



SAIF POWER LIMITED

A Saif Group Company

Condensed Interim Financial Information

For Six Months Ended
June 30, 2021

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Board of Directors

Mrs. Hoor Yousafzai	Chairperson
Mr. Javed Saifullah Khan	Director
Mr. Osman Saifullah Khan	Director
Mr. Assad Saifullah Khan	Director
Mr. Rana Muhammad Shafi	Director
Mr. Naved Abid Khan	Independent Director
Miss. Saima Akbar Khattak	Independent Director

Audit Committee

Mr. Naved Abid Khan	Chairman
Mr. Osman Saifullah Khan	Member
Mr. Rana Muhammad Shafi	Member

Human Resource and Remuneration Committee

Mr. Naved Abid Khan	Chairman
Mrs. Hoor Yousafzai	Member
Mr. Assad Saifullah Khan	Member

Management

Mr. Sohail H. Hydari
Chief Executive Officer

Mr. Hammad Mahmood
Chief Financial Officer

Mr. Ghias Ul Hassan
GM Power Plant

Mr. Waseemullah
Company Secretary

Auditors

M/s KPMG Taseer Hadi & Co.
Chartered Accountants
State Life Building No. 6,
Jinnah Avenue, Islamabad.

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, Karachi.
Tel: +92-21- 35310191-6,
Email: sfc@thk.com.pk

Banks & Financial Institutions

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited (Islamic Banking)
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
Summit Bank Limited
The Bank of Punjab
United Bank Limited

Plant Location

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

DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE HALF YEAR ENDED JUNE 30, 2021

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 half year ended June 30, 2021.

SUMMARY OF FINANCIAL PERFORMANCE

Turnover of the Company was Rs. 6,397 million as compared to Rs. 4,318 million for the same period last year. Dispatch level was 38.79% as compared to 18.58% during the same period last year. Net profit during the period was Rs. 781 million as against Rs. 1,455 million for the comparable period of 2020. Earnings per share (EPS) for the period is Rs.2.02 (2020: Rs. 3.76).

PENDING ISSUES

In the case against M/s Sui Northern Gas Pipelines Limited (SNGPL), after the arbitration award in Company's favour for an amount of Rs. 270.66 million (dispute 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. SNGPL had challenged the award both in civil court and in Lahore High Court (LHC). The LHC dismissed the petition of SNGPL. Supreme Court of Pakistan has also disposed-off the appeal. The Company has already adjusted the awarded amount as above against payables to SNGPL.

During the year 2019, SNGPL filed a suit for recovery of the adjusted amount before District Judge (Invested with Powers of the Gas Utility Court), Lahore including claim for markup amount of Rs. 136.14 million from the date of such adjustment and also filed a request for Arbitration before the London Court of International Arbitration (LCIA). In its submission to LCIA, SNGPL has claimed markup amount of Rs. 236.47 million from the date of such adjustment. The Company's position is that no amount is payable to SNGPL and in any case, LCIA Arbitration is the only competent forum to decide on this case. During the year ended December 31, 2020, arbitrator was appointed by LCIA. The hearing is scheduled in October 2021.

In the case against Power Purchaser, the Arbitrator has awarded Rs. 477.56 million in Company's favour along with related costs. The Company has filed a petition in Lahore High Court for its enforcement. Power Purchaser has also challenged the partial final award and final award in Civil Court, Lahore, which is pending adjudication. Further, during the period, as detailed in note 13.2 to the financial statements, both parties have decided to resolve the matter.

FINANCIAL HIGHLIGHTS-STANDALONE

	Six Months Ended	
	June 30, 2021 (PKR-Million)	June 30, 2020 (PKR-Million)
Turnover	6,397	4,318
Operating Cost	5,219	2,221
Net Profit *	781	1,455
Earnings per Share*	2.02	3.76

* The long term loan was paid off entirely in March 2020.

FINANCIAL HIGHLIGHTS-CONSOLIDATED

	Six Months Ended	
	June 30, 2021 (PKR-Million)	June 30, 2020 (PKR-Million)
Turnover	6,397	4,318
Operating Cost	5,219	2,221
Net Profit	780	1,453

OPERATIONAL HIGHLIGHTS

	Unit	Six Months Ended	
		June 30, 2021	June 30, 2020
Dispatch Level	%	38.79	18.58
Capacity made available	GWHS	881	878

RECEIVABLES FROM POWER PURCHASER

During the period, the Company's receivables increased by Rs. 1,791 million but the Company has adequate working capital lines to sustain the operations. As detailed in note 13 to the financial statements, Company has signed agreements and payment of receivables is an integral part of such agreements. The Company is hopeful that payment will be received soon, which will improve the liquidity position of the Company.

INVESTMENT IN SAIF CEMENT LIMITED (SCL)

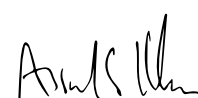
During the period, the Board of Directors of SCL decided to disinvest from the project through sale of land and other assets due to current oversupply conditions and capacity expansion by brownfield companies in the cement sector. The Board of Directors of the Company also approved the proposal for such sale of land and other assets of SCL. The same was approved by shareholders of the Company in the Extra Ordinary General Meeting held on June 26, 2021. However, sale of assets will be completed after signing and executing various agreements between SCL and the buyer. SCL is currently in process of finalisation of draft agreements.

ACKNOWLEDGEMENTS

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



Mr. Assad Saifullah
Director

Islamabad
August 26, 2021

مالیاتی جھلکیاں (مستحکم):

چھ ماہ کے اختتام پر	30 جون 2021ء	30 جون 2020ء
..... روپے ملین میں		
کاروبار	6,397	4,318
آپریٹنگ کے اخراجات	5,219	2,221
خالص منافع *	780	1,453

آپریٹنگ کارکردگی:

چھ ماہ کے اختتام پر	یونٹ	30 جون 2021ء	30 جون 2020ء
تربیل کا لیول	فیصدی	38.79	18.58
میسر گیگا واٹ آؤٹ پٹ	گیگا واٹ آؤٹ	881	878

پاور خریدار سے وصولیاں:

اس عرصے کے دوران کمپنی کی قابل وصول رقم میں 1791 ملین روپے کا اضافہ ہوا۔ کمپنی کے پاس کارکردگی کو برقرار رکھنے کے لیے مناسب کپیٹل لائسنز موجود ہیں۔ جیسا کہ مالیاتی بیانات کے نوٹ 13 میں بیان کیا گیا ہے، کمپنی نے معاہدوں پر دستخط کیے ہیں اور وصولیوں کی ادائیگی ان معاہدوں کا لازمی حصہ ہے۔ کمپنی پر امید ہے کہ ادائیگی جلد موصول ہو جائے گی جس سے کمپنی کی لیکیویٹی پوزیشن بہتر ہوگی۔

سیف سینٹ لیٹنڈ (SCL) میں سرمایہ کاری:

اس عرصے کے دوران SCL کے بورڈ آف ڈائریکٹرز نے سینٹ سیفٹر میں براؤن فیلڈ کمپنیوں کی موجودہ ضرورت سے زیادہ حالات اور صلاحیت میں اضافے کی وجہ سے زمین اور دیگر اثاثوں کی فروخت کے ذریعے اس پروجیکٹ سے سرمایہ نکالنے کا فیصلہ کیا ہے۔ کمپنی کے بورڈ آف ڈائریکٹرز نے SCL کی زمین اور دیگر اثاثوں کی اس طرح فروخت کی تجویز کی بھی منظوری دی ہے۔ کمپنی کے حصص یافتگان نے 26 جون 2021ء کو ہونے والے ایک غیر معمولی عام اجلاس میں اس کی منظوری دی ہے۔ SCL فی الحال معاہدوں کے مسودے کو حتمی شکل دینے کے عمل میں ہے۔

اظہار تشکر:

کمپنی کے ڈائریکٹرز اپنے کسٹمرز، سپلائرز، مالیاتی اداروں، ریگولیٹرز اور دیگر تمام اسٹیک ہولڈرز کو اس مدت کے دوران ان کے تعاون اور مدد کے لیے ان کی تعریف کرنا چاہتے ہیں۔ ڈائریکٹرز، کمپنی کے ملازمین کی طرف سے مسلسل پیش کی گئی خدمات، وفاداری اور کوششوں کے لیے اپنی گہری تعریف کا اظہار کرنا چاہتے ہیں اور امید کرتے ہیں کہ وہ مستقبل میں بھی ایسا ہی کریں گے۔

بورڈ آف ڈائریکٹرز کی نیابت سے:

Asim Ishaq

جناب اسد سیف اللہ

ڈائریکٹر

اسلام آباد

26 اگست، 2021ء

بورڈ آف ڈائریکٹرز (BOD)، 30 جون 2021ء کو ختم ہونے والے ششماہی سال کے لیے طے عبوری مالیاتی بیانات پر کمپنی کی مالی اور آپریٹنگ کارکردگی کا مختصر جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔

مالی کارکردگی کا خلاصہ:

اس عرصہ کے دوران آپ کی کمپنی کا کاروبار 6,397 ملین روپے تھا جبکہ گزشتہ سال اتنے ہی عرصہ کے دوران یہ کاروبار 4,318 ملین روپے تھا۔ تربیل کا لیول 38.79 فیصد رہا جو کہ گزشتہ سال اتنے ہی عرصہ کے دوران 18.58 فیصد تھا۔ اس مدت کے دوران خالص منافع 781 ملین روپے تھا جو کہ 2020ء میں اتنے ہی دورانیے کے لیے 1,455 ملین روپے تھا۔ اس دورانیے میں فی حصص آمدنی 2.02 روپے رہی (جو کہ 2020 میں 3.76 روپے تھی)۔

زیر التوا مسائل:

میسر سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) کے خلاف مقدمہ میں، کمپنی کے حق میں 270.66 ملین روپے (جس میں 239.68 ملین روپے کی متنازع رقم 30.98 ملین روپے کے متعلقہ اخراجات شامل ہیں) کے ثالثی ایوارڈ کے بعد کمپنی نے ثالثی ایوارڈ کے عوض قابل نفاذ حکم نامہ کے حصول کے لیے سول کورٹ لاہور میں ایک درخواست بھی درج کی ہے۔ SNGPL نے اس ایوارڈ کو سول کورٹ اور لاہور ہائیکورٹ دونوں میں چیلنج کیا۔ لاہور ہائی کورٹ نے SNGPL کی جانب سے دائر درخواست خارج کر دی۔ سپریم کورٹ آف پاکستان نے بھی اس اپیل کو خارج کر دیا ہے۔ کمپنی نے سوئی ناردرن گیس پائپ لائن کو قابل ادارہ قومی کے معاملے میں یہ رقم پہلے ہی ایڈجسٹ کر دی ہے۔

سال 2019ء کے دوران، SNGPL نے ایڈجسٹ کی گئی رقم کی بازیابی کے لیے ڈسٹرکٹ جج (گیس پولیٹیکنی کورٹ کے اختیارات کے حامل) لاہور کے سامنے مقدمہ دائر کیا، جس میں اس طرح کی ایڈجسٹمنٹ کی تاریخ سے 136.14 ملین روپے کی مارک اپ کی رقم کا دعویٰ بھی شامل ہے، اور اس نے لندن عدالت برائے بین الاقوامی ثالثی (LCIA) کے سامنے ثالثی کی درخواست بھی دائر کی ہے۔ LCIA کو درخواست جمع کروانے میں، SNGPL نے اس طرح کی ایڈجسٹمنٹ کی تاریخ سے 236.47 ملین روپے کی مارک اپ کی رقم کا دعویٰ کیا ہے۔ کمپنی کا موقف ہے کہ SNGPL کی کوئی رقم قابل ادائیگی نہیں ہے اور کسی بھی صورت میں، LCIA ثالثی اس مقدمے کا فیصلہ کرنے کا واحد قابل فورم ہے۔ 31 دسمبر 2020ء کو ختم ہونے والے سال کے دوران، LCIA کی طرف سے ثالث مقرر کیا گیا تھا۔ سماعت اکتوبر 2021ء میں شیڈول ہے۔

پاور خریدار کے خلاف مقدمہ میں، ثالث نے کمپنی کے حق میں متعلقہ اخراجات کے ساتھ ساتھ 477.56 ملین روپے ایوارڈ کیے ہیں۔ کمپنی نے اس کے نفاذ کے لیے لاہور ہائی کورٹ میں درخواست دی ہے۔ پاور خریدار نے جزدی ایوارڈ اور فائنل ایوارڈ کو سول کورٹ لاہور میں بھی چیلنج کیا ہے، جس کا فیصلہ زیر سماعت ہے۔ مزید برآں، اسی دوران، جیسا کہ مالی بیانات کے نوٹ 13.2 میں تفصیل سے بتایا گیا ہے، دونوں فریقوں نے معاملہ حل کرنے کا فیصلہ کیا ہے۔

مالیاتی جھلکیاں (خود مختار):

چھ ماہ کے اختتام پر	30 جون 2021ء	30 جون 2020ء
..... روپے ملین میں		
کاروبار	6,397	4,318
آپریٹنگ کے اخراجات	5,219	2,221
خالص منافع *	781	1,455
فی حصص آمدنی *	2.02	3.76

* طویل مدتی قرض مکمل طور پر مارچ 2020ء میں ادا کیا گیا۔

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SAIF POWER LIMITED REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Saif Power Limited as at 30 June 2021 and the related 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, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries. Primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards, as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three-month period ended 30 June 2021 and 30 June 2020, in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' report is Inam Ullah Kakra.



Islamabad
26 August 2021

KPMG Taseer Hadi & Co.
Chartered Accountants

Condensed Interim Unconsolidated Financial Statements

For Six Months Ended June 30, 2021

SAIF POWER LIMITED

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

		Un-audited June 30, 2021	Audited December 31, 2020
	Note	(Rupees)	
Share Capital and Reserves			
Share capital	4	3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		11,882,831,069	12,067,738,798
Total equity		15,747,548,859	15,932,456,588
Liabilities			
Sub-ordinated loan	5	454,994,488	554,615,715
Lease liabilities	6	39,279,184	42,511,916
Non-current liabilities		494,273,672	597,127,631
Trade and other payables		1,739,661,557	851,121,908
Short term borrowings	7	7,721,205,721	6,973,705,255
Current portion of non-current liabilities		428,004,888	430,320,820
Markup accrued	8	637,297,936	621,543,627
Unclaimed dividend		14,441,215	12,942,851
Current liabilities		10,540,611,317	8,889,634,461
Total liabilities		11,034,884,989	9,486,762,092
Total equity and liabilities		26,782,433,848	25,419,218,680
Contingencies and commitments			
	9		
Assets			
Property, plant and equipment	10	11,912,944,432	12,232,028,625
Right of use assets	11	57,705,111	54,863,722
Investment in subsidiary	12	789,178,640	784,774,230
Long term deposits		3,463,750	2,904,800
Non-current assets		12,763,291,933	13,074,571,377
Advance income tax		6,671,488	6,305,746
Stock in trade - HSD		293,095,822	169,300,404
Trade debts	13	13,154,115,813	11,363,291,153
Other receivables	14	541,137,208	614,823,548
Advances	15	3,750,390	105,740,465
Trade deposits and short term prepayments	16	4,915,222	71,688,212
Bank balances	17	15,455,972	13,497,775
Current assets		14,019,141,915	12,344,647,303
Total assets		26,782,433,848	25,419,218,680

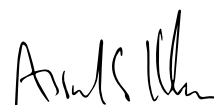
The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2021

		Three months ended		Six months ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	Note	(Rupees)			
Turnover - net	18	4,650,772,506	2,633,578,251	6,396,624,678	4,317,610,073
Cost of sales	19	(4,069,350,593)	(1,823,081,136)	(5,219,505,861)	(2,220,860,859)
Gross profit		581,421,913	810,497,115	1,177,118,817	2,096,749,214
Other income		385,188	14,695	593,717	218,667
Administrative expenses		(43,651,584)	(46,731,968)	(79,302,268)	(81,441,531)
Finance cost		(212,315,889)	(206,142,969)	(317,138,547)	(560,743,322)
Profit for the period		325,839,628	557,636,873	781,271,719	1,454,783,028
Earnings per share - basic and diluted		0.84	1.44	2.02	3.76

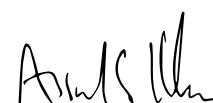
The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

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

FOR SIX MONTHS ENDED JUNE 30, 2021

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	(Rupees)			
Profit for the period	325,839,628	557,636,873	781,271,719	1,454,783,028
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	325,839,628	557,636,873	781,271,719	1,454,783,028

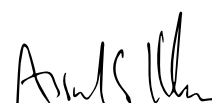
The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

