KOHINOOR
ENERGY LIMITED

2024

ANNUAL REPORT

CONTENTS

CORPORATE INFORMATION

Board of Directors

Mr. M. Naseem Saigol
Chairman / Non-Executive
Mr. Muhammad Zeid Yousuf Saigol
Chief Executive Officer
Mr. Muhammad Murad Saigol
Executive
Syed Manzar Hassan
Non-Executive
Mr. Muhammad Omer Farooq
Independent
Ms. Sadaf Kashif
Independent
Mr. Faisal Riaz
Independent

Company Secretary
Khawaja Safee Sultan

Audit Committee
Mr. Muhammad Omer Farooq
Chairman
Syed Manzar Hassan
Ms. Sadaf Kashif

HR & Remuneration Committee
Mr. Faisal Riaz
Chairman
Mr. Muhammad Zeid Yousuf Saigol
Syed Manzar Hassan

Management
Mr. Muhammad Zeid Yousuf Saigol
Chief Executive Officer
Mr. Ghazanfar Ali Zaidi
General Manager Technical
Mr. Muhammad Ashraf
Chief Financial Officer

Auditors
A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor
LMA | Ebrahim Hosain

Bankers

Bank Alfalah Limited
Askari Bank Limited
AL Baraka Bank (Pakistan) Limited
Habib Bank Limited
MCB Bank Limited
Faysal Bank Limited
National Bank of Pakistan
Dubai Islamic Bank Pakistan Limited

Registered Office
301, 3RD Floor, Green Trust Tower,
Blue Area Islamabad, Pakistan.
Tel : +92-51-2813021-2
Fax : +92-51-2813023

Project/Head Office
Post Office Raja Jang, Near Tablighi Ijtima,
Raiwind Bypass, Lahore, Pakistan.
Tel : +92-42-35392317
Fax : +92-42-35393415-7

Shares Registrar
M/S. Corplink (Pvt.) Ltd.
Wings Arcade, 1-K,Commercial, Model Town,
Lahore, Pakistan.
Tel : +92-42-35839182, 35887262, 35916719
Fax : +92-42-35869037

Lahore Office
PEL Factory, 14-KM Ferozepur Road,
Lahore, Postcode 54760, Pakistan.
Tel : +92-42-35920117-8

Company Registration No.
0032461 of 1993-94

Company NTN
0656788-6

Website
www.kel.com.pk

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of shareholders of Kohinoor Energy Limited will be held on October 24, 2024 (Thursday) at 13:00 at Islamabad Club, Main Murree Road, Islamabad to transact the following business:

1. To confirm minutes of the Annual General Meeting held on October 25, 2023.
2. To receive and adopt the Annual Audited Accounts of the Company for the financial year ended June 30, 2024 alongwith Directors' and Auditors' Reports thereon.
3. To approve three interim dividends already paid @40% i.e. Rs. 4.00 per share, @55% i.e. Rs. 5.50 per share and @50% i.e. Rs. 5.00 per share making a total dividend @ 145% i.e. Rs. 14.50 per share for the financial year 2023-24.
4. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To elect seven directors as fixed by the Board of Directors in its meeting held on August 20, 2024 under Section 159 of the Companies Act, 2017 for a term of three years commencing from October 30, 2024. The retiring Directors are:

1. Mr. M. Naseem Saigol	2. Mr. Muhammad Zeid Yousuf Saigol
3. Mr. Muhammad Murad Saigol	4. Syed Manzar Hassan
5. Mr. Muhammad Omer Farooq	6. Ms. Sadaf Kashif
7. Mr. Faisal Riaz	

6. Any other business with the permission of the Chair

A Statement of material facts under section 166(3) of the Companies Act 2017 pertaining to the election of Directors is being sent to the shareholders alongwith this Notice.

By the order of the Board

Lahore:
September 25, 2024

(Khawaja Safee Sultan)
Company Secretary

Notes:

1. The share transfer books of the Company will remain closed from October 18, 2024 to October 24, 2024 (both days inclusive). Transfers received at our Share Registrar Office M/S CORPLINK (PVT) LIMITED situated at Wings Arcade, 1-K, Commercial, Model Town, Lahore upto the close of business hours on October 17, 2024 will be treated in time for determination of entitlement to attend and vote at the meeting.
2. A member eligible to attend and vote at this meeting may appoint his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must reach the Company's Head office situated at Near Tablighi Ijtima, Raiwind Bypass, Lahore, not less than 48 hours before the time for holding the. A member shall not be entitled to appoint more than one proxy. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company. The members through CDC are requested to bring original CNIC, A/C No. and Participant ID to produce at the time of attending the meeting. Shareholders are requested to immediately notify their change in address, if any to share registrar.

NOTICE OF ANNUAL GENERAL MEETING

3. As per Section 72 of the Companies Act, 2017, the shareholders having physical shares are requested to convert the shares into book-entry (CDC).

4. The Company's Annual Report 2024 can be accessed and downloaded from KEL's website using the following link or scanning the QR Code.

   https://kel.com.pk/ANNUAL%20REPORT%202024.pdf

5. **Participation in the AGM through Video link Facility**

   The SECP through its Circular No. 4 dated 15 February 2021 and Circular No. 6 dated 03 March 2021 has directed listed companies to arrange participation of shareholders in Annual General Meeting through Video Link Facility in addition to allowing physical attendance by the members. The members who are willing to attend and participate in the AGM can do so through video-link via smartphones, computers, tablets, etc. To attend the AGM through video-link, members are requested to get their following particulars registered by sending an email or WhatsApp at the number/address given below, at least 48 hours before the time of the AGM, and download at https://kel.com.pk/page-investor-information.

Name	Folio/CDS Account No.	CNIC No	Cell phone	Email

Signature of Member	

WhatsApp	0341-0780786	**Email**	j.manzoor@kel.com.pk

   Upon receipt of requests, the video-link login credentials will be shared with the interested shareholders on their email addresses or WhatsApp messages. The members can send their comments/suggestions related to the agenda items of the meeting through the above-mentioned means.

6. **E-Voting/ Voting by Postal Ballot**

   Pursuant to Companies (Postal Ballot) Regulations, 2018, for the purpose of election of directors, where in case number of contestants are more than the number of directors to be elected, members will be allowed to exercise their right to vote through postal ballot, that is voting by post in accordance with the requirements and procedures contained in the aforesaid Regulation

7. **Election of Directors**

   Any person who seeks to contest the election of directors shall file at Head Office of the Company, Near Tablighi Ijtima, Raiwind Bypass, Lahore, not later than 14 days before the day of the meeting, notice of his/her intention to offer himself/herself for election of directors together with:

   a) Consent to act as Director as required under Section 167(1) of the Companies Act, 2017.

   b) Consent to act as Director in Form-28, as prescribed under the Companies (General Provisions and Forms) Regulation, 2018;

   c) Declaration in respect of being complaint with requirements of the Code of Corporate Governance and the eligibility criteria as set out in the Section 153 of the Companies Act, 2017 to act as Director or an independent Director of a listed Company; and

   d) Detailed profile along with office addressed for placement onto the Company's website within 14 days prior to the date of election in terms of SRO dated December 10, 2015.

e) A director must be holding qualification share of the Company at the time of filing of his / her consent to act as director. The aforesaid qualification shall not be applicable for instances mentioned in Section 153(i) of the Act;

f) Attested copy of valid CNIC and NTN;

g) Independent director(s) will be elected through the process of election of director in terms of section 159 of the Act and he/she shall meet the criteria laid down in Section 166 of the Act, the Companies (Manner and Selection of Independent Directors) Regulations 2018 and Guide Book on Corporate Governance and Frequently Asked Question June 5, 2020, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an independent director:

- Declaration by independent director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019;
- Undertaking on non-judicial stamp paper that he / she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018;
- The Final list of contesting directors will be circulated not later than seven days before the date of said meeting, in term of section 159 (4). Further, the website of the Company will be updated with the required information.

h) In election of Directors, voting shall be held for three categories: (i) Female Director, (ii) Independent Directors, (iii) Other Directors

THE STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT 2017

Independent director(s) shall be elected through the process of election of director in terms of section 159 of the Act and he/she shall meet the criteria laid down in Section 166 of the Act, the Companies (Manner and Selection of Independent Directors) Regulations.

None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company.

Lahore:
September 25, 2024

(Khawaja Safee Sultan)
Company Secretary

اطلاع برائے سالانہ اجلاسِ عام

تمام متعلقہ افراد کو مطلع کیا جاتا ہے کہ کوہِ نُور انرجی لمیٹڈ کے شیئر ہولڈرز کا اکتیسواں سالانہ اجلاسِ عام 24 اکتوبر 2024 (بروز جمعرات) دو پہر ایک بجے (01:00) پر اسلام آباد کلب، مین مری روڈ، اسلام آباد میں مندرجہ زیل امُور کی انجام دہی کیلئے مُنعقد کیا جائے گا:

1۔ سالانہ اجلاسِ عام منعقدہ 25 اکتوبر 2023 کی کاروائی کی توثیق

2۔ کمپنی کے سالانہ آڈٹ شدہ حسابات برائے 30 جون 2024 کو ختم ہونے والے مالی سال اور ڈائیریکٹرز و آڈیٹرز کی رپورٹس کی وصولی اور قبولیت

3۔ تین عبُوری ڈیوڈنڈز بحساب 40% (یعنی 4.00 روپے فی شیئر)، 55% (یعنی 5.50 روپے فی شیئر) اور 50% (یعنی 5.00 روپے فی شیئر) جو کہ رواں سال میں پہلے ادا کئے جا چکے ہیں۔ گویا کُل ڈیوڈنڈ بحساب 145% (یعنی 14.50 روپے فی شیئر) برائے 30 جون 2024 کو ختم ہونے والے سال کی منظوری دینا

4۔ آئندہ سالانہ اجلاسِ عام تک کمپنی کے آڈیٹرز کی تقرری اور مشاہرے کا تعین

5 کمپنیز ایکٹ مجریہ 2017 کے سیکشن 159 کے تحت بورڈ کی جانب سے 30 اکتوبر 2024 سے تین سال کی مُدت کیلئے 20 اگست 2024 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس میں طے کردہ تعداد میں سات ڈائریکٹرز کا انتخاب کرنا۔ سُبکدوش ہونے والے ڈائریکٹرز درج ذیل ہیں:

1. جناب ایم نسیم سہگل
2. جناب محمد زید یوسف سہگل
3. جناب محمد مُراد سہگل
4. جناب سید منظر حسن
5. جناب محمد عمر فاروق
6. محترمہ صدف کاشف
7. جناب فیصل ریاض

6۔ چیئرمین کی اجازت سے دیگر امور کی انجام دہی

A Statement of material facts under section 166(3) of the Companies Act 2017 pertaining to the election of Directors is being sent to the shareholders alongwith this Notice.

بحکم بورڈ	لاہور:
خواجہ صفی سلطان (کمپنی سیکرٹری)	25 ستمبر 2024

نوٹ:

1۔ کمپنی کی شیئرز ٹرانسفر بکس 18 اکتوبر 2024 تا 24 اکتوبر 2024 (بشمول دونوں ایام) بند رہیں گی۔ ہمارے شیئر رجسٹرار آفس M/S Corplink (Pvt) Ltd ونگز آرکیڈ، 1-K کمرشل، ماڈل ٹاؤن، لاہور 17 اکتوبر 2024 کو دفتری اوقات تک موصول ہونے والی ٹرانسفرز میٹنگ میں حاضری کی اہلیت کے لئے بروقت اور اہل تصور ہونگی۔

2۔ اس میٹنگ میں شرکت کرنے اور ووٹ دینے کا اہل ممبر اپنا پراکسی مقرر کر سکتا ہے۔ سٹمپ، دستخط اور تصدیق شدہ پراکسیز کمپنی کے ہیڈ آفس کوہ نور انرجی لمیٹڈ واقع نزد تبلیغی اجتماع، رائیونڈ بائی پاس، لاہور پر میٹنگ کے وقت سے اڑتالیس گھنٹے قبل تک موصول ہونا لازم ہیں، ورنہ قابل قبول نہ ہوں گی۔ سینٹرل ڈپازٹری اکاؤنٹ ہولڈرز کیلئے قومی شناختی کارڈ یا فائدہ حاصل کرنے والے مالک کے پاسپورٹ کی تصدیق شدہ کاپی بمعہ پراکسی فارم فراہم کرنا ضروری ہے۔ کارپوریٹ شخصیت کی صورت میں بورڈ آف ڈائیریکٹرز کی قرارداد/ مختار نامہ اور دستخط کا نمونہ (بجز اسکے کہ پہلے فراہم نہ کی گئی ہو) بمعہ کمپنی کے پراکسی فارم جمع کرائے جائیں گے۔ پراکسی میٹنگ کے وقت اپنا اصل شناختی کارڈ یا اصل پاسپورٹ بمعہ اکاؤنٹ نمبر برائے شناخت فراہم کرے گا۔

3۔ کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام لسٹڈ کمپنیز کو اپنے تمام فزیکل شیئرز کو مجوزہ بک انٹری (CDC) میں تبدیل کرنے کی ضرورت ہے لہذا تمام فزیکل شیئرز رکھنے والے شیئر ہولڈرز سے درخواست ہے کہ وہ جلد از جلد اپنے شیئرز کو بک انٹری (CDC) میں تبدیل کروالیں۔

4۔ کمپنی کی سالانہ رپورٹ 2024 کمپنی کی ویب سائٹ سے دیئے گئے لنک یا QR کوڈ کے ذریعے ڈاؤن لوڈ کی جاسکتی ہے

https://kel.com.pk/ANNUAL%20REPORT%202024.pdf

5۔ ایس ای سی پی نے اپنے سرکلر نمبر 4 مئورخہ 15 فروری 2021 اور سرکلر نمبر 6 مئورخہ 3 مارچ 2021 کے ذریعے لسٹڈ کمپنیز کو ہدایت کی ہے کہ وہ ممبران کی جسمانی حاضری کی اجازت دینے کے علاوہ ویڈیو لنک کی سہولت کے ذریعے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی شرکت کا اہتمام کریں۔ جو ممبران AGM میں شرکت کے خواہشمند ہیں وہ ویڈیو لنک کے ذریعے سمارٹ فونز، کمپیوٹرز، ٹیبلیٹ وغیرہ کے ذریعے ایسا کر سکتے ہیں ویڈیو لنک کے ذریعے AGM میں شرکت کیلئے ممبران سے درخواست کی جاتی ہے کہ وہ ای میں بھیج کر اپنی درج ذیل تفصیلات رجسٹر کروائیں یا AGM کے وقت سے کم از کم 48 گھنٹے پہلے نیچے دیئے گئے نمبر / پتے پر وٹس ایپ کریں اور https://kel.com.pk/page-investor-information سے ویڈیو لنک ڈاؤن لوڈ کریں۔

Name	Folio/ CDC A/C	CNIC	MobileNo.	Email

Member Signature	

Email j.manzoor@kel.com.pk **Whatsapp** 0341-0780786

ویڈیو لنک کی وصولی پر ویڈیو لنک کی Login معلومات دلچسپی رکھنے والے شیئر ہولڈرز کے ساتھ انکی ای میل یا واٹس ایپ پر شیئر کی جائیں گی۔ ممبران میٹنگ ایجنڈے کے متعلق اپنے تبصرے اور مشورے مذکورہ ذرائع سے بھیج سکتے ہیں

6۔اگر خود کو منتخب ہونے کی پیشکش کرنے والے افراد کی تعداد طے شدہ ڈائریکٹرز کی تعداد سے زائد ہے تو کمپنی اپنے ممبران کو کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 کی دفعات کے مطابق پوسٹل بیلٹ کے ذریعے ووٹنگ کے اختیارات فراہم کرے گی۔

7۔کوئی بھی شخص جو کہ ڈائریکٹر کے انتخاب میں حصہ لینے کا خواہشمند ہو اسکو سالانہ اجلاس منعقد ہونے سے 14 دن پہلے کمپنی کے ہیڈ آفس میں ڈائریکٹرز کے انتخاب میں حصہ لینے کے لئے اپنی رضامندی کے متعلق درخواست جمع کروانا ہوگی، جس کے ساتھ مندرجہ ذیل کوائف بھی جمع کروانے ہونگے:

الف) کمپنیز ایکٹ 2017 کے سیکشن (1)167 کے تحت بطور ڈائریکٹر فرائض منصبی ادا کرنے کی درخواست

ب) ڈائریکٹر کے انتخاب میں حصہ لینے کے لئے اپنی رضامندی کی درخواست فارم 28 پر جیسا کہ کمپنیز ریگولیشنز 2018 کے جنرل فارمز اور پروویژنز میں وضع کیا گیا ہے

ج) ڈائریکٹر کے انتخاب کے لئے اپنی درخواست کوڈ آف کارپوریٹ گورننس کی تجویز کردہ ہدایات اور کمپنیز ایکٹ 2017 کے سیکشن 153 میں وضع کی گئی اہلیت کے معیار کے مطابق اپنی درخواست بطور ڈائریکٹر یا آزاد ڈائریکٹر پیش کرنا

د) سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے SRO 10 دسمبر 2015 کے مطابق الیکشن کی تاریخ سے 14 دن پہلے اپنا تفصیلی پروفائل ہیڈ آفس میں جمع کرانا ہوگا تاکہ ویب سائٹ پر آویزاں کیا جاسکے

ذ) ایک امیدوار کے پاس ڈائریکٹر کے انتخاب میں حصہ لینے کے لئے اپنی رضامندی کی درخواست دیتے وقت کوالیفیکیشن شیئرز ہونا ضروری ہیں۔ مذکورہ کوالیفیکیشن شیئرز کا کمپنیز ایکٹ 2017 کے سیکشن (i)153 میں بیان کردہ شک پر اطلاق نہیں ہوگا

ز) قومی شناختی کارڈ اور قومی ٹیکس سرٹیفکیٹ کی مصدقہ نقول

س) آزاد ڈائریکٹر کمپنیز ایکٹ 2017 کے سیکشن 159 میں وضع کی گئی ڈائریکٹر کے انتخاب کی ہدایات کیمطابق منتخب ہوں گے۔ اور انکو کمپنیز ایکٹ 2017 کے سیکشن 166 میں دئے گئے طریقہ کار، کمپنیز ریگولیشنز (آزاد ڈائریکٹر کے انتخاب کا طریقہ کار) 2018 اور SECP کی جاری کردہ کوڈ آف کارپوریٹ گورننس کی 5 جون 2020 کی گائیڈ میں دئے گئے سوالات کے معیار پر پورا اترنا۔ انکے مطابق آزاد ڈائریکٹرز کو مندرجہ ذیل کچھ اضافی دستاویزات جمع کروانی پڑیں گی:

کمپنیز ریگولیشنز 2019 (کوڈ آف کارپوریٹ گورننس) شک نمبر 6(3) کیمطابق بطور آزاد ڈائریکٹر درخواست ہو

۔نان جوڈیشل اسٹامپ پیپر پر اس بات کا اعادہ کہ وہ کمپنیز ریگولیشنز (آزاد ڈائریکٹر کے انتخاب کا طریقہ کار) 2018 کے تقاضوں کو پورا کرتا ہے۔

کمپنیز ایکٹ 2017 کے سیکشن 159 (4) کے مطابق امیدواروں کی حتمی فہرست مذکورہ اجلاس کی تاریخ سے سات دن پہلے جاری کردی جائے گی مزید یہ کہ کمپنی کی ویب سائٹ کو مطلوبہ معلومات کیمطابق اپ ڈیٹ کردیا جائے گا۔

ش) ڈائریکٹرز کے انتخاب کیلئے ووٹنگ تین زمروں میں ہوگی ۱۔خاتون ڈائریکٹرز، ۲۔آزاد ڈائریکٹرز ۳۔دیگر ڈائریکٹرز

THE STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT 2017

Independent director(s) shall be elected through the process of election of director in terms of section 159 of the Act and he/she shall meet the criteria laid down in Section 166 of the Act, the Companies (Manner and Selection of Independent Directors) Regulations. None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company.

