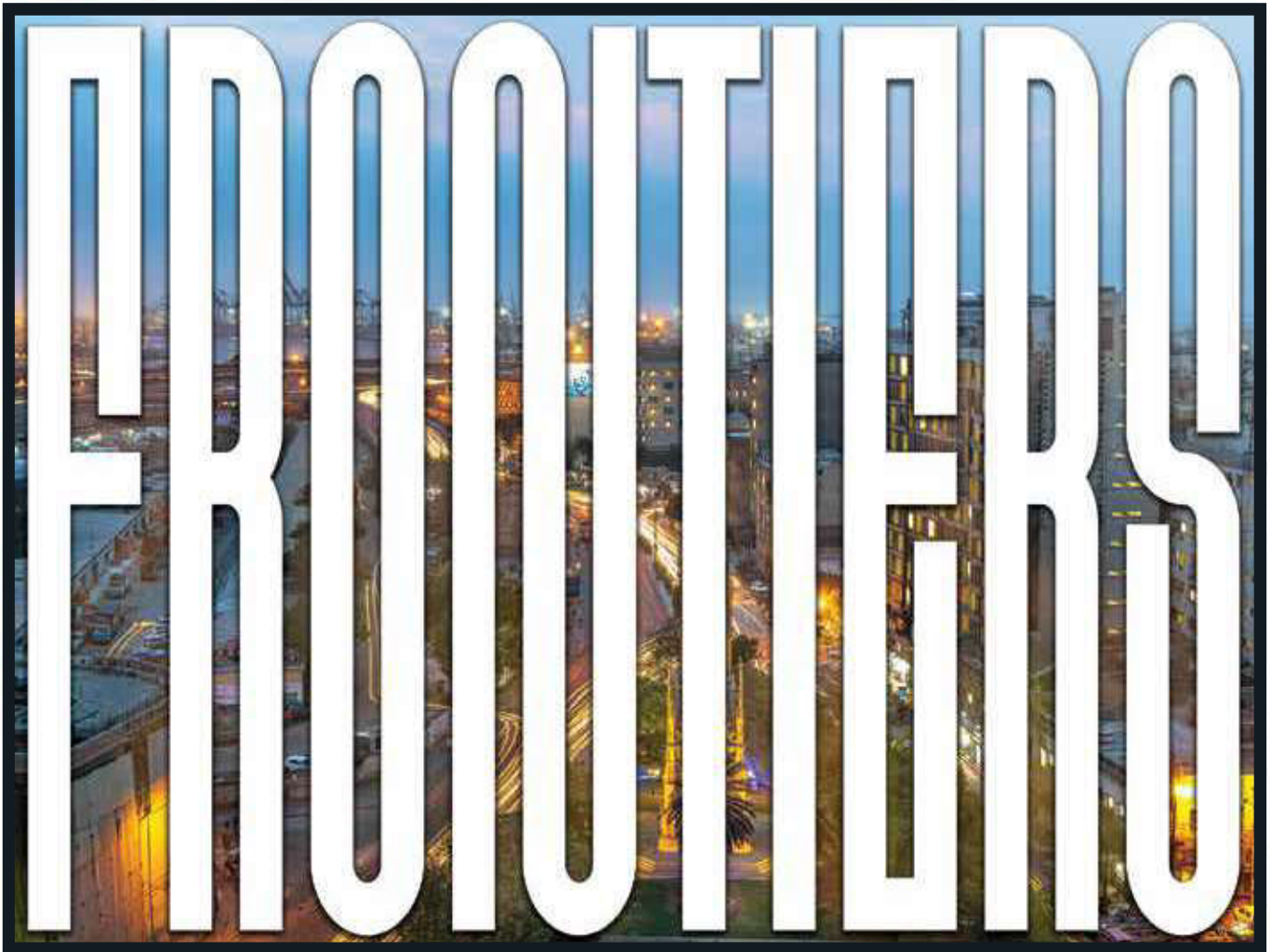




NEW



REPORT FOR THE
NINE MONTHS PERIOD ENDED
31ST MARCH 2023

COMPANY INFORMATION

As at April 28, 2023

Board of Directors (BOD)

Mark Gerard Skelton	Chairman
Syed Moonis Abdullah Alvi, Adeeb Ahmad	Chief Executive Officer
Arshad Majeed Mohmand	
Dr Imran Ullah Khan	
Mubasher H. Sheikh	
Muhammad Kamran Kamal	
Muhammad Zubair Motiwala	
Saad Amanullah Khan	
Shan A. Ashary	

Board Audit Committee (BAC)

Saad Amanullah Khan	Chairman
Dr Imran Ullah Khan	Member
Mark Gerard Skelton	Member
Mubasher Hussain Sheikh	Member

Board Human Resource & Remuneration Committee (BHR&RC)

Saad Amanullah Khan	Chairman
Mark Gerard Skelton	Member
Muhammad Zubair Motiwala	Member
Shan A. Ashary	Member
Syed Moonis Abdullah Alvi, CEO	Member

Board Finance Committee (BFC)

Adeeb Ahmad	Member
Mubasher Hussain Sheikh	Member
Muhammad Kamran Kamal	Member

Board Strategy & Projects Committee (BS&PC)

Adeeb Ahmad	Chairman
Arshad Majeed Mohmand	Member
Mark Gerard Skelton	Member
Muhammad Kamran Kamal	Member
Shan A. Ashary	Member
Syed Moonis Abdullah Alvi, CEO	Member

Chief Financial Officer

Muhammad Aamir Ghaziani

Chief Risk Officer & Company Secretary

Rizwan Pesnani

Chief Internal Auditor

Kamran Akhtar Hashmi

Legal Adviser

Messrs Abid S. Zuberi & Co.

External Auditors

Messrs A.F. Ferguson & Co.

Share Registrar

CDC Share Registrar Services Limited (CDCSRSL)
CDC House, 99-B, Block "B", SMCHS,
Main Shahrah-e-Faisal, Karachi. Office: 111-111-500

Bankers

AKA Ausfuhrkredit-Gesellschaft m.b.H.
Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Bank of China Limited, Shanghai Branch
Bank of Punjab
China Bohai Bank Co., Ltd. Tianjin Branch
China Citic Bank Corporation Limited, Harbin Br.
China Construction Bank Corporation, Heilongjiang Branch
(CCB Heilongjiang)
Credit Suisse AG
Deutsche Bank AG
Deutsche Bank Aktiengesellschaft, Filiale Hong Kong
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Industrial & Commercial Bank of China
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Nederlandse Financierings-Maatschappij Voor
Ontwikkelingslanden N.V.,
Pak Brunei Investment Company Limited
Pak China Investment Company Limited
Pak Kuwait Investment Company Limited
Samba Bank Limited
Société de Promotion et de Participation pour
la Coopération Economique
Soneri Bank Limited
Standard Chartered Bank (Dubai International
Financial Centre Branch)
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Bank (UK)
Summit Bank Limited
United Bank Limited

Registered Office

KE House, 39-B, Sunset Boulevard, Phase-II,
Defence Housing Authority, Karachi, Pakistan

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UAN: 111-537-211



www.ke.com.pk



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K-Electric Limited
Directors' Review

On behalf of the Board of Directors, we are pleased to present the Directors' report together with the unaudited Condensed Interim Financial Statements for the nine months period ended March 31, 2023.

Key operational and financial results are summarized below:

	JUL - MAR 2023	JUL-MAR 2022
	(Units in GWh)	
<u>OPERATIONAL</u>		
Units generated (net of auxiliary)	4,623	5,109
Units purchased	8,464	8,791
Total units available for distribution (sent out)	13,087	13,900
Units billed	11,336	11,884
Transmission & Distribution Losses %	13.4%	14.5%
	(Rupees in millions)	
<u>FINANCIAL</u>		
Revenue	368,141	311,572
Gross profit	36,712	43,694
(Loss) / profit before finance cost	(14,550)	13,954
(Loss) / profit before taxation	(36,007)	4,259
Taxation – net	(3,383)	(2,769)
Net (loss) / profit for the period	(39,390)	1,490
(Loss) / Earnings per share - Basic / Diluted (Rupees)	(1.43)	0.05
EBITDA	4,136	28,952

Financial Review

During the period under review, challenging sociopolitical and macroeconomic factors have had a cascading impact on multiple sectors including KE. Surging inflation, policy rate hike and reduction in economic activity had a significant impact on the Company's operations and profitability. Impacted by these challenges, the Company has observed a reduction in units sent-out by 5.8% and the gross profitability of the Company declined significantly by PKR 7.0 billion.

Further, the Company faced an increase in exchange loss by PKR 8.6 billion owing to significant devaluation of Pak Rupee and increase in impairment loss by PKR 9.8 billion against doubtful debts due to high inflation, increase in consumer tariff and deteriorating economic conditions impacting consumers propensity to pay. The aforementioned factors along with drastic increase in finance cost by PKR 11.8 billion mainly on account of increase in effective rate of borrowing and higher levels of borrowing due to non-payment of dues by Government entities, translated into the loss after tax amounting to PKR 39.4 billion. The Company operates

under regulated tariff and as per current Multi-Year Tariff effective from July 1, 2016, no adjustment is provided to the Company in tariff for variation in sent-out and policy rates.

KE remains committed to tackle the challenges and focus on furthering its operational improvements. The company is also working on the renewal of the tariff for the next control period starting from July 1, 2023 with an aim to obtain a sustainable, cost reflective and investment enabling tariff with adjustment mechanism at par with other power sector entities to ensure continuity of reliable and smooth service to consumers at least possible costs.