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

FOR SIX MONTHS ENDED JUNE 30, 2021

	Note	June 30, 2021	June 30, 2020
		(Rupees)	
Cash flows from operating activities			
Profit for the period		781,271,719	1,454,783,028
Adjustments for:			
Provision for staff retirement benefits - gratuity		4,139,430	4,485,404
Depreciation	10	303,308,633	304,190,424
Depreciation - Right of use assets	11	7,352,381	6,177,756
Finance cost		317,138,547	560,743,322
Gain on disposal of property, plant and equipment		(135,520)	(216,759)
Insurance claim		(73,000)	(1,908)
Profit on deposit accounts		(385,158)	-
		1,412,617,032	2,330,161,267
Changes in:			
Stock in trade		(123,795,418)	3,557,805
Trade debts		(1,790,824,660)	(1,532,475,813)
Other receivable		73,686,340	655,782,562
Advances		101,990,075	97,130,672
Trade deposits and prepayments		66,772,990	61,172,356
Trade and other payables		884,793,761	(294,192,912)
Cash generated from operating activities		625,240,120	1,321,135,937
Income taxes (paid)/ refunded		(365,742)	492,797
Finance cost paid		(301,384,238)	(573,752,341)
Staff retirement benefits paid		(393,541)	(9,275,095)
Net cash generated from operating activities		323,096,599	738,601,298
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	(340,000)	(20,943)
Acquisition of right of use assets		(608,855)	(166,782)
Increase in long term deposits		(558,950)	(255,500)
Proceeds from sale of property, plant and equipment		362,242	527,316
Investment in subsidiary	12	(4,404,410)	(31,987,153)
Insurance claim received		73,000	1,908
Profit on deposit accounts		385,158	-
Net cash used in investing activities		(5,091,815)	(31,901,154)
Cash flows from financing activities			
Repayment of long term financing	5	(90,200,028)	(836,491,850)
Dividend paid		(964,681,084)	(776,314,303)
Short term borrowings - net	7	747,500,466	1,033,712,113
Lease liabilities paid	6	(8,665,941)	(6,518,960)
Net cash used in financing activities		(316,046,587)	(585,613,000)
Net increase in cash and cash equivalents		1,958,197	121,087,144
Cash and cash equivalents at beginning of the period		13,497,775	671,074
Cash and cash equivalents at end of the period		15,455,972	121,758,218

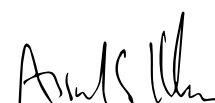
The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR SIX MONTHS ENDED JUNE 30, 2021

	Share capital	Unappropriated profit-revenue reserve (Rupees)	Total equity
Balance as at January 01, 2020 (Audited)	3,864,717,790	10,943,280,351	14,807,998,141
Profit for the period	-	1,454,783,028	1,454,783,028
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	1,454,783,028	1,454,783,028
Transactions with owners of the Company			
Distributions			
Final dividend 2019@ Rs. 2 per share	-	(772,938,558)	(772,938,558)
Balance as at June 30, 2020 (Un-audited)	3,864,717,790	11,625,124,821	15,489,842,611
Balance as at January 01, 2021 (Audited)	3,864,717,790	12,067,738,798	15,932,456,588
Profit for the period	-	781,271,719	781,271,719
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	781,271,719	781,271,719
Transactions with owners of the Company			
Distributions			
Final dividend 2020@ Rs. 2.50 per share	-	(966,179,448)	(966,179,448)
Balance as at June 30, 2021 (Un-audited)	3,864,717,790	11,882,831,069	15,747,548,859

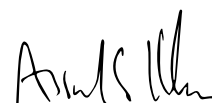
The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

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 Despatch Company (NTDC) has been replaced with CPPA-G as Power Purchaser.

2 BASIS OF PREPARATION

These condensed interim unconsolidated financial statements of the Company for six months ended June 30, 2021 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;
- 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.

The disclosures in these condensed interim unconsolidated financial statements do not include the information reported in annual financial statements and should therefore be read in conjunction with the financial statements of the Company for the year ended December 31, 2020.

These condensed interim unconsolidated financial statements are separate financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment loss, if any.

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.

2.1 Exemptions from applicability of accounting and reporting requirements

2.1.1 IFRS-9 "Financial Instruments"

SECP through S.R.O 985 (I)/2019 dated September 2, 2019 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, 2021 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. SECP has also clarified to certain companies that financial assets due from GoP include those that are directly due from GoP and that are ultimately due from GoP in consequence of circular debt. IFRS-9 introduces the ECL model, which replaces the incurred loss model of IAS-39 whereby an allowance for doubtful debt was required only in circumstances where a loss event has occurred. By contrast, the ECL model requires the Company to recognize an allowance for doubtful debt on all financial assets measured at amortised cost, irrespective of whether a loss event has occurred. In accordance with the exemption granted by SECP, ECL has not been assessed in respect of financial assets due directly/ ultimately from GoP i.e. trade debts and other receivables from NTDC. Impact of ECL on financial assets not covered under exemption was not material and accordingly has not been included in these financial statements.

2.1.2 IFRS-16 "Leases"

Control of the Company's plant due to purchase of total output by NTDC 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 NTDC falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 2, 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 NTDC on April 30, 2007, accordingly, requirement of lease accounting relating to the Company's arrangement with NTDC are not applicable to the Company.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

3 SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2020 except for changes described below. The changes in accounting policies are also expected to be reflected in the Company's financial statements as at and for the year ending December 31, 2021.

- (a) Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) effective from January 1, 2021. These relate to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; hedge accounting; and disclosures. The Phase 2 amendments apply only to changes required by the interest rate benchmark reform to financial instruments and hedging relationships. Based on practical expedient provided in the said amendments, there will be no impact on the Company's financial statements.
- (b) COVID-19-Related Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16) effective from April 01, 2021. The purpose of this amendment is to provide practical relief for lessees in accounting for rent concessions.

3.1 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after July 01, 2021:

- (a) Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after January 01, 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- (b) The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after January 01, 2022.
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

- (c) Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after January 01, 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

- (d) Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 01, 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- (e) Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after January 01, 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- (f) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after January 01, 2023 with earlier application permitted.

- (g) Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after January 01, 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.”
- (h) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after January 01, 2023 with earlier application permitted.
- (i) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

The above amendments are not expected to have a material impact on the Company's financial statements.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
4 SHARE CAPITAL		
4.1 Authorized share capital		
405,000,000 (December 31, 2020: 405,000,000) ordinary shares of Rs.10 each	4,050,000,000	4,050,000,000
4.2 Issued, subscribed and paid-up capital		
386,471,779 (December 31, 2020: 386,471,779) ordinary shares of Rs.10 each fully paid in cash	3,864,717,790	3,864,717,790
4.3 Saif Holdings Limited holds 135,021,262 i.e. 34.94% (December 31, 2020: 197,272,619 i.e. 51.04%) ordinary shares of Rs.10 each at the reporting date. Further, 25,465,350 (December 31, 2020: 12,552) and 100 (December 31, 2020: 100) ordinary shares of Rs. 10 each are held by directors and a related party respectively. Orastar Limited held 66,022,504 (December 31, 2020: 66,022,504) ordinary shares of the Company.		

During the period, Saif Holdings Limited has distributed 62,250,857 shares held in the Company, as dividend in kind to its shareholders.

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
5 SUB-ORDINATED LOAN - UNSECURED		
Balance at January 01	970,578,622	1,071,637,650
Exchange (gain)/ loss capitalised	(15,888,838)	42,596,486
Repayment during the period/ year	(90,200,028)	(143,655,514)
	864,489,756	970,578,622
Current portion of subordinated loan	(409,495,268)	(415,962,907)
Balance at June 30/ December 31	454,994,488	554,615,715

5.1 Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2020.

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
6 LEASE LIABILITIES		
Lease liabilities	57,788,804	56,869,829
Less: Current portion	(18,509,620)	(14,357,913)
Long term portion	39,279,184	42,511,916
Movement of lease liabilities under IFRS 16 is as follows:		
Balance at January 01	56,869,829	54,119,049
Addition during the period/ year	9,584,916	13,766,339
Interest	2,476,679	5,281,361
Payments during the period/ year	(11,142,620)	(16,296,920)
Balance at June 30/ December 31	57,788,804	56,869,829
Current portion of lease liabilities	(18,509,620)	(14,357,913)
Non-Current Portion of Lease Liabilities	39,279,184	42,511,916

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

		Un-audited June 30, 2021	Audited December 31, 2020
7	SHORT TERM BORROWINGS		
	Note	(Rupees)	
	7.1	3,870,756,871	3,893,487,815
	7.2	3,850,448,850	3,080,217,440
		<u>7,721,205,721</u>	<u>6,973,705,255</u>

7.1 The Company has obtained working capital facilities amounting to Rs. 8.33 billion (December 31, 2020: Rs. 8.63 billion) from several commercial banks for meeting the working capital requirements, expiring on various dates during 2021. The facilities are secured by way of mortgage charge on fuel stocks inventory and energy payment receivables up to Rs. 12.24 billion (December 31, 2020: Rs. 12.24 billion) and subordinated / ranking charge on all present and future fixed assets and properties of the Company for an amount of Rs. 0.92 billion (December 31, 2020: Rs. 0.92 billion).

7.2 The Company has obtained short term Islamic finance facilities from Islamic banks subject to a maximum limit of Rs. 4.8 billion (December 31, 2020: Rs. 4.8 billion). The facilities are secured by pari passu / ranking charge on fuel stock and energy purchase price receivables of the Company up to Rs. 6.36 billion (December 31, 2020: Rs. 6.36 billion) and subordinated / ranking charge on all present and future fixed assets and properties of the Company up to Rs. 0.72 billion (December 31, 2020: Rs. 0.72 billion).