خواجہ صفی سلطان (کمپنی سیکرٹری)	لاہور: 25 ستمبر 2024

چیئرمین جائزہ

بورڈ آف ڈائریکٹر کی جانب سے مجھے آپ کو اکتیسویں سالانہ رپورٹ پیش کرنے میں خوشی محسوس ہورہی ہے۔ اس رپورٹ میں ہم کوہ نور انرجی لمیٹڈ کے کاموں اور آپریٹنگ ماحول کی 30 جون 2024 کو ختم ہونے والے آڈٹ شدہ مالی حسابات کا جائزہ فراہم کررہے ہیں۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹر پلانٹ آپریشنز کو مئوثر اور مستقل محفوظ بنانے کے لئے سینئر مینجمنٹ کے ساتھ ہروقت رابطے میں ہے۔ یہ بات بھی ریکارڈ پر لاتے ہوئے خوشی محسوس ہورہی ہے کہ آپ کی کمپنی کے تقریباً 138 فل ٹائم کام کرنے والے افراد کی ایک پُرجوش ٹیم موجود ہے جو کہ ماہر پیشہ ور، قابل انجینئرز اور ہنرمند افرادی قوت پر مشتمل ہے جو ایمانداری اور محنت کے ساتھ کمپنی کی خدمت کررہے ہیں جسکی وجہ سے 27 آپریشنل سال گزر جانے کے باوجود پاور کمپلیکس محفوظ، بہترین اور انتہائی مئوثر کارکردگی کا مظاہرہ کررہا ہے۔

کمپنی نے رواں سال 24-2023 میں بعد از ٹیکس 1,600 ملین روپے کا منافع کمایا ہے اور فی شیئر آمدنی 9.44 روپے رہی جبکہ اسکے مقابلے میں پچھلے سال کمپنی کا بعد از ٹیکس منافع 1,573 ملین روپے تھا جبکہ فی شیئر آمدنی 9.29 روپے تھی۔ آپ کو یہ بتاتے ہوئے خوشی محسوس ہورہی ہے کہ بورڈ آف ڈائریکٹر کی سفارشات پر زیر جائزہ مالی سال کے دوران پہلے ہی تین عبوری ڈیوڈنڈ بالترتیب 40% ستمبر 2023، 55% نومبر 2023 اور 50% مئی 2024 میں ادا کر دیئے گئے ہیں جو مالی سال 23-2022 کے لئے کل ملا کر 145% بنتا ہے۔

مجھے یقین ہے کہ ہماری محنتی ٹیم، پُرعزم مینجمنٹ کی قیادت اور بورڈ آف ڈائریکٹر کی رہنمائی میں کمپنی کے سرمایہ کاروں کو بہترین منافع فراہم کرتی رہے گی۔ میں تمام اسٹیک ہولڈرز کی مسلسل حمایت کے لئے ایک بار پھر آپ کا شکریہ ادا کرتا ہوں۔

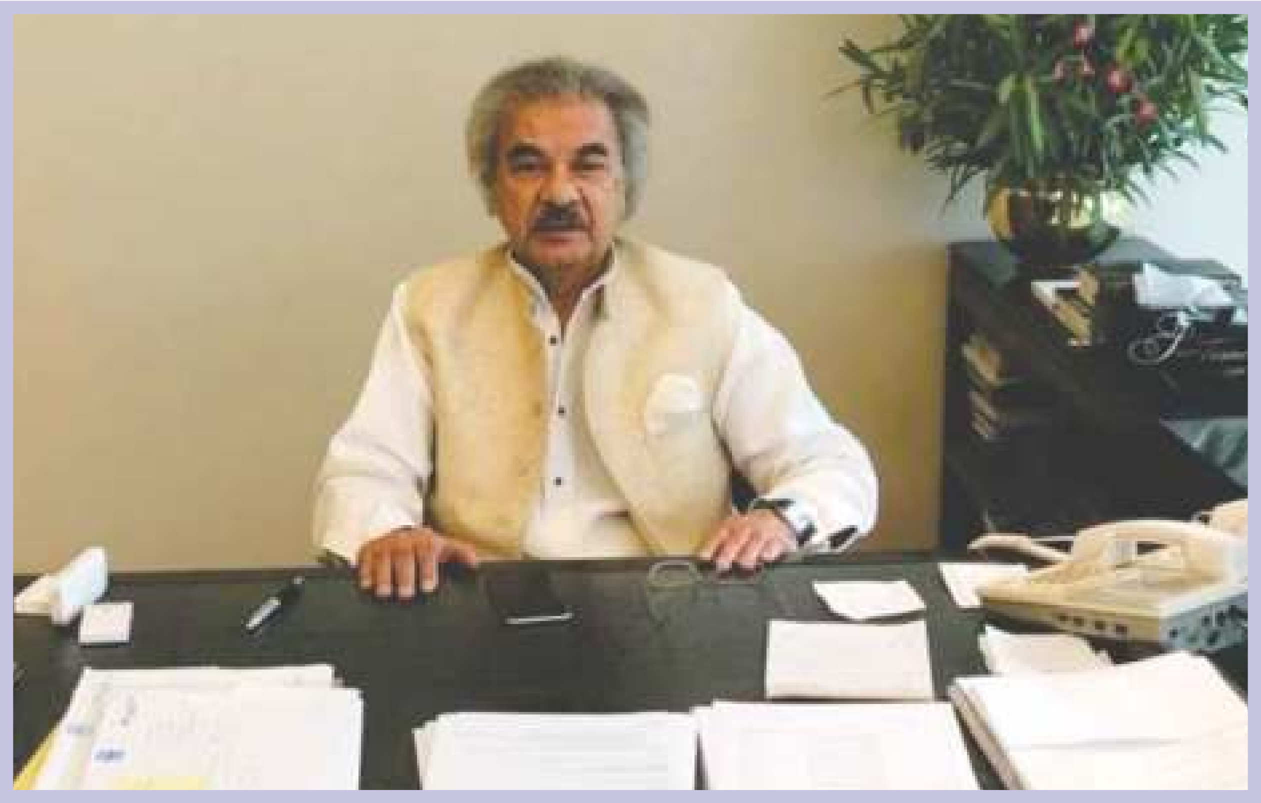
ایم نسیم سہگل

چیئرمین

لاہور

25 ستمبر 2024

CHAIRMAN'S REVIEW



On behalf of the Board of Directors, I have great pleasure in presenting you the Thirty First Annual Report providing an overview of Kohinoor Energy Limited's operations, our operating environment and the Audited Financial Statements for the year ended June 30, 2024.

The Board of your Company is closely engaged with senior management for ensuring consistency in safe, reliable and efficient operations of the plant. it is pleasurable to put on record that your Company has a dedicated and enthusiastic team of nearly 138 fulltime working people comprises of professionals, qualified engineers and skilled workforce who are serving to the Company with honesty and hardworking. Therefore, despite of the lapse of the 27 operational years the power complex is demonstrating the safe, reliable and the most efficient operations.

During the Financial Year 2023-2024 the Company posted net profit after tax of Rs.1,600 million by demonstrating earning per share (EPS) of Rs. 9.44 as compared to net profit after tax of Rs. 1,573 million with an EPS of Rs. 9.29 demonstrated last year. It takes immense pleasure to inform you that during the financial year under review upon the recommendations of the Board of Directors three interim dividends have already been paid @40% in September 2023, @55% in November 2023 and @50% in May 2024 respectively, making cumulative dividend distribution for the financial year 2023-24 @145%.

I am confident that our hardworking team, led by well experienced and committed management team guided by a strong Board of Directors, will continue to deliver sustainable and growing returns to investors of the Company. I thank you all again for your on going support.

Lahore:
September 25, 2024

M. Naseem Saigol
Chairman

DIRECTORS' REPORT

The Board of Directors feels pleasure to present the Annual Report together with the audited financial statements of the Company for the financial year ended June 30, 2024.

Principal Activities

The principal business objective of the Company is to own, operate and maintain a furnace oil fired power station with a net capacity of 124 MW (gross capacity of 131.44 MW).

Financial Results

We report that during the year financial year 2023-24, total sales of the Company stood at Rs. 10.010 billion compared to Rs. 12.583 billion in the last financial year. The dispatch of electricity was comparatively lower than that of the previous Financial Year. The dispatch was comparatively lower, however the devaluation of Pak Rupees and lower number of major maintenances contributed to higher profits in comparison to last year. The company earned net profit after tax of Rs. 1,600 million yielding the earnings per share (EPS) of Rs. 9.44 as compared to Rs. 1,573 million (EPS 9.29) during the last financial year. The summarized financial result of the Company for the year ended June 30, 2024 is as follows:-

Rupees in Thousand		2024	2023
Profit before taxation		1,602,502	1,575,006
Taxation		(2,004)	(1,539)
Profit after taxation		1,600,498	1,573,467
Other comprehensive income / (loss)		-	-
Total comprehensive income for the year		1,600,498	1,573,467
Un-appropriated profit brought forward		3,688,506	3,216,520
Available for appropriations		5,289,004	4,789,987
1st Interim Dividend 2023-24 @ 40% (1st Interim Dividend 2022-23 @ 15%)		(677,834)	(254,188)
2nd Interim Dividend 2023-24 @ 55% (2nd Interim Dividend 2022-23@ 30%)		(932,022)	(508,376)
3rd Interim Dividend 20232-24 @ 50% (3rd Interim Dividend 2022-23@ 20)		(847,293)	(338,917)
		(2,457,149)	(1,101,481)
Un-appropriated profit carried forward		2,831,855	3,688,506
Earnings per share	Rupees	9.44	9.29

The status of the matter related to the imposition of liquidated damages (LDs), as detailed in Note 12.1(i) and 12.1(ii) to the financial statements, is the same as reported to you earlier. The management and the legal advisors of the Company are of the view that there are adequate grounds to defend the claim for such LDs; therefore, no provision has been made in these financial statements.

Moreover, on the matter related to sales tax demand raised by the Federal Board of Revenue (the FBR) as detailed in Note 12.1(iii) to the financial statements, we report that the matter is at the Supreme Court of Pakistan. The management is of the view that since there are meritorious grounds to defend the case; therefore no provision for the demand has been made in these financial statements.

Moreover, with respect to the matter of a sales tax demand of Rs. 184.13 million raised by the Deputy Commissioner Inland Revenue ('DCIR') on account of the inadmissible input tax as detailed in Note 12.1(iv) to these financial statements. Subsequent to the year's end, Commissioner Inland Revenue (Appeals) adjudicated the case and out of total demand of Rs. 184 m, deleted the demand of Rs. 153 million relating to the disallowing of the input tax based on the apportionment of expenses relevant to the Capacity Purchase Price, whereas the remaining amount of Rs. 31 million is annulled and remanded back to the DCIR for fresh adjudication. Hence, the demand against the said order stands NIL.

Dividend Distribution

During the financial year under review upon recommendations of the Board of Directors of the Company, three interim dividends have already been paid @40% in September 2023, @55% in November 2023 and @50% in May 2024 respectively, making cumulative dividend distribution for the financial year 2023-24 @145%.

Operations

We report that during the financial year under review, the dispatch of electricity was lower than that of the previous financial year. Therefore, the power plant by running at 19.06%, delivered 207,615 MWh of electricity as compared to the 30.30 % capacity factor (329,160 MWh) delivered during the previous financial year. Moreover on account of maintenance activities, we report that during the FY 2023-24, three major maintenances were carried out while during the FY 2022-23 one major maintenance was carried out. All of the planned and unplanned maintenances have been successfully carried out by our internal technical team in accordance with the budgeted and estimated numbers. We feel pleasure to report that all the engines and their respective auxiliary equipments are in good condition for safe and reliable operations.

The board takes immense pleasure to report that the Company in maintaining its track record has successfully qualified the Annual Dependable Capacity Test (ADC), conducted by the Power Purchaser on June 07, 2024. The power complex has demonstrated the capacity of 128.77 MW which is pretty higher than the net contractual capacity of 124 MW. Alhamdu Lilla, it is pertinent to mention that the power complex despite of surpassing 27 operational years is still in robust, excellent and reliable condition. The Board of Directors recognizes and appreciates the hardworking and dedication of the employees of the Company that resulted in such a remarkable achievement.

Risk Management

The finance department of the Company is carrying out the Risk management under the principles and directions of the Board. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. The risk management principles are geared to identifying and analyzing the risks to which the Company is exposed to and establishing the appropriate control mechanisms. The principles of risk management and the processes applied are regularly reviewed, taking due regard and changes in the sector and in the activities of the Company. The ultimate goal is to develop controls, based on the existing training management guidelines and conscious approach to risks.

DIRECTORS' REPORT

Operational Risks

We take pleasure that the management being vigilant has established a very comprehensive system for recognition and management of operational risks. The Quality & EHS department of power plant is fully responsible to discharge its responsibilities to identify, measure and to take necessary steps for addressing and mitigating the probabilities of malfunctioning or any unforeseen event. Standard Operational Procedures (SOPs) and contingency plans equivalent to international quality standards are in place. The SOPs at power complex have been implemented to ensure the safe and reliable operations of the power complex.

Financial Risks

The financial risk management is disclosed in note 34 to these financial statements of the Company.

Credit Rating

We report that the Pakistan Credit Rating Agency (PACRA) has maintained the same rating as awarded last year i.e. "AA" (Double A) and "A1+"(A one plus) for the long-term and short-term entity ratings of the Company respectively. It reflects stable business profile emanating from a secured regulatory structure. This entails sovereign guaranteed revenues and cash flows, given adherence to agreed performance benchmarks. The Company meets its availability and efficiency levels which is an outcome of technically sound O&M team, robust systems and controls, and strong governance structure.

Statements in compliance to the Code of Corporate Governance (CCG)

The Directors state that:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;

- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Company's ability to continue as a going concern
- The key operating and financial data of last six years is attached to the report.
- During the financial year under review the Board of Directors (BoD) and the Audit Committee (AC) met, each for six times. The names of the persons who remain on the board during the FY 2023-24 and their attendance are as follows:

Name of Directors	Attendance	
	BOD	AC
Mr. M. Naseem Saigol	6/6	
Mr. Muhammad Zeid Yousuf Saigol	6/6	
Mr. Muhammad Murad Saigol	6/6	
Syed Manzar Hassan	6/6	6/6
Mr. Muhammad Omer Farooq	6/6	6/6
Ms. Sadaf Kashif	6/6	6/6
Mr. Faisal Riaz	6/6	

- During the financial year under review the Human Resource and Remuneration Committee met for one time and Mr. Muhammad Zeid Yousuf Saigol, Mr. Faisal Riaz and Syed Manzar Hassan attended the said meeting.
- During the year under review the Company's executives traded total 37,000 shares of the Company. Besides this no other trading in shares was performed by the directors, executives, their spouses and minor children.
- The Company has established Employees Provident Fund and registered with the concerned authority as detailed in note 10 to these financial statements. The unaudited value of the Kohinoor Energy Employees Provident Fund as on June 30, 2024: 47.40m (44.33m in 2023).
- The Board has formed Audit Committee. It comprises of three non-executive directors. And an independent director is the Chairman of the Committee
- The Board as required by CCG for reporting on trade in shares of the Company, has defined that the expression 'Executive' shall means the CEO, COO, CFO, Head of Internal Audit, Company Secretary and the Managers / Departmental Heads of the Company by whatever name called.

Corporate Social Responsibility (CSR)

Kohinoor Energy Limited (“the KEL”) strongly believes in discharging its responsibilities as a corporate member of Pakistan and acts as a contributory member of the society. KEL fulfills its Corporate Social Responsibilities (CSR) in a manner that positively impacts its community. The Education and the Health Care are the focus areas of KEL's CSR Plan.

a) Medical Facility

KEL as a socially aware and responsible organization paying attention to one of the CSR programs is providing free medical assistance to the deserving people of the surrounding area of the power complex. A competent medical team comprising of qualified Doctor and its nursing staff is serving the patients with full devotion and dedication. During the FY 2023-24 total 8126 deserving patients have been provided with medical care at a cost of Rs. 7.75 million.

DIRECTORS' REPORT

b) Education Facility

The Company is contributing to its second CSR program by providing free education to the deserving children of the adjacent community of power complex. We feel pleasure to report that during the corresponding financial year 2023-24, total 63 students are being provided with education, of which the earliest 05 batches of students have passed out secondary school certificate and 02 batches of students have passed out high secondary school certificate. KEL has consistently been extending its generosity towards the improvement of surrounding community through contribution in support for education of the society and, during the year, Rs. 3.59 million have been spent on account of education program of CSR.

Impact on Environment

We work meticulously to reduce our environmental impacts from the procurement of raw materials to the generation of electricity. Our environmental stewardship initiatives help protects the environment while improving efficiency, reducing costs and using energy and natural resources efficiently.

Our environmental policy achieves the following objectives:

- Improve the efficiency and sustainability of our business activities and products
- Reduce wastes and prevent environmental pollution.
- Use energy and natural resources efficiently.

We recognize the interrelated nature of these three priorities. Our work in one area unavoidably affects the others. Therefore, KEL have developed comprehensive management and governance systems to ensure that environmental considerations are fully integrated into our day-to-day planning and operations.

We seek to identify and mitigate climate-related challenges and risks that are posed to our supply-chain and operations through our management and policies. Reducing our environmental footprint in our operations is a core part of KEL's business strategy as we respond to global external pressures, such as climate change, extreme weather events and growing resource scarcity. Through developing policies and making responsible choices that allow us to react quickly and be flexible when responding to such events, we ensure that our businesses and operations are resilient, and that we operate in an environmentally and socially responsible manner.

Our environmental impacts are closely interconnected and our approach to managing them must be integrated as well. We have developed comprehensive management and governance systems that reflect our priorities and ensure they are fully incorporated within our day-to-day planning and business processes. Our commercial operations are designed to achieve the objective of reducing our environmental footprint. We work towards a sustainable future whilst keeping the Company's interest in mind.

Our environment, health and safety strategy – commits us to advancing KEL Environment, Health and Safety (EHS) by:

- Developing a work environment that promotes employee health and productivity and strives to be injury-free.
- Conserving our natural resources by improving the efficiency and sustainability of our operations, reducing greenhouse gas emissions and water use and minimizing waste.
- Continuing to strengthen EHS practices across all aspects of the business, in addition to maintaining compliance with applicable requirements.

Internal Control System of the Company

The management has adopted as far as practicable, all the internal control policies and procedures in achieving management's objectives of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, safeguarding of assets, prevention and detection of fraud and error, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

Auditors

The present statutory auditors of the Company M/s A. F. Ferguson & Co. Chartered Accountants retire and being eligible, offer themselves for reappointment. The Audit Committee and the Board of Directors of the Company have endorsed their re-appointment for shareholders consideration in the forthcoming AGM.

Pattern of Shareholding

A statement of pattern of shareholding and additional information as at June 30, 2024 is annexed to the Annual Report.

Acknowledgement

The Board recognizes and appreciates the valuable shareholders, Central Power Purchasing Agency (CPPA), PPIB, financial institutions and, Wartsila, ABB, Pakistan State Oil and other business partners for their trust and continued support to the Company. We also appreciate all of the executives and staff members of the Company for their hard work, dedication and commitment with the Company and we are sure that the same spirit of commitment will remain continue in the years to come.

For and on behalf of the Board

M. Zeid Yousuf Saigol
Chief Executive Officer

Syed Manzar Hassan
Director

Lahore:
September 25, 2024

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کمپنی کے مالی حسابات کے ساتھ سالانہ رپورٹ برائے مدت مختتمہ 30 جون 2024 خوشی محسوس کرتے ہوئے پیش کرتے ہیں۔

اہم سرگرمیاں

کمپنی کا بنیادی مقصد فرنس آئل سے چلنے والے 124 میگاواٹ کی خالص گنجائش (کل استعداد 131.44 میگاواٹ) بجلی گھر کی ملکیت، اسے چلانا اور اس کی دیکھ بھال کرنا ہے۔

مالی نتائج

ہم رپورٹ کرتے ہیں کہ 2022-2023 کو ختم ہونے والے مالی سال کے دوران کمپنی کی مجموعی فروخت آمدنی 10,010 ملین روپے تک پہنچ گئی جبکہ گزشتہ مالی سال میں 12,583 ملین روپے ریکارڈ کی گئی تھی۔ بجلی کی ترسیل پچھلے مالی سال سے کم رہی۔ تاہم امریکی ڈالر کے مقابلے میں روپے کی قدر میں کمی اور کم تعداد میں میجر مینٹیننسز نے کمپنی کے سیلز ریوینیو کے اضافے میں اہم کردار ادا کیا۔ کمپنی نے 1,600 ملین روپے کا بعد از ٹیکس منافع حاصل کر کے 9.44 روپے کی فی حصص آمدنی کا مظاہرہ کیا جبکہ پچھلے سال بعد از ٹیکس منافع 1,573 ملین روپے اور فی حصص آمدنی 9.29 روپے تھی۔ کمپنی کے سالانہ مالی نتائج 30 جون 2024 کے اختتام پر درج ذیل ہیں:

	2024	2023
	(روپے ہزار میں)	
قبل از ٹیکس منافع	1,602,502	1,575,006
ٹیکس	(2,004)	(1,539)
بعد از ٹیکس منافع	1,600,498	1,573,467
دیگر جامع آمدنی / (خسارہ)	-	-
کل وسیع جامع آمدنی برائے سال	1,600,498	1,573,467
غیر مختص شدہ منافع	3,688,506	3,216,520
	5,289,004	4,789,987
پہلا عبوری منافع منقسمہ 24-2023 - 40% (پہلا عبوری منافع منقسمہ 15% جو مالی سال 23-2022 میں ادا کیا گیا)	(677,834)	(254,188)
دوسرا عبوری منافع منقسمہ 24-2023 - 55% (دوسرا عبوری منافع منقسمہ 30% جو مالی سال 23-2022 میں ادا کیا گیا)	(932,022)	(508,376)
تیسرا عبوری منافع منقسمہ 24-2023 - 50% (تیسرا عبوری منافع منقسمہ 20% جو مالی سال 23-2022 میں ادا کیا گیا)	(847,293)	(338,917)
	(2,457,149)	(1,101,481)
غیر ادا شدہ منافع	2,831,855	3,688,506
آمدنی فی شیئر روپے	**9.44**	**9.29**

مالیاتی بیانات پر نوٹ (i).12.1 اور (ii).12.1 میں تفصیل کے مطابق لیکویڈیٹڈ ڈیمجز (LDs) کے نفاذ سے متعلق معاملے کی صورتحال وہی ہے جو آپ کو پہلے اطلاع دی گئی تھی۔ کمپنی مینجمنٹ اور قانونی مشیروں کا خیال ہے کہ اس طرح کے لیکویڈیٹڈ ڈیمجز (LDs) کے دعوے کے دفاع کے لیے مناسب بنیاد موجود ہے، اس لئے کمپنی نے منسلک مالیاتی گوشوارے میں کوئی پروژن نہیں رکھی۔

مزید یہ کہ فیڈرل بورڈ آف ریونیو (ایف بی آر) کی طرف سے اٹھائے گئے سیلز ٹیکس ڈیمانڈ سے متعلق معاملے پر جیسا کہ نوٹ (iii).12.1 میں مالی بیانات میں تفصیل دی گئی ہے، ہم رپورٹ کرتے ہیں کہ یہ معاملہ سپریم کورٹ آف پاکستان میں ہے۔ انتظامیہ کا موقف ہے کہ چونکہ اس کیس کے دفاع کیلئے مناسب بنیاد موجود ہے، اس لئے کمپنی نے منسلک مالیاتی گوشوارے میں کوئی پروژن نہیں رکھی۔

مزید سیلز ٹیکس کے مطالبے کے حوالے سے - 184.13 ملین ڈپٹی کمشنر ان لینڈ ریونیو ('DCIR') نے ناقابل قبول ان پٹ ٹیکس کی وجہ سے اکٹھا کیا جیسا کہ نوٹ (iv).12.1 میں ان مالیاتی بیانات کی تفصیل ہے۔ سال کے اختتام کے بعد کمشنر ان لینڈ ریونیو ('Appeals') نے کیس کا فیصلہ سناتے ہوئے 184 ملین روپے کی طلب سے 153 ملین روپے کا مطالبہ حذف کر دیا ہے جبکہ باقی 31 ملین روپے کے مطالبے کو منسوخ کرتے ہوئے نئے فیصلے کیلئے DCIR کو واپس بھیج دیا گیا ہے لہذا مذکورہ حکم کی مد میں مطالبہ کو نہیں۔

ڈیوڈنڈز کی ادائیگی

رواں مالی سال کے دوران بورڈ آف ڈائریکٹرز نے تین عبوری ڈیوڈنڈز کی منظوری دی ہے جو پہلے ہی سے 40% ستمبر 2023، 55% نومبر 2023 اور 50% مئی 2024 میں ادا کر دیئے گئے ہیں جو مالی سال 24-2023 کے لئے کل ملا کر 145% بنتا ہے۔

آپریشنز

ہم رپورٹ کرتے ہیں کہ زیر بحث مالی سال کے دوران بجلی کی ترسیل پچھلے مالی سال کے مقابلے میں زیادہ تھی۔ اس لئے پاور کمپلیکس نے 19.06% استعدادی محرک کے طور پر کام کر کے 207,615 MWHs بجلی فراہم کی جبکہ پچھلے سال 30.30% فیصد کی استعداد کے ساتھ 329,160 MWHs بجلی فراہم کی۔ مزید براں زیر غور مالی سال 24-2023 کی شیڈولڈ مینٹی نینس کے دوران تین انجن میجر مینٹی نینس پروگرام کے تحت اوور ہال کیا گئے جبکہ پچھلے سال ایک انجن میجر مینٹی نینس پروگرام کے تحت اوور ہال کیا گیا۔ تمام شیڈولڈ اور انشیڈ ولڈ مینٹی نینس ہماری اپنی ٹیم نے مقررہ طریقہ کار اور بجٹ کے مطابق کامیابی کے ساتھ کی گئی ہے۔ ہمیں یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ تمام انجن اور معاون آلات محفوظ اور قابل بھروسہ آپریشنز کے لیے بالکل ٹھیک حالت میں ہیں۔

ہمیں یہ بتاتے ہوئے بھی خوشی ہے کہ ہم نے واپڈا کی طرف سے 07 جون 2024 کو لیے جانے والے Annual Dependable Capacity Test (ADC) کو کامیابی سے کوالیفائی کیا۔ نتیجتاً اس نے 128.77 MW استعداد کی قابل تعریف پرفارمنس کا مظاہرہ کیا جو 124 MW کی مجموعی معاہداتی استعداد سے کہیں زیادہ ہے۔ الحمدللہ ہم کامل یقین کے ساتھ یہ بتا رہے ہیں کہ کارکردگی کے 27 سال مکمل کرنے کے باوجود پاور پلانٹ بہترین حالت میں ہے۔ بورڈ آف ڈائریکٹرز مینجمنٹ اور ملازمین کی انتھک محنت کو سراہتا ہے جس کی بدولت یہ نمایاں کامیابی حاصل ہوئی

رسک مینجمنٹ

رسک مینجمنٹ، بورڈ کے منظور شدہ اصولوں اور پالیسیوں کے تحت فنانس ڈیپارٹمنٹ کرتا ہے۔ بورڈ مجموعی طور پر رسک مینجمنٹ کے لیے اصول مہیا کرتا ہے، نیز مخصوص شعبوں جیسے کہ غیر ملکی زرمبادلہ کا رسک، شرح سود کا رسک، کریڈٹ رسک اور اضافی لیکویڈیٹی کی سرمایہ کاری کے لیے پالیسیاں فراہم کرتا ہے۔ رسک مینجمنٹ کے اصول ان خطرات کی نشاندہی اور تجزیہ کرنے کے لیے تیار ہیں جن کو کمپنی سامنے لا کر مناسب کنٹرول میکانزم قائم کرتی ہے۔ رسک مینجمنٹ کے اصولوں اور لاگو ہونے والے عمل کا باقاعدگی سے جائزہ لیا جاتا ہے، مناسب خیال رکھا جاتا ہے اور شعبے اور کمپنی کی سرگرمیوں میں تبدیلی کی جاتی ہے۔ حتمی ہدف موجودہ ٹریننگ مینجمنٹ گائیڈ لائنز اور خطرات کے بارے میں شعوری نقطہ نظر کی بنیاد پر کنٹرول تیار کرنا ہے۔

آپریشنل خطرات

مینجمنٹ نے آپریشنل خطرات کی شناخت کے لئے ایک مکمل اور مربوط طریقہ کار وضع کیا ہے۔ پلانٹ پر کسی بھی قسم کے خطرے کی شناخت کرنے اور غیر متوقع خطرے کے وقوع پذیر ہونے کو کم کرنے کے لئے ضروری حفاظتی اقدامات کرنا مکمل طور پر کوالٹی اور EHS فنکشن کی ذمہ داری ہے۔ معیاری آپریشنل طریقہ کار ہنگامی منصوبے بین الاقوامی معیار کے مطابق ہیں پلانٹ پر استعمال ہونے والے تمام آپریشنل طریقہ کار کے پیچھے کڑی محنت اور پریکٹس ہے اور پلانٹ کے آپریشنز کو بہتر اور محفوظ بنانے کے لئے بروئے کار ہیں

مالیاتی خطرات

کمپنی کے مالیاتی خطرات کے انتظام کو کمپنی کے مالیاتی حسابات کے نوٹ نمبر 34 میں واضع کر دیا گیا ہے۔

کریڈٹ ریٹنگ

کمپنی کی کریڈٹ ریٹنگ جیسا کہ پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی طویل المدت اور قلیل المدت entity ریٹنگز طے کی ہیں، اسی طرح سے بالترتیب "AA" (ڈبل اے) اور "A1+" (اے ون پلس) ہیں۔ یہ ریٹنگز کریڈٹ رسک کے نہ ہونے کے برابر خطرے کو ظاہر کرتی ہیں۔ یہ مالیاتی وعدوں کی بروقت پاسداری کی مضبوط گنجائش کی طرف اشارہ کرتی ہیں۔ مستقبل قریب میں یہ گنجائش کسی قابل قدر خطرے سے دوچار ہوتی نظر نہیں آتی۔

یہ ریٹنگز کمپنی کے مضبوط فائنانشل پروفائل کی عکاسی کرتی ہیں۔ یہ ریٹنگز کمپنی کے اندر آپریشنز اینڈ مینٹی نینس (O&M) سرگرمیوں کے کامیاب انتظام کا اعتراف اور فنی اعتبار سے مضبوط انتظام، مستحکم سسٹمز اور کنٹرولز اور کمپنی کے طاقتور انتظامی ڈھانچے کی عکاسی کرتی ہیں۔

کوڈ آف کارپوریٹ گورننس کی تعمیل میں اسٹیٹمنٹس

ڈائریکٹرز بیان کرتے ہیں کہ:

☆ فائنانشل اسٹیٹمنٹس، جو کمپنی کی انتظامیہ کی طرف سے تیار کیے گئے ہیں، اس کے حالات، آپریشنز کے نتائج، کیش فلوز، اور ایکوئٹی میں تبدیلیوں کی سچائی کے ساتھ عکاسی کرتے ہیں۔

☆ کمپنی کے حسابات کو کھاتوں میں مناسب طریقے سے درج کیا گیا ہے۔

☆ فائنانشل اسٹیٹمنٹس کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینوں کی بنیاد مناسب اور معقول فیصلوں پر ہے۔

☆ فائنانشل اسٹیٹمنٹس کی تیاری میں فائنانشل رپورٹنگ کے بین الاقوامی معیارات، جیسے کہ پاکستان میں قابل اطلاق ہیں کی پابندی کی گئی ہے

☆ داخلی کنٹرول کے نظام کو موثر طریقے سے نافذ کیا گیا اور اس پر نظر رکھی گئی ہے۔

☆ کمپنی کے آگے بڑھنے کی قابلیت کے بارے میں کوئی شبہ نہیں ہے۔

☆ پچھلے چھ سال کا آپریٹنگ اور فائنانشل ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔

☆ زیر جائزہ مالی سال کے دوران بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے سات اجلاس ہوئے اور سال 24-2023 کے دوران بورڈ پر رہنے والے ڈائریکٹرز کے نام اور حاضری درج ذیل ہے:

ڈائریکٹر کا نام	حاضری	ڈائریکٹر کا نام	حاضری	
	بورڈ		بورڈ	آڈٹ کمیٹی
جناب نسیم سہگل	6/6	جناب سید منظر حسن	6/6	6/6
جناب محمد زید یوسف سہگل	6/6	جناب محمد عُمر فاروق	6/6	6/6
جناب محمد مُراد سہگل	6/6	محترمہ صدف کاشف	6/6	6/6
جناب فیصل ریاض	6/6			

☆ زیرغور مالی سال کے دوران ایچ آر اور مشاہرہ کمیٹی کا ایک اجلاس ہو جس میں جناب محمد زید یوسف سہگل، جناب سید منظر حسن اور جناب فیصل ریاض شریک ہوئے۔

☆ رواں مالی سال کے دوران ڈائریکٹر نے کمپنی کے 37,000 شیئرز کی ٹریڈنگ کی۔ اسکے علاوہ سپانسرز اور ڈائریکٹرز اور ایگزیکٹوز شیئرز کی کوئی ٹرانزکشن نہیں کی۔

☆ کمپنی نے ایمپلائز پراوڈنٹ فنڈ قائم کیا اور اسے متعلقہ اتھارٹی کے پاس رجسٹر کرایا جیسا کہ مالیاتی گوشوارے کے نوٹ نمبر 10 میں بتایا گیا ہے۔ 30 جون 2024 کو پراوڈنٹ فنڈ میں سرمایہ کاری کی مالیت 47.40 ملین ہے (جبکہ 2023 میں اسکی مالیت 44.33 ملین تھی)

☆ بورڈ نے آڈٹ کمیٹی قائم کی ہے۔ یہ تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ غیر جانبدار ڈائریکٹر اس کمیٹی کا چیئر مین ہے۔

☆ بورڈ نے، جیسا کہ کمپنی کے اندر شیئرز کی خرید وفروخت کے بارے میں اطلاع دینے کے لیے CCG کا تقاضا ہے، یہ تشریح کی ہے کہ لفظ "ایگزیکٹو" کا مطلب CEO, COO, CFO, ہیڈ آف انٹرنل آڈٹ، کمپنی سیکرٹری، اور کمپنی کے مینیجرز/ شعبہ جاتی سربراہ ہوں گے خواہ انھیں کسی بھی نام سے پکارا جائے۔