Update on Significant matters:

Generation

During the period under review, KE continued to make strides on its 900 MW BQPS III RLNG power plant as well as rehabilitation and maintenance activities were carried out at other power stations.

Subsequent to accomplishment of base load operation of 900 MW at BQPS III, the Reliability Test Run and Performance Test of BQPS III Unit 2 were successfully completed in February 2023 and after successful heat rate test duly witnessed by NEPRA, COD has been declared effective from March 09, 2023 on RLNG. Unit-1 is under observation and expected heat rate test is planned in early May 2023 on RLNG, post which COD for Unit 1 will also be declared.

Major works carried out at other power plants included:

- Testing of Black Start facility at Bin Qasim Power Station II (BQPS II) post integration with PLL's RLNG supply.
- Major overhaul of Steam Turbine and ST Generator and Hot Gas Path Inspection of Gas Turbine 1 & 2 were carried out at BQPS II power plant.
- Annual planned maintenance of Unit 5 and Unit 6 of Bin Qasim Power Station I (BQPS I)
- Semi-Annual Inspection of all GTs of Korangi Combined Cycle Power Plant (KCCP) were conducted.

These activities will contribute towards improving the reliability of power supply in KE system to cope with the rising power demand in the summer season.

Transmission:

In line with its vision of providing reliable power supply to the consumers amidst the growing demand, KE is incessantly working to upkeep and improve its transmission system reliability and stability through augmentation and required rehabilitation works in the network.

By the end of 3rd Quarter of FY 2023, several milestones have been accomplished. Transmission capacity has been enhanced by 122MVAs with addition of new power transformers at Agha Khan and New Landhi grids alongside augmentation in existing grids taking the total transformation capacity to 6,925 MVAs. This addition includes replacement of two 40MVA Power Transformers at Old Golimar and Federal B grids with the first-ever 50/67 MVA CHINT make Power Transformers as part of Grid System Load Growth Project. This increase capacity will enable KE to meet additional load and new connection requirements in the area.

Further, following projects have been completed, improving the reliability and asset lifecycle in transmission system:

- Rehabilitation of HVUB Circuits (Phase I&II).
- Structural rehabilitation and reconductoring of 220kV BQPS-Pipri Circuit I&II.
- Rehabilitation & reconductoring with STACIR conductor of 132kV New Landhi-Landhi-Gul Ahmed / Gul Ahmed-Korangi Town / Pipri-Korangi Town circuits for transmission capacity enhancement to cater load growth.
- New 132kV Site – Haroonabad circuit - II has been energized provisioning N-1 contingency.
- The insulator replacement project has achieved its target planned till 3rd Quarter of FY 2023 – 11 critical circuits have been identified and being converted to composite insulators which will help to eliminate the need for cleaning on these circuits.
- RTV coating of insulators on 9 circuits has been completed up to 95%.

Furthermore, KKI Grid (KE's First 500 kV flagship Interconnecting and Load Grid) construction is in full swing. Similarly, the pre-commissioning activities of 220kV Dhabeji are on fast track and interconnection augmentation will start soon. Moreover, Letter of Acceptance for interconnection with NTDC has been issued to Contractor for 500kV KKI and 220kV Dhabeji Overhead interconnections whereas, negotiations for 220kV Underground portion are underway.

Moreover, under BQPS-III project, upgradation of transmission network is in process that includes augmentation of two critical load grids and two generation interconnection grid stations. One load grid (New Landhi) has been energized which has started contributing to cater new industrial load growth. Also, the new interconnection at KTPS has started to evacuate power of KCCP on 132kV system instead of 220kV viz-a-viz co-relating embedded generation and improving the network efficiency.

Distribution:

KE continued to make targeted investments and undertake initiatives with the goal to continue improving the health of its distribution network, reducing losses and enhancing customer centricity. The company reported T&D loss of 15.4% (YTD 13.4%) of T&D losses in the third quarter of FY 2023 with an improvement of 2.9% points (YTD improvement of 1.1% points). This improvement builds on the success of KE distribution's flagship Project Sarbulandi and the Governance strategy, which aim to maximize the benefits of past investments. As part of KE's efforts to reduce losses and improve recovery, approximately 17,200 low-cost meters have been installed in low payment propensity areas and an additional 23,000 meters have been installed during the 3rd quarter of FY 2023.

During the period under review, the Company encountered numerous challenges in its efforts to recover payments, primarily due to significant increase in consumer-end tariffs, fuel costs adjustments and the high inflationary pressure impacting the masses. These factors adversely affected consumers' ability to pay, resulting in a decline in the recovery ratio to 97.3% in 3rd quarter of FY 2023. (YTD 92.4%) as against 99.5% (YTD 95.6%) reported during corresponding period last year. Despite these challenges, the Company remains committed to enhance its recovery efforts through multiple initiatives, including an easy installment payment scheme named "Hum-Qadam - Recovery Plan". As of now, over 97,000 customers have availed this scheme. Additionally, under "Hum-Qadam Governance Project", more than 400,000 consumers have been tapped and 71,000 kg of illegal connections have been removed. Further, 31 million theft units have been identified.

Digital Payments and Partnerships:

KE in its mission to empower its customers by offering exclusive digital payments and recovery solutions has broadened its digital payment network by collaborating with Banking and FinTech's to improve the digital payment experience for customers. Key highlights include:

- Collaboration between KE and PayFast - by enabling PayFast gateway with the payment options of Bank Transfer and Card Payments, the payment process for KE bill is now streamlined, making it more convenient for customers to pay their bills.
- KE partnered with Bank Alfalah to provide cashback to Bank Alfalah consumers.
- KE partnered with JS Bank to offer an exciting 2 in 1 deal on JS credit cards; where JS Bank credit cardholders can enjoy a cashback on their KE bill payments and they can also pay their KE bills in 3 easy installments using their JS credit card.
- Through empowered Recovery Officers, KE's bill payments can be executed digitally at the doorsteps of customers.

Technical initiatives

KE has recently introduced the AMI portal, a centralized platform that includes AMI policies, codes, and specifications for smart meters and related equipment, lifecycle standard operating procedures, and frameworks for governing AMI infrastructure. Moreover, KE has recently embarked on a challenge to incorporate low-maintenance equipment in their distribution system, with the first step being the development of fixed-type vacuum circuit breakers (VCBs) to replace the conventional draw-out type VCBs currently in use.

KE also has a Periodic Preventive Maintenance (PPM) regime in place to increase network reliability and monitor its high-value asset health. In its initial phase, a framework for Distribution Transformers has been designed to reduce frequent breakdown and make the system robust and reliable by performing health index-driven inspection and maintenance. Additionally, a system-based workflow for scheduled inspection and maintenance is under development which will pave a way for a successful test-run of Distribution Transformers framework followed by workforce upskilling on PPM inspection checklist.

Further to the above initiatives, KE took an initiative in the domain of capacity development as well. In this regard, an iterative focused program "AOC Graduation" was launched to gauge the training impact on network health. It will aid in gauging the efficacy of technical trainings across Distribution.

With the above targeted initiatives in place, KE is confident of enhancing the safety, reliability and stability of its distribution network.

Safety and environment

In the area of Safety, KE is focused on ensuring adherence to global safety standards of the sector. The company is currently working towards implementing Process Safety Management (PSM) as per its safety road map. To date, a total of 11 PSM elements have been launched across Business Units. To ensure compliance with PSM implementation, weekly Management Safety Audits (MSAs) are conducted, which thoroughly evaluate workers' behavior, working environment, and conditions. Moreover, total KE has provided HSEQ training to a total of 16,618 staff members, involving 41,473 training man-hours. The company also launched the "WELLBEING 360, a Webinar Series" program across BU Distribution to create awareness amongst employees about well-being and integrate healthy practices into their day-to-day lives. In addition, a Safety Awareness school drive covered a total of 36 schools and more than 20,000 children during this period. KE was recognized and awarded by NEPRA for maintaining the highest safety performance at the award ceremony held in December 2022, as per NEPRA PSC Performance criteria for 2022. Furthermore, individual awards were also won by 5 field staff of Distribution, Generation & Transmission.

On Environment front, KE has ensured 100% compliance with all the applicable environmental laws and regulations across Generation, Transmission & Distribution network. The compliance status is validated through independent monitors and EPA approved laboratories, and compliance reports submitted to the regulators as per defined frequency. Hazardous waste is disposed of through EPA approved waste contractors. Further, KE has established an Environmental Sustainability Management System (ESMS) in line with ISO14001:2015 and British Five Star Environmental Sustainability Audit process.

Business Development:

Keeping in view the growing power demand in KE's service area, a robust and aggressive capacity addition plan has been prepared with a focus on the utilization of indigenous resources along with renewables (including hydro), in line with the National Electricity Policy to add low cost, indigenous fuels-based power projects. Subject to third party studies and regulatory approvals, KE has planned a total addition of 2,172 MW including renewables of approximately 1,180 MW (with hydel), by FY 2030 in the following manner:



To increase the share of renewables, KE is working on 350 MW solar project(s) (on single-axis technology) via competitive bidding with the Sindh Energy Department (SED), Government of Sindh (GoS) in collaboration with the World Bank (WB), under the Sindh Solar Energy Project (SSEP). Under this framework, SED is responsible for arranging the land and executing the project technical studies, while KE will undertake competitive bidding and will be the power off-taker from the projects where it would enter into a long-term EPA with the SPV formed by the Successful Bidder. The land for the Project(s) has been allocated by GOS at Deh Halkani, District West and Deh Metha Ghar, District Malir. Moreover, the consultants are finalizing the feasibility studies and the grid interconnection study. The prequalification process is underway which commenced on January 26, 2023. The anticipated commissioning of the project is FY 2025.