7.3 Letters of credit/guarantee

Letters of guarantee amounting to Rs. 3.92 billion (December 31, 2020: Rs. 4.22 billion) are available to the Company. These facilities are secured against the ranking charge over all present and future fixed assets amounting to Rs. 6.18 billion (December 31, 2020: Rs. 6.58 billion).

	Un-audited June 30, 2021	Audited December 31, 2020
8	MARKUP ACCRUED	(Rupees)
	164,591,729	142,717,536
	472,706,207	478,826,091
	<u>637,297,936</u>	<u>621,543,627</u>

9 CONTINGENCIES AND COMMITMENTS

All contingencies and commitments are same as those disclosed in financial statements for the year ended December 31, 2020 except that the contingent liability in respect of Sui Northern Gas Pipelines Limited (SNGPL)'s claim on account of late payment by the Company against SNGPL's invoices of Regasified Liquefied Natural Gas (RLNG) has increased to Rs. 102.61 million (December 31, 2020: Rs. 100.24 million).

	Un-audited June 30, 2021	Audited December 31, 2020
10	PROPERTY, PLANT AND EQUIPMENT	(Rupees)
	12,232,028,625	12,799,939,113
	340,000	701,057
	(226,722)	(1,473,371)
	(303,308,633)	(609,734,660)
	(15,888,838)	42,596,486
	<u>11,912,944,432</u>	<u>12,232,028,625</u>

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

	Un-audited June 30, 2021	Audited December 31, 2020
11 RIGHT OF USE ASSETS	(Rupees)	
COST		
Balance at January 1	84,427,105	69,694,214
Additions	10,193,770	14,732,891
Balance at June 30/ December 31	94,620,875	84,427,105
DEPRECIATION		
Balance at January 01	29,563,383	16,696,814
Charge for the period/ year	7,352,381	12,866,569
Balance at June 30/ December 31	36,915,764	29,563,383
Carrying amount	57,705,111	54,863,722
Rate of depreciation per annum (%)	10% to 20%	10% to 20%
12 INVESTMENT IN SUBSIDIARY		
Shares of Saif Cement Limited	789,178,640	784,774,230

12.1 This represents equity investment in Saif Cement Limited ("SCL"). The Company, during the period, acquired additional 440,441 fully paid ordinary shares of Rs. 10 each. The Company held 96.39% of the issued share capital of SCL as at June 30, 2021.

12.2 During the period, the Board of Directors of the Company approved the proposal for sale of land and other assets of SCL. The same was approved by the shareholders in the Extra Ordinary General Meeting held on June 26, 2021. However, sale of assets will be completed after signing and executing various agreements between SCL and the buyer. SCL is currently in process of finalisation of draft agreements.

	Un-audited June 30, 2021	Audited December 31, 2020
13 TRADE DEBTS	(Rupees)	
	Note	
National Transmission and Dispatch Company (NTDC)	13.1	11,363,291,153

13.1 Trade debts include an overdue amount of Rs. 9.98 billion (December 31, 2020: Rs. 9.59 billion). The Company considers this amount to be fully recoverable because this is secured by way of guarantee issued by the Government of Pakistan (GoP) under the Implementation Agreement (IA). Additionally, trade debts are subject to markup on delayed payments under Power Purchase Agreement (PPA) at the rate of KIBOR + 4.5% per annum except RLNG fuel invoices which are subject to markup of KIBOR + 2% per annum for first 30 days, and after which markup will be KIBOR+4.5% per annum. GoP is committed, hence continuously pursuing for satisfactory settlement of debt issue. As referred in note 2.1.1, SECP has exempted the applicability of expected credit loss allowance on trade debts due directly/ ultimately from GoP.

Further to the disclosure made in financial statements for the year ended December 31, 2020 regarding execution of agreements between the Company, CPPA-G and NTDC, CPPA-G submitted revised tariff to NEPRA (related to ROE and ROEDC). The revised tariff was approved by NEPRA on April 2, 2021. However, this revised tariff as determined by NEPRA on April 2, 2021 as well as other revised agreement terms, including sharing of fuel and O&M savings, one-time detailed heat rate test and application of delayed payment rate are conditional upon payment of first installment of 40% as per the revised agreement, which the Government of Pakistan has not yet paid.

Additionally, Arbitration Tribunal to decide the matter related to alleged excess profits has not been constituted yet.

13.2 In 2012, an amount of Rs. 477.56 million (December 31, 2020: Rs. 477.56 million) relating to capacity purchase price was not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

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

Sole arbitrator appointed by LCIA issued a partial final award on June 08, 2017 wherein it was inter alia held that the expert

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

determination is final and binding. Thereafter, a final award was issued by the sole arbitrator on October 29, 2017 pursuant to which NTDC was ordered to pay Rs. 477.56 million along with cost of proceedings and interest from the date of expert determination till payment by NTDC after Arbitrator decision to the Company. The Company filed petition before Lahore High Court for enforcement of partial final award and final award on June 17, 2017 and November 30, 2017 respectively, which proceedings are pending till date. NTDC has also challenged the partial final award and final award in Civil Court, Lahore.

On February 11, 2021, PPA Amendment has been signed between CPPA-G and the Company whereby CPPA-G and the Company have resolved the outstanding LCIA Award amicably and in good faith, according to which, the current Agreement Year (i.e. the 11th agreement year originally ending on April 30, 2021) has been extended by the disputed period of 43 days through Other Force Majeure Event (OFME). Such OFME period has commenced from the end of the 11th Agreement Year i.e. April 30, 2021 and has ended on June 11, 2021. Accordingly, Company has invoiced for OFME period to CPPA and CPPA has acknowledged the same. In consideration of this settlement and payment of first instalment of 40% under the 'Payment Mechanism' of the Master Agreement, both parties have agreed to file a joint application before Lahore High Court for withdrawal of enforcement proceedings.

13.3 During the year ended December 31, 2016, an amount of Rs. 239.68 million relating to capacity purchase price not acknowledged by NTDC was adjusted by the Company against payable to SNGPL pursuant to award in favour of the Company for the whole amount by the LCIA. SNGPL disputed the adjustment/set off amount of Award in the Lahore High Court, however, the Court dismissed such petition of SNGPL. Thereafter, SNGPL filed appeal before the Supreme Court of Pakistan which, disposed off the appeal by stating that the judgement of the Lahore High Court, to the extent it decides on merits, the question of the Company's right to set off is set aside (without prejudice to the rights of the parties). SNGPL also challenged the award in Civil Court, Lahore, on April 21, 2016, which is pending adjudication. On June 07, 2016, the Company filed a petition in the Civil Court Lahore to obtain a Decree in lieu of the arbitration award and also adjusted an amount of Rs. 270.66 million (inclusive of the aforementioned amount of Rs. 239.68 million) from payable to SNGPL as such amount was allowed by the LCIA in its award. SNGPL has filed a suit for recovery before District Judge, Lahore (invested with Powers of the Gas Utility Court) on March 01, 2019 against this adjustment including a claim for markup from the date of such adjustment and also has filed a request for arbitration before LCIA on March 22, 2019. In its submission to LCIA on March 06, 2020, SNGPL has claimed adjusted amount of Rs. 270.66 million and markup amount of Rs. 236.47 million from the date of such adjustment. The Company's position is that no amount is payable to SNGPL and in any case, LCIA Arbitration is the only competent forum to decide on this case. During the year ended December 31, 2020, arbitrator was appointed by LCIA. The hearing is scheduled in October 2021.

		Un-audited June 30, 2021	Audited December 31, 2020
		(Rupees)	
14 OTHER RECEIVABLES			
Workers' Profit Participation Fund (WPPF) receivable		340,029,952	452,513,669
Sales tax receivable - net		198,100,545	160,490,674
Other receivables		3,006,711	1,819,205
		541,137,208	614,823,548
15 ADVANCES - considered good			
Advances to suppliers	15.1	3,572,491	105,480,499
Advances to employees		177,899	259,966
		3,750,390	105,740,465
15.1	These include advance payment to SNGPL amounting to Rs. Nil (December 31, 2020: 101.61 million).		
16 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Prepayments		-	67,214,352
Security deposit		1,833,000	1,833,000
Current portion of long term deposits		3,082,222	2,640,860
		4,915,222	71,688,212
17 BANK BALANCES			
Current accounts			
Local currency		162,210	156,134
Deposit accounts			
Local currency		14,983,398	13,026,440
Foreign currency	17.1	310,364	315,201
		15,293,762	13,341,641
		15,455,972	13,497,775