کارپوریٹ سماجی ذمہ داریاں (CSR)

کوہ نور انرجی لمیٹڈ پاکستان کے کارپوریٹ ممبر کی حیثیت اپنی معاشرتی ذمہ داریاں پوری کرنے پر یقین رکھتا ہے اور معاشرے کے ایک معاون ممبر کے طور پر کام کر رہا ہے۔ کوہ نور انرجی اپنی سماجی ذمہ داریوں کو اس انداز سے پورا کرتا ہے جو اسکی ملحقہ کمیونٹی پر مثبت اثرات مرتب کرتا ہے۔ علاج معالجے کی سہولت اور تعلیم ہمارے CSR پروگرام کا اہم حصہ ہے۔

a) طبی سہولت

کوہ نور انرجی سماجی طور پر باخبر اور ذمہ دار کمپنی کے طور پر اپنے CSR پروگرام کے تحت کے آس پاس کے علاقے کے مستحق لوگوں کو مفت علاج معالجے کی سہولت فراہم کر رہی ہے۔ کوالیفائیڈ ڈاکٹر اور اسٹاف پر مشتمل ایک باصلاحیت میڈیکل ٹیم پورے خلوص کے ساتھ مریضوں کی خدمت کر رہی ہے۔ رواں مالی سال 23-2022 کے دوران 7.75 ملین روپے سے 8,126 مستحق مریضوں کا علاج معالجہ کیا گیا

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b) تعلیمی سہولت

آپ کی کمپنی کی مینجمنٹ ایک اور CSR پروگرام کے تحت قریبی آبادی کے مستحق بچوں کو مفت تعلیم فراہم کر رہی ہے اور اس طرح تعلیم کے ذریعے معاشرے کی ترقی میں اپنا کردار ادا کر رہی ہے۔ اس ضمن میں ہم آپ کو آگاہ کرنا چاہیں گے کہ اس وقت 63 طلباء کو سکول کی سطح پر تعلیم کی سہولت فراہم کی جارہی ہے۔ ابتدائی طلباء کے پانچ بیچ اپنا سیکنڈری سکول کا امتحان اور دو بیچ ہائی سیکنڈری سکول کا امتحان پاس کر چکے ہیں۔ کوہ نور انرجی کمیونٹی کی تعلیم کے لئے اپنے تعاون کے ذریعے گردونواح کی آبادی کی بہتری کے لئے مسلسل اپنے فلاح و بہبود کے کام کو بڑھا رہی ہے۔ کمپنی نے سال کے دوران تعلیمی سہولت کی مد میں 3.59 ملین روپے خرچ کیے۔

ماحول پر اثرات

ہم خام مال کی خریداری سے لے کر بجلی کی پیداوار تک اپنے ماحولیاتی اثرات کو کم کرنے کے لئے احتیاط سے کام کرتے ہیں۔ ہمارے ماحولیاتی اسٹیورشپ اقدامات ماحول کی حفاظت کرتے اور بہتر بناتے ہیں، اخراجات کو کم کرتے ہیں اور قدرتی وسائل کو مئوثر طریقے سے بروئے کار لاتے ہیں۔ ہماری ماحولیاتی پالیسی مندرجہ ذیل مقاصد کو حاصل کرتی ہے:

ڈائریکٹرز رپورٹ

۔ہماری کاروباری سرگرمیوں اور مصنوعات کی کارکردگی کو بہتر بنانا

۔ویسٹ کو کم کر کے ماحولیاتی آلودگی سے بچانا

۔توانائی اور قدرتی وسائل کو مئوثر انداز سے استعمال کرنا

ہم ان تینوں ترجیحات کی باہمی وابستگی کی نوعیت کو تسلیم کرتے ہیں۔ایک علاقے میں ہمارا کام دوسروں کو غیر ضروری طور پر متاثر کرتا ہے لہذا کوہ نور انرجی نے یہ یقینی بنانے کے لئے ایک جامع نظام تیار کیا ہے تاکہ تحفظ ماحولیات ہماری منصوبہ بندی اور کاموں میں مکمل طور پر مربوط ہو۔ہم آب وہوا سے وابستہ چیلنجوں اور خطرات کی نشاندہی کرنے اور ان کو کم کرنے کی کوشش کرتے ہیں جو ہماری انتظامیہ اور پالیسیوں کو آپریشنز ی وجہ سے لاحق ہیں۔اپنے کاموں میں ماحولیاتی آلودگی کو کم کرنا کوہ نور انرجی کی حکمت عملی کا بنیادی حصہ ہے۔ہم اس بات کو یقینی بناتے ہوئے ماحول کو اپنی معاشرتی ذمہ داری سمجھ کر اپنا کام کرتے ہیں۔ہمارے ماحولیاتی اثرات ایک دوسرے سے جُڑے ہوئے ہیں اور انکے نظم ونسق کے لئے ہمارا طریقہ کار بھی مربوط ہونا چاہیے۔ہم نے جامع مینجمینٹ اور گورننس سسٹم تیار کیا ہے جو ہماری ترجیحات کی عکاسی کرتے ہیں اور اسے یقینی بناتے ہیں کی وہ ہماری روزمرہ کی منصوبہ بندی اور کام میں مکمل طور پر شامل ہے ہمارے کمرشل آپریشنز ماحولیاتی آلودگی کو کم کرنے کو مدنظر رکھ کر بنائے گئے ہیں ہم کمپنی کی بہتری کو نظر رکھتے ہوئے بہترین مستقبل کے لئے کام کرتے ہیں۔ہماری ماحول،صحت اور حفاظت کی حکمت عملی کوہ نور انرجی کے ماحول،صحت اور حفاظت کو آگے بڑھانے کا عہد کرتی ہے:

۔کام کے لئے ایسا ماحول مہیا کرنا جو ملازمین کی صحت کا خیال اور حادثے سے بچاؤ کو مدنظر رکھے

۔اپنے آپریشنز کی استعداد اور استحکام کو بہتر بنانے کے لئے،گرین ہاؤس گیسوں کے اخراج،پانی کے استعمال اور فضلہ کو کم سے کم کر کے اپنے قدرتی وسائل کی حفاظت کرنا

۔قابل اطلاق تقاضوں کی تعمیل کو برقرار رکھنے کے علاوہ کاروبار کے تمام پہلوؤں میں EHS کے طریقوں کو مضبوط بنا کر جاری رکھنا

کمپنی کا اندرونی نظامِ کنٹرول

انتظامیہ نے کام کے مقاصد کو حاصل کرنے کو یقینی بنانے کے لئے تمام اندرونی کنٹرول کی پالیسیوں کو اپنایا ہے۔جہاں عملی طور پر اس کے کاروبار کے منظّم اور مئوثر انداز میں انتظامی پالیسیوں کی تعمیل،اثاثوں کی حفاظت،دھوکہ دہی اور غلطی کا پتہ لگانے سمیت،اکاؤنٹنگ ریکارڈ کی درستگی اور مکمل،قابلِ اعتماد مالیاتی معلومات کی بروقت تیاری ہے

آڈیٹرز

کمپنی کے موجودہ قانونی آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس ریٹائر ہو رہے ہیں،انھوں نے مستحق ہونے کے ناطے خود کو دوبارہ تقرر کے لیے پیش کیا ہے۔کمپنی کی آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے شیئر ہولڈرز کے سالانہ اجلاس عام میں ان کے تقرر کی منظوری دے دی ہے۔

شیئر ہولڈنگ کا پیٹرن

اسٹیٹمنٹ آف پیٹرن آف شیئر ہولڈنگ اور اضافی معلومات،جیسا کہ 30 جون 2024 کو تھیں،اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر

بورڈ،گراں قدر شیئر ہولڈرز،سی پی پی اے،پی پی آئی بی،مالیاتی اداروں،Wartsila ،پاکستان اسٹیٹ آئل اور دوسرے کاروباری ساتھیوں کی مسلسل حمایت،اور کمپنی پر ان کے اعتماد کا اعتراف اور تعریف کرتا ہے جس سے کمپنی کو قوم کی خدمت کرنے میں مدد ملی۔پاور پلانٹ کے تمام شعبوں میں اعلیٰ درجے کی کارکردگی کو فروغ دینے کے لئے جدید اور حوصلہ افزا کام کی فضا کے قیام کے لئے مینجمنٹ کی تعریف کرتے ہیں۔اور ہم تمام ایگزیکٹوز اور ایمپلائیز کی انتھک محنت،خلوص اور لگن کے بھی شکر گزار ہیں کہ اُنھوں نے پلانٹ کے آپریشنز کو محفوظ اور یقینی بنایا اور ہمیں یقین ہے کہ آئندہ مستقبل میں بھی وفاداری کا یہ جذبہ برقرار رہے گا۔

محمد زید یوسف سہگل
چیف ایگزیکٹو

سید منظر حسن
ڈائریکٹر

لاہور
25 ستمبر 2024

HUMAN RESOURCE MANAGEMENT

A hardworking and motivated human resource has always been a key to success of a company. The Human Resource (HR) function at Kohinoor Energy Limited is one of the key functions at the Company. Our HR policies provide transparency and drive our employees that how we are translating our strategic priorities into actions. It sets examples that what we achieved in the past years by developing professional organizational culture, retain talent, performance based compensation, equality based culture of respect and recognitions.

Our HR function operates as a strategic partner with senior management and all departmental heads. The Key to this role has been its continued focus to keep aligned our departmental targets with Team Mission Statement (TMS) which is the ultimate vision of the management of the Company. We are sincerely grateful to all employees for their close and constructive cooperation in the year 2024 because of whom the Company operated with progress despite of the challenges. Continuing with that partnership will be the key to success in the years to come.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Kohinoor Energy Limited ("the KEL") strongly believes in discharging its responsibilities as a corporate member of Pakistan and acts as a contributory member of the society. KEL fulfills its Corporate Social Responsibilities (CSR) in a manner that positively impacts its community. The Education and the Health Care are the focus areas of KEL's CSR Plan.

1. Medical Assistance

KEL as a socially aware and responsible organization paying attention to one of the CSR programs is providing free medical assistance to the deserving people of the surrounding area of the power complex. A competent medical team comprising of qualified Doctor and its nursing staff is serving the patients with full devotion and dedication. During the FY 2023-24 total 8126 deserving patients have been provided with medical care at a cost of Rs. 7.75 million.

2. Educational Patronage

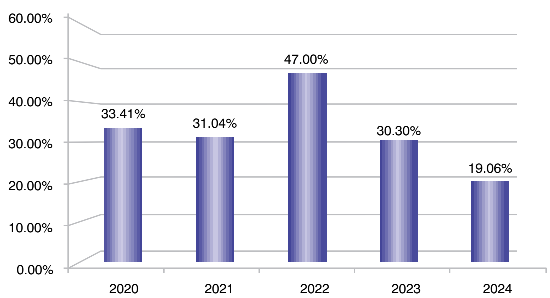
The Company is contributing to its second CSR program by providing free education to the deserving children of the adjacent community of power complex. We feel pleasure to report that during the corresponding financial year 2023-24, total 63 students are being provided with education, of which the earliest 05 batches of students have passed out secondary school certificate and 02 batches of students have passed out high secondary school certificate. KEL has consistently been extending its generosity towards the improvement of surrounding community through contribution in support for education of the society and, during the year, Rs. 3.59 million have been spent on account of education program of CSR.

FINANCIAL DATA

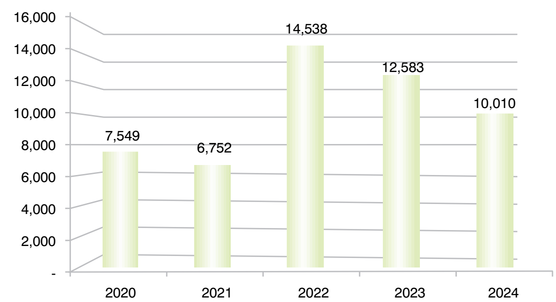
	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019
DISPATCH LEVEL (%)	**19.06%**	**30.30%**	**47.00%**	**31.04%**	**33.41%**	**35.67%**
DISPATCH (MWH)	**207,615**	**329,160**	**515,812**	**337,122**	**363,856**	**387,435**
REVENUE (Rs. 000)						
ENERGY FEE	7,218,642	10,131,116	12,731,175	4,635,701	5,020,777	5,592,339
CAPACITY FEE	2,446,893	1,966,432	1,631,827	1,752,832	1,623,874	1,328,564
INTEREST ON DELAYED PAYMENT	344,358	485,589	175,308	363,797	904,131	583,835
TOTAL REVENUE	**10,009,893**	**12,583,137**	**14,538,310**	**6,752,330**	**7,548,782**	**7,504,738**
COST OF SALES	7,711,987	10,194,769	12,562,948	4,983,277	5,391,882	5,946,315
GROSS PROFIT	**2,297,906**	**2,388,368**	**1,975,362**	**1,769,053**	**2,156,900**	**1,558,423**
PROFITABILITY (Rs. 000)						
PROFIT/(LOSS) BEFORE TAX	1,602,502	1,575,006	1,509,580	1,202,984	1,036,752	551,592
PROVISION FOR INCOME TAX	2,004	1,539	2,200	3,563	94	115
PROFIT/(LOSS) AFTER TAX	1,600,498	1,573,467	1,507,380	1,199,421	1,036,658	551,477
OTHER COMPREHENSIVE INCOME / (LOSS)	-	-	-	25,273	(25,774)	(8,483)
FINANCIAL POSITION (Rs. 000)						
NON CURRENT ASSETS	2,385,366	2,365,972	2,693,734	2,845,589	3,219,285	3,549,660
CURRENT ASSETS	5,346,386	4,768,597	6,916,673	7,367,352	9,156,796	7,974,127
LESS CURRENT LIABILITIES	3,205,311	1,751,477	4,699,301	4,111,682	5,833,490	5,653,163
NET WORKING CAPITAL	2,141,075	3,017,120	2,217,372	3,255,670	3,323,306	2,320,964
CAPITAL EMPLOYED	4,526,441	5,383,092	4,911,106	6,101,259	6,542,591	5,870,624
LESS LONG TERM LOANS				28,560		
SHARE HOLDERS EQUITY	4,526,441	5,383,092	4,911,106	6,072,699	6,542,591	5,870,624
REPRESENTED BY (Rs. 000)						
SHARE CAPITAL	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586
SHARE PREMIUM						
BONUS SHARES						
UNAPPROPRIATED PROFIT BEFORE APPROPRIATION	5,289,004	4,789,987	5,885,493	6,072,699	5,186,922	4,853,871
APPROPRIATION / DIVIDENDS	2,457,149	1,101,481	2,668,973	1,694,586	338,917	677,833
EFFECT OF RETROSPECTIVE CHANGE IN ACCOUNTING POLICY						
UNAPPROPRIATED PROFIT BROUGHT FORWARD	2,831,855	3,688,506	3,216,520	4,378,113	4,848,005	4,176,038
	4,526,441	5,383,092	4,911,106	6,072,699	6,542,591	5,870,624
SHARE PRICES AS ON JUNE 30,	40.71	30.75	38.30	36.00	34.98	36.00
EARNING PER SHARE	9.44	9.29	8.90	7.08	6.12	3.25
RATIOS:						
RETURN ON ASSETS	20.70%	22.05%	15.68%	11.74%	8.38%	4.79%
PRICE EARNING RATIO	4.31	3.31	4.30	5.08	5.72	11.08
BREAK UP VALUE PER SHARE OF Rs. 10 EACH	26.71	31.77	28.98	35.84	38.61	34.64
CURRENT RATIO	1.67	2.72	1.47	1.79	1.57	1.41
NET PROFIT/(LOSS) TO SALES (%AGE)	15.99%	12.50%	10.37%	17.76%	13.73%	7.35%
DPS	**14.50**	**6.50**	**15.75**	**10.00**	**2.00**	**4.00**

PERFORMANCE OVERVIEW

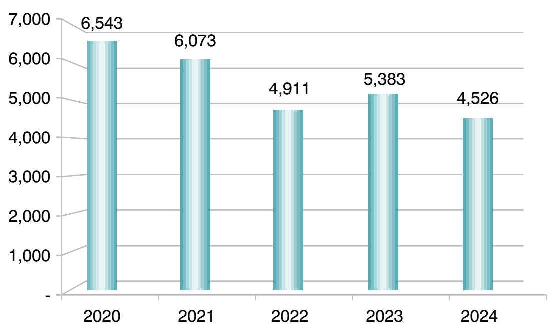
Dispatch Percentage



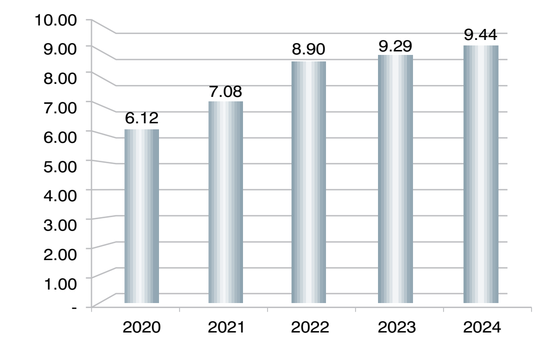
Turnover (Rupees in Million)



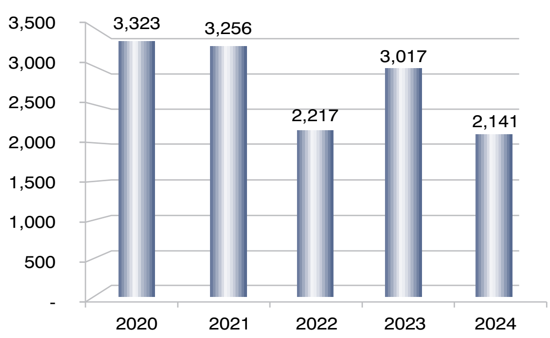
Shareholding Equity (Rupees in Million)



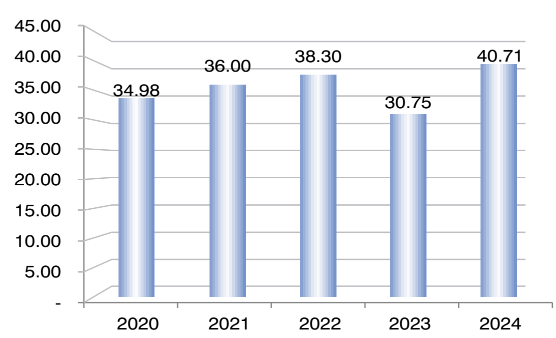
Earning Per Share (Rupees)



Working Capital Analysis (Rupees in Million)



Share Price (Rupees)



STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019 (CCG) For the Year Ended June 30, 2024

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 07 as per the following:

   a. Male: 06 (Six) **b. Female:** 01 (One)

2. The composition of board is as follows:

Executive Directors	Non-Executive Directors
Mr. Muhammad Zeid Yousaf Saigol Mr. Muhammad Murad Saigol	Mr. M. Naseem Saigol Syed Manzar Hassan
Independent Director	**Female Director**
Mr. Muhammad Omer Farooq Mr. Faisal Riaz Ms. Sadaf Kashif (Female Director)	Ms. Sadaf Kashif

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. In terms of the requirement of the clause 19 of the CCG Regulations, we confirm that Six directors have completed the Directors Training Program (DTP) and one director is exempt from the DTP.
10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board;
12. The board has formed committees comprising of members given below:

Audit Committee

1. Mr. Muhammad Omer Farooq
   Chairman - Independent Director
2. Syed Manzar Hassan
3. Ms. Sadaf Kashif

HR and Remuneration Committee

1. Mr. Faisal Riaz
   Chairman - Independent Director
2. Mr. Muhammad Zeid Yousuf Saigol
3. Syed Manzar Hassan

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:

    a) Audit Committee : Six meetings during the Financial Year 2023- 2024

    b) HR and Remuneration Committee : One meeting during the Financial Year 2023- 2024
15. The board has set up an effective Internal Audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are appended below.