With regards to 150 MW Winder and Bela solar projects in Balochistan, NEPRA issued its decision on the RFP on 14 October, 2022. Subsequently, KE filed a review application on the RFP decision, hearing for which was held on April 06, 2023. Land for the project has been approved and allocated by the Government of Balochistan (GoB) Cabinet while the terms of allocation are under active deliberations between KE and GoB. Lease Order for all of the sites have been issued.

KE has also initiated the development of a 220 MW_p Site Neutral Hybrid Renewable Project. The RFP for the Project has been submitted to NEPRA and simultaneously, the prequalification process of potential bidders is under progress.

KE is committed to reducing its cost of generation by induction of indigenous resources which also includes off-take of power through base load plants. On local coal, KE is engaged with both the Government and private sponsors with regards to potential development of around 990 MW of Projects, including direct off-take of power from Jamshoro coal project and also signed an MoU with Siddiqsons Energy Limited (SEL) for potential power off-take from its 330 MW local coal fired power project being developed in Thar.

With regards to induction of hydel power, KE is actively pursuing the 82 MW Turtonas Uzghor Hydel project (Uzghor). The company is currently soliciting approval from Private Power Infrastructure Board (PPIB) to allow for the change in off-taker. Further, it has also filed a Licensee Proposed Modification (LPM) request to NEPRA, to allow for the modification with regards to the change in off taker in the earlier issued generation license. Additionally, in order to further increase its hydel portfolio, progress has been ongoing on the Joint Working Group (JWG) formulated with Pakhtunkhwa Energy Development Organization (PEDO). KE and PEDO are actively working on the procurement framework, including shortlisting and finalization of target projects. Several meetings have been conducted, and KE has also submitted a detailed proposal on March 28, 2023.

With regards to the strategic level MOU signed with China Three Gorges South Asia Limited (CTGSAIL), for the joint development of hydel and renewables projects, several opportunities are being evaluated for further development by both entities.

Supply Chain

Several initiatives were taken to optimize cost through restructuring, rightsizing and consolidation of operational resources. Other Strategic global best practices are also being implemented including Supply Chain Excellence, S&OP, Quality Assurance & Strategic Sourcing resulting in improved performance of KPIs. KE in collaboration with Nutshell group organized a National Policy Dialogue on localization for growth which was well participated by industry leaders and dedicated programs have been launched to evaluate possibility of localization of sources.

Corporate Social Responsibility:

During the period, the Company conducted activities related to safety, flood relief, social welfare and inauguration of various community-based initiatives whilst concurrently partnering with organizations on sustainability and inclusivity. In recognition of KE's efforts on the CSR front, KE won Silver Award at the 2nd NEPRA CSR Awards.

KE provided relief in flood affected areas of Sindh and Balochistan in collaboration with its CSR partners. KE employees and management raised PKR 5.7 million benefiting 1,600 families and additionally donated panaflexes to make tents. KE collaborated with Educast to establish a Tele Health clinic to facilitate 36,000 flood-affectedees via tele consultation call centers.

Safety messages pertaining to monsoon and heatwave situations were disseminated via mosques, temples and churches to over 40,000 people whereas frontline workers were trained on monsoon safety and CPR in collaboration with Pakistan Red Crescent Society Sindh.

The second cohort of KE's 60 Roshni Bajis graduated during the financial year and the third cohort comprising of 50 Roshni Bajis was initiated. KE and Akhuwats' revolving solar microfinance fund formed under NEPRA CSR vision of "Power with Prosperity," has been utilized for 51 beneficiaries till date.

KE collaborated with its CSR partners and organized health camps, facilitating over 4,000 patients, inaugurated water filtration plants in 5 areas which will benefit over 50,000 people annually. KE conducted blood donation drives and donated computers were donated to FESF, DIL and Roshni helpline.

Playing its part in reducing carbon footprint, KE also reduced its bill size. This mega initiative has a significant environmental impact and has the potential of saving over 4,000 trees and 200 million litres of water annually. KE's e-billing initiative already has over 100,000 subscribers onboard. For a greener Pakistan, KE has also committed to plant 100,000 mangroves which will help sequester around 4,000 MTons of CO₂ and increase coastal resilience.

Other Significant Matters

Growing Receivables from Government Entities and Departments

As of March 31, 2023, KE's net receivables from various Federal and Provincial entities, stood at PKR 23.9 billion on principal due basis. Increase in fuel prices and non-provision of local gas supply to KE have resulted in a consequential increase in KE's Tariff Differential Subsidy (TDS) Claims receivable from the (Government of Pakistan) GoP.

The backlog of receivables continues to have a consequential impact on the Company's cashflow position and resultantly its ability to enhance the pace of investment in power infrastructure. However, for sustainability of KE as well as the sector at large, it is imperative that all parties including the Government, reach an amicable solution to resolve this long-standing issue in accordance with the law. In this regard, among other issues discussed during the meetings of the Taskforce constituted by the Honorable PM, it was proposed that a holistic Mediation having all parties to the issue of historic receivables and payables between KE and the Government entities and departments be considered, for which a draft Mediation Agreement has been prepared. The draft Mediation Agreement is currently under consideration of the parties and shall be placed before the Competent Forum for approval, once the parties give their concurrence on it.

Further, KE remains engaged with GoP and related parties for finalization and execution of the Power Purchase Agency Agreement (PPAA), Inter Connection Agreement (ICA) and Tariff Differential Subsidy (TDS) Agreement for supply from the National Grid and release of subsidy. Based on discussions at the level of Taskforce constituted by the Honorable PM, PPAA and ICA have been finalized and initialed, whereas TDS Agreement is in advanced stages of finalization. KE remains engaged with all stakeholders for earliest execution of the agreements.

Multi-Year Tariff (MYT)

Pending Approval of Costs Claimed in Lieu of Recovery Loss

The Company remains in continuous engagement with NEPRA to expedite the determination of pending quarterly tariff variations including costs in lieu of recovery loss for the period FY 2017 to FY 2022 (*in relation to actual write-off of bad debts, allowed under KE's MYT*) claimed as per the mechanism provided in KE's MYT.

Timely approval of these requests remains critical for Company's sustainability and execution of planned investment.

MYT post 2023

KE was awarded an integrated MYT by NEPRA for a control period of 7 years that will expire in June 2023. Keeping in view learnings of the current MYT and the ongoing changes in power sector including Distribution (network) and Supply business being separate licensed activities, implementation of CTBCM model, and the proposed country wide central economic despatch, KE is endeavoring for separate tariff determination for each business segment for the period post June 2023.

In this regard, KE's Generation petition for the remaining life of Generation plants and investment plan and performance KPIs for Transmission and Distribution segment for the next control period have been admitted by NEPRA. KE remains engaged with NEPRA for timely and sustainable determination.

Competitive Trading Bilateral Contracts Market (CTBCM)

Pursuant to issuance of Market Operator License by NEPRA to CPPA-G, in May 2022, dry run activities and firming up of the regulatory framework related to roll out of CTBCM are in progress. KE remains highly engaged with relevant stakeholders including NEPRA for approval of its proposed integration plan with an objective to ensure a sustainable and orderly transition in line with the National Electricity Policy 2021 and the CCoE approved principles for establishing competitive wholesale electricity markets in Pakistan.

Distribution and Electric Power Supplier License

KE was granted distribution license on July 21, 2003 for distribution and supply of electric power services in its territory for a period of twenty years till July 2023. With the ongoing changes in the power sector including Distribution (network) and Supply business being separate licensed activities under the NEPRA Act 1997 (as amended) and implementation of CTBCM, KE, during the period under review has filed separate license applications for Distribution and Supply businesses. KE remains engaged with NEPRA for timely issuance and finalization of submitted license applications.

Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Board Composition

Total number of Directors as at March 31, 2023	10
i. Female	-
ii. Male	10
ii. Casual Vacancy	03

Composition of the board as at March 31, 2023:

i.	Independent Director	01
ii.	Non-Executive Directors	09 (including Independent Director)
iii.	Executive Directors	01

Board Committees

The names of Board Committees Members are mentioned in "Company Information" section of this Report.

Board Remuneration Policy

The Board has approved a remuneration policy for Non-Executive Directors in its 1216th Meeting held on June 25, 2020 which is in line with the applicable corporate regulatory framework. Salient features of the approved Remuneration Policy of Non-Executive Directors are as under:

- a) Fee shall be reviewed after every three years.
- b) The review shall invariably comply with applicable corporate regulatory framework and shall be carried out in an objective manner.
- c) The level of remuneration shall be appropriate and commensurate with the level of responsibility and professional expertise needed to govern the Company to successfully achieve its corporate and social objectives as well as encourage value addition.

Changes in the Board of Directors

During the period, an election of Directors was held wherein following Directors were appointed:

- | | |
|------------------------------------|------------------------------|
| 1. Mark Gerard Skelton | 8. Mubasher H. Sheikh |
| 2. Syed Moonis Abdullah Alvi (CEO) | 9. Muhammad Kamran Kamal |
| 3. Adeeb Ahmad | 10. Muhammad Zubair Motiwala |
| 4. Arshad Majeed Mohmand | 11. Saad Amanullah Khan |
| 5. Boudewijn Clemens Wentink | 12. Sadia Khuram |
| 6. Ch. Khaqan Saadullah Khan | 13. Shan A. Ashary |
| 7. Dr. Imran Ullah Khan | |

Subsequently, Mr. Mark Gerard Skelton was appointed by the Board of Directors as the Chairman of the Board. Furthermore, Mr. Boudewijn Clemens Wentink, Ch. Khaqan Saadullah Khan and Ms. Sadia Khuram resigned from the position of Non-Executive Directors in October 2022 resulting in casual vacancies on the Board.