17.1 This represents an amount of USD 1,966 (December 31, 2020: USD 1,966) in US Dollar deposit account.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
18 TURNOVER - NET	(Rupees)			
Gross Energy Purchase Price	4,409,734,328	1,688,451,120	5,290,139,001	1,692,134,806
Less: Sales tax	(640,730,630)	(245,330,504)	(768,652,679)	(245,865,740)
	3,769,003,698	1,443,120,616	4,521,486,322	1,446,269,066
Capacity Purchase Price	881,768,808	1,190,457,635	1,875,138,356	2,871,341,007
	4,650,772,506	2,633,578,251	6,396,624,678	4,317,610,073
19 COST OF SALES				
Raw material consumed	3,517,892,579	1,320,068,863	4,228,686,505	1,323,699,904
Operation and maintenance	320,070,260	274,060,256	522,311,443	442,749,533
Salaries and other benefits	22,356,784	18,779,046	36,661,888	33,172,227
Electricity charges	6,970,325	12,483,973	28,632,810	26,486,737
Insurance expense	49,374,134	45,007,929	98,211,593	90,015,857
Depreciation	151,223,163	152,097,764	302,691,230	303,532,765
Office expenses	346,532	316,013	730,996	592,354
Travelling, conveyance and entertainment	440,122	229,777	866,642	562,676
Repair and maintenance	665,603	17,900	680,814	17,900
Communication	11,091	19,615	31,940	30,906
	4,069,350,593	1,823,081,136	5,219,505,861	2,220,860,859

20 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Fair value measurement

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

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

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

A. Accounting classifications and fair values

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

		Carrying Amount			Fair value			
		Amortised cost	Amortised cost	Total	Level 1	Level 2	Level 3	Total
June 30, 2021	Note				(Rupees)			
Financial assets measured at fair value		-	-	-	-	-	-	-
Financial assets not measured at fair value	20.2							
Long term deposits		6,545,972	-	6,545,972	-	-	-	-
Trade debts	20.3	13,154,115,813	-	13,154,115,813	-	-	-	-
Other receivables	20.4	343,036,663	-	343,036,663	-	-	-	-
Advances to employees		177,899	-	177,899	-	-	-	-
Security deposits		1,833,000	-	1,833,000	-	-	-	-
Bank balances		15,455,972	-	15,455,972	-	-	-	-
Total		13,521,165,319	-	13,521,165,319	-	-	-	-
Financial liabilities not measured at fair value	20.2							
Sub-ordinated loan		-	864,489,756	864,489,756	-	-	-	-
Lease liabilities		-	57,788,804	57,788,804	-	-	-	-
Trade and other payables	20.5	-	1,736,999,313	1,736,999,313	-	-	-	-
Short term borrowings		-	7,721,205,721	7,721,205,721	-	-	-	-
Markup accrued		-	637,297,936	637,297,936	-	-	-	-
Unclaimed dividend		-	14,441,215	14,441,215	-	-	-	-
Total		-	11,032,222,745	11,032,222,745	-	-	-	-
December 31, 2020								
Financial assets measured at fair value		-	-	-	-	-	-	-
Financial assets not measured at fair value	20.2							
Long term deposits		5,545,660	-	5,545,660	-	-	-	-
Trade debts	20.3	11,363,291,153	-	11,363,291,153	-	-	-	-
Other receivables	20.4	454,332,874	-	454,332,874	-	-	-	-
Advances to employees		259,966	-	259,966	-	-	-	-
Security deposits		1,833,000	-	1,833,000	-	-	-	-
Bank balances		13,497,775	-	13,497,775	-	-	-	-
Total		11,838,760,428	-	11,838,760,428	-	-	-	-
Financial liabilities not measured at fair value	20.2							
Sub-ordinated loan		-	970,578,622	970,578,622	-	-	-	-
Lease liabilities		-	56,869,829	56,869,829	-	-	-	-
Trade and other payables	20.5	-	848,007,635	848,007,635	-	-	-	-
Short term borrowings		-	6,973,705,255	6,973,705,255	-	-	-	-
Markup accrued		-	621,543,627	621,543,627	-	-	-	-
Unclaimed dividend		-	12,942,851	12,942,851	-	-	-	-
Total		-	9,483,647,819	9,483,647,819	-	-	-	-

20.2 The Company has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value, except as disclosed in 20.3 below.

20.3 As explained in note 2.1.1, the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model are not be applicable to the Company till June 30, 2021. Additionally, as mentioned in note 13.1, trade debts are subject to markup on delayed payments under Power Purchase Agreement (PPA) at the rate of KIBOR + 4.5% per annum except RLNG fuel invoices which are subject to markup of KIBOR + 2% per annum for first 30 days, and after which markup will be KIBOR+4.5% per annum. The only difference in relation to fair valuation pertains to the interest on interest component as there is no interest on the overdue amounts of the accrued interest mentioned in note 13.1. This is covered by the aforesaid exemption related to ECL.

20.4 This excludes sales tax receivable.

20.5 This excludes withholding tax payable.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

21 RELATED PARTY TRANSACTIONS

Related parties comprise of Saif Holdings Limited, Saif Cement Limited, directors, key management personnel, entities over which directors are able to exercise significant influence and major shareholders. Balances and other arrangements with Orastar Limited have been disclosed in note 4.3, 5 and 8 to the financial statements. Transactions and balances with related parties other than those disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

	Un-audited Six months ended	
	June 30, 2021	June 30, 2020
	(Rupees)	
Transactions with related parties		
Saif Holdings Limited - Associated Company (34.94% shareholding-common directorship)		
Dividend	337,554,405	394,545,238
Saif Textile Limited - Associated Company (Common directorship)		
Dividend	250	200
Akbar Kare Institution - Associated Company (Common directorship)		
Donation made by the Company	3,000,000	3,000,000
Wadaan Foundation - Associated Company (Common directorship)		
Donation made by the Company	1,110,000	-
Key Management Personnel		
Directors' meeting fee	650,000	400,000
Dividend to Directors	63,663,375	27,004
Remuneration including benefits and perquisites	35,799,810	32,561,299
Other Related Party		
Contribution to Saif Power Limited - Staff Gratuity Fund	393,541	9,275,095
	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
Balances with related parties		
Payable to Saif Power Limited- Staff Gratuity Fund	4,139,430	393,541

22 OTHER

In July 2012, the Company along with other Independent Power Producers (IPPs) received a notice for inspection of its books of accounts under section 231 of the Companies Ordinance, 1984. The Company along with other IPPs filed Constitutional Petitions in High Courts and stay order was granted to the IPPs for same. Subsequently, hearings were also conducted in High Courts. The Honourable Lahore High Court accepted the Writ Petitions and decided the case in favour of IPPs in Writ Petition No. 20088/2012 along with other connected petitions vide judgment dated January 18, 2016. Last hearing related to this matter was conducted in the Honourable Islamabad High Court in May 2017. Thereafter, the case has not been fixed for hearing.

23 DATE OF AUTHORISATION

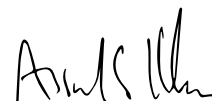
These condensed interim unconsolidated financial statements were approved and authorized for issue by the Board of Directors in their meeting held on August 26, 2021.



Chief Financial Officer



Chief Executive Officer



Director

Condensed Interim Consolidated Financial Statements

For The Six Months
Ended June 30, 2021

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	Un-audited June 30, 2021	Audited December 31, 2020
		(Rupees)	
Share Capital and Reserves			
Share capital	4	3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		11,873,897,744	12,060,290,827
Equity attributable to the owners of the Company		15,738,615,534	15,925,008,617
Non controlling interests		28,826,794	28,869,270
Total equity		15,767,442,328	15,953,877,887
Liabilities			
Sub-ordinated loan	5	454,994,488	554,615,715
Lease liabilities	6	40,483,027	45,574,922
Deferred liability - gratuity		2,159,360	1,643,000
Non-current liabilities		497,636,875	601,833,637
Trade and other payables		1,761,874,150	923,921,649
Short term borrowings	7	7,724,928,365	6,973,705,255
Current portion of non-current liabilities		428,648,453	431,555,916
Markup accrued	8	637,297,936	621,543,627
Unclaimed dividend		14,441,215	12,942,851
Current liabilities		10,567,190,119	8,963,669,298
Total liabilities		11,064,826,994	9,565,502,935
Total equity and liabilities		26,832,269,322	25,519,380,822
Contingencies and commitments	9		
Assets			
Property, plant and equipment	10	12,706,698,461	13,018,595,920
Right of use assets	11	59,409,310	59,283,390
Project transaction costs		11,253,607	59,560,432
Goodwill		11,530,918	11,530,918
Long term deposits		3,463,750	2,904,800
Non-current assets		12,792,356,046	13,151,875,460
Advance income tax		16,346,368	15,933,692
Stock in trade - HSD		293,095,822	169,300,404
Trade debts	12	13,154,115,813	11,363,291,153
Other receivables	13	541,137,208	614,823,548
Advances	14	3,750,390	105,740,465
Trade deposits and short term prepayments	15	4,915,222	71,688,212
Bank balances	16	26,552,453	26,727,888
Current asset		14,039,913,276	12,367,505,362
Total assets		26,832,269,322	25,519,380,822

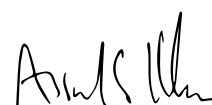
The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2021