For the behalf of the Board

Lahore: **September 25, 2024**	**Syed Manzar Hassan** **Director**	**M. Zeid Yousuf Saigol** **Chief Executive/Direcor**

EXPLANATION FOR NON-COMPLIANCE OF NON-MANDATORY

Requirements of the Code of Corporate Governance, 2019 (“CCG”)

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1.	**Disclosure of significant policies on website** The company may post key elements of its significant policies, brief synopsis of reference of the Board Committees on its website and key elements of the directors' remuneration policy	The requirement to disclose significant policies on the website is non-mandatory in regulation No. 35(1), and thus the Company has uploaded limited information in this respect on its website. The Company is, however, considering placing key elements and synopsis of other policies on its website.	35
2.	The Board constitute the anti-harassment policy to safeguard the rights and well-being of employees.	Currently, the Board has not constituted an anti-harassment policy and the functions are being performed by the Human Resource department according to the company's Grievance Policy. However an anti-harassment policy will be formalized and approved by the Board in due course.	10
3.	As per CCG 2019 "10A.- Role of the Board and its members to address Sustainability Risks and Opportunities.	The board will take appropriate measures to proactively understand and address the principal as well as emerging sustainability risks and opportunities relevant to the company and its business, including climate-related risks and opportunities, assess their potential financial and operational impacts and implement strategies for management and mitigation thereof	10

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE MEMBERS OF KOHINOOR ENERGY LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Kohinoor Energy Limited (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

A.F. Ferguson & Co.
Chartered Accountants

Lahore

Date: October 3, 2024

UDIN: CR202410118a87cFLMKS

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KOHINOOR ENERGY LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Kohinoor Energy Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to notes 12.1 (i) and (ii) to the financial statements, which describe the uncertainties regarding the outcome of certain claims by Central Power Purchasing Agency ("CPPA-G") which have been disputed by the Company. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Amer Raza Mir.

A. F. Ferguson & Co

Chartered Accountants

Lahore

Date: : October 3, 2024

UDIN: AR202410118e3H9myOxS

STATEMENT OF FINANCIAL POSITION

	Note	June 30, 2024	June 30, 2023
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
170,000,000 (June 30, 2023: 170,000,000) ordinary shares of Rs. 10 each		1,700,000	1,700,000
Issued, subscribed and paid up capital			
169,458,614 (June 30, 2023: 169,458,614) ordinary shares of Rs. 10 each	5	1,694,586	1,694,586
Un-appropriated profit		2,831,855	3,688,506
		4,526,441	5,383,092
NON-CURRENT LIABILITIES			
Long term finance - secured	6	-	-
Deferred grant	7	-	-
		-	-
CURRENT LIABILITIES			
Current portion of long term finance - secured	6	-	-
Current portion of deferred grant	7	-	-
Employee benefits	8	10,838	9,473
Short term finances - secured	9	2,476,137	998,481
Trade and other payables	10	605,016	550,831
Accrued finance cost	11	65,628	112,768
Unclaimed dividend		17,830	31,526
Provision for taxation - net		29,862	48,398
		3,205,311	1,751,477
CONTINGENCIES AND COMMITMENTS	12		
		7,731,752	7,134,569

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

AS AT JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	2,382,648	2,363,748
Intangible assets	14	1,574	2,080
Long term loans, deposits and investments	15	1,144	144
		2,385,366	2,365,972
CURRENT ASSETS			
Stores, spares and loose tools	16	403,787	339,645
Stock in trade	17	569,415	984,130
Trade debts - net	18	2,853,377	2,320,379
Loans, advances, deposits, prepayments and other receivables	19	553,001	903,426
Short term investments		14	-
Cash and cash equivalents	20	966,792	221,017
		5,346,386	4,768,597
		7,731,752	7,134,569

Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023
		(Rupees in thousand)	
Revenue	21	10,009,893	12,583,137
Cost of sales	22	(7,711,987)	(10,194,769)
Gross profit		2,297,906	2,388,368
Administrative expenses	23	(385,770)	(331,256)
Other expenses	24	(882)	-
Other income	25	12,004	6,866
Operating profit		1,923,258	2,063,978
Finance costs	26	(319,992)	(488,972)
Profit before levy and taxation		1,603,266	1,575,006
Levy - final tax	27	(764)	-
Profit before taxation		1,602,502	1,575,006
Taxation	28	(2,004)	(1,539)
Profit for the year		1,600,498	1,573,467
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		1,600,498	1,573,467
Earnings per share - basic and diluted - (In Rupees)	37	9.44	9.29

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	Share Capital	Un-appropriated Profit	Total
		(Rupees in thousand)	
Balance as at July 1, 2022	1,694,586	3,216,520	4,911,106
Transactions with owners in their capacity as owners:			
Interim dividends for the year ended June 30, 2023			
First interim dividend at the rate of Rs. 1.50 per share	-	(254,188)	(254,188)
Second interim dividend at the rate of Rs. 3.00 per share	-	(508,376)	(508,376)
Third interim dividend at the rate of Rs. 2.00 per share	-	(338,917)	(338,917)
	-	(1,101,481)	(1,101,481)
Profit for the year	-	1,573,467	1,573,467
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,573,467	1,573,467
Balance as at June 30, 2023	1,694,586	3,688,506	5,383,092
Transactions with owners in their capacity as owners:			
Interim dividends for the year ended June 30, 2024			
First interim dividend at the rate of Rs. 4.00 per share	-	(677,834)	(677,834)
Second interim dividend at the rate of Rs. 5.50 per share	-	(932,022)	(932,022)
Third interim dividend at the rate of Rs. 5.00 per share	-	(847,293)	(847,293)
	-	(2,457,149)	(2,457,149)
Profit for the year	-	1,600,498	1,600,498
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,600,498	1,600,498
Balance as at June 30, 2024	1,694,586	2,831,855	4,526,441

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	29	2,618,769	4,140,195
Employee benefits paid		(20,525)	(18,912)
Finance costs paid		(367,132)	(462,130)
Income tax paid		(20,540)	(6,514)
Net cash generated from operating activities		2,210,572	3,652,639
Cash flows from investing activities			
Purchase of property, plant and equipment		(486,537)	(100,698)
Profit on bank deposits received		6,911	5,306
Dividend income received		5,093	-
Purchase of short term investments		(2,214,339)	-
Proceeds from sale of short term investments		2,214,325	-
(Increase) / decrease in long term loans, deposits and investments		(1,000)	210
Proceeds from disposal of operating fixed assets		3,939	6,103
Net cash used in investing activities		(471,608)	(89,079)
Cash flows from financing activities			
Repayment of long term finances		-	(28,903)
Dividend paid		(2,470,845)	(1,084,694)
Net cash used in financing activities		(2,470,845)	(1,113,597)
Net (decrease) / increase in cash and cash equivalents		(731,881)	2,449,963
Cash and cash equivalents at the beginning of the year		(777,464)	(3,227,427)
Cash and cash equivalents at the end of the year	30	(1,509,345)	(777,464)

The annexed notes 1 to 40 form an integral part of these financial statements.

Chief Financial Officer | Chief Executive Officer | Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 Legal status and nature of business

Kohinoor Energy Limited (the 'Company') was incorporated in Pakistan on April 26, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance) repealed with the enactment of the Companies Act, 2017 on May 30, 2017. The Company is listed on the Pakistan Stock Exchange. The principal activities of the Company are to own, operate and maintain a power plant of 124 MW capacity in Lahore and to sell the electricity produced there from to a sole customer, the Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA), for a term of 30 years which commenced from June 19, 1997. Subsequently, WAPDA has irrevocably transferred all of its rights, obligations and liabilities under the PPA to Central Power Purchasing Agency Guarantee Limited (CPPA-G) (Power Purchaser) thereunder via Novation Agreement and Amendment Agreement to the Implementation Agreement which became effective on February 11, 2021 after approval from the relevant authorities.

The address of the registered office of the Company is 301, 3rd Floor, Green Trust Tower, Blue Area, Islamabad and the Company's power plant has been set up at Post Office Raja Jang, Near Tablighi Ijtima, Raiwind Bypass, Lahore.

During the year, a subsidiary company was incorporated under the name of KEL Power Solutions (Private) Limited ("KPSL"). The principal line of business of the company shall be to carry on all or any of the businesses of generating, purchasing, importing, transforming, converting, distributing, supplying, exporting, installing solar plants, related services, supply of solar panels, obtaining agencies, establishing distribution network & accessories etc. The company has been incorporated under section 16 of the Companies Act, 2017 (XIX of 2017) on May 13, 2024. The address of the registered office of the Company is Near Tablighi Ijtima, Raiwind Bypass, Lahore.

1.1 Amendment to the Power Purchase Agreement (PPA)

On June 03, 2020, the Government of Pakistan (GoP) formed a negotiation committee (the Committee) to initiate discussion with Independent Power Producers (IPPs) including Kohinoor Energy Limited (the 'Company') on various matters, which inter alia, included "Tariff Discount" and other terms and conditions of respective PPAs. After several discussions with the Committee, a Memorandum of Understanding (MoU) was signed between the Committee and the Company on August 21, 2020.

Subsequent to the MoU, the GoP through notification dated October 7, 2020, constituted the Implementation Committee to finalize the binding agreement based on the MoU referred above. After several discussions with the Implementation Committee, CPPA-G signed the Amendment to the PPA and the Master Agreement (the Agreements) on February 11, 2021. These Agreements were approved by the Board of Directors of the Company vide a circular resolution dated February 01, 2021. Furthermore, these agreements were approved by the Federal Government through the Cabinet Committee on Energy (CCoE) on February 08, 2021.

Pursuant to the terms of these Agreements, the Company was entitled to receive outstanding receivables amounting to Rs. 4,974 million due from Power Purchaser as on November 30, 2020, in two tranches. Accordingly, the Company received Rs. 1,989 million as the 1st tranche (40%) on June 4, 2021 and Rs. 2,985 million as 2nd tranche (60%) on November 29, 2021.

As part of the Amendment to the PPA, the Company has provided a "Tariff Discount" of 11% in the escalable component of Capacity Purchase Price (CPP) and Variable Operations and Maintenance (O&M) component of Energy Purchase Price (EPP) with effect from the date of receipt of 1st tranche i.e. June 04, 2021. Moreover, there is a restriction on indexation of the 50% of the reduced escalable component of CPP when the exchange rate reaches to Rs. 168.60 / USD.

Pursuant to the clause 2.5 of the Amendment to the PPA signed by the Company and CPPA-G, the parties have also agreed that the requirement for "Company letter of credit" and "CPPA-G (formerly WAPDA) letter of credit" under section 9.4(f) of the original PPA have been deleted in the entirety.

2 Basis of preparation

2.1 Statement of compliance

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

i) International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

ii) Provisions of and directives issued under the Companies Act, 2017.

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

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

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

2.2.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2023 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements except for the following:

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to designate the amount calculated on taxable income using the notified tax rate as an income tax expense. Any excess over the amount designated as income tax, is then recognized as a 'Levy' under 'IAS 37, Provisions, Contingent Liabilities and Contingent Assets' and IFRIC 21, which were previously being recognized as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Since the tax expense of the Company during the prior period is assessed as income tax under IAS-12, therefore, no adjustment is made in these financial statements as a result of application of this guidance in respect of the prior year. The effects of application of change in accounting policy for the current year is as follows:

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting
	(Rupees in thousand)		
Effect on statement of profit or loss			
For the year ended June 30, 2024			
Final tax on return on Investments in mutual funds	-	(764)	(764)
Profit before tax	1,603,266	(764)	1,602,502
Taxation	(2,768)	764	(2,004)
Profit after tax	**1,600,498**	**-**	**1,600,498**
Earnings per Share	9.44	-	9.44

2.2.2 Exemption from applicability of certain standards

a) Securities and Exchange Commission of Pakistan ('SECP') through SRO 986(I)/2019 dated September 2, 2019 has granted exemption from the requirements of IFRS 16 'Leases' to all companies to the extent of their power purchase agreements executed before January 1, 2019. Therefore, the standard will not have any impact on the Company's financial statements to the extent of its PPA. For the remaining leases, the Company has assessed that the application of this standard does not have any material impact on these financial statements.

Under IFRS 16, the consideration required to be made by the lessee for the right to use the asset is to be accounted for as a finance lease. The Company's power plant's control due to purchase of total output by CPPA-G appears to fall under the scope of finance lease under IFRS 16. Consequently, if the Company were to follow IFRS 16 with respect to its power purchase agreement, the effect on the financial statements would be as follows:

	2024	2023
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(1,990,569)	(2,086,076)
Recognition of lease debtor	349,785	358,228
Decrease in un-appropriated profit at the beginning of the year	(1,727,848)	(2,065,840)
Increase in profit for the year	87,064	337,992
Decrease in un-appropriated profit at the end of the year	(1,640,784)	(1,727,848)

b) The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 229 (I) / 2019 dated February 14, 2019 notified that the standard IFRS 9, 'Financial Instruments' would be effective for reporting period / year ending on or after June 30, 2019. However, SECP through S.R.O. 985 (I) / 2019 dated September 30, 2019 granted exemption from applying expected credit loss based impairment model to financial assets due from the Government till June 30, 2021 which was further extended till June 30, 2022 vide S.R.O. 1177 (I) / 2021 dated September 13, 2021. The extension is further extended till December 31, 2024 vide S.R.O. 67(I) / 2023. Accordingly, the Company has not followed the requirements of IFRS 9 with respect to application of Expected Credit Losses in respect of trade debts and other receivables due from CPPA-G. The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2024, but are considered not to be relevant to the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

a) Amendment to IAS 1– Non-current liabilities with covenants'

These amendments were in response to concerns raised on applying previous amendments to the classification of liabilities as current or non-current that would have become effective for reporting periods beginning on or after 2023.The new amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

These amendments are not expected to have a material impact on the Company's financial statements when they become effective.

The new amendments are effective for annual reporting periods beginning on or after 1 January 2024 and override the previous amendments.

b) Amendment to IAS 7 and IFRS 7 - Supplier finance'

These amendments to IAS 7 and IFRS 7 require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said they urgently need more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.

Entities will be required to aggregate the information they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information when the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned amendments are effective for accounting periods beginning on or after January 01, 2024.

c) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments'

The amendments clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the solely payments of principal and interest (SPPI) criterion, require new disclosures for instruments with cash flow changes linked to environment, social and governance (ESG) targets, and update disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

These amendments are not expected to have a material impact on the Company's financial statements when they become effective.

The above mentioned amendments are effective for accounting periods beginning on or after January 01, 2026.

d) IFRS 18 Presentation and Disclosure in Financial Statements'

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned standard is effective for accounting periods beginning on or after January 01, 2027.

e) International Financial Reporting Standard (IFRS) S1, 'General requirements for disclosure of sustainability-related financial information' and International Financial Reporting Standard (IFRS) S2, 'Climate-related disclosures"

The International Sustainability Standards Board (ISSB) issued its first two sustainability reporting standards on June 26, 2023, applicable on reporting periods beginning on or after January 1, 2024, subject to endorsement of the standards by local jurisdictions. These standards include the core framework for the disclosure of material information about sustainability-related risks, opportunities across an entity's value chain and set out the requirements for entities to disclose information about climate-related risks and opportunities.

IFRS S1 requires entities to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reporting in making decisions relating to providing resources to the entity. The standards provide guidance on identifying sustainability-related risks and opportunities, and the relevant disclosures to be made in respect of those sustainability-related risks and opportunities.

IFRS S2 is a thematic standard that builds on the requirements of IFRS S1 and is focused on climate-related disclosures. IFRS S2 requires an entity to identify and disclose climate-related risks and opportunities that could affect the entity's prospects over the short, medium and long term. In addition, IFRS S2 requires entities to consider other industry-based metrics and seven cross-industry metrics when disclosing qualitative and quantitative components on how the entity uses metrics and targets to measure, monitor and manage the identified material climate-related risks and opportunities. The cross-industry metrics include disclosures on greenhouse gas (GHG) emissions, transition risks, physical risks, climate-related opportunities, capital deployment, internal carbon prices and remuneration.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

3 Basis of measurement

3.1 These financial statements have been prepared under the historical cost convention unless specified otherwise.

3.2 Significant accounting estimates and judgements

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

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

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

b) Provision for obsolescence of stores and spares

The Company reviews stores and spares inventory items based on the technical evaluation(s) conducted in-house by the technical team. Provision is recognized against items determined to be obsolete and / or not expected to be used up till the expiry of PPA term.

4 Material accounting policy information

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

4.1 Taxation

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements, except for taxes on normal business income which is specifically within the scope of IAS 12 and hence it continues to be categorized as current income tax.