However, K-Electric cannot change its current Board composition due to the following factors:

- Suit 1731/2022 (Al Jomaih Power Limited & another vs IGCF SPV 21 Limited & others) together with ad-interim order from the Sindh High Court dated October 21, 2022 passed therein, through which the Company has been directed "*no change will be affected in the present board of directors of the K-Electric*"
- Directions from the Securities and Exchange Commission of Pakistan dated November 08, 2022 which states that the "*composition of the current Board of Directors of the Target Company (i.e. K-Electric) shall not be changed, whatsoever, till further orders of the Commission*".


Hence, the casual vacancies on the Board will be filled subject to the receipt of relevant approvals.

Acknowledgements

The Board wishes to extend its gratitude to the Government of Pakistan, shareholders, customers and other stakeholders of the Company for their cooperation and support and extends its appreciation to the employees of the Company.


Syed Moonis Abdullah Alvi
Chief Executive Officer

Karachi, April 28, 2023


Mark Gerard Skelton
Chairman



**UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

K-ELECTRIC LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		<u>Un-Audited</u> March 31, 2023	<u>Audited</u> June 30, 2022
	Note	------(Rupees in '000)-----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	511,584,622	489,248,209
Intangible assets		826,351	518,889
Investment in subsidiary - at cost		275,000	275,000
Investment property		2,880,224	2,925,942
Other financial assets - at amortised cost	5	21,106,693	16,323,268
Long-term loans and deposits		20,689	23,643
		<u>536,693,579</u>	<u>509,314,951</u>
Current assets			
Inventories	6	17,615,221	17,060,592
Trade debts	7	97,501,765	136,843,034
Loans and advances		4,096,550	1,663,519
Deposits and short-term prepayments		12,092,528	8,054,432
Other receivables	8	404,503,478	375,223,756
Current maturity of other financial assets - at amortised cost	5	2,009,794	1,088,032
Derivative financial assets		25,592,996	8,033,631
Cash and bank balances		4,670,429	2,846,132
		<u>568,082,761</u>	<u>550,813,128</u>
		<u>1,104,776,340</u>	<u>1,060,128,079</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		96,261,551	96,261,551
Reserves			
Capital reserves			
Share premium and other reserves		2,009,172	2,009,172
Revaluation surplus on property, plant and equipment		65,581,096	69,713,296
		<u>67,590,268</u>	<u>71,722,468</u>
Revenue reserves			
General reserves		5,372,356	5,372,356
Unappropriated profit		41,557,762	76,815,343
		<u>46,930,118</u>	<u>82,187,699</u>
		<u>114,520,386</u>	<u>153,910,167</u>
		210,781,937	250,171,718
TOTAL EQUITY			
LIABILITIES			
Non-current liabilities			
Long-term financing	9	169,045,819	151,738,189
Lease liabilities		110,413	148,894
Long-term deposits		14,741,648	13,976,931
Employee retirement and other benefit obligations		5,549,853	5,492,679
Deferred revenue		36,410,155	30,580,528
		<u>225,857,888</u>	<u>201,937,221</u>
Current liabilities			
Current maturity of long-term financing	9	32,614,316	23,638,341
Current maturity of lease liabilities		14,394	26,765
Trade and other payables	10	479,309,051	439,260,780
Unclaimed dividend		645	645
Accrued mark-up		12,926,035	10,629,604
Taxation - net	11	1,080,905	897,049
Short-term borrowings	12	115,417,381	107,535,452
Short-term deposits		26,755,296	26,012,012
Provisions		18,492	18,492
		<u>668,136,515</u>	<u>608,019,140</u>
		893,994,403	809,956,361
TOTAL LIABILITIES			
Contingencies and commitments	13		
TOTAL EQUITY AND LIABILITIES		<u>1,104,776,340</u>	<u>1,060,128,079</u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Nine Months Ended		Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- (Rupees in '000) -----					
REVENUE					
Sale of energy - net	14	260,407,443	219,770,118	97,392,056	70,201,813
Tariff adjustment	15	107,733,211	91,801,388	5,113,455	24,015,570
		<u>368,140,654</u>	<u>311,571,506</u>	<u>102,505,511</u>	<u>94,217,383</u>
COST OF SALES					
Purchase of electricity	16	(161,970,250)	(137,772,635)	(50,383,293)	(47,526,313)
Consumption of fuel and oil	17	(148,063,831)	(111,165,771)	(26,838,574)	(29,815,336)
Expenses incurred in generation, transmission and distribution		(21,394,576)	(18,939,232)	(7,204,193)	(6,363,964)
		<u>(331,428,657)</u>	<u>(267,877,638)</u>	<u>(84,426,060)</u>	<u>(83,705,613)</u>
GROSS PROFIT		<u>36,711,997</u>	<u>43,693,868</u>	<u>18,079,451</u>	<u>10,511,770</u>
Consumers services and administrative expenses		(23,901,021)	(20,462,232)	(7,830,593)	(7,031,265)
Impairment loss against trade debts and other receivables		(22,780,995)	(12,946,722)	(4,686,097)	(3,668,917)
Other operating expenses	18	(13,381,084)	(4,271,666)	(10,759,046)	(1,138,494)
Other income		8,800,699	7,940,568	2,828,182	3,761,729
		<u>(51,262,401)</u>	<u>(29,740,052)</u>	<u>(20,447,554)</u>	<u>(8,076,947)</u>
(LOSS) / PROFIT BEFORE FINANCE COST		<u>(14,550,404)</u>	<u>13,953,816</u>	<u>(2,368,103)</u>	<u>2,434,823</u>
Finance cost	19	(21,456,747)	(9,694,586)	(8,750,222)	(3,374,937)
(LOSS) / PROFIT BEFORE TAXATION		<u>(36,007,151)</u>	<u>4,259,230</u>	<u>(11,118,325)</u>	<u>(940,114)</u>
Taxation		(3,382,630)	(2,768,783)	(1,239,086)	(883,164)
(LOSS) / PROFIT FOR THE PERIOD		<u>(39,389,781)</u>	<u>1,490,447</u>	<u>(12,357,411)</u>	<u>(1,823,278)</u>
EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION					
		<u>4,135,904</u>	<u>28,952,367</u>	<u>4,005,399</u>	<u>7,694,565</u>
----- (Rupees) -----					
(LOSS) / EARNING PER SHARE - BASIC AND DILUTED		<u>(1.43)</u>	<u>0.05</u>	<u>(0.45)</u>	<u>(0.07)</u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	----- (Rupees in '000) -----			
(LOSS) / PROFIT FOR THE PERIOD	(39,389,781)	1,490,447	(12,357,411)	(1,823,278)
OTHER COMPREHENSIVE INCOME:				
Items that may be reclassified to profit or loss				
Changes in fair value of cash flow hedges	19,981,952	2,969,368	13,748,926	898,671
Adjustment for amounts transferred to profit or loss	(19,981,952)	(2,969,368)	(13,748,926)	(898,671)
	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(39,389,781)</u>	<u>1,490,447</u>	<u>(12,357,411)</u>	<u>(1,823,278)</u>

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Issued, subscribed and paid-up capital				Reserves			Revenue			Total
	Ordinary shares	Transaction costs	Total share capital	Share premium	Others	Revaluation surplus on property, plant and equipment - net of tax	Total	General reserves	Unappropriated profit	Total	
Balance as at July 1, 2021	96,653,179	(391,628)	96,261,551	1,500,000	509,172	55,932,669	57,941,841	5,372,356	64,375,768	69,748,124	223,951,516
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	1,490,447	1,490,447
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Incremental depreciation charged relating to revaluation surplus on property, plant and equipment - net of deferred tax	-	-	-	-	-	(2,057,264)	(2,057,264)	-	2,057,264	-	-
Balance as at March 31, 2022	96,653,179	(391,628)	96,261,551	1,500,000	509,172	53,875,405	55,884,577	5,372,356	67,923,479	73,295,835	225,441,963
Balance as at July 1, 2022	96,653,179	(391,628)	96,261,551	1,500,000	509,172	69,713,296	71,722,468	5,372,356	76,815,343	82,187,699	250,171,718
Total comprehensive income for the nine months ended March 31, 2023	-	-	-	-	-	(4,132,200)	(4,132,200)	-	4,132,200	-	-
Loss for the period	-	-	-	-	-	-	-	-	-	(39,389,781)	(39,389,781)
Other comprehensive income	-	-	-	-	-	-	-	-	(39,389,781)	(39,389,781)	(39,389,781)
Incremental depreciation charged relating to revaluation surplus on property, plant and equipment - net of deferred tax	-	-	-	-	-	(4,132,200)	(4,132,200)	-	4,132,200	-	-
Balance as at March 31, 2023	96,653,179	(391,628)	96,261,551	1,500,000	509,172	65,581,096	67,590,268	5,372,356	41,557,762	46,930,118	210,781,937

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Nine Months Ended	
		March 31, 2023	March 31, 2022
------(Rupees in '000)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(36,007,151)	4,259,230
Adjustments for non-cash and other items:			
Depreciation and amortisation		18,686,308	14,998,551
Provision for employee retirement and other benefits		915,087	754,204
(Reversal) / provision for slow moving and obsolete inventories - net		(334,371)	161,452
Impairment loss against trade debts and other receivables		22,780,995	12,946,722
Provision against fatal accident cases		-	(1,700)
Gain on sale of property, plant and equipment		(991,088)	(1,600,552)
Unrealised gain on derivative financial assets		(19,981,952)	(2,969,368)
Unrealised exchange loss - net		28,642,086	-
Finance cost		21,456,747	9,694,586
Amortisation of deferred revenue		(2,121,681)	(1,774,970)
Assets written off		488,275	-
Return on bank deposits		(955,602)	(295,049)
Operating profit before working capital changes		32,577,653	36,173,106
Working capital changes:			
(Increase) / decrease in current assets			
Inventories		(220,258)	(3,970,856)
Trade debts		17,271,823	(5,880,009)
Loans and advances		(2,433,031)	1,018,744
Deposits and short-term prepayments		(4,038,096)	(2,834,768)
Other receivables		(29,991,271)	(85,949,501)
		(19,410,833)	(97,616,390)
Increase / (decrease) in current liabilities			
Trade and other payables		38,006,295	72,087,052
Short-term deposits		743,284	6,436,802
		38,749,579	78,523,854
Cash generated from operations		51,916,399	17,080,570
Employee retirement benefits paid		(857,912)	(190,979)
Income tax paid		(3,198,774)	(3,335,214)
Receipts in deferred revenue		7,951,308	2,178,721
Finance cost paid		(36,040,259)	(18,085,091)
Interest received on bank deposits		955,602	295,049
Long-term loans and deposits		2,954	1,570
		(31,187,081)	(19,135,944)
Net cash generated from / (used in) operating activities		20,729,318	(2,055,374)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(23,397,617)	(36,993,430)
Proceeds from disposal of property, plant and equipment		1,356,701	2,876,339
Redemption of other financial assets at amortised cost		882,320	-
Investment made in subsidiary		-	(92,900)
Net cash used in investing activities		(21,158,596)	(34,209,991)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment of) / Proceeds from long-term financing - net		(6,439,004)	40,929,254
Settlement proceeds on expiry of derivative financial assets		91,978	-
Lease payments		(46,045)	(41,102)
Proceeds from / (Repayment of) short-term borrowings - net		6,364,372	(1,980,171)
Security deposit from consumers received		764,717	790,634
Net cash generated from financing activities		736,018	39,698,615
Net increase in cash and cash equivalents		306,740	3,433,250
Cash and cash equivalents at beginning of the period		(41,875,437)	(35,979,547)
Cash and cash equivalents at end of the period	20	(41,568,697)	(32,546,297)

The annexed notes 1 to 26 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
NOTES TO UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

1. KE AND ITS OPERATIONS

1.1 K-Electric Limited (the Company / KE) was incorporated as a limited liability company on September 13, 1913 under the repealed Indian Companies Act, 1882 (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange Limited (PSX). The registered office of KE is situated at KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi.

1.2 KE is principally engaged in the generation, transmission and distribution of electric energy to industrial and other consumers under the Electricity Act, 1910 and the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the NEPRA Act, 1997) to its licensed areas. KES Power Limited (the Holding Company of KE) incorporated in Cayman Islands, holds 66.40 percent (June 30, 2022: 66.40 percent) shares in KE.

1.3 The business units of KE include the following:

Place of business	Geographical location
Registered / Head Office	KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi
Generation Plants	Port Qasim, Korangi & S.I.T.E., Karachi
Elander Road Office	Elander Road, Karachi
Civic Centre Office	Civic Centre, Karachi

Integrated Business Centres (IBCs), grid stations, inventory stores / warehouses and substations are located across KE's licensed territory, which covers Karachi and adjoining areas of Sindh and Balochistan.

1.4 As notified on the PSX on October 28, 2016, Shanghai Electric Power Company Limited (SEP) has entered into a Sale and Purchase Agreement (SPA) with KES Power Limited (the Holding Company) to acquire up to 66.40 percent of the shares in KE. The completion of the transaction contemplated by SPA is subject to receipt of applicable regulatory approvals and satisfaction of other conditions precedent specified therein.

SEP notified its initial Public Announcement of Intention (PAI) for the above equity acquisition on October 3, 2016. Later, in order to comply with the statutory requirements under the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, SEP notified PAIs on different dates with latest PAI being notified on March 29, 2023 incorporating amended / additional requirements pursuant to the Securities Act, 2015 and the aforementioned regulations.

1.5 KE has following subsidiaries:

- i) KE Venture Company (Private) Limited (KEVCL), has been incorporated, as a wholly owned subsidiary of KE, to invest in diverse initiatives within the energy sector of Pakistan. The total investment in KEVCL is currently 27.5 million (June 30, 2022: 27.5 million) ordinary shares amounting to Rs. 275 million (June 30, 2022: Rs. 275 million). Subsequent to period end, KE has paid advance for full subscription of latest right issue of 15.4 million shares offered in accordance with the decision of the Board of Directors of KEVCL taken in its meeting held on March 17, 2023.
- ii) K-Solar (Private) Limited (K-Solar) was incorporated as a wholly owned subsidiary of KEVCL. The principal activity of K-Solar is to provide customers with opportunities to diversify their energy sources through high quality and economic solutions.

The principal location of business for KEVCL and K-Solar is Karachi, Pakistan.

1.6 These are separate condensed interim financial statements of KE, in which investment in subsidiary has been accounted for at cost less accumulated impairment, if any. KE prepares consolidated condensed interim financial statements comprising KE and its subsidiaries separately.

- 1.7 KE, being a regulated entity, is governed through Multi Year Tariff (MYT) regime. National Electric Power Regulatory Authority (NEPRA) vide its determination dated July 5, 2018 determined the MYT for the period commencing from July 1, 2016 till June 30, 2023 (MYT 2017-23). KE after considering that the MYT decision did not consider actual equity invested into the KE, applied notional capital structure based on the assumption of 70:30 debt to equity ratio and is a drastic departure from the previous structure without providing the KE an appropriate transition period, approached the Appellate Tribunal for relief under Section 12G of the NEPRA Act, 1997 which is pending. KE also approached the High Court of Sindh (HCS) against the aforementioned MYT decision and filed a suit in which a stay order was granted on July 26, 2018. KE, on April 3, 2019, withdrew the suit filed with HCS against MYT decision, as KE decided to pursue its legitimate concerns / issues with Appellate Tribunal, however, reserves its right to again approach the HCS, if required. The Ministry of Energy (Power Division) notified the MYT decision through SRO 576 (I) /2019 dated May 22, 2019.

KE's revenue recorded in these unconsolidated condensed interim financial statements is based on the aforementioned MYT decision.

- 1.8 KE filed Mid Term Review (MTR) petition with NEPRA as per the mechanism included in the MYT decision dated July 5, 2018, for reassessment of impact of USD indexation on allowed Return on Equity, changes due to necessary revision in the investment plan and working capital requirements of KE along with other adjustments. NEPRA issued its determination on MTR on March 1, 2022, (MTR decision) wherein NEPRA has determined a downward adjustment of Rs. 0.22/kWh. In its decision, NEPRA has not allowed additional investment requested, disallowed cost of working capital, allowed partial exchange rate variation for return on equity indexation and has not considered other adjustments. Being aggrieved, KE has filed an appeal before Appellate Tribunal and is currently pursuing its legitimate concerns / issues before the Appellate Tribunal. However, prudently, the impact of the downward adjustment of Rs. 0.22/kWh has been recognised in these unconsolidated condensed interim financial statements. Further, NEPRA in its MTR decision decided to review at the end of MYT control period, the impact of USD indexation on allowed Return on Equity and base rate adjustment component for required return on regulatory assets. Therefore, KE has accounted on accrual basis for these base tariff impacts in these unconsolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of KE for the year ended June 30, 2022.
- 2.3 In order to comply with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of unconsolidated annual financial statements of the immediately preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cashflows have been compared with the amounts of comparable period of the immediately preceding financial year.
- 2.4 These unconsolidated condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency.

2.5 There were certain amendments to accounting and reporting standards which became effective for KE during the period. However, these do not have any significant impact on KE's financial reporting and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.

2.6 Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by KE

The following amendments with respect to accounting and reporting standards would be effective from the dates mentioned there against:

	Effective dates (accounting periods beginning on or after)
IAS 1 Presentation of financial statements (Amendments)	January 1, 2023
IAS 8 Accounting policies, changes in estimates and errors (Amendments)	January 1, 2023
IAS 12 Income taxes (Amendments)	January 1, 2023
IFRS 16 Leases on sale and leaseback (Amendments)	January 1, 2024
IAS 1 Non current liabilities with covenants (Amendments)	January 1, 2024

The management anticipates that application of above amendments in future periods, will have no material impact on the unconsolidated condensed interim financial statements other than in presentation / disclosures.

2.7 SECP through S.R.O. 67(I)/2023 dated January 20, 2023 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 'Financial Instruments', with respect to application of Expected Credit Loss (ECL) method shall not be applicable for the financial years ending on or before December 31, 2024, provided that such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period.

2.8 Use of accounting estimates and judgements

The preparation of these unconsolidated condensed interim financial statements, in conformity with the approved accounting and reporting standards for interim financial reporting requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates.

During the preparation of these unconsolidated condensed interim financial statements, there have been no changes in the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty from those that were applied to the annual unconsolidated financial statements of the Company for the year ended June 30, 2022.

3. ACCOUNTING POLICIES

3.1 The accounting policies and method of computation adopted for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the KE's annual unconsolidated financial statements for the year ended June 30, 2022.

3.2 KE follows the practice to conduct actuarial valuation annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in these unconsolidated condensed interim financial statements.

3.3 Taxes on income, in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

- 3.4 As stated in note 2.7 above, due to extension of the exemption until financial years ending on or before December 31, 2024, applicable in respect of financial assets due from the GoP in respect of circular debt with respect to ECL method, the application of IAS 39 continues to be consistently applied by KE to such financial assets during the exemption period.

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		388,677,180	337,416,723
Capital work-in-progress (CWIP)	4.2	122,785,612	151,663,503
Right-of-use assets		121,830	167,983
		511,584,622	489,248,209

- 4.1 Additions and disposals of operating fixed assets during the period are as follows:

	Transfers from CWIP (at cost)		Disposals (at net book value)	
	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----			
Plant and machinery	40,470,113	5,327,746	65,176	1,120,789
Transmission and distribution network	27,796,078	29,523,780	297,190	672,853
Others	1,686,875	1,761,607	3,247	15,249
	69,953,066	36,613,133	365,613	1,808,891

- 4.1.1 The above disposals represent assets costing Rs. 1,979 million (June 30, 2022: Rs. 7,185 million) which were disposed off for Rs. 1,357 million (June 30, 2022: Rs. 4,003 million).

- 4.2 Details of CWIP are as follows:

	Plant and machinery	Transmission grid equipment/ lines	Distribution network / renewals of mains and services	Others	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----					
Opening balance at the beginning of period / year	87,960,284	27,774,043	30,069,697	5,859,479	151,663,503	125,880,005
Additions / inter-class transfers during the period / year (note 4.2.1)	23,011,410	7,271,376	11,132,407	742,368	42,157,561	62,771,603
	110,971,694	35,045,419	41,202,104	6,601,847	193,821,064	188,651,608
Transfers to operating fixed assets and intangible assets / adjustment (note 4.2.2)	(40,767,111)	(2,575,373)	(27,364,342)	(328,626)	(71,035,452)	(36,988,105)
Closing balance at the end of period / year	70,204,583	32,470,046	13,837,762	6,273,221	122,785,612	151,663,503

- 4.2.1 These include borrowing cost capitalised during the period amounting to Rs.18,760 million (June 30, 2022: Rs.11,523 million).

- 4.2.2 These include certain assets written off during the period amounting to Rs. 488 million (June 30, 2022: Nil).

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
5.	OTHER FINANCIAL ASSETS - AT AMORTISED COST		
	Investments in term deposit receipts	23,116,487	17,411,300
	Less:		
	Current maturity shown under current assets	(2,009,794)	(1,088,032)
		<u>21,106,693</u>	<u>16,323,268</u>

5.1 These represents term deposits aggregating to USD 81.46 million maintained with Dubai Islamic Bank Pakistan Limited (DIBPL). These carry profit at the rate of three months LIBOR and are due to mature in quarterly installments starting from November 3, 2022 and ending on August 3, 2034. These term deposits are part of the long term foreign exchange hedge arrangement as explained in note 21.11 to the audited unconsolidated financial statements for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
6.	INVENTORIES		
	High speed diesel (HSD)	1,247,038	796,320
	Furnace oil	3,833,720	3,233,726
		<u>5,080,758</u>	<u>4,030,046</u>
	Stores, spare parts and loose tools	13,531,923	14,362,377
		<u>18,612,681</u>	<u>18,392,423</u>
	Provision against slow moving and obsolete stores, spare parts and loose tools	(997,460)	(1,331,831)
		<u>17,615,221</u>	<u>17,060,592</u>

6.1 Provision against slow moving and obsolete stores, spare parts and loose tools

Opening balance	1,331,831	1,113,368
(Reversal) / provision recognised during the period / year - net	(334,371)	218,463
	<u>997,460</u>	<u>1,331,831</u>

7. TRADE DEBTS

Considered good

Secured – against deposits from consumers	6,257,112	5,745,925
Unsecured	91,244,653	131,097,109
	<u>97,501,765</u>	<u>136,843,034</u>

Considered doubtful

Provision for impairment against debts considered doubtful	(109,318,551)	(100,618,760)
	<u>97,501,765</u>	<u>136,843,034</u>

7.1 These balances do not include any Late Payment Surcharge (LPS) on receivables from public sector consumers, as fully explained in note 13.1.1 to these unconsolidated condensed interim financial statements, on the contention that due to the circular debt situation, the LPS should only be received by KE from its public sector consumers, if any surcharge is levied on KE on account of delayed payments of its public sector liabilities.

As at March 31, 2023, receivable from government and autonomous bodies amounting to Rs. 43,932 million (June 30, 2022: Rs. 48,309 million) includes unrecognised LPS of Rs. 7,909 million (June 30, 2022: Rs. 9,571 million); which includes receivable from Karachi Water and Sewerage Board (KW&SB) amounting to Rs. 34,533 million including unrecognised LPS of Rs. 5,603 million (June 30, 2022: Rs. 32,848 million including unrecognised LPS of Rs. 5,076 million) and receivable from City District Government Karachi (CDGK) amounting to Rs. 5,642 million including unrecognised LPS of Rs. 327 million (June 30, 2022: Rs. 8,449 million including unrecognised LPS of Rs.1,926 million).

- 7.2 Ministry of Energy (Power Division) issued a corrigendum dated January 22, 2020, whereby, in accordance with GoP's uniform tariff policy, KE was directed to restrict the benefit of Industrial Support Package (ISPA) of Rs. 3/kWh to peak hours only. Thus, ISPA relief of Rs. 3/kWh already passed to industrial consumers on normal consumption and off-peak hours for the period July 2019 to December 2019 was withdrawn and accordingly ISPA arrears were billed to industrial consumers in their monthly bills of April 2020.

The industrial consumers challenged the corrigendum before the Honorable High Court of Sindh (HCS). The HCS in its order dated September 28, 2020 directed KE to charge determined tariff as per SRO 575(I)/2019 dated May 22, 2019 instead of applying corrigendum. Being aggrieved, KE challenged the HCS order before Supreme Court of Pakistan (SCP), wherein, vide judgement dated January 19, 2023 received in April 2023, the SCP has graciously allowed the appeals of KE and dismissed the petitions and appeals of the consumers. Further, the SCP has directed NEPRA to pass a determination with respect to the adjustment of the ISPA amount consequent to SRO 810 and issue an SOT amending the uniform tariff for KE. Consequently, the amount will be recovered upon issuance of SOT by NEPRA.

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
7.3 Provision for impairment			
Opening balance		100,618,760	97,746,537
Provision recognised during the period / year		22,069,446	19,332,532
		<u>122,688,206</u>	<u>117,079,069</u>
Write-off against provision during the period / year		(13,369,655)	(16,460,309)
		<u>109,318,551</u>	<u>100,618,760</u>

8. OTHER RECEIVABLES

Due from the Government of Pakistan (GoP) and Government of Balochistan (GoB) - net:

- Tariff adjustment		384,305,256	355,338,042
- Sales tax - net		20,427,839	19,050,156
- Interest receivable from GoP on demand finance liabilities		237,173	237,173
- Others		5,298,095	5,864,080
	8.1	<u>410,268,363</u>	<u>380,489,451</u>
Others		461,395	249,036
		<u>410,729,758</u>	<u>380,738,487</u>
Provision for impairment		(6,226,280)	(5,514,731)
		<u>404,503,478</u>	<u>375,223,756</u>

- 8.1 This includes Rs. 63,709 million recorded as claims for write off of trade debts. The claims submitted by KE for the years ended June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021 and June 30, 2022 aggregating to Rs. 51,637 million have been pending for determination by NEPRA for which NEPRA through its letters dated December 31, 2019, March 10, 2021, March 30, 2022, June 8, 2022 and October 24, 2022 stated that further deliberation is required in respect of the above-mentioned claims before these can be allowed as an adjustment in tariff.

- 8.2 There is no significant change in the status of the other matters detailed in notes 14.1 to the annual unconsolidated financial statements of KE for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
9.	LONG-TERM FINANCING		
	Long-Term Financing from banking companies, financial institutions and others	179,290,123	150,548,630
	Long-Term Diminishing Musharaka	22,370,012	24,827,900
		<u>201,660,135</u>	<u>175,376,530</u>
	Less: Current maturity shown under current liabilities	(32,614,316)	(23,638,341)
		<u>169,045,819</u>	<u>151,738,189</u>

- 9.1 Details about these facilities have been disclosed in note 21 to KE's unconsolidated financial statements for the year ended June 30, 2022.

- 9.2 Details about these facilities have been disclosed in note 20 to KE's unconsolidated financial statements for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
10.	TRADE AND OTHER PAYABLES		
	Trade creditors		
	Power purchases	348,895,480	306,689,269
	Fuel and gas	47,574,326	49,490,805
	Others	18,336,121	22,889,350
		<u>414,805,927</u>	<u>379,069,424</u>
	Accrued expenses	6,259,072	5,611,945
	Contract liabilities		
	Energy	1,400,208	1,375,167
	Others	2,758,862	3,785,276
		<u>4,159,070</u>	<u>5,160,443</u>
	Other liabilities		
	Other liabilities	54,084,982	49,418,968
		<u>479,309,051</u>	<u>439,260,780</u>

11. TAXATION - NET

There is no significant change in the status of the tax related contingencies as disclosed in note 42.1 of the annual unconsolidated financial statements of KE for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
12.	SHORT-TERM BORROWINGS		
	Secured:		
	From banking companies:		
	Bills payable	32,516,092	34,813,883
	Short-term running finances	46,239,126	44,721,569
	Privately placed sukuks	6,662,163	-
		<u>85,417,381</u>	<u>79,535,452</u>
	Unsecured:		
	From others:		
	Privately placed sukuks	30,000,000	28,000,000
		<u>115,417,381</u>	<u>107,535,452</u>

- 12.1 Details about these facilities have been stated in note 29 to the annual unconsolidated financial statements of KE for the year ended June 30, 2022.

- 12.2** During the period, KE has issued a distinct privately placed and secured Sukuk certificate, amounting to Rs. 6.7 billion (issue size). These carry profit at 3 months KIBOR + 1.70% per annum.
- 12.3** These include six distinct privately placed and unsecured Sukuk certificates of 6 months' tenor amounting to Rs. 30 billion (issue size) in aggregate maturing from April 5, 2023 to September 21, 2023. These carry profit at 6 months KIBOR + 0.5% to 1.45% per annum.

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- 13.1.1** Mark-up on overdue balances with National Transmission and Dispatch Company (NTDC) / Central Power Purchasing Agency (Guarantee) Limited (CPPA), a major government owned power supplier, has not been accrued in these unconsolidated condensed interim financial statements. With effect from June 2015, CPPA has assumed the central power purchase division of NTDC along with the related assets, rights and liabilities of NTDC, including alleged receivables from KE. KE is of the view that in accordance with the mechanism defined in the Power Purchase Agreement (PPA) dated January 26, 2010 with NTDC, NTDC's dues are to be settled by the Ministry of Finance (MoF) through payment of KE's tariff differential claims directly to NTDC. Up to March 31, 2023, the MoF has released KE's tariff differential claims aggregating Rs. 544,657 million (June 30, 2022: Rs. 465,891 million) directly to NTDC / CPPA. Additionally, KE has also directly paid Rs. 67,167 million up to March 31, 2023 (June 30, 2022: Rs. 67,167 million) to NTDC / CPPA on account of its outstanding dues on an agreed mechanism. The PPA with NTDC has expired on January 25, 2015. However, the supply of electricity of 650 Megawatts (MW) continues in line with the High Court of Sindh's order dated February 6, 2014. Moreover, in accordance with Cabinet Committee on Energy (CCoE)'s decision dated August 27, 2020 and subsequent to completion of rehabilitation work, the overall interconnection capacity has been enhanced to 1,400 MW and the supply of electricity from NTDC / CPPA has been increased to 1,100 MW in order to meet additional demand and has been billed in line with the terms of PPA.

On June 22, 2018, NTDC / CPPA filed a suit in the District Court of Islamabad for recovery of Rs. 83,990 million up to May 2018, comprising of principal amounting to Rs. 66,347 million and mark-up thereon amounting to Rs. 17,643 million, which is pending adjudication to date. Within the alleged claims filed by NTDC / CPPA in the aforementioned suit, release of tariff differential claims amounting to Rs. 15,021 million was unilaterally adjusted by NTDC / CPPA against the disputed mark-up claim. This was subsequently corrected by NTDC / CPPA and adjusted against the principal balance (resulting in decrease in principal amount with corresponding increase in mark-up), as confirmed from invoices and correspondence received afterwards. NTDC / CPPA's mark-up claim up to March 31, 2023 amounts to Rs. 156,206 million (June 30, 2022: Rs. 113,720 million) which is on the premise that while the outstanding amounts were to be adjusted against tariff differential claims, KE is eventually responsible for payments of all outstanding amounts, including mark-up. However, KE has not acknowledged the disputed mark-up claimed by NTDC / CPPA as debt, as KE is of the view that the disputed mark-up claims would not have arisen in case tariff differential claims payments, including payments related to claims of unrecovered cost due to 4% capping and gas load management plan were released to NTDC / CPPA by the MoF on behalf of KE on timely basis.

In addition to above, the mark-up claimed by Sui Southern Gas Company Limited (SSGC) on Indigenous gas through its monthly invoices upto March 31, 2023 aggregates to Rs. 142,522 million (June 30, 2022: Rs. 129,505 million), which has not been accrued by KE. In view of KE, the unilateral reduction of gas by SSGC in year 2009-10, in violation of the ECC allocation and Head of Term Agreement dated July 31, 2009, led to increased consumption of furnace oil, which coupled with non-payment by government entities, as more fully explained in ensuing paragraphs, significantly affected KE's liquidity and hence the mark-up claim is not tenable.

In the year ended June 30, 2013, SSGC filed a suit against KE, in the High Court of Sindh for recovery of unpaid gas consumption charges and interest thereon and the damages amounting to Rs. 45,705 million and Rs. 10,000 million, respectively. KE also filed a suit, against SSGC in the High Court of Sindh for recovery of damages / losses of Rs. 59,600 million resulting from SSGC's failure to comply with its legal obligation to supply the allocated and committed quantity of 276 MMCFD of natural gas to KE. On October 7, 2019, the Court vacated a stay order dated December 3, 2012 granted in favour of SSGC which restrained KE from selling its immovable properties. Subsequently, SSGC had filed an appeal bearing HCA No. 353/2019 before the High Court of Sindh which is pending. Both these suits and HCA is pending adjudication to date. KE has also initiated contempt proceedings against MD SSGC for violation of order dated June 13, 2018 in Suit No. 4615 of 2018 which is pending before the Sindh High Court.

Further, KE entered into a payment plan with SSGC in the year 2014 and subsequently renewed the plan in years 2015 and 2016, which provided for a mechanism for payment of principal arrears by KE on supply of adequate gas by SSGC. The dispute of mark-up claim has also been mentioned in the payment plan. KE's management is of the view that the principal payments made by KE to SSGC have been unilaterally adjusted by SSGC against SSGC's disputed mark-up claim, which is in violation of the payment plan which clearly mentions that the payments are to be adjusted against outstanding principal balances and hence any adjustment against the mark-up by SSGC in KE's view is not tenable.

KE had filed an application CMA No. 12178/2018 in pending Suit No. 1263/2011 (Suit filed by KW&SB) before the High Court of Sindh for payment of outstanding liability of approximately Rs. 27,500 million by the Government of Sindh (GoS). After hearing the parties, the Court vide order dated November 18, 2021 allowed the application in favour of KE whereby, the Government of Sindh has been directed to pay the outstanding liability of KW&SB amounting to Rs. 27,500 million to KE and accordingly submit a payment plan. Government of Sindh has still not complied with the order dated November 18, 2021 for which the management is deliberating on initiating contempt proceedings.

During the period, KE's already stretched working capital position was further strained mainly due to the significant increase in fuel prices and accumulation of balance of tariff differential claims. Further, SSGC is not supplying the minimum required quantity of indigenous gas as per the CCOE decision dated April 23, 2018, order dated April 17, 2018 and June 13, 2018 of the Honorable Sindh High Court, resulting in higher fuel costs for KE in the form of RLNG. As a result, all the working capital lines of KE have been exhausted. KE had conveyed this situation to Ministry of Energy (Power Division) and other relevant authorities and had requested for immediate steps to release Tariff Differential Subsidy (TDS) claims of KE to ease out the working capital, which has not been made to date and consequentially KE had to delay the current payments of SSGC bills for RLNG. SSGC, in response, has claimed markup on the delayed payments of RLNG which aggregates to Rs. 2,912 million upto March 31, 2023 (June 30, 2022: Rs. 134 million) which has not been accrued by KE on the grounds that the delay in payment is due to delay in receipt from public sector entities, and on the net principal basis KE is in a net receivable position. KE remains in continuous engagement with the Ministry of Energy (Power Division) requesting them to expedite the process of release of pending TDS to ease out working capital position and payment to fuel suppliers.

KE's management believes that overdue amounts have only arisen due to circular debt situation caused by delayed settlement of tariff differential claims by the GOP as well as delayed settlement of KE's energy dues by certain public sector consumers (e.g. KW&SB). This contention of KE's management is also supported by the legal advices that it has obtained. Hence, mark-up / financial charges on outstanding liabilities due to government-controlled entities will be payable by KE only when it will receive mark-up on outstanding receivable balances on account of tariff differential claims and energy dues of KE's public sector consumers.

A high level Task Force has been constituted by the Honorable Prime Minister of Pakistan to resolve issues faced by KE including historic disputes around receivables and payables with Government entities and departments, along with implementation of a mechanism to prevent such disputes from arising in the future. KE remains in continuous engagement with relevant stakeholders and seeks a fair and equitable resolution to the issue in accordance with the law. Without prejudice to the aforementioned position of KE and solely on the basis of abundant caution, a provision amounting to Rs. 5,269 million (June 30, 2022: Rs. 5,269 million) is being maintained by KE in these unconsolidated condensed interim financial statements on account of mark-up on delayed payment.

13.1.2 The Government of Pakistan promulgated GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 for collection of Gas Infrastructure Development Cess (GIDC) from gas consumers (both power sector and industrial sector) other than domestic consumers. Single bench of the High Court of Sindh through its judgment (by consolidating all similar cases) dated October 26, 2016 held the GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 to be ultra vires and un-constitutional and held that the amounts collected in pursuance of the above laws are liable to be refunded / adjusted in the future bills, therefore all amounts previously paid by KE to SSGC amounting to Rs. 4,672 million, in respect of GIDC, became immediately due and recoverable from SSGC.

Subsequently, GoP filed an appeal before the divisional bench of the High Court of Sindh challenging the above judgment (in respect of few other parties), whereby the decision of the single bench was suspended by the divisional bench of the High Court of Sindh on November 10, 2016. During the year ended June 30, 2020, High Court of Peshawar ruled that the GIDC Act 2015 was constitutional. Aggrieved parties filed an appeal before the Supreme Court of Pakistan to challenge the decision of the High Court of Peshawar. KE was impleaded as a party in the said appeal on the basis of its Intervenor Application.

The Supreme Court of Pakistan (SCP) vide its decision dated August 13, 2020, has dismissed all the petitions and related appeals in matter of GIDC and declared GIDC Act 2015 to be valid, being within the legislative competence of the parliament. Further, as per this decision, the companies responsible to collect GIDC under the GIDC Act 2015 were directed to recover all arrears of GIDC due but not recovered upto July 31, 2020, in 24 equal monthly installments starting from August 1, 2020 without the component of late payment surcharge. KE filed a review petition and the SCP dismissed the review petition through its order dated November 2, 2020, however, installments for payment of GIDC arrears have been increased to 48 from 24.

In respect of the above, KE filed a suit before the High Court of Sindh (HCS) which is pending while KE obtained a stay order dated October 6, 2020 whereby, the HCS has restrained SSGC and the GOP from taking any coercive action for non-payment of installments of GIDC arrears, on the grounds amongst others that KE falls within the category of gas consumers who have not accrued the GIDC in their books and have neither recovered nor passed it on to their consumers through addition in the cost / tariff of electricity. The stay granted by HCS is still valid and operational.

KE, based on the views of its legal counsel, is of the opinion that KE in its suit before the HCS has raised substantive grounds and has fairly reasonable prospects of success if the courts accepts the abovementioned interpretation / grounds. It has been contended that in the presence of a valid Decree passed by the HCS, no GIDC can be imposed during the time such Decree is in the field. Accordingly, no liability and the related receivable amounting to approximately Rs. 35,822 million respectively in respect of GIDC has been recognized in these unconsolidated condensed interim financial statements. However, if the eventual outcome of the suit filed before the HCS results in any amount payable by KE on account of GIDC, it will be ultimately recovered through the MYT as a pass-through item.

- 13.1.3 There has been no significant change in the status of contingencies as disclosed in notes 32.1.2 to 32.1.4 and note 32.1.6 of the annual unconsolidated financial statements of KE for the year ended June 30, 2022.

13.2 Claims not acknowledged as debts

- 13.2.1 Claims not acknowledged as debts as disclosed in note 32.2 to the annual unconsolidated financial statements of KE for the year ended June 30, 2022 remained unchanged except mentioned below:

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
13.2.2 Outstanding dues of property tax, water charges, custom duty, ground rent and occupancy value	9,521,860	8,986,844
13.3 Commitments		
13.3.1 Guarantees / Standby Letter of Credit issued on behalf of the Company (note 13.3.7)	16,333,283	13,623,959
13.3.2 Transmission projects	26,967,739	26,128,344
13.3.3 BQPS III 900 MW combined cycle power plant and associated transmission project	7,202,782	21,068,317
13.3.4 Outstanding letters of credit	4,197,685	2,815,125
13.3.5 Dividend on preference shares	1,119,453	1,119,453

KE has not recorded any dividend on redeemable preference shares in view of certain restrictions on dividend placed under loan covenants by certain local and foreign lenders.

13.3.6 Commitments for rentals under Ijarah facilities obtained from Islamic banks in respects of vehicles are as follows:

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
- Not later than one year	699,611	425,062
- Later than one year and not later than five years	1,316,997	638,515

These facilities have a tenure of 3 to 5 years. These are secured against promissory notes.

13.3.7 This includes guarantees amounting to Rs. 6 billion called off by the supplier on account of non-payment of outstanding dues by KE, however, KE has obtained a stay order from the High Court of Sindh in this regard.

		(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----			
14. SALE OF ENERGY - NET	Note				
Gross revenue	14.1	340,565,546	277,055,056	118,276,963	85,084,943
Sales tax		(60,620,487)	(43,464,863)	(15,843,477)	(11,165,760)
Other taxes		(19,537,616)	(13,820,075)	(5,041,430)	(3,717,370)
Net revenue	14.2	<u>260,407,443</u>	<u>219,770,118</u>	<u>97,392,056</u>	<u>70,201,813</u>

14.1 Gross revenue is net-off an amount of Rs. 4,414 million (March 31, 2022: Rs. 1,613 million) representing invoices raised during the period for energy consumed, however, these invoices are considered non-recoverable.

		(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----			
14.2 Net Revenue	Note				
Residential	14.2.1	111,973,045	73,339,101	27,544,637	15,180,912
Commercial	14.2.1	51,957,605	36,347,528	16,522,491	10,615,290
Industrial	14.2.1	126,564,304	91,798,003	48,159,017	33,396,755
Fuel surcharge adjustment	14.2.2	(31,830,086)	17,183,886	4,457,926	10,516,931
Others		1,742,576	1,101,600	707,986	491,925
		<u>260,407,444</u>	<u>219,770,118</u>	<u>97,392,057</u>	<u>70,201,813</u>

14.2.1 The above includes net cycle day impact amounting to Rs. 3,050 million (March 31, 2022: Rs.972 million).

14.2.2 This represents monthly fuel surcharge adjustment as per mechanism provided in the MYT decision. The said amount has been / will be charged to the consumers in accordance with NEPRA's determinations.

15. TARIFF ADJUSTMENT

15.1 This represents tariff differential subsidy claim for variation in fuel prices, cost of power purchases, write-off claims, operation and maintenance cost, being adjustments required as per NEPRA's MYT decision and those resulting in adjustment of tariff due from Government.

15.2 includes Rs. 12,072 million comprising dues of 61,285 consumers (March 31, 2022: Rs 9,652 million comprising dues of 60,770 consumers) recognised during the nine months period ended March 31, 2023 against actual write-off of bad debts under the MYT decision dated July 5, 2018 for the period from July 1, 2016 to June 30, 2023.

	(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
16. PURCHASE OF ELECTRICITY	----- (Rupees in '000) -----			
CPPA / NTDC	113,281,435	98,019,427	38,276,094	34,712,964
Independent Power Producers (IPPs) / other power purchase sources	48,688,815	38,901,073	12,107,199	12,813,349
Karachi Nuclear Power Plant (KANUPP)	-	852,135	-	-
	<u>161,970,250</u>	<u>137,772,635</u>	<u>50,383,293</u>	<u>47,526,313</u>
17. CONSUMPTION OF FUEL AND OIL				
Natural gas / RLNG	79,738,171	73,302,532	21,631,002	15,725,018
Furnace and other fuel / oil	66,421,238	35,486,915	5,004,415	13,737,648
High speed diesel (HSD)	1,904,423	2,376,324	203,157	352,670
	<u>148,063,831</u>	<u>111,165,771</u>	<u>26,838,574</u>	<u>29,815,336</u>
18. OTHER OPERATING EXPENSES				
Exchange loss - net	12,598,272	3,974,236	10,428,986	1,403,421
Workers' profits participation fund	-	224,164	-	(49,486)
Interest on consumer deposits	-	-	-	(258,060)
Donations	40,673	63,114	19,026	35,394
Listing fee	8,483	4,208	1,375	1,281
Others	733,655	5,944	309,659	5,944
	<u>13,381,084</u>	<u>4,271,666</u>	<u>10,759,046</u>	<u>1,138,494</u>
19. FINANCE COST				
Mark-up / interest on:				
- Long-term financing	7,692,877	3,323,841	3,116,177	887,031
- Short-term borrowings	7,999,791	4,156,395	3,183,356	1,621,940
	<u>15,692,668</u>	<u>7,480,236</u>	<u>6,299,533</u>	<u>2,508,971</u>
Late payment surcharge on delayed payment to creditors	798,953	6,573	685,956	-
Bank charges, guarantee commission, commitment fee and other service charges	597,639	308,864	284,050	107,312
Mark-up on lease liabilities	14,401	11,542	4,093	3,501
Letters of credit discounting charges	4,353,086	1,887,371	1,476,590	755,153
	<u>21,456,747</u>	<u>9,694,586</u>	<u>8,750,222</u>	<u>3,374,937</u>
20. CASH AND CASH EQUIVALENTS	Note	(Un-Audited)		
		March 31, 2023	March 31, 2022	
Cash and bank balances		4,670,429	2,250,031	
Short-term running finances	12	(46,239,126)	(34,796,328)	
		<u>(41,568,697)</u>	<u>(32,546,297)</u>	

21. TRANSACTIONS WITH RELATED PARTIES

Related parties of KE comprise of parent company, subsidiary companies, associated companies, state-controlled entities, staff retirement benefit plans and the KE's directors and key management personnel. Details of significant transactions with related parties other than those disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

21.1 Government related entities

KE has availed the exemption available to it under its reporting framework, and therefore has not provided detailed disclosures of its transactions with government related / state-owned entities except for transactions included below, which KE considers to be significant:

		(Un-Audited)	
		March 31, 2023	March 31, 2022
		----- (Rupees in '000) -----	
CPPA / NTDC	Power purchases	113,281,435	98,019,427
Pakistan State Oil Company Limited	Purchase of furnace oil / HSD & other lubricants	69,414,021	38,096,305
Sui Southern Gas Company Limited	Purchase of gas	42,831,811	73,302,532
Pakistan LNG Limited	Purchase of gas	36,906,360	-
21.2	Hascol Petroleