You may kindly note that in earlier years after COD, expenses against the major overhaul of the plant were charged/accrued annually based on the actual operating hours of the plant in that year. This accumulation of accruals was done for around 6 years (a major overhaul comes after around 6 years) and when the time would come for the payment, the payment would be made without booking further expense as the expenses had already been accrued. This accounting treatment was changed in the year 2022 considering the relevant opinion issued by the Institute of Chartered Accountants of Pakistan with reference to the International Accounting Standards. The standards disallowed the accrual and instead, it was stated that all the expenses may be borne at the time of the actual payment. Resultantly, accruals charged in the previous years were reversed and the same amount was incurred as payment in the year ended December 2023. Therefore, it was just a replacement in the years only. There was zero effect in actual on the actual results of the company.

3.2 Exemptions from applicability of accounting and reporting requirements

3.1.1 IFRS 9 “Financial Instruments”

Securities and Exchange Commission of Pakistan (“SECP”) through S.R.O 67(I)/2023 dated January 20, 2023 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP), the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model shall not be applicable till December 31, 2024 provided that such companies shall follow relevant requirements of IAS-39 ‘Financial Instruments Recognition and measurement’ in respect of above referred financial assets during the exemption period.

3.1.2 IFRS 16 “Leases”

Control of the Company’s plant due to purchase of total output by CPPA-G and other arrangement under the Power Purchase Agreement (PPA) was classified as a lease under IFRIC 4 “Determining whether an Arrangement Contains a Lease” which due to exemption available to the Company were not accounted for as a lease in prior years. After applicability of IFRS-16, the Company’s arrangement with CPPA-G falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 02, 2019 has extended the earlier exemption from IFRIC-4 to all companies, which have entered into power purchase arrangements before January 01, 2019. The Company signed its PPA with CPPA-G on April 30, 2007, accordingly, requirement of lease accounting relating to the Company’s arrangement with CPPA-G are not applicable to the Company.

4 SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company’s audited financial statements for the year ended December 31, 2023.

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. Estimates and judgements are continually evaluated and are based on historic experience including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements made by the management in the preparation of these condensed interim financial statements are the same as those used in the preparation of the Company’s audited financial statements for the year ended December 31, 2023.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

5 MAINTENANCE RESERVE

Overhauls of the complex are at certain intervals based on Factored Fired Hours (operating hours) as per terms and details of the O&M Agreement. The amount of such overhauls has been calculated on the basis of operating hours as in the above sentence and such amount has been appropriated to Maintenance Reserve through statement of changes in equity. After completion of specific operating hours, the amount will be transferred from maintenance reserve and the same amount will be charged to cost of sales.

6 TRADE AND OTHER PAYABLES

6.1 This includes amounts due to related party amounting to Rs. 6.9 million (December 31, 2023: Rs. 9 million) on account of procurement of supplies.

6.2 This also includes amounts due to related party amounting to Rs. 26.9 million (December 31, 2023: Rs. 3.8 million) on account of staff retirement benefits.

	Un-audited March 31, 2024	Audited December 31, 2023
	(Rupees)	
7 SUBORDINATED LOAN - UNSECURED		
Balance at January 01	730,519,567	586,951,826
Exchange (gain) / loss capitalised during the period / year	(8,967,656)	195,147,385
Repayment during the period / year	(81,183,473)	(51,579,644)
	<u>640,368,438</u>	<u>730,519,567</u>

7.1 Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2023.

	Un-audited March 31, 2024	Audited December 31, 2023
	(Rupees)	
8 MARKUP ACCRUED		
Markup on sub-ordinated loan	920,640,871	922,460,244
Markup on short term financing	440,707,931	468,098,005
	<u>1,361,348,802</u>	<u>1,390,558,249</u>

9 UNCLAIMED AND UNPAID DIVIDEND

This includes Rs. 92 million (December 31, 2023: Rs. 92 million) payable at the period end due to pending State bank of Pakistan's approval for dividend remittance outside Pakistan.