Income tax

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized directly in equity or other comprehensive income.

Current

The profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. However, full provision is made in the profit and loss account on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred

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

4.2 Employee benefits

a) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

b) Post employment benefit - Defined contribution plan (Provident Fund)

There is an approved defined contributory provident fund for all employees. Equal monthly contributions are made both by the Company and employees to the fund at the rate of 10 percent of the basic salary subject to completion of minimum qualifying period of service as determined under the rules of the fund.

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain plant and machinery comprises historical cost, exchange differences capitalized in previous years and borrowing cost mentioned in note 4.14.

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

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if the impact on depreciation is significant. The Company's estimate of the residual value of its operating fixed assets as at June 30, 2024 has not required any adjustment as its impact is considered insignificant.

Depreciation on additions to operating fixed assets is charged from the month in which the asset is available for use, while no depreciation is charged for the month in which the asset is disposed off.

The net exchange difference relating to an asset which was capitalized in line with the exemption granted by Securities and Exchange Commission of Pakistan, is being amortized in equal installments over its remaining useful life.

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

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

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

4.3.2 Capital work-in-progress

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

4.3.3 Major spare parts and standby equipment

Major spare parts and standby equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are available for use.

4.4 Intangible assets

Expenditure incurred to acquire intangible assets is stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortized using the straight line method over its estimated useful life at the annual rates mentioned in note 14. Intangibles assets which are fully amortized till June 30, 2024 are mentioned in note 14.2.

Amortization on additions to intangible assets is charged from the month in which an asset is available for use while no amortization is charged for the month in which the asset is disposed off.

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

4.5 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.6 Stores, spares and loose tools

Stores, spares and loose tools are valued principally at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the statement of financial position date while items considered obsolete are carried at nil value.

Provision for obsolescence of stores and spare parts wherever required, is made on the basis of management's best estimate of usability of items and considering the ageing analysis prepared on an item by item basis.

4.7 Stock in trade

Inventories, except for that in transit, is valued principally at lower of cost and net realizable value. Cost is determined using First in First Out method for Furnace oil while weighted average method is used for the remaining items. Inventories in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value is determined on the basis of estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. If the expected net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value.

4.8 Financial assets

4.8.1 Classification

The Company classifies its financial assets other than investments in equity instruments of subsidiary and associate in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss], and

- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

4.8.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

4.8.3 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortized cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss. Impairment losses are presented as separate line item in the statement of profit or loss.

ii) FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as separate line item in the statement of profit or loss.

iii) FVPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments except for investments in equity instruments of subsidiary and associate at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.8.4 Impairment of financial assets other than those due from the Government of Pakistan and investment in equity instruments

The Company assesses on a forward-looking basis, the expected credit losses ('ECL') associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies general 3-stage approach for loans, deposits and other receivables and bank balances i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Long term loans;
- Loans, deposits and other receivables;
- Short term investment; and
- Bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

- actual or expected significant changes in the operating results of the counterparty;

- significant increase in credit risk on other financial instruments of the same counterparty; and

- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;

- a breach of contract, such as a default or past due event;

- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

- the disappearance of an active market for that financial asset because of financial difficulties.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of borrowers; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of counterparty's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.9 Financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed on profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

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

4.10 Offsetting of financial assets and financial liabilities

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

4.11 Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan includes trade debts and other receivables due from CPPA-G under the PPA that also includes accrued amounts. The Company follows relevant requirements of IAS 39 in respect of impairment of these financial assets due to the exemption available in respect of IFRS 9 till December 31, 2024 as stated in note 2.2.2 (b).

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all the amount due according to the original terms of the receivable.

The Company assesses at the end of each reporting period whether there is objective evidence that the financial asset is impaired. The financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. When the financial asset is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss.

4.12 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and finances under mark-up arrangements. In the statement of financial position, finances under mark-up arrangements are included in current liabilities.

4.13 Borrowings

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

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

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

4.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

4.15 Provisions

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

4.16 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.17 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and recognized in profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

In subsequent periods, the grant shall be deducted from the related expense in the statement of profit or loss.

4.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Currently, the Company is functioning as a single operating segment.

4.19 Trade debts

Trade debts are amounts due from CPPA-G in the ordinary course of business. They are generally due for settlement as referred to in note 4.20 and therefore are all classified as current. Trade debts are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade debts with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less provision for impairment.

4.20 Revenue recognition

Revenue shall be recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

Revenue from the sale of electricity to CPPA-G, the sole customer of the Company, is recorded on the following basis:

- Capacity Purchase Price revenue is recognized over time, based on the capacity made available to CPPA-G, at rates as specified under the PPA with CPPA-G, as amended from time to time; and

- Energy Purchase Price revenue is recognized at a 'point in time', as and when the Net Electrical Output (NEO) are delivered to CPPA-G.

Capacity and Energy revenue is recognized based on the rates determined under the mechanism laid down in the PPA.

Delayed payment mark-up on amounts due under the PPA is accrued on a time proportion basis by reference to the amount outstanding and the applicable rate of return under the PPA.

Invoices are generally raised on a monthly basis and are due after 25 days from the date of submission by the Company to CPPA-G.

4.21 Finance income

Finance income comprises interest income on funds invested (financial assets), dividend income, gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in profit or loss, using effective interest method. Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established.

4.22 Foreign currency transactions and translation

a) Functional and presentation currency

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

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

4.23 Dividend and appropriation to reserves

Dividend and other appropriation to reserves are recognized in the financial statements in the period in which these are approved.

4.24 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.25 Share capital

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

4.26 Rounding off amounts

All amounts presented in these financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

5 Issued, subscribed and paid up capital

5.1 This represents 169,458,614 (2023: 169,458,614) ordinary shares of Rs. 10 each fully paid in cash.

5.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

6 Long term finance- secured

This represented long term financing facility (running musharaka facility) availed from Faysal Bank Limited (through its Islamic Banking Division) as a Participating Financial Institution under State Bank of Pakistan's (SBP) Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns ('Refinance Scheme'). The total facility available amounted to Rs. 145 million. The financing was secured against pari passu charge over all the present and future current asset. It carried mark-up at the rate of SBP Profit Rate under the Refinance Scheme plus 1.50% per annum, payable on quarterly basis. The remaining installments were fully paid off during the prior year. The reconciliation of carrying amount is as follows:

	2024	2023
	(Rupees in thousand)	
Long term loan	-	-
Less: Current portion shown under current liabilities	-	-
- note 6.1	-	-

6.1 The reconciliation of carrying amount is as follows

	2024	2023
Opening balance	-	28,070
Loan repaid	-	(28,903)
Unwinding of interest expense	-	833
	-	-
less: Current portion shown under current liabilities	-	-
	-	-

7 Deferred grant

	2024	2023
	(Rupees in thousand)	
As at July, 01	-	630
Unwinding of grant	-	(630)
As at June, 30	-	-
Represented by:		
Non-current portion	-	-
Current portion	-	-
	-	-

7.1 Government grant had been recognized against loan obtained under the SBP refinance scheme of salaries and wages in lieu of below market-interest rate payable on this loan. There are no unfulfilled conditions or contingencies attached to this grant effecting its recognition at the reporting date.

8 Employee benefits

		2024	2023
		(Rupees in thousand)	
Accumulating compensated absences	- note 8.1	10,838	9,473

8.1 Movement in accumulating compensated absences is as follows:

	2024	2023
Opening balance	9,473	8,054
Provision for the year	21,890	20,331
	31,363	28,385
Less: Payments made during the year	(20,525)	(18,912)
Closing balance	10,838	9,473

9 Short term finances - secured

Short term borrowings under mark-up and Shariah arrangements obtained as under:

		2024	2023
		(Rupees in thousand)	
Under mark up arrangements - secured	- note 9.1	836,119	498,481
Under arrangements permissible under Shariah - secured	- note 9.2	1,640,018	500,000
		2,476,137	998,481

9.1 Markup Arrangements

Short term finances available from commercial banks under mark up arrangements amount to Rs. 4,000 million (2023: Rs. 4,000 million). The rates of mark up for finances under mark up arrangement ranged from 21.12% to 23.66% per annum (2023: 12.64% to 21.98%per annum). Various sub facilities comprising money market loans and letters of guarantee have also been utilized during the year. The security and other agreements, negotiable instruments and documents to be executed by the Company in favor of the bank shall be in the form and substance satisfactory to the bank. The Company shall execute or cause to be executed all such instruments, deeds or documents, which the bank may in its sole discretion require. Out of the aggregate running finances availed by the Company, Rs. 4,000 million are secured by joint pari passu charge on current assets.

9.2 Arrangements permissible under shariah

Short term finances available from Islamic banks under Islamic arrangements amount to Rs. 3,150 million (2023: Rs. 3,150 million). The rates of mark up for finances under arrangements permissible under shariah ranged from 20.96% to 23.64% per annum (2023: 14.4% to 21.98% per annum) on the balances outstanding. Out of the aggregate running finances availed by the Company, Rs. 3,150 Million are secured by joint pari passu charge on current assets.

9.3 Of the aggregate facility of Rs. 1475 million (2023: Rs. 975 million) for opening letters of credit and Rs. 7 million (2023: Rs. 10 million) for guarantees, the amount utilized as at June 30, 2024 was Rs. 135.22 million (2023: Rs. 158.68 million) and Rs. 6.68 million (2023: Rs. 6.46 million) respectively.

		2024	2023
		(Rupees in thousand)	
10 Trade and other payables			
Trade creditors		289,655	291,446
Accrued liabilities		74,579	60,015
Withholding tax payable		7,975	6,017
Workers' Profit Participation Fund	- note 10.1	80,163	78,750
Workers' Welfare Fund	- note 10.2, 10.3 & 10.4	138,927	106,861
Security deposit payable	- note 10.5	198	188
Payable to employees' provident fund	- note 10.6	2,502	2,237
Sales tax payable		3,562	-
Subscription money payable	- note 15.2	1,000	-
Other payables		6,455	5,317
		605,016	550,831

		2024	2023
		(Rupees in thousand)	

10.1 Movement in Workers' Profit Participation Fund

		2024	2023
Opening balance		78,750	75,479
Provision for the year	- note 19.2	80,163	78,750
		158,913	154,229
Less: Payments made during the year		(78,750)	(75,479)
Closing balance		80,163	78,750

10.2 Movement in Workers' Welfare Fund

		2024	2023
Opening balance		106,861	75,361
Provision for the year	- note 19.3	32,066	31,500
Closing balance		138,927	106,861

10.3 This represents provision recognized as per 'The Punjab Workers' Welfare Fund Act 2019'. Under the Act, the Company is liable to pay to Workers' Welfare Fund, a sum equal to two percent of its total income, which is higher of, profit before taxation or provision for taxation as per accounts or the declared income as per the return of income.

10.4 This includes provisions pertaining to years 2019 to 2024. As per the legal advice available with it, the Company has not paid this amount until it is duly ascertained whether this is required to be paid to the Federal Government or the Provincial Government.

10.5 This represents advances and security deposits which are repayable on demand or on the cancellation of agreement. These are utilized for the purpose of the business in accordance with the terms of section 217 of the Act.

10.6 The investments by the provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

11 Accrued finance cost

	2024	2023
	(Rupees in thousand)	
Mark up on short term finances under mark up arrangements - secured	26,971	63,111
Profit on short term arrangements permissible under Shariah - secured	38,657	49,657
	65,628	112,768

12 Contingencies and commitments

12.1 Contingencies

(i) CPPA-G (formerly WAPDA) imposed Liquidated Damages (LDs) on the Company amounting to Rs. 353.85 million (2023: Rs. 353.85 million) during the period from 2011 to 2013 because of failure to dispatch electricity due to CPPA-G's non-payment of dues on timely basis and consequential inability of the Company to make advance payments to its fuel supplier - Pakistan State Oil Company Limited (PSO), that resulted in inadequate level of electricity production owing to shortage of fuel.

The Company disputed and rejected the claim on account of LDs because under the terms of PPA, no LDs can be charged to the Company due to the reasons caused solely by the Power Purchaser i.e. CPPA-G.

According to legal advisors of the Company, there are adequate grounds to defend the claim for such LDs, therefore no provision has been made in these financial statements.

(ii) CPPA-G (formerly WAPDA) imposed LDs on the Company amounting to Rs 179.32 million (2023: Rs 179.32 million) due to incorrect calculation from 2011 till April 2018. The Company has disputed these LDs because CPPA-G has ignored certain factors applicable for the calculation of LDs under the terms of the PPA.

For settlement of the dispute, several discussions were held between the officials of CPPA-G and the Company. Consequent to the mutual discussion, CPPA-G has agreed to calculate the LDs using a model consistent with the terms of the PPA. However, the said model has not yet been applied to recalculate the LDs imposed prior to April 2018. Resultantly, there have been no disputed LDs since May 2018.

Management is confident that the LDs imposed prior to April 2018 will also be revised by CPPA-G. The impact of LDs calculated under the agreed model for the period preceding April 2018 has been assessed to be insignificant and therefore, no provision has been made in these financial statements.

(iii) A sales tax demand of Rs. 505.41 million was raised against the Company through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August, 2009 to June, 2013. Such amount was disallowed on the grounds that the revenue derived by the Company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Company. Against the aforesaid order, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Subsequently, the Company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'). Additionally, the Company had filed an application with the Lahore High Court seeking a stay in recovery of tax arrears, default surcharge and penalty.

The Lahore High Court, in its order dated December 31, 2014, stayed the recovery of the tax demand along with default surcharge and penalty till adjudication by the ATIR, subject to deposit of Rs. 10 million with the Tax Department which the Company duly submitted on January 7, 2015. The ATIR vide its order dated May 4, 2015, upheld the CIR(A)'s order on the issue regarding apportionment of input sales tax. Thereafter, the Company filed an appeal against the decision of ATIR in the Lahore High Court.

The Lahore High Court vide its judgment dated October 31, 2016 has decided the case in favor of the Company. Subsequently, the tax department being aggrieved, filed a leave for appeal before the Supreme Court of Pakistan. The management is of the view that there are meritorious grounds available to defend the foregoing demands in the Supreme Court of Pakistan. Consequently, no provision for such demand has been made in these financial statements.

(iv) A sales tax demand of Rs. 184.13 million was raised against the Company through order dated August 27, 2019 by the Deputy Commissioner Inland Revenue ('DCIR') on account of inadmissible input tax related to 'capacity purchase price', sales tax default on account of suppression of sales related to tax periods from July, 2015 to June, 2016 and inadmissible input tax claimed by the Company. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) ('CIR(A)') on September 16, 2019. Out of Rs. 184.13 million, CIR(A) through order dated July 08, 2021 has deleted the demand of Rs. 152.95 million raised on account of inadmissible input tax related to 'capacity purchase price', whereas the remaining demand of Rs. 31.18 million raised related to sales tax default on account of suppression of sales for the tax periods from July, 2015 to June, 2016 and inadmissible input tax claimed by the Company have been remanded back to the DCIR. The management is of the view that there are meritorious grounds available to defend the foregoing demand. Consequently no provision for such demand has been made in these financial statements.

(v) The Company has issued the following guarantees in favor of:

Sui Northern Gas Pipelines Limited on account of payment of dues against gas sales etc., amounting to Rs. 6.68 million (2023: Rs. 6.46 million).

12.2 Commitments

(i) Letters of credit / bank contracts other than capital expenditure as at end of current year are Rs. 40.11 million (2023: 40.34 million).

(ii) Letters of credit / bank contracts for capital expenditure as at end of current year are Rs. 95.11 million (2023: Rs. 118.34 million).

13 Property, plant and equipment

		2024	2023
		(Rupees in thousand)	
Operating fixed assets	- note 13.1	2,235,446	2,290,383
Major spare parts and standby equipment	- note 13.2	147,202	73,365
Capital work in progress	- note 13.3	-	-
		2,382,648	2,363,748

13.1 Property, plant and equipment

	Freehold land	Buildings on freehold land	Plant and machinery	Office appliances and equipment	Laboratory equipment	Electric appliances and equipment	Computers	Furniture and fixtures	Vehicles	Total
					(Rupees in thousand)					
Net carrying value basis (NBV)										
Year ended June 30, 2024										
Opening balance	93,209	84,522	2,059,075	242	409	3,862	2,389	18	46,656	2,290,382
Additions (at cost)	-	-	351,862	127	-	1,219	1,176	-	58,317	412,701
Disposals (at NBV)	-	-	-	-	-	-	(39)	-	(4,782)	(4,821)
Depreciation charge	-	(21,309)	(426,060)	(102)	(347)	(1,149)	(1,425)	-	(12,423)	(462,816)
Closing balance	**93,209**	**63,213**	**1,984,877**	**267**	**62**	**3,932**	**2,101**	**18**	**87,768**	**2,235,446**
Gross carrying value basis										
As at June 30, 2024										
Cost	93,209	625,457	9,477,702	5,537	5,561	33,352	53,339	7,884	130,685	10,432,726
Accumulated depreciation	-	(562,244)	(7,492,825)	(5,270)	(5,499)	(29,420)	(51,238)	(7,866)	(42,917)	(8,197,280)
Net book value (NBV)	**93,209**	**63,213**	**1,984,877**	**267**	**62**	**3,932**	**2,101**	**18**	**87,768**	**2,235,446**
Depreciation rate per annum	-	4% - 9%	4.5% - 33%	10%	10%	10%	33%	10%	20%	
Net carrying value basis (NBV)										
Year ended June 30, 2023										
Opening balance	93,209	105,833	2,383,809	383	885	4,580	787	19	35,427	2,624,932
Additions (at cost)	-	-	63,116	-	-	545	2,663	-	26,873	93,197
Disposals (at NBV)	-	-	-	-	-	-	-	-	(4,742)	(4,742)
Depreciation charge	-	(21,310)	(387,850)	(140)	(477)	(1,263)	(1,059)	(2)	(10,903)	(423,004)
Closing balance	**93,209**	**84,523**	**2,059,075**	**243**	**408**	**3,862**	**2,391**	**17**	**46,655**	**2,290,383**
As at June 30, 2023										
Cost	93,209	625,458	9,125,840	5,411	5,561	32,133	52,840	7,884	87,967	10,036,303
Accumulated depreciation	-	(540,935)	(7,066,765)	(5,168)	(5,153)	(28,271)	(50,449)	(7,867)	(41,312)	(7,745,920)
Net book value (NBV)	**93,209**	**84,523**	**2,059,075**	**243**	**408**	**3,862**	**2,391**	**17**	**46,655**	**2,290,383**
Depreciation rate per annum	-	4% - 9%	4.5% - 33%	10%	10%	10%	33%	10%	20%	

13.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2024 is Rs. 982.43 million (2023: Rs. 801.5 million).

13.1.2 Immovable fixed assets of the Company are situated at Head Office, Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore, Pakistan. Freehold land represents 256 kanal of land situated at Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore out of which approximately 16 kanal represent covered area.

13.1.3 The depreciation charge for the year has been allocated as follows:

13.1.3 The depreciation charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in thousand)	
Cost of sales	22	452,283	413,531
Administrative expenses	23	10,533	9,473
		462,816	423,004

13.1.4 Disposal of operating fixed assets

The details of property, plant and equipment disposed of during the year having individual book value exceeding Rs. 500,000 or more are as follows:

		2024 (Rupees in thousand)					
Particulars of assets	**Sold to / Transferred to**	**Cost**	**Accumulated depreciation**	**Book value**	**Sale proceeds**	**Gain / (loss)**	**Mode of disposal**
Assets with book value greater than Rs. 0.5 Million	**Employees**						
Vehicle	Malik Arif	2,926	2,341	585	546	(39)	Company Policy
Vehicle	Rahmat Ullah	4,034	2,259	1,775	1,775	-	Company Policy
Vehicle	Muhammad Ashraf	3,128	2,503	625	625	-	Company Policy
Vehicle	Muhammad Asif	3,255	1,909	1,346	651	(695)	Company Policy
Other assets with book value less than Rs. 0.5 Million							
Various	-	2,932	2,442	490	342	(148)	-do-
		16,275	**11,454**	**4,821**	**3,939**	**(882)**	

		2023 (Rupees in thousand)					
Assets with book value greater than Rs. 0.5 Million	**Employees**	**Cost**	**Accumulated depreciation**	**Book value**	**Sale proceeds**	**Gain / (loss)**	**Mode of disposal**
Vehicle	Mr. Waqas Ahmed Bhatti	1,856	223	1,634	1,634	-	Company Policy
Vehicle	Mr. Syed Ghazanfar Ali Zaidi	7,054	4,608	2,445	2,445	-	Company Policy
		8,910	**4,831**	**4,079**	**4,079**	**-**	
Other assets with book value less than Rs. 0.5 Million							
Various	-	4,407	3,743	663	2,024	1,361	-do-
		13,317	**8,574**	**4,742**	**6,103**	**1,361**	

13.2 This amount represents the mechanical store items including coupling flexible set and pieces of piston crown coated which are held for capitalization.

	2024	2023
	(Rupees in thousand)	
13.3 Capital work in progress		
Plant and machinery	-	-
13.3.1 Movement in capital work in progress		
Opening balance	-	-
Additions during the year	14,616	591
Capitalized during the year	(14,616)	(591)
	-	-

14 Intangible assets

	Computer software's	Others	Total
	(Rupees in thousand)		
Net carrying value basis			
Year ended June 30, 2024			
Opening net book value (NBV)	1,857	223	2,080
Amortization charge	(450)	(56)	(506)
Closing net book value (NBV)	1,407	167	1,574
Gross carrying value basis			
As at June 30, 2024			
Cost	22,117	1,000	23,117
Accumulated amortization	(20,710)	(833)	(21,543)
Net book value (NBV)	1,407	167	1,574
Amortization rate per annum	6.25% - 8.82%	5.56%	
Net carrying value basis			
Year ended June 30, 2023			
Opening net book value (NBV)	2,306	278	2,584
Amortization charge	(449)	(55)	(504)
Closing net book value (NBV)	1,857	223	2,080

	Computer software's	Others	Total
	(Rupees in thousand)		
Gross carrying value basis			
As at June 30, 2023			
Cost	22,117	1,000	23,117
Accumulated amortization	(20,260)	(777)	(21,037)
Net book value (NBV)	1,857	223	2,080
Amortization rate per annum	6.25% - 8.82%	5.56%	

		2024	2023
		(Rupees in thousand)	
14.1 The amortization charge for the year has been allocated as follows:			
Administrative expenses	- note 23	506	504

14.2 The cost of fully amortized assets which are still in use as at June 30, 2024 is Rs. 16.50 million (2023: Rs. 16.50 million).

		2024	2023
		(Rupees in thousand)	
15 Long term loans, deposits and investments			
Long term loans and deposits	- note 15.1	144	144
Long term investments	- note 15.2	1,000	-
		1,144	144
15.1 Long term loans and deposits			
Loans to employees - considered good			
- Executives	- note 15.1.1	3,000	6,057
		3,000	6,057
Current portion included in current assets			
- Executives	- note 15.1.1	(3,000)	(6,057)
		(3,000)	(6,057)
		-	-
Security Deposits		144	144
		144	144

15.1.1 These represent interest free loans to executives and other employees for purchase of residential plot, construction of house, purchase of motor cars etc. and are repayable in monthly instalments over a year. Loans for purchase of residential plots and construction of house are secured against titled documents of asset. Loans for purchase of motor cars are secured by registration of motor cars in the name of the Company. Security deposits include the amount paid to Central Depository Company. These loans have not been carried at amortized cost as the effect of discounting is not considered material.

15.1.2 The maximum amount outstanding at the end of any month from executives aggregated Rs. 17.88 million (2023: Rs. 6.68 million).

		2024	2023
		(Rupees in thousand)	
15.2 Long term investments			
- Investment in Kel Power Solutions (Private) Limited	- note 15.2.1	1,000	-

15.2.1 During the year, Kel Power Solutions (Private) Limited, a wholly owned subsidiary was incorporated. As at June 30, 2024, no payment has been made against shares subscribed and accordingly the amount has been shown as payable as disclosed in Note 10, however the incorporation expenses of this subsidiary were born by the Company as disclosed in note 19.5.

		2024	2023
		(Rupees in thousand)	
16 Stores, spares and loose tools			
Stores		11,935	9,178
Spares		419,735	358,400
Loose tools		759	709
		432,429	368,287
Provision for obsolete stores and spares	- note 16.1	(28,642)	(28,642)
		403,787	339,645
16.1 Provision for obsolete stores and spares			
Opening balance		28,642	14,138
Provision made during the year		-	14,504
Closing balance		28,642	28,642

16.2 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

	2024	2023
	(Rupees in thousand)	
17 Stock in trade		
Furnace oil	557,467	944,604
Diesel	2,670	2,149
Lubricating oil	9,278	37,377
	569,415	984,130

		2024	2023
		(Rupees in thousand)	

18 Trade debts - net

		2024	2023
Trade receivables from CPPA-G - secured			
- Considered good		2,853,377	2,320,379
- Considered doubtful		-	-
	- note 18.1	2,853,377	2,320,379
Provision for doubtful debts	- note 18.2	-	-
		2,853,377	2,320,379

18.1 This includes an overdue amount of Rs. 1,264.19 million (2023: Rs. 517.65 million) receivable from CPPA-G (formerly WAPDA). The trade debts are secured by a guarantee from the Government of Pakistan (GoP) under the Implementation Agreement. These are in the normal course of business and are interest free, however, a penal mark up at the rate of base rate plus 2% per annum is charged in case the amounts are not paid within due dates, the base rate being the State Bank of Pakistan's reverse repo rate. The penal mark up rate charged during the year was 23.50% to 25.00% (2023: 16.75% to 25%) per annum. These include unbilled receivables aggregating to Rs. 1,214.33 million (2023: Rs. 1,439.15 million).

Aging analysis of trade debts is given in note 34.1(b)(i).

18.2 Provision for doubtful debts

		2024	2023
		(Rupees in thousand)	
Opening balance	- note 18.3	-	430,517
Provision written off during the year		-	(430,517)
Closing balance		-	-

18.3 This represented a receivable amount pertaining to eligibility of indexation of non-escalable component (NEC) of the capacity purchase price relating to the period subsequent to the repayment of foreign currency loan. This was disputed by CPPA-G (formerly WAPDA) in year ended June 30, 2010 taking the stance that under the Power Purchase Agreement (PPA) indexation is allowed until the repayment of foreign currency loan, and since the loan was fully repaid in September, 2008, therefore no indexation was to be allowed from September, 2008 onwards. CPPA-G had earlier paid this amount relating to the period from September, 2008 to September, 2009 but subsequently withheld this amount in June, 2010 against the invoices of April, 2010.

The matter was referred to an expert by the management of the Company who decided in favor of the Company stating that adjustment of the amount is unlawful since the underlying invoices were not disputed within the prescribed period of 180 days. However, CPPA-G did not accept the decision of the expert.

During the year 2019, the management of the Company decided not to pursue the recoverability of this amount and a provision against the same was recorded. Subsequently, the provision was written off during the prior year.

		2024	2023
		(Rupees in thousand)	

19 Loans, advances, deposits, prepayments and other receivables

		2024	2023
Current portion of long term loans to employees	- note 15.1	3,000	6,057
Advances - considered good			
- To employees	- note 19.1	2,879	2,332
- To suppliers		322,316	629,880
Prepayments		1,624	11,433
Claims recoverable from CPPA-G for pass through items:			
- Workers' Profit Participation Fund	- note 19.2	80,163	78,750
- Workers' Welfare Fund	- note 19.3	138,927	106,861
Sales tax receivable		-	65,292
Margin against letter of guarantee		3,020	2,804
Other receivables - considered good		1,029	17
Incorporation expense receivable - KPSL	- note 19.5	43	-
		553,001	903,426

19.1 Included in advances to employees are amounts due from executives of Rs. 0.79 million (2023: Rs. 0.75 million).

		2024	2023
		(Rupees in thousand)	

19.2 Movement in Workers' Profit Participation Fund is as follows:

		2024	2023
Opening balance		78,750	75,479
Provision for the year	- note 10.1	80,163	78,750
		158,913	154,229
Receipts during the year		(78,750)	(75,479)
Closing balance	- note 19.4	80,163	78,750

19.3 Movement in Workers' Welfare Fund is as follows:

		2024	2023
Opening balance		106,861	75,361
Provision for the year	- note 10.2	32,066	31,500
Closing balance	- note 19.4	138,927	106,861

19.4 Under section 14.2(a) of Part III of Schedule 6 to the Power Purchase Agreement (PPA) with CPPA-G, payments to Workers' Profit Participation Fund and Workers' Welfare Fund are recoverable from CPPA-G as pass through items. Furthermore, please refer to note 10.4 which describes the matter of non-payment of WWF.

19.5 This represents receivable from related party, Kel Power Solutions (Private) Limited, on account of incorporation expenses paid by the Company on its behalf.

		2024	2023
		(Rupees in thousand)	
20 Cash and cash equivalents			
Cash at banks			
Current accounts		4,372	1,173
Saving accounts and term deposits			
- Under interest / mark up arrangements	- note 20.1	338,645	201,395
- Retention account - Onshore		21,377	17,089
- Term Deposit Receipts		600,000	-
- Under arrangements permissible under Shariah	- note 20.1	99	22
		960,121	218,506
		964,493	219,679
Cash in hand		2,299	1,338
		966,792	221,017

20.1 The balance in savings bank accounts bear mark up at rates ranging from 20.10% to 20.50% per annum (2023: 12.25% to 19.50% per annum) and balance in accounts under arrangements permissible under Shariah bear profit at the rates ranging from 4.29% to 20.5% per annum (2023: 3.25% to 20.5%).

	2024	2023
	(Rupees in thousand)	
21 Revenue		
Energy Purchase Price revenue	8,517,998	11,882,148
Less: Sales tax	(1,299,356)	(1,751,032)
	7,218,642	10,131,116
Capacity Purchase Price revenue	2,446,893	1,966,432
Delayed payment mark-up	344,358	485,589
	10,009,893	12,583,137

21.1 This represents revenue from contract with sole customer of the Company i.e. CPPA-G.

22 Cost of sales

		2024	2023
		(Rupees in thousand)	
Raw material consumed		6,445,681	9,139,913
Salaries, wages and benefits	- note 22.1	266,737	260,525
Stores and spares consumed		230,863	131,380
Depreciation on operating fixed assets	- note 13.1.3	452,283	413,531
Fee and subscription		5,022	3,935
Insurance		138,567	104,702
Travelling, conveyance and entertainment		39,505	33,045
Repairs and maintenance		14,693	17,113
Communication charges		2,176	3,495
Electricity consumed in-house		67,524	44,095
Environmental expenses		583	857
Liquidated damages		83	18
Contracted services		43,049	24,732
Provision for obsolete stores and spares	- note 16.1	-	14,504
Miscellaneous		5,221	2,924
		7,711,987	10,194,769

22.1 Salaries, wages and other benefits include Rs. 10.95 million (2023: Rs. 10.65 million) in respect of provision for accumulating compensated absences and Rs. 10.53 million (2023: Rs. 10.01 million) in respect of provision for defined contribution provident fund.

23 Administrative expenses

		2024	2023
		(Rupees in thousand)	
Salaries, wages and benefits	- note 23.1	212,634	175,944
Communication charges		3,313	2,553
Depreciation on operating fixed assets	- note 13.1.3	10,533	9,473
Amortization on intangible assets	- note 14.1	506	504
Insurance		3,318	3,122
Travelling, conveyance and entertainment		61,256	49,193
Repairs and maintenance		3,081	3,703
Legal and professional charges	- note 23.2	7,522	5,994
Community welfare expenses		11,299	9,223
Rents, rates and taxes		302	752
Fee and subscription		19,857	25,796
Security expenses		9,702	10,245
Environmental expenses		15,580	12,538
Contracted services		14,853	12,025
Miscellaneous	- note 23.4	12,014	10,191
		385,770	331,256

23.1 Salaries, wages and other benefits include Rs. 10.94 million (2023: Rs. 9.68 million) in respect of provision for accumulating compensated absences and Rs. 4.45 million (2023: Rs. 3.87 million) in respect of provision for defined contribution provident fund.

	2024	2023
	(Rupees in thousand)	
23.2 Legal and professional charges include the following:		
In respect of auditors' services for:		
- Statutory audit	2,326	2,023
- Advice regarding certain taxation matters	1,575	-
- Half yearly review and certifications	843	748
- Out of pocket expenses	302	366
	5,046	3,137
23.3 Employees of the Company		
Total number of employees as at June 30	139	139
Average number of employees	138	141

23.4 During the year ended June 30, 2024, an amount of Rs. 1.50 million was donated to Khursheed Begum Eye Hospital. None of the directors and their spouses had any interest in any of the donees during the year.

		2024	2023
		(Rupees in thousand)	
24 Other expenses			
Loss on sale of fixed assets	- note 24.1	882	-

24.1 This represented the loss arising on the disposal of Vehicles and Computers which are a part of Company's Property, Plant and Equipment.

		2024	2023
		(Rupees in thousand)	
25 Other income			
Income on bank deposits	- note 25.1	6,911	5,306
Gain on sale of fixed assets		-	1,361
Exchange gain		-	199
Dividend Income		5,093	-
		12,004	6,866

		2024	2023
		(Rupees in thousand)	
25.1 Income on bank deposits			
Income on bank deposits under mark up arrangements		5,125	844
Income on bank deposits under arrangements permissible under Shariah		1,786	4,462
		6,911	5,306
26 Finance costs			
Mark up on short term finances - secured		318,036	487,728
Long term finances - secured		-	152
Bank guarantee and commission		83	55
Others		1,873	1,037
		319,992	488,972
27 Levy - final tax			
Levy - final tax	- note 27.1	764	-

27.1 This represents final taxes (2023: nil) paid under sections 5 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

		2024	2023
		(Rupees in thousand)	
28 Taxation			
Taxation	- note 28.1	2,004	1,539
28.1 Current taxation			
- For the year		2,004	1,539
- Prior year		-	-
		2,004	1,539
28.2 Tax charge reconciliation			
Profit before taxation		1,602,502	1,575,006
Tax at applicable rate of 29% (2023: 29%)		464,726	456,752
Tax effect of exempt income referred to in note 4.1		(462,722)	(455,213)
Tax charge		2,004	1,539

28.3 This represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

29 Cash generated from operations

	2024	2023
	(Rupees in thousand)	
Profit before taxation	1,602,502	1,575,006
Adjustment for non-cash charges and other items:		
- Depreciation on property, plant and equipment	462,816	423,004
- Amortization on intangible assets	506	504
- Loss / (Gain) on disposal of property, plant and equipment	882	(1,361)
- Income on bank deposits	(6,911)	(5,306)
- Dividend Income	(5,093)	-
- Charge for employee retirement and other benefits	21,890	20,331
- Exchange gain	-	(199)
- Provision for obsolete store and spares	-	(14,504)
- Finance costs on borrowings	319,992	488,972
Profit before working capital changes	2,396,584	2,486,447
Decrease / (increase) in current assets		
- Stock in trade	414,715	(68,270)
- Stores, spares and loose tools	(64,142)	(54,962)
- Trade debts	(532,998)	1,864,839
- Loans, advances, deposits, prepayments and other receivables	350,425	(178,518)
	168,000	1,563,089
Increase in current liabilities		
- Trade and other payables	54,185	90,659
	222,185	1,653,748
	2,618,769	4,140,195

30 Cash and cash equivalents

		2024	2023
Cash and cash equivalents	- note 20	966,792	221,017
Finances under mark up arrangements	- note 9	(2,476,137)	(998,481)
		(1,509,345)	(777,464)

31 Remuneration of Chief Executive, Directors and Executives

31.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the chief executive, directors and executives of the Company is as follows:

	Chief Executive		Non-Executive Director		Executives	
	2024	2023	2024	2023	2024	2023
	(Rupees in thousand)					
Short term employee benefits						
Managerial remuneration	13,997	12,387	24,146	21,368	87,959	56,110
Housing	6,299	5,574	10,866	9,615	39,581	25,250
Utilities	1,400	1,239	2,415	2,137	8,796	5,611
Medical allowance and reimbursement	-	-	-	-	1,776	1,409
Bonus	6,931	7,200	-	-	37,804	31,683
Club expenses	223	-	-	-	686	637
Others	4,989	4,412	-	-	14,248	13,931
	33,839	30,812	37,427	33,120	190,850	134,631
Post employment benefits						
Contribution to provident fund	-	516	-	-	7,640	5,611
	33,839	31,328	37,427	33,120	198,490	140,242
Number of persons	1	1	1	1	34	22

31.2 Certain executives are provided with company maintained vehicles.

32 Transactions with related parties

The related parties comprise associated undertakings, other related companies, key management personnel and post retirement benefit plan. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables, if any, and remuneration of key management personnel is disclosed in note 31. Other significant transactions with related parties are as follows:

Relation with undertaking	Nature of transaction	2024	2023
		(Rupees in thousand)	
Associated companies	Purchase of services	232	202
	Purchase of goods	349	14,911
	Dividend paid	1,433,492	642,927
Key management personnel	Dividend paid	91,915	41,060
Subsidiary	Incorporation expense receivable - KPSL	43	-
Subsidiary	Subscription money payable	1,000	-
Kohinoor Energy Limited Employee Provident Fund	Contributions paid on behalf of employee and employer	29,956	28,382

32.1 The names of related parties with whom the Company has entered into transactions or had agreements / arrangements in place during the year and whose names have not been disclosed elsewhere in these financial statements are as follows:

Name of the related party	Basis of relationship	Percentage of shareholding
Red Communication Arts (Private) Limited	Common directorship	-
Pak Elektron Limited	Common directorship	-
Kel Power Solutions (Private) Limited	Wholly owned subsidiary	99.96%

All transactions with related parties are carried out on mutually agreed terms and conditions.

32.2 There was no related party incorporated outside the Pakistan with whom the company had entered into transactions.

33 Capacity and production

	2024 MWh	2023 MWh
Installed capacity - based on 8,784 hours (2023:8760 hours)	1,089,216	1,086,240
Actual energy delivered	207,615	329,160

Under utilization of available capacity is due to less demand by CPPA-G.

34 Financial risk management

34.1 Financial risk factors

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

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors ('BOD'). The Company's finance department evaluates and hedges financial risks based on principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity, provided by the BOD. All treasury related transactions are carried out within the parameters of these policies.

The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are as follows:

a) Market risk

i) Currency risk

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

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD) and the Euro (EUR). Currently, the Company's foreign exchange risk exposure is restricted to amounts payable to foreign entities. However, the impact is not material, hence, it is not being detailed in these financial statements.

	2024	2023
	(Dollar)	(Dollar)
Trade and other payables	-	-

The following significant exchange rates were applied during the year:

	Average rate		Year-end spot rate	
	2024	2023	2024	2023
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
EUR 1	306.90	264.00	298.41	314.27
USD 1	283.09	250.14	278.80	287.10

If the functional currency, at reporting date, had fluctuated by 5% against the Dollar / Euro with all other variables held constant, the impact on profit after taxation for the year would have Rs. Nil (2023: Rs. Nil). Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

ii) Other price risk

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

iii) Interest rate risk

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

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from trade debts and short term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk. Similarly, trade debts on which the rate of interest on delayed payments is linked with State Bank of Pakistan reverse repo rate exposes the Company to cashflow interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

		2024	2023
		(Rupees in thousand)	
Fixed rate instruments			
Financial liabilities			
Finances - secured	- note 6	-	-
Net exposure		-	-

		2024	2023
		(Rupees in thousand)	
Floating rate instruments			
Financial assets			
Bank balances - savings accounts	- note 20.1	960,121	218,506
Trade debts - overdue		1,264,197	517,652
Financial liabilities			
Finances under mark up arrangements - secured	- note 9	(2,476,137)	(998,481)
Net exposure		(251,819)	(262,323)

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates on finances under mark up arrangements, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 24.76 million (2023: Rs. 9.98 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate finances.

If interest rates on bank balances - savings accounts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 9.60 million (2023: Rs. 2.19 million) higher / lower, mainly as a result of higher / lower interest rate expense on floating rate.

If interest rates on delayed payments on trade debts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 12.64 million (2023: Rs. 5.18 million) higher / lower, mainly as a result of higher / lower interest rate expense on floating rate.

b) Credit risk

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

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of these credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

i) Exposure to credit risk

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

	2024	2023
	(Rupees in thousand)	
Long term loans and deposits	144	144
Trade debts	2,853,377	2,320,379
Loans, deposits and other receivables	226,182	194,489
Bank balances	964,493	219,679
	4,044,196	2,734,691

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The Company believes that it is not exposed to major concentration of credit risk and the risk attributable to trade debts and Workers' Welfare Fund and Worker's Profit Participation Fund receivable from Power Purchaser is mitigated by guarantee from the Government of Pakistan under the Implementation Agreement. Age analysis of trade receivable balances is as follows:

As of June 30, age analysis of trade debts was as follows:

	2024	2023
	(Rupees in thousand)	
- Neither past due nor impaired	1,589,180	1,802,727
- Past due 0 - 180 days	1,263,852	517,307
- Past due 181 - 365 days	-	-
- 1 - 2 years	-	-
- More than 2 years	345	345
	1,264,197	517,652
	2,853,377	2,320,379

ii) Credit quality of major financial assets

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

	Short Term	Long Term	Rating Agency	2024	2023
				(Rupees in thousand)	
Trade debts					
CPPA-G	Not available			2,853,377	2,320,379
Other receivables					
CPPA-G	Not available			219,090	185,611
Cash at bank					
Bank Alfalah Limited	A1+	AAA	PACRA	-	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	2	2
Askari Bank Limited	A1+	AA+	PACRA	361,980	215,177
Habib Bank Limited	A-1+	AAA	VIS	8	8
AlBaraka Bank (Pakistan) Limited	A-1	A+	VIS	91	15
United Bank Limited	A-1+	AAA	VIS	1	1
National Bank of Pakistan	A1+	AAA	PACRA	37	167
Faysal Bank Limited	A1+	AA	PACRA	601,942	3,989
BankIslami Pakistan Limited	A1	AA-	PACRA	3	5
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	377	236
MCB Bank Limited	A1+	AAA	PACRA	1	28
Meezan Bank Limited	A-1+	AAA	VIS	51	51
				4,036,960	2,725,669

After giving due consideration to the strong financial standing of the banks and Government guarantee in case of CPPA-G, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

c) Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Company's businesses, the Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

Management monitors the forecasts of the Company's cash and cash equivalents (note 30) on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Company. The Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring reporting date liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

	Contractual Cashflows				
	Less than one year	One to five years	More than five years	Total contractual cashflows	Carrying amount
	(Rupees in thousand)				
Finances under mark up arrangements	2,476,137	-	-	2,476,137	2,476,137
Unclaimed dividend	17,830	-	-	17,830	17,830
Trade and other payables	605,016	-	-	605,016	604,044
Accrued finance cost	65,628	-	-	65,628	65,628
	3,164,611	-	-	3,164,611	3,163,639

The following are the contractual maturities of financial liabilities as at June 30, 2023:

	Contractual Cashflows				
	Less than one year	One to five years	More than five years	Total contractual cashflows	Carrying Amount
	(Rupees in thousand)				
Finances under mark up arrangements	998,481	-	-	998,481	998,481
Unclaimed dividend	31,526	-	-	31,526	31,526
Trade and other payables	550,831	-	-	550,831	550,831
Accrued finance cost	112,768	-	-	112,768	112,768
	1,693,606	-	-	1,693,606	1,693,606

34.2 Fair value estimation

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

34.3 Financial instruments by categories

Financial assets as per statement of financial position

	Amortized cost	
	2024	2023
	(Rupees in thousand)	
Long term loans and deposits	144	144
Trade debts	2,853,377	2,320,379
Loans, deposits and other receivables	226,182	194,489
Cash and cash equivalents	964,493	219,679
	4,044,196	2,734,691

	Amortized cost 2024	Amortized cost 2023
	(Rupees in thousand)	
Financial liabilities as per statement of financial position		
Short term finances	2,476,137	998,481
Trade and other payables	605,016	550,831
Accrued finance cost	65,628	112,768
Unclaimed dividend	17,830	31,526
	3,164,611	1,693,606

34.4 Financial assets and financial liabilities subject to offsetting

There are no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements.

34.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total equity (as shown in statement of financial position). Net debt is calculated as non-current borrowings in these financial statements less cash and cash equivalents.

The gearing ratio has not been presented as the company has no non - current borrowings.

35 Reconciliation of liabilities arising from financing activities

	July 1, 2023	Accruals / Dividend Declared	Payments	June 30, 2024
Long term finance - secured:				
- Non-current portion of Long term finance - secured	-	-	-	-
- Current portion of long term finance - secured	-	-	-	-
Unclaimed dividend	31,526	2,457,149	(2,470,845)	17,830

	July 1, 2022	Accruals / Dividend Declared	Payments	June 30, 2023
Long term finance - secured:				
- Non-current portion of Long term finance - secured	-	-	-	-
- Current portion of long term finance - secured	28,070	833	(28,903)	-
Unclaimed dividend	14,739	1,101,481	(1,084,694)	31,526

36 Disclosure relating to Provident Fund

The investments by the provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

37 Earnings per share

37.1 Basic earnings per share

		2024	2023
Net profit for the year	**Rupees in thousand**	1,600,498	1,573,467
Weighted average number of ordinary shares	**Number in thousand**	169,459	169,459
Earnings per share	**Rupees**	9.44	9.29

37.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2024 and June 30, 2023 which would have any effect on the earnings per share if the option to convert is exercised.

38 Date of authorization for issue

These financial statements were authorized for issue on September 25, 2024 by the Board of Directors of the Company.

39 Events after the reporting date

39.1 The company has paid the subscription money of KEL Power Solutions (Private) Limited amounting to Rs. 1.00 million on July 19, 2024.

39.2 The Board of Directors have proposed an interim dividend for the subsequent period of Rs. 7 per share amounting to Rs. 1,186.21 million at their meeting held on Sep 19, 2024. These financial statements do not include the effect of the above dividend which will be accounted for in the period in which it is approved.

40 Corresponding figures

Corresponding figures where necessary, have been rearranged for the purposes of comparison. No significant rearrangement or reclassification has been made during the year ended June 30, 2024.

Chief Financial Officer **Chief Executive Officer** **Director**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PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

No. of Shareholding	Shareholding From	Shareholding To	Total Shares Held
346	1	100	10,756
524	101	500	213,668
381	501	1,000	354,200
779	1,001	5,000	2,216,604
253	5,001	10,000	1,994,213
88	10,001	15,000	1,109,073
58	15,001	20,000	1,075,839
38	20,001	25,000	878,849
34	25,001	30,000	957,015
16	30,001	35,000	525,150
18	35,001	40,000	688,744
9	40,001	45,000	391,821
16	45,001	50,000	791,600
10	50,001	55,000	523,749
1	55,001	60,000	60,000
5	60,001	65,000	315,000
4	65,001	70,000	272,645
7	70,001	75,000	509,793
2	75,001	80,000	156,000
2	80,001	85,000	166,625
1	85,001	90,000	88,000
2	90,001	95,000	182,000
9	95,001	100,000	892,500
1	100,001	105,000	103,382
1	105,001	110,000	109,000
1	115,001	120,000	117,000
3	125,001	130,000	383,554
2	135,001	140,000	273,000
3	145,001	150,000	446,500
1	155,001	160,000	160,000
1	170,001	175,000	171,000
1	185,001	190,000	190,000
4	195,001	200,000	800,000
1	205,001	210,000	205,500
1	210,001	215,000	214,000
1	215,001	220,000	216,000
1	220,001	225,000	225,000
1	230,001	235,000	231,500
1	235,001	240,000	239,000
1	240,001	245,000	244,930
1	275,001	280,000	279,500
1	290,001	295,000	295,000
1	295,001	300,000	300,000
1	320,001	325,000	325,000
1	355,001	360,000	356,000
1	405,001	410,000	409,750
2	450,001	455,000	900,196
1	455,001	460,000	458,098
1	465,001	470,000	466,631
1	480,001	485,000	483,000
2	495,001	500,000	1,000,000

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

No. of Shareholding	Shareholding From	Shareholding To	Total Shares Held
1	550,001	555,000	550,098
2	650,001	655,000	1,306,757
1	665,001	670,000	665,600
1	775,001	780,000	780,000
1	1,095,001	1,100,000	1,100,000
1	1,175,001	1,180,000	1,175,895
2	1,495,001	1,500,000	3,000,000
1	3,385,001	3,390,000	3,389,171
1	5,695,001	5,700,000	5,700,000
1	5,795,001	5,800,000	5,800,000
1	6,255,001	6,260,000	6,256,933
1	6,595,001	6,600,000	6,599,000
1	7,900,001	7,905,000	7,902,999
1	10,815,001	10,820,000	10,818,000
1	20,855,001	20,860,000	20,856,445
1	23,480,001	23,485,000	23,481,252
1	46,100,001	46,105,000	46,100,079
2,660			**169,458,614**

Categories of Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	58,563,950	34.5594
Associated Companies, undertakings and related parties. (Parent Company)	46,566,710	27.4797
NIT and ICP	651,757	0.3846
Banks Development Financial Institutions, Non Banking Financial Institutions.	6,611,907	3.9018
Insurance Companies	30,000	0.0177
Modarabas and Mutual Funds	49,000	0.0289
Shareholders holding 10% or more	90,437,776	53.3687
General Public		
a. Local	48,688,725	28.7319
b. Foreign	4,625	0.0027
Others (to be specified)		
1- Investment Companies	1,100,187	0.6492
2- Pension Funds	24,282	0.0143
3- Others Companies	1,332,502	0.7863
4- Joint Stock Companies	2,435,418	1.4372
5- Foreign Companies	3,399,551	2.0061

CATEGORIES OF SHAREHOLDING REQUIRED UNDER CODE OF CORPORATE GOVERNANCE (CCG)

AS AT JUNE 30, 2024

Sr. No.	Name	No. of Shares Held	Percentage
	Associated Companies, Undertakings and Related Parties (Name Wise):		
1	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGOL (CDC)	46,100,079	27.2043
2	MR. M. AZAM SAIGOL (CDC)	466,631	0.2754
	Mutual Funds (Name Wise Detail)	-	-
	Directors, CEO and their Spouse and Minor Children (Name Wise):		
1	MR. M. NASEEM SAIGOL (CDC)	23,481,252	13.8566
2	MRS. SEHYR SAIGOL W/O MR. M. NASEEM SAIGOL (CDC)	7,902,999	4.6637
3	MR. MUHAMMAD ZEID YOUSUF SAIGOL (CDC)	6,258,433	3.6932
4	MR. MUHAMMAD MURAD SAIGOL (CDC)	20,856,445	12.3077
5	SYED MANZAR HASSAN (CDC)	500	0.0003
6	MR. MUHAMMAD OMER FAROOQ (CDC)	63,321	0.0374
7	MRS. SADAF KASHIF	500	0.0003
8	MR. FAISAL RIAZ	500	0.0003
	Executives:	106,575	0.0629
	Public Sector Companies & Corporations:	-	-
	Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:	6,715,189	3.9627

Shareholders holding five percent or more voting interest in the listed company (Name Wise)

S. No.	Name	Holding	% AGE
1	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGOL	46,100,079	27.2043
2	MR. M. NASEEM SAIGOL (CDC)	23,481,252	13.8566
3	MR. MUHAMMAD MURAD SAIGOL (CDC)	20,856,445	12.3077
4	MR. NISAR AHMED (CDC)	10,818,000	6.3839

All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:

S. No.	NAME	SALE	PURCHASE
1	MR. MUHAMMAD OMER FAROOQ (CDC)	37,000	-

Notes

PROXY FORM

Ledger Folio/CDC A/C No. ____________ Shares Held ____________

I/We ____

of ____________________ being member(s) of Kohinoor Energy Limited

hereby appoint ____

of ____________________ or failing him ____________________

of ____________________ as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on October 24, 2024 (Thursday) at 13:00 at Islamabad Club, Main Murree Road, Islamabad. and/or at any adjournment thereof.

As witness my/our hand(s) this ____________________ day of ____________________ 2024

signed by ____

in the presence of ____

Signed by the Said

____

Witness: ____________	**Witness:** ____________	**Revenue Stamps Rs. 5/-**
Name ____________	**Name** ____________	
CNIC No. ____________	**CNIC No.** ____________	
Address ____________ ____________	**Address** ____________ ____________	

Notes:

A member entitled to attend and vote at this meeting may appoint a proxy. Proxies, in order to be effective, must be received at Head Office/Shares Department of the Company situated at plant site Near Tablighi Ijtima, Raiwind Bypass, Lahore not less than forty-eight hours before the time for holding the meeting and must be duly stamped, signed and witnessed.

For CDC Account Holders/Corporate Entities

In addition to the above, the following requirements be met:

(i) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.

(ii) In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

(iii) The proxy shall produce his original CNIC or original passport at the time of attending the meeting.

کوہ نورانرجی لمیٹڈ

پراکسی فارم

سی ڈی سی کا شراکتی آئی ڈی نمبر

عام حصص بمطابق شئیر رجسٹرڈ/فولیو نمبر

میں/ہم ---

ساکن ---

بطور کوہ نورانرجی لمیٹڈ کے رکن وحامل ---

ساکن --- یا بصورت دیگر -------------------------

ساکن -- کو اپنی جگہ، بروز جمعرات 24 اکتوبر 2024 کو دوپہر ایک بجے

(13:00) پر اسلام آباد کلب، مین مری روڈ، اسلام آباد میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لیے اپنا نمائندہ مقرر کرتا/کرتی ہوں۔

دستخط ....

گواہی:

1۔ دستخط..

نام..

پتہ..

قومی شناختی کارڈ نمبر....................................

2۔ دستخط..

نام..

پتہ..

قومی شناختی کارڈ نمبر....................................

-/5 روپے کا
محصول ٹکٹ

دستخط ....

(دستخط کمپنی کے پاس دستخط کے نمونہ کے مطابق ہوں)

قومی شناختی کارڈ نمبر/پاسپورٹ نمبر ....

ضروری:

(i) پراکسیز کے موثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ پراکسی کا کمپنی کا رکن ہونا ضروری نہیں ہے سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔

(ii) پراکسی کو اجلاس کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(iii) کارپوریٹ اینٹٹی کی صورت میں ڈائریکٹرز کی قرارداد/پاور آف اٹارنی معہ نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

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