		Three months ended		Six months ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	Note	(Rupees)			
Turnover - net	17	4,650,772,506	2,633,578,251	6,396,624,678	4,317,610,073
Cost of sales	18	(4,069,350,593)	(1,823,081,136)	(5,219,505,861)	(2,220,860,859)
Gross profit		581,421,913	810,497,115	1,177,118,817	2,096,749,214
Other income		515,397	228,379	879,653	746,410
Administrative expenses		(44,747,007)	(47,609,885)	(80,950,852)	(83,264,391)
Finance cost		(212,401,554)	(206,378,226)	(317,313,189)	(561,271,535)
Profit for the period		324,788,749	556,737,383	779,734,429	1,452,959,698
Profit/ (loss) attributable to:					
- Owners of the Company		324,826,784	556,770,841	779,790,135	1,453,027,519
- Non-controlling interests		(38,035)	(33,458)	(55,706)	(67,821)
		324,788,749	556,737,383	779,734,429	1,452,959,698

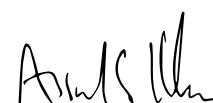
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Chief Financial Officer



Chief Executive Officer



Director

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

FOR SIX MONTHS ENDED JUNE 30, 2021

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	(Rupees)			
Profit for the period	324,788,749	556,737,383	779,734,429	1,452,959,698
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	324,788,749	556,737,383	779,734,429	1,452,959,698
Total comprehensive income attributable to:				
- Owners of the Company	324,826,784	556,770,841	779,790,135	1,453,027,519
- Non-controlling interests	(38,035)	(33,458)	(55,706)	(67,821)
	324,788,749	556,737,383	779,734,429	1,452,959,698

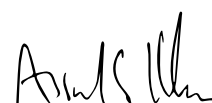
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Chief Financial Officer



Chief Executive Officer



Director

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

FOR SIX MONTHS ENDED JUNE 30, 2021

	Note	June 30, 2021	June 30, 2021
		(Rupees)	
Cash flows from operating activities			
Profit for the period		779,734,429	1,452,959,698
Adjustments for:			
Provision for staff retirement benefits - gratuity		4,139,430	4,485,404
Depreciation	10	303,457,835	304,376,538
Depreciation - Right of use assets	11	8,142,049	7,041,106
Finance cost		317,313,189	561,271,535
Gain on disposal of property, plant and equipment		(57,128)	(216,759)
Insurance claim		(73,000)	-
Profit on deposit accounts		(385,158)	(1,908)
Return on investments		(285,936)	(527,743)
		1,411,985,710	2,329,387,871
Changes in:			
Stock in trade		(123,795,418)	3,557,805
Trade debts		(1,790,824,660)	(1,532,475,813)
Other receivable		73,686,340	655,782,562
Advances		101,990,075	97,255,672
Trade deposits and prepayments		66,772,990	61,172,356
Trade and other payables		834,206,614	(287,916,519)
Cash generated from operating activities		574,021,651	1,326,763,934
Income taxes (paid)/ refunded		(412,676)	431,668
Finance cost paid		(301,558,880)	(574,280,554)
Deferred liability - gratuity		516,360	(1,359,420)
Staff retirement benefits paid		(393,541)	(9,275,095)
Net cash generated from operating activities		272,172,914	742,280,533
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	(7,675,936)	(34,153,706)
Acquisition of right of use assets		(608,855)	(166,782)
Increase in long term deposits		(558,950)	(255,500)
Proceeds from sale of property, plant and equipment		362,242	527,316
Movement in Project Transaction cost		48,306,825	(3,252,247)
Insurance claim received		73,000	-
Profit on deposit accounts		385,158	1,908
Return on investments - receipt		285,936	527,743
Net cash generated/ (used) in investing activities		40,569,420	(36,771,268)
Cash flows from financing activities			
Repayment of long term financing	5	(90,200,028)	(836,491,850)
Dividends paid		(964,681,084)	(776,314,303)
Short term borrowings - net	7	751,223,110	1,033,712,113
Receipt against issuance of shares of the Subsidiary Company		9,460	1,150,270
Lease liabilities paid	6	(9,269,227)	(7,264,778)
Net cash generated used in financing activities		(312,917,769)	(585,208,548)
Net decrease in cash and cash equivalents		(175,435)	120,300,717
Cash and cash equivalents at beginning of the period		26,727,888	14,152,249
Cash and cash equivalents at end of the period		26,552,453	134,452,966

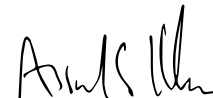
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Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR SIX MONTHS ENDED JUNE 30, 2021

	Share capital	Unappropriated profit-revenue reserve	Non-Controlling interest	Total equity
	(Rupees)			
Balance as at January 01, 2020 (Audited)	3,864,717,790	10,939,558,934	27,802,426	14,832,079,150
Profit for the period	-	1,453,027,519	(67,821)	1,452,959,698
Other comprehensive income for the period	-	-	-	-
	-	1,453,027,519	(67,821)	1,452,959,698
Transaction with owners of the Company				
Distributions				
Final dividend 2019@ Rs. 2 per share	-	(772,938,558)	-	(772,938,558)
Changes in ownership interests				
Consideration paid by NCI for acquisition of shares	-	-	1,150,270	1,150,270
Disposal of share to NCI without a change in control	-	-	-	-
Total changes in ownership interests	-	-	1,150,270	1,150,270
Total transactions with owners of the Company	-	(772,938,558)	1,150,270	(771,788,288)
Balance as at June 30, 2020 (Un-audited)	3,864,717,790	11,619,647,895	28,884,875	15,513,250,560
Balance as at January 01, 2021 (Audited)	3,864,717,790	12,060,290,827	28,869,270	15,953,877,887
Profit for the year	-	779,790,135	(55,706)	779,734,429
Other comprehensive income for the year	-	-	-	-
	-	779,790,135	(55,706)	779,734,429
Transaction with owners of the Company				
Distributions				
Final dividend 2020@ Rs. 2.50 per share	-	(966,179,448)	-	(966,179,448)
Changes in ownership interests				
Consideration paid by NCI for acquisition of shares	-	-	9,460	9,460
Acquisition of share from NCI without change in control	-	(3,770)	3,770	-
Total changes in ownership interests	-	(3,770)	13,230	9,460
Total transactions with owners of the Company	-	(966,183,218)	13,230	(966,169,988)
Balance as at June 30, 2021 (Un-audited)	3,864,717,790	11,873,897,744	28,826,794	15,767,442,328

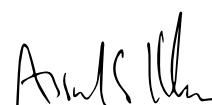
The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

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 Company has amended its Implementation Agreement on February 11, 2021 whereby National Transmission and Despatch Company (NTDC) has been replaced with CPPA-G as Power Purchaser.

The Group consists of Saif Power Limited (the Company) and Saif Cement 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 National Transmission and Dispatch Company (NTDC).

Subsidiary:

Saif Cement Limited (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 Subsidiary Company is engaged in the construction of Greenfield Cement Production Plant of 6,500 tons per day clinker production line on an EPC Turnkey Contracting Basis near D.I. Khan, Khyber Pakhtunkhwa province. Thereafter, the principal business of the Subsidiary Company will be production and sale of cement.

During the period, the Board of Directors of the Company approved the proposal for sale of land and other assets of the Subsidiary Company. The same was approved by the shareholders in the Extra Ordinary General Meeting held on June 26, 2021. However, sale of assets will be completed after signing and executing various agreements between the Subsidiary Company and the buyer. The Subsidiary Company is currently in process of finalisation of draft agreements.

2 BASIS OF PREPARATION

These condensed interim consolidated 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 condensed interim consolidated 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 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.

The disclosures in these condensed interim consolidated financial statements do not include the information reported in annual financial statements and should therefore be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2020.

These condensed interim consolidated 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.

2.1 Exemptions from applicability of accounting and reporting requirements

2.1.1 IFRS-9 "Financial Instruments"

SECP through S.R.O 985 (I)/2019 dated September 2, 2019 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, 2021 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. SECP has also clarified to certain companies that financial assets due from GoP include those that are directly due from GoP and that are

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2021

ultimately due from GoP in consequence of circular debt. IFRS-9 introduces the ECL model, which replaces the incurred loss model of IAS-39 whereby an allowance for doubtful debt was required only in circumstances where a loss event has occurred. By contrast, the ECL model requires the Company to recognize an allowance for doubtful debt on all financial assets measured at amortised cost, irrespective of whether a loss event has occurred. In accordance with the exemption granted by SECP, ECL has not been assessed in respect of financial assets due directly/ ultimately from GoP i.e. trade debts and other receivables from NTDC. Impact of ECL on financial assets not covered under exemption was not material and accordingly has not been included in these financial statements.

2.1.2 IFRS-16 “Leases”

Control of the Company's plant due to purchase of total output by NTDC 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 NTDC falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 2, 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 NTDC on April 30, 2007, accordingly, requirement of lease accounting relating to the Company's arrangement with NTDC are not applicable to the Company.

3 SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2020 except for changes described below. The changes in accounting policies are also expected to be reflected in the Company's financial statements as at and for the year ending December 31, 2021.

- (a) Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) effective from January 1, 2021. These relate to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; hedge accounting; and disclosures. The Phase 2 amendments apply only to changes required by the interest rate benchmark reform to financial instruments and hedging relationships. Based on practical expedient provided in the said amendments, there will be no impact on the Company's financial statements.
- (b) COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) effective from April 01, 2021. The purpose of this amendment is to provide practical relief for lessees in accounting for rent concessions.

3.1 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2021:

- (a) Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprises the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- (b) The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique
- (c) Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment

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to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- (d) Reference to the Conceptual Framework (Amendments to IFRS 3) - Reference to the Conceptual Framework, issued in May 2020, amended paragraphs 11, 14, 21, 22 and 23 of and added paragraphs 21A, 21B, 21C and 23A to IFRS 3. An entity shall apply those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.
- (e) Classification of liabilities as current or non-current (Amendments to IAS 1) amendments apply retrospectively for the annual periods beginning on or after 1 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- (f) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
 - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
 - clarifying that not all accounting policies that relate to material transactions, Other events or conditions are themselves material to a company's financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- (g) Definition of Accounting Estimates (Amendments to IAS 8) – The amendments introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments."
- (h) Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- (i) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – The amendment amends accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

The above amendments are not expected to have any material impact on the Company's financial statements.

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FOR SIX MONTHS ENDED JUNE 30, 2021

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
4 SHARE CAPITAL		
4.1 Authorized share capital		
405,000,000 (December 31, 2020: 405,000,000) ordinary shares of Rs.10 each	4,050,000,000	4,050,000,000
4.2 Issued, subscribed and paid-up capital		
386,471,779 (December 31, 2020: 386,471,779) ordinary shares of Rs.10 each fully paid in cash	3,864,717,790	3,864,717,790

- 4.3** Saif Holdings Limited holds 135,021,762 i.e. 34.94% (December 31, 2020: 197,272,619 i.e. 51.04%) ordinary shares of Rs.10 each at the reporting date. Further, 25,465,350 (December 31, 2020: 12,552) and 100 (December 31, 2020: 100) ordinary shares of Rs. 10 each are held by directors and a related party respectively. Orastar Limited held 66,022,504 (December 31, 2020: 66,022,504) ordinary shares of the Company.

During the period, Saif Holdings Limited has distributed 62,250,860 shares held in the Company, as dividend in kind to its shareholders.

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
5 SUB-ORDINATED LOAN - UNSECURED		
Balance at January 01	970,578,622	1,071,637,650
Exchange (gain)/ loss capitalised	(15,888,838)	42,596,486
Repayment during the period/ year	(90,200,028)	(143,655,514)
	864,489,756	970,578,622
Current portion of subordinated loan	(409,495,268)	(415,962,907)
Balance at June 30/ December 31	454,994,488	554,615,715

- 5.1** Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2020.

	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
6 LEASE LIABILITIES		
Lease liabilities	59,636,212	61,167,931
Less: Current portion	(19,153,185)	(15,593,009)
Long term portion	40,483,027	45,574,922
Movement of lease liabilities under IFRS 16 is as follows:		
Balance at January 01	61,167,931	62,181,777
Additions during the period/ year	9,584,916	13,766,339
Disposal during the period/ year	(1,847,408)	(2,198,227)
Interest	2,651,321	6,088,227
Payments during the period/ year	(11,920,548)	(18,670,185)
Balance at June 30/ December 31	59,636,212	61,167,931
Current portion of lease liabilities	(19,153,185)	(15,593,009)
Non-Current Portion of Lease Liabilities	40,483,027	45,574,922

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FOR SIX MONTHS ENDED JUNE 30, 2021

		Un-audited June 30, 2021	Audited December 31, 2020
11 RIGHT OF USE ASSETS			(Rupees)
<u>COST</u>			
Balance at January 1		91,243,902	79,919,410
Additions		10,193,770	14,732,891
Disposals		(3,408,399)	(3,408,399)
Balance at June 30/ December 31		98,029,273	91,243,902
<u>DEPRECIATION</u>			
Balance at January 01		31,960,512	18,401,013
Charge for the period / year		8,142,049	14,695,632
Disposals		(1,482,598)	(1,136,133)
Balance at June 30/ December 31		38,619,963	31,960,512
Carrying amount		59,409,310	59,283,390
Rate of depreciation per annum (%)		10% to 20%	10% to 20%
12 TRADE DEBTS	Note		
National Transmission and Dispatch Company (NTDC)	12.1	13,154,115,813	11,363,291,153

12.1 Trade debts include an overdue amount of Rs. 9.98 billion (December 31, 2020: Rs. 9.59 billion). The Company considers this amount to be fully recoverable because this is secured by way of guarantee issued by the Government of Pakistan (GoP) under the Implementation Agreement (IA). Additionally, trade debts are subject to markup on delayed payments under Power Purchase Agreement (PPA) at the rate of KIBOR + 4.5% per annum except RLNG fuel invoices which are subject to markup of KIBOR + 2% per annum for first 30 days, and after which markup will be KIBOR+4.5% per annum. GoP is committed, hence continuously pursuing for satisfactory settlement of debt issue. As referred in note 2.1.1, SECP has exempted the applicability of expected credit loss allowance on trade debts due directly/ ultimately from GoP.

Further to the disclosure made in financial statements for the year ended December 31, 2020 regarding execution of agreements between the Company, CPPA-G and NTDC, CPPA-G submitted revised tariff to NEPRA (related to ROE and ROEDC). The revised tariff was approved by NEPRA on April 2, 2021. However, this revised tariff as determined by NEPRA on April 2, 2021 as well as other revised agreement terms, including sharing of fuel and O&M savings, one-time detailed heat rate test and application of delayed payment rate are conditional upon payment of first installment of 40% as per the revised agreement, which the Government of Pakistan has not yet paid. Additionally, Arbitration Tribunal to decide the matter related to alleged excess profits has not been constituted yet.

12.2 In 2012, an amount of Rs. 477.56 million (December 31, 2020: Rs. 477.56 million) relating to capacity purchase price was not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

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

Sole arbitrator appointed by LCIA issued a partial final award on June 08, 2017 wherein it was inter alia held that the expert determination is final and binding. Thereafter, a final award was issued by the sole arbitrator on October 29, 2017 pursuant to which NTDC was ordered to pay Rs. 477.56 million along with cost of proceedings and interest from the date of expert determination till payment by NTDC after Arbitrator decision to the Company. The Company filed petition before Lahore High Court for enforcement of partial final award and final award on June 17, 2017 and November 30, 2017 respectively, which proceedings are pending till date. NTDC has also challenged the partial final award and final award in Civil Court, Lahore.

On February 11, 2021, PPA Amendment has been signed between CPPA-G and the Company whereby CPPA-G and the Company have resolved the outstanding LCIA Award amicably and in good faith, according to which, the current Agreement Year (i.e. the

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11th agreement year originally ending on April 30, 2021) has been extended by the disputed period of 43 days through Other Force Majeure Event (OFME). Such OFME period has commenced from the end of the 11th Agreement Year i.e. April 30, 2021 and has ended on June 11, 2021. Accordingly, Company has invoiced for OFME period to CPPA and CPPA has acknowledged the same. In consideration of this settlement and payment of first instalment of 40% under the 'Payment Mechanism' of the Master Agreement, both parties have agreed to file a joint application before Lahore High Court for withdrawal of enforcement proceedings.

12.3 During the year ended December 31, 2016, an amount of Rs. 239.68 million relating to capacity purchase price not acknowledged by NTDC was adjusted by the Company against payable to SNGPL pursuant to award in favour of the Company for the whole amount by the LCIA. SNGPL disputed the adjustment/set off amount of Award in the Lahore High Court, however, the Court dismissed such petition of SNGPL. Thereafter, SNGPL filed appeal before the Supreme Court of Pakistan which, disposed off the appeal by stating that the judgement of the Lahore High Court, to the extent it decides on merits, the question of the Company's right to set off is set aside (without prejudice to the rights of the parties). SNGPL also challenged the award in Civil Court, Lahore, on April 21, 2016, which is pending adjudication. On June 07, 2016, the Company filed a petition in the Civil Court Lahore to obtain a Decree in lieu of the arbitration award and also adjusted an amount of Rs. 270.66 million (inclusive of the aforementioned amount of Rs. 239.68 million) from payable to SNGPL as such amount was allowed by the LCIA in its award. SNGPL has filed a suit for recovery before District Judge, Lahore (invested with Powers of the Gas Utility Court) on March 01, 2019 against this adjustment including a claim for markup from the date of such adjustment and also has filed a request for arbitration before LCIA on March 22, 2019. In its submission to LCIA on March 06, 2020, SNGPL has claimed adjusted amount of Rs. 270.66 million and markup amount of Rs. 236.47 million from the date of such adjustment. The Company's position is that no amount is payable to SNGPL and in any case, LCIA Arbitration is the only competent forum to decide on this case. During the year ended December 31, 2020, arbitrator was appointed by LCIA. The hearing is scheduled in October 2021.

		Un-audited June 30, 2021	Audited December 31, 2020
	Note	(Rupees)	
13 OTHER RECEIVABLES			
Workers' Profit Participation Fund (WPPF) receivable		340,029,952	452,513,669
Sales tax receivable - net		198,100,545	160,490,674
Other receivables		3,006,711	1,819,205
		541,137,208	614,823,548
14 ADVANCES - considered good			
Advances to suppliers	14.1	3,572,491	105,480,499
Advances to employees		177,899	259,966
		3,750,390	105,740,465
14.1 These include advance payment to SNGPL amounting to Rs. Nil (December 31, 2020: 101.61 million).			
15 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Prepayments		-	67,214,352
Security deposit		1,833,000	1,833,000
Current portion of long term deposits		3,082,222	2,640,860
		4,915,222	71,688,212
16 CASH AND BANK BALANCES			
Cash in hand		5,982	45,292
Cash at bank:			
Current accounts			
Local currency		726,391	2,814,639
Deposit accounts			
Local currency		14,983,398	13,026,440
Foreign currency	16.1	310,364	315,201
		15,293,762	13,341,641
Short term investment		10,526,318	10,526,316
		26,552,453	26,727,888

16.1 This represents an amount of USD 1,966 (December 31, 2020: USD 1,966) in US Dollar deposit account.

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	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
17 TURNOVER - NET	(Rupees)			
Gross Energy Purchase Price	4,409,734,328	1,688,451,120	5,290,139,001	1,692,134,806
Less: Sales tax	(640,730,630)	(245,330,504)	(768,652,679)	(245,865,740)
	3,769,003,698	1,443,120,616	4,521,486,322	1,446,269,066
Capacity Purchase Price	881,768,808	1,190,457,635	1,875,138,356	2,871,341,007
	4,650,772,506	2,633,578,251	6,396,624,678	4,317,610,073
18 COST OF SALES				
Raw material consumed	3,517,892,579	1,320,068,863	4,228,686,505	1,323,699,904
Operation and maintenance	320,070,260	274,060,256	522,311,443	442,749,533
Salaries and other benefits	22,356,784	18,779,046	36,661,888	33,172,227
Electricity charges	6,970,325	12,483,973	28,632,810	26,486,737
Insurance expense	49,374,134	45,007,929	98,211,593	90,015,857
Depreciation	151,223,163	152,097,764	302,691,230	303,532,765
Office expenses	346,532	316,013	730,996	592,354
Travelling, conveyance and entertainment	440,122	229,777	866,642	562,676
Repair and maintenance	665,603	17,900	680,814	17,900
Communication	11,091	19,615	31,940	30,906
	4,069,350,593	1,823,081,136	5,219,505,861	2,220,860,859

19 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Fair value measurement

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

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

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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A. Accounting classifications and fair values

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

		Carrying Amount			Fair value			
	Note	Amortised cost	Amortised cost	Total	Level 1	Level 2	Level 3	Total
					(Rupees)			
June 30, 2021								
Financial assets measured at fair value		-	-	-	-	-	-	-
Financial assets not measured at fair value								
Long term deposits	19.2	6,543,972	-	6,543,972	-	-	-	-
Trade debts	19.3	13,154,115,813	-	13,154,115,813	-	-	-	-
Other receivables	19.4	343,036,663	-	343,036,663	-	-	-	-
Advances to employees		177,899	-	177,899	-	-	-	-
Security deposits		1,833,000	-	1,833,000	-	-	-	-
Bank balances		26,552,453	-	26,552,453	-	-	-	-
Total		13,532,259,800	-	13,532,259,800	-	-	-	-
Financial liabilities not measured at fair value								
Sub-ordinated loan	19.2	-	864,489,756	864,489,756	-	-	-	-
Lease liabilities		-	59,636,212	59,636,212	-	-	-	-
Deferred liability - gratuity		-	2,159,360	2,159,360	-	-	-	-
Trade and other payables	19.5	-	1,759,211,906	1,759,211,906	-	-	-	-
Short term borrowings		-	7,724,928,365	7,724,928,365	-	-	-	-
Markup accrued		-	637,297,936	637,297,936	-	-	-	-
Unclaimed dividend		-	14,441,215	14,441,215	-	-	-	-
Total		-	11,062,164,750	11,062,164,750	-	-	-	-
December 31, 2020								
Financial assets measured at fair value		-	-	-	-	-	-	-
Financial assets not measured at fair value								
Long term deposits	19.2	5,545,660	-	5,545,660	-	-	-	-
Trade debts	19.3	11,363,291,153	-	11,363,291,153	-	-	-	-
Other receivables	19.4	454,332,874	-	454,332,874	-	-	-	-
Advances to employees		259,966	-	259,966	-	-	-	-
Security deposits		1,833,000	-	1,833,000	-	-	-	-
Bank balances		26,727,888	-	26,727,888	-	-	-	-
Total		11,851,990,541	-	11,851,990,541	-	-	-	-
Financial liabilities not measured at fair value								
Sub-ordinated loan	19.2	-	970,578,622	970,578,622	-	-	-	-
Lease liabilities		-	61,167,931	61,167,931	-	-	-	-
Deferred liability - gratuity		-	1,643,000	1,643,000	-	-	-	-
Trade and other payables	19.5	-	920,655,049	920,655,049	-	-	-	-
Short term borrowings		-	6,973,705,255	6,973,705,255	-	-	-	-
Markup accrued		-	621,543,627	621,543,627	-	-	-	-
Unclaimed dividend		-	12,942,851	12,942,851	-	-	-	-
Total		-	9,562,236,335	9,562,236,335	-	-	-	-

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

19.3 As explained in note 2.1.1, the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model are not be applicable to the Company till June 30, 2021. Additionally, as mentioned in note 12.1, trade debts are subject to markup on delayed payments under Power Purchase Agreement (PPA) at the rate of KIBOR + 4.5% per annum except RLNG fuel invoices which are subject to markup of KIBOR + 2% per annum for first 30 days, and after which markup will be KIBOR+4.5% per annum. The only difference in relation to fair valuation pertains to the interest on interest component as there is no interest on the overdue amounts of the accrued interest mentioned in note 12.1. This is covered by the aforesaid exemption related to ECL.

19.4 This excludes sales tax receivable.

19.5 This excludes withholding tax payable.

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20 RELATED PARTY TRANSACTIONS

Related parties comprise of Saif Holdings Limited, Saif Cement Limited, directors, key management personnel, entities over which directors are able to exercise significant influence and major shareholders. Balances and other arrangements with Orastar Limited have been disclosed in note 4.3, 5 and 8 to the financial statements. Transactions and balances with related parties other than those disclosed elsewhere in these condensed interim consolidated financial statements are as follows:

	Un-audited June 30, 2021	Un-audited June 30, 2021
	(Rupees)	
Transactions with related parties		
Saif Holdings Limited (34.94% shareholding-Common directorship)		
Dividend	337,554,405	394,545,238
Issuance of share capital against cash by Saif Cement Limited	-	1,084,060
Saif Textile Limited - Associated Company (Common directorship)		
Dividend	250	200
Akbar Kare Institution - Associated Company (Common directorship)		
Donation made by the Company	3,000,000	3,000,000
Wadaan Foundation - Associated Company (Common directorship)		
Donation made by the Company	1,110,000	-
Key Management Personnel		
Directors' meeting fee	650,000	400,000
Dividend to Directors	63,663,375	27,004
Remuneration including benefits and perquisites	35,799,810	32,561,299
Other Related Parties		
Contribution to Saif Power Limited - Staff Gratuity Fund	393,541	9,275,095
	Un-audited June 30, 2021	Audited December 31, 2020
	(Rupees)	
Balances with related parties		
Payable to Saif Power Limited - Staff Gratuity Fund	4,139,430	393,541

21 OTHER

In July 2012, the Company along with other Independent Power Producers (IPPs) received a notice for inspection of its books of accounts under section 231 of the Companies Ordinance, 1984. The Company along with other IPPs filed Constitutional Petitions in High Courts and stay order was granted to the IPPs for same. Subsequently, hearings were also conducted in High Courts. The Honourable Lahore High Court accepted the Writ Petitions and decided the case in favour of IPPs in Writ Petition No. 20088/2012 along with other connected petitions vide judgment dated January 18, 2016. Last hearing related to this matter was conducted in the Honourable Islamabad High Court in May 2017. Thereafter, the case has not been fixed for hearing.

22 DATE OF AUTHORISATION

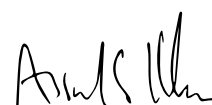
These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors in their meeting held on August 26, 2021.



Chief Financial Officer



Chief Executive Officer



Director



SAIF POWER LIMITED

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