10 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceeding annual financial statements of the Company for the year ended December 31, 2023 except for the following:

- In respect of Sui Northern Gas Pipeline Limited (SNGPL)'s claim on account of late payment by the Company against invoices of Regasified Liquefied Natural Gas (RLNG) has increased to Rs. 125.30 million (December 31, 2023: Rs. 124.52 million).

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

		Un-audited March 31, 2024	Audited December 31, 2023
		(Rupees)	
11	PROPERTY, PLANT AND EQUIPMENT		
	Balance at January 01	11,302,149,549	11,710,519,365
	Balance at January 01	10,862,567,248	11,302,149,549
	Additions during the period / year	2,504,652	736,000
	Net book value of assets disposed off	-	(157,223)
	Depreciation for the period / year	(160,505,840)	(635,308,463)
	Capitalization of exchange (gain) / loss	(8,967,656)	195,147,385
	Balance at March 31 / December 31	10,695,598,404	10,862,567,248
12	LOAN TO ASSOCIATED COMPANY - unsecured		
	Saif Textile Mills Limited	12.1 900,981,000	492,300,000

12.1 Details of long term loan provided are same as disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

12.2 During the period, the Board of Directors of the Company in their meeting held on March 21, 2024 recommended to the shareholders for their approval to provide an unsecured running finance facility. Subsequent to the period end, shareholders of the Company in their Extra Ordinary General Meeting held on April 15, 2024 approved an unsecured running finance facility of Rs. 1.5 billion in favor of Saif Textile Mills Limited. The running finance facility is renewable every year by mutual consent and approval of the shareholders.

		Un-audited March 31, 2024	Audited December 31, 2023
		Rupees	
13	TRADE DEBTS - secured		
	Considered good	13.1 9,062,113,809	9,159,264,055

13.1 Trade debts, including delayed payment charges, are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

Apart from the information already disclosed in financial statements for the year ended December 31, 2023, following are the major event or transaction pertaining to trade debts:

- Trade debts include unbilled receivable amount of Rs. 1.235 billion (December 31, 2023: Rs. 0.989 billion) at the period end.
- The aging of trade debts at the reporting date was:

	March 31, 2024	December 31, 2023
		Rupees
Not past due	1,783,448,151	1,764,730,961
Past due 0 - 60 days	597,511,316	1,242,667,845
Past due 61 - 120 days	797,284,926	2,831,143,177
Past due 121 - 180 days	1,434,297,367	3,320,722,072
181 days and above	4,449,572,049	-
	9,062,113,809	9,159,264,055

14 OTHER RECEIVABLES

14.1 Other receivable includes Rs. 35.4 million (December 31, 2023: Rs. 13.8 million) receivable from Saif Textile Mills Limited, a related party, on account of interest accrued on long term loan for first quarter of 2024.

14.2 This also includes amounts due from related parties amounting to Rs. 19 million (December 31, 2023: Rs. 0.68 million) on account of payments made on behalf of these related parties.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

15 ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended December 31, 2023, sale transaction of assets of Saif Cement Limited ('SCL') has been completed and sale proceeds has been transferred to SCL's bank account. The Board of Directors of the Company has recommended the voluntary winding up of SCL. Once liquidation process is completed after approval of shareholders of SCL, proceeds from liquidation will be used to payback to the Company and other sponsors according to their investment.

16 TURNOVER - NET

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
Gross Energy Purchase Price	22,388,250	1,210,249,808
Less: Sales Tax	(3,415,157)	(179,445,356)
	<u>18,973,093</u>	<u>1,030,804,452</u>
Capacity Purchase Price	1,045,461,504	1,024,208,132
	<u>1,064,434,597</u>	<u>2,055,012,584</u>

17 EARNING PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
Profit / (loss) for the period - rupees	2,141,485	(100,056,251)
Weighted average number of ordinary shares - numbers	386,471,779	386,471,779
Earning / (loss) per share - basic and diluted - rupees	0.01	(0.26)

18 CASH AND CASH EQUIVALENTS

	Un-audited March 31, 2024	Un-audited March 31, 2023
	Rupees	
Short term investments	28,738,940	23,736,130
Bank balances	746,932	2,654,689
Cash and cash equivalents in the statement of cash flows	<u>29,485,872</u>	<u>26,390,819</u>

19 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act 2017, information is disclosed resultant of Company being shariah compliant as per Islamic Index;

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
Short term running finance facilities - as per Islamic mode	3,289,140,145	5,199,139,517
Finance cost on Islamic mode of financing	182,803,180	875,789,409

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Limited, Bank Islami Pakistan Limited and Bank Alfalah (Islamic) Limited.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

20 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amounts of all financial assets and financial liabilities are estimated to approximate their fair values.

21 RELATED PARTY TRANSACTIONS

Details of transactions with related parties during the period, other than those which have been disclosed in note 6, 7, 8, 9, 12, 14 and 15 of these unconsolidated condensed interim financial statements, are as follows:

Nature of relationship	Nature of transaction	Un-audited Mar 31, 2024	Un-audited Mar 31, 2023
Rupees			
Associated companies / Related Parties	- Reimbursement of expenses incurred by the company	316,463	-
	- Procurement of supplies	21,039,451	-
	- Payment against procurement of supplies	26,850,370	-
	- Donations	2,100,000	2,650,000
	- Interest received on loan	13,882,386	-
Key management	- Directors' fee	425,000	325,000
	- Managerial remunerations and other benefit	20,446,616	26,002,766

22 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the balances in condensed interim statement of financial position have been compared with the balances of annual audited financial statements of the preceding financial year, whereas the amounts in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

23 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These condensed interim financial statements were approved and authorized for issue by the Board of Directors in their meeting held on April 26, 2024.


Chief Financial Officer


Chief Executive Officer


Director

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**
FOR THE FIRST QUARTER ENDED
MARCH 31, 2024

SAIF POWER LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	Note	Un-audited March 31, 2024	Audited December 31, 2023
		(Rupees)	
Share capital and reserves			
Share capital		3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		8,595,998,700	8,539,475,369
Maintenance reserve	5	210,776,732	213,728,363
Equity attributable to the owners of the Company		12,671,493,222	12,617,921,522
Non controlling interest		48,028,158	46,099,525
Total equity		12,719,521,380	12,664,021,047
Liabilities			
Lease liabilities		11,699,330	9,436,235
Non-current liabilities		11,699,330	9,436,235
Trade and other payables	6	428,484,331	411,968,780
Short term borrowings		7,985,400,724	11,669,326,413
Sub-ordinated loan	7	640,368,438	730,519,567
Markup accrued	8	1,361,348,802	1,390,558,249
Unclaimed and unpaid dividend	9	117,988,030	118,163,748
Current portion of lease liabilities		8,970,519	6,801,757
		10,542,560,844	14,327,338,514
Liabilities directly associated with the asset held for sale	10	35,880,223	92,702,974
Current liabilities		10,578,441,067	14,420,041,488
Total liabilities		10,590,140,397	14,429,477,723
Total equity and liabilities		23,309,661,777	27,093,498,770
Contingencies and commitments			
	11		
Assets			
Property, plant and equipment	12	10,695,598,404	10,862,567,248
Right of use assets		27,681,831	24,098,636
Loan to associated company	13	900,981,000	492,300,000
Non-current assets		11,624,261,235	11,378,965,884
Stock in trade - HSD		399,899,817	399,899,817
Trade debts	14	9,062,113,809	9,159,264,055
Other receivables	15	756,436,229	678,076,008
Advances		12,657,024	1,923,347
Advance income tax		13,687,789	9,771,832
Trade deposits and prepayments		34,938,244	128,239,903
Short term investments		28,738,940	3,956,220,043
Bank balances		746,932	1,492,220
		10,309,218,784	14,334,887,225
Assets classified as held for sale	10	1,376,181,758	1,379,645,661
Current assets		11,685,400,542	15,714,532,886
Total assets		23,309,661,777	27,093,498,770

The annexed notes 1 to 23 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Note	March 31, 2024	March 31, 2023
		(Rupees)	
Continuing operations			
Turnover - net	16	1,064,434,597	2,055,012,584
Cost of sales		(603,316,056)	(1,536,403,219)
Gross profit		461,118,541	518,609,365
Other income		39,584,021	7,185,001
Administrative expenses		(67,077,547)	(47,966,193)
Finance cost		(431,483,530)	(577,884,424)
Profit / (loss) for the period - from continuing operations		2,141,485	(100,056,251)
Discontinuing operations			
Profit / (loss) for the period - from discontinued operations		53,358,848	(2,406,400)
Profit / (loss) for the period		55,500,333	(102,462,651)
Profit / (loss) attributable to:			
<i>Profit / (loss) from continuing operations</i>			
- Owners of the Company		2,141,485	(100,056,251)
<i>Profit / (loss) from discontinued operations</i>			
- Owners of the Company		51,430,215	(2,224,700)
- Non-controlling interest		1,928,633	(181,700)
		53,358,848	(2,406,400)
		55,500,333	(102,462,651)
Earning / (loss) per share - basic and diluted			
- continuing operations		0.01	(0.26)
- discontinuing operations		0.13	(0.01)
	17	0.14	(0.27)

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
Profit / (loss) for the period	55,500,333	(102,462,651)
Other comprehensive income for the period	-	-
Total comprehensive profit / (loss) for the period	55,500,333	(102,462,651)
Total comprehensive (loss) / income attributable to:		
- Owners of the Company	53,571,700	(102,280,951)
- Non-controlling interests	1,928,633	(181,700)
	55,500,333	(102,462,651)
Total comprehensive (loss) / income arises from:		
- Continued operations	2,141,485	(100,056,251)
- Discontinued operations	53,358,848	(2,406,400)
	55,500,333	(102,462,651)

The annexed notes 1 to 23 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Note	March 31, 2024	March 31, 2023
		(Rupees)	
Cash flows from operating activities			
Profit / (loss) for the period		2,141,485	(100,056,251)
Adjustments for non-cash income and expenses:			
Provision for staff retirement benefits - gratuity		26,995,000	2,812,362
Depreciation - property, plant and equipment		160,505,840	157,110,193
Depreciation - right of use assets		2,590,619	3,130,029
Finance cost		431,483,530	577,884,424
Loss / (gain) on disposal of property, plant and equipment		9,599	(63,000)
Profit on deposit accounts		-	(113,963)
Return on investments		(39,593,620)	(7,008,038)
		584,132,453	633,695,756
Changes in working capital:			
Trade debts		97,150,246	(969,457,940)
Other receivable		(78,360,221)	(32,894,470)
Advances		(10,733,677)	(6,169,959)
Trade deposits and prepayments		93,301,659	63,496,668
Trade and other payables		16,515,551	584,340,957
Discontinued operations		(33,769,795)	(85,073)
Cash generated from operations		668,236,216	272,925,939
Income taxes paid		(3,915,957)	(226,886)
Finance cost paid		(460,692,977)	(400,138,910)
Net cash generated from / (used in) operating activities		203,627,282	(127,439,857)
Cash flows from investing activities			
Acquisition of property, plant and equipment	12	2,504,652	167,000
Acquisition of right of use assets		6,173,814	-
Long term loan		(408,681,000)	-
Proceeds from sale of property, plant and equipment		54,000	-
Insurance claim received		-	63,000
Profit on deposit accounts		-	113,963
Return on investments - receipt		2,858,075	7,008,038
Discontinued operations		73,659,391	(5,524,629)
Net cash (used in) / generated from investing activities		(323,431,068)	1,827,372
Cash flows from financing activities			
Repayment of long term financing		(81,183,473)	(65,216,870)
Dividend paid		(175,718)	(157,907)
Short term borrowings - net		(3,683,925,689)	(7,027,320,078)
Lease liabilities paid		(3,248,129)	(6,342,742)
Discontinued operations		-	5,000,000
Net cash used in financing activities		(3,768,533,009)	(7,094,037,597)
Net decrease in cash and cash equivalents		(3,888,336,795)	(7,219,650,082)
Cash and cash equivalents at beginning of the period		5,250,649,676	7,907,726,217
Cash and cash equivalents at end of the period	18	1,362,312,881	688,076,135

The annexed notes 1 to 23 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Share capital	Unappropriated profit-revenue reserve	Maintenance reserve	Non-Controlling interest	Total equity
	(Rupees)				
Balance as at January 1, 2023 (Audited)	3,864,717,790	9,199,811,049	1,001,140,025	36,608,196	14,102,277,060
Loss for the period	-	(102,280,951)	-	(181,700)	(102,462,651)
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive loss for the period	-	(102,280,951)	-	(181,700)	(102,462,651)
Transfer from unappropriated profit to maintenance reserve	-	(264,981,980)	264,981,980	-	-
Balance as at March 31, 2023 - (Un- audited)	3,864,717,790	8,832,548,118	1,266,122,005	36,426,496	13,999,814,409
Balance as at January 1, 2024 - (Audited)	3,864,717,790	8,539,475,369	213,728,363	46,099,525	12,664,021,047
Profit for the period	-	53,571,700	-	1,928,633	55,500,333
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive income for the period	-	53,571,700	-	1,928,633	55,500,333
Transfer from unappropriated profit to maintenance reserve	-	2,951,631	(2,951,631)	-	-
Balance as at March 31, 2024 - (Un- audited)	3,864,717,790	8,595,998,700	210,776,732	48,028,158	12,719,521,380

The annexed notes 1 to 23 form an integral part of these financial statements.


Chief Financial Officer


Chief Executive Officer


Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

1 REPORTING ENTITY

The Group consists of Saif Power Limited (the Company) and Saif Cement Limited (the Subsidiary Company).

Parent:

Saif Power Limited ("the Company") was incorporated in Pakistan on November 11, 2004 as a public limited company under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017) and commenced operations from April 30, 2010. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a combined cycle power plant having nameplate capacity of 225 MW (ISO) and sell the electricity to Central Power Purchasing Agency Guarantee Limited (CPPA-G).

Subsidiary:

The Subsidiary Company is a public limited company incorporated in Pakistan on January 13, 2017 under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017).

The Company holds 96.39% shares (2021: 96.39%) in Subsidiary Company.

2 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements include the financial statements of the Company and its Subsidiary (collectively "the Group"). The financial statements of the Subsidiary are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION

These consolidated condensed interim financial statements do not include all the information required in the annual financial statements prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant in understanding of the changes in the Company's financial positioning and performance since the last annual consolidated financial statements. These consolidated condensed interim financial statements should be read in conjunction with the Company's latest consolidated annual financial statements as at and for the year ended December 31, 2023.

These consolidated condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

- 3.1** Turnover of the Company was Rs. 1,064 million as compared to Rs. 2,055 million for the same period last year. Dispatch level was 0.13% as compared to 8.04% during the same period last year. Central Power Purchasing Agency (CPPA-G) has applied 'Period Weighing Factors' (PWF) on monthly Capacity Purchase Price (CPP) of the Company. As a result of this, different quarters will have different profit and loss figures. Overall PWF for the year should remain equivalent to 1. PWF for the first quarter was less than 1 (0.62 for the first quarter) which caused reduction in monthly CPP revenue. In next quarter, the PWF will be more than 1 and Capacity will be adjusted substantially to cover the shortfall of this quarter.

In lieu of the above, Net profit during the period comes to Rs. 2 million resulting in an Earning per share for the period is Rs. 0.01 as against loss of Rs. 100 million (even this loss figure of Rs. 100 million is in fact not a loss: The financial position of the Company has not deteriorated at all although apparently the books say so. You may kindly note that in earlier years after COD, expenses against the major overhaul of the plant were charged/accrued annually based on the actual operating hours of the plant in that year. This accumulation of accruals was done for around 6 years (a major overhaul comes after around 6 years) and when the time would come for the payment, the payment would be made without booking further expense as the expenses had already been accrued. This accounting treatment was changed in the year 2022 considering the relevant opinion issued by the Institute of Chartered Accountants of Pakistan with reference to the International Accounting Standards. The standards disallowed the accrual and instead, it was stated that all the expenses may be borne at the time of the actual payment. Resultantly, accruals charged in the previous years were reversed and the same amount was incurred as payment in the year ended December 2023. Therefore, it was just a replacement in the years only. There was zero effect in actual on the actual results of the company.

3.2 Exemptions from applicability of accounting and reporting requirements

3.1.1 IFRS 9 "Financial Instruments"

Securities and Exchange Commission of Pakistan ("SECP") through S.R.O 1177 (I)/2021 dated September 13, 2021 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP), the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model shall not be applicable till June 30, 2022 provided that such companies shall follow relevant requirements of IAS-39 'Financial Instruments Recognition and measurement' in respect of above referred financial assets during the exemption period. However, SECP through S.R.O 67(i)/202, has further the exemption till December 31, 2024.

3.1.2 IFRS 16 "Leases"

Control of the Company's plant due to purchase of total output by CPPA-G and other arrangement under the Power Purchase Agreement (PPA) was classified as a lease under IFRIC 4 "Determining whether an Arrangement Contains a Lease" which due to exemption available to the Company were not accounted for as a lease in prior years. After applicability of IFRS-16, the Company's arrangement with CPPA-G falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 02, 2019 has extended the earlier exemption from IFRIC-4 to all companies, which have entered into power purchase arrangements before January 01, 2019. The Company signed its PPA with CPPA-G on April 30, 2007, accordingly, requirement of lease accounting relating to the Company's arrangement with CPPA-G are not applicable to the Company.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

4 MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

The preparation of these consolidated condensed interim financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements made by the management in the preparation of these consolidated condensed interim financial statements are the same as those used in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

5 MAINTENANCE RESERVE

Overhauls of the complex are at certain intervals based on Factored Fired Hours (operating hours) as per terms and details of the O&M Agreement. The amount of such overhauls has been calculated on the basis of operating hours as in the above sentence and such amount has been appropriated to Maintenance Reserve through statement of changes in equity. After completion of specific operating hours, the amount will be transferred from maintenance reserve and the same amount will be charged to cost of sales.

6 TRADE AND OTHER PAYABLES

6.1 This includes amounts due to related party amounting to Rs. 6.9 million (December 31, 2023: Rs. 9 million) on account of procurement of supplies.

6.2 This also includes amounts due to related party amounting to Rs. 26.9 million (December 31, 2023: Rs. 3.8 million) on account of staff retirement benefits.

7 SUBORDINATED LOAN - UNSECURED

Balance at January 01
Exchange (gain) / loss capitalised during the period / year
Repayment during the period / year

Un-audited March 31, 2024	Audited December 31, 2023
(Rupees)	
730,519,567	586,951,826
(8,967,656)	195,147,385
(81,183,473)	(51,579,644)
<u>640,368,438</u>	<u>730,519,567</u>

7.1 Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2023.

8 MARKUP ACCRUED

Markup on sub-ordinated loan
Markup on short term financing

Un-audited March 31, 2024	Audited December 31, 2023
(Rupees)	
920,640,871	922,460,244
440,707,931	468,098,005
<u>1,361,348,802</u>	<u>1,390,558,249</u>

9 UNCLAIMED AND UNPAID DIVIDEND

This includes Rs. 92 million (December 31, 2023: Rs. 92 million) payable at the period end due to pending State bank of Pakistan's approval for dividend remittance outside Pakistan.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Un-audited March 31, 2024	Audited December 31, 2023
	(Rupees)	
10 DISCONTINUED OPERATIONS		
<i>Liabilities directly associated with the asset held for sale;</i>		
Gratuity payable	-	-
Loan from related party	-	-
Trade and other payables	-	-
Provision for taxation	35,880,223	92,702,974
	35,880,223	92,702,974
<i>Assets held for sale;</i>		
Advance tax	31,823,831	75,177,330
Short term investment	1,332,363,724	1,292,161,647
Cash and bank balances	463,285	775,766
Goodwill	11,530,918	11,530,918
	1,376,181,758	1,379,645,661
	Un-audited Mar 31, 2024	Un-audited Mar 31, 2023
	(Rupees)	
<i>Profit / (loss) for the period</i>		
Other income	63,159,391	315,501
Administrative expenses	(150,528)	(21,901)
Finance cost	-	(2,700,000)
Provision for taxation	(9,650,015)	-
Profit / (loss) for the period	53,358,848	(2,406,400)
<i>Other comprehensive income / (loss) for the period</i>		
Profit / (loss) for the year	53,358,848	(2,406,400)
Remeasurement of defined benefit liability	-	-
Total comprehensive income / (loss)	53,358,848	(2,406,400)
<i>Cash flows generated from / (used in)</i>		
Net cash used in operating activities	(33,769,795)	(85,073)
Net cash generated from / (used in) investing activities	73,659,391	(5,524,629)
Net cash generated from financing activities	-	5,000,000
Net cashflows for the period	39,889,596	(609,702)

11 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceeding annual financial statements of the Company for the year ended December 31, 2023 except for the following:

- In respect of Sui Northern Gas Pipeline Limited (SNGPL)'s claim on account of late payment by the Company against invoices of Regasified Liquefied Natural Gas (RLNG) has increased to Rs. 125.30 million (December 31, 2023: Rs. 124.52 million).

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

		Un-audited March 31, 2024	Audited December 31, 2023
		(Rupees)	
12	PROPERTY, PLANT AND EQUIPMENT		
	Balance at January 01	11,302,149,549	11,710,519,365
	Balance at January 01	10,862,567,248	11,302,149,549
	Additions during the period / year	2,504,652	736,000
	Net book value of assets disposed off	-	(157,223)
	Depreciation for the period / year	(160,505,840)	(635,308,463)
	Capitalization of exchange (gain) / loss	(8,967,656)	195,147,385
	Balance at March 31 / December 31	10,695,598,404	10,862,567,248
13	LOAN TO ASSOCIATED COMPANY - unsecured		
	Saif Textile Mills Limited	13.1	13.1
		900,981,000	492,300,000

13.1 Details of long term loan provided are same as disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

13.2 During the period, the Board of Directors of the Company in their meeting held on March 21, 2024 recommended to the shareholders for their approval to provide an unsecured running finance facility. Subsequent to the period end, shareholders of the Company in their Extra Ordinary General Meeting held on April 15, 2024 approved an unsecured running finance facility of Rs. 1.5 billion in favor of Saif Textile Mills Limited. The running finance facility is renewable every year by mutual consent and approval of the shareholders.

		Un-audited March 31, 2024	Audited December 31, 2023
		Rupees	
14	TRADE DEBTS - secured		
	Considered good	13.1	13.1
		9,062,113,809	9,159,264,055

14.1 Trade debts, including delayed payment charges, are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

Apart from the information already disclosed in financial statements for the year ended December 31, 2023, following are the major event or transaction pertaining to trade debts:

- Trade debts include unbilled receivable amount of Rs. 1.235 billion (December 31, 2023: Rs. 0.989 billion) at the period end.
- The aging of trade debts at the reporting date was:

	March 31, 2024	December 31, 2023
		Rupees
Not past due	1,783,448,151	1,764,730,961
Past due 0 - 60 days	597,511,316	1,242,667,845
Past due 61 - 120 days	797,284,926	2,831,143,177
Past due 121 - 180 days	1,434,297,367	3,320,722,072
181 days and above	4,449,572,049	-
	9,062,113,809	9,159,264,055

15 OTHER RECEIVABLES

15.1 Other receivable includes Rs. 35.4 million (December 31, 2023: Rs. 13.8 million) receivable from Saif Textile Mills Limited, a related party, on account of interest accrued on long term loan for first quarter of 2024.

15.2 This also includes amounts due from related parties amounting to Rs. 19 million (December 31, 2023: Rs. 0.68 million) on account of payments made on behalf of these related parties.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
16 TURNOVER - NET		
Gross Energy Purchase Price	22,388,250	1,210,249,808
Less: Sales Tax	(3,415,157)	(179,445,356)
	18,973,093	1,030,804,452
Capacity Purchase Price	1,045,461,504	1,024,208,132
	1,064,434,597	2,055,012,584

17 EARNING PER SHARE

Basic Earnings per share has been calculated by dividing the profit attributable to equity holders of the Group by weighted average number of ordinary shares in issue during the period.

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
Profit / (loss) for the period, attributable to :		
- continuing operations	2,141,485	(100,056,251)
- discontinued operations	51,430,215	(2,224,700)
	53,571,700	(102,280,951)
Weighted average number of ordinary shares - numbers	386,471,779	386,471,779
Earnings / (loss) per share in rupees - Basic and Diluted		
- continuing operations	0.01	(0.26)
- discontinued operations	0.13	(0.01)
	0.14	(0.27)

18 CASH AND CASH EQUIVALENTS

Short term investments	1,361,102,664	34,262,446
Bank balances	1,210,217	653,813,689
Cash and cash equivalents in the statement of cash flows	1,362,312,881	688,076,135

19 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act 2017, information is disclosed resultant of Company being shariah compliant as per Islamic Index;

	Un-audited March 31, 2024	Audited December 31, 2023
	Rupees	
Short term running finance facilities - as per Islamic mode	3,289,140,145	5,199,139,517
Finance cost on Islamic mode of financing	182,803,180	875,789,409

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Limited, Bank Islami Pakistan Limited and Bank Alfalah (Islamic) Limited.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FIRST QUARTER ENDED MARCH 31, 2024

20 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amounts of all financial assets and financial liabilities are estimated to approximate their fair values.

21 RELATED PARTY TRANSACTIONS

Details of transactions with related parties during the period, other than those which have been disclosed in note 6, 7, 8, 9, 12, 14 and 15 of these unconsolidated condensed interim financial statements, are as follows:

Nature of relationship	Nature of transaction	Un-audited Mar 31, 2024	Un-audited Mar 31, 2023
			Rupees
Associated companies / Related Parties	- Reimbursement of expenses incurred by the company	316,463	-
	- Procurement of supplies	21,039,451	-
	- Payment against procurement of supplies	26,850,370	-
	- Donations	2,100,000	2,650,000
	- Interest received on loan	13,882,386	-
Key management	- Directors' fee	425,000	325,000
	- Managerial remunerations and other benefit	22,446,616	26,002,766

22 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the balances in condensed interim statement of financial position have been compared with the balances of annual audited financial statements of the preceding financial year, whereas the amounts in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

23 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These condensed interim financial statements were approved and authorized for issue by the Board of Directors in their meeting held on April 26, 2024.


Chief Financial Officer


Chief Executive Officer


Director



SAIF POWER LIMITED

1st Floor, Kashmir Commercial Complex (KCC),
Fazal-ul-Haq Road, Block E, Blue Area, Islamabad.

Tel: +92-51-2271378-83, Fax: +92-51-2277670

www.saifpower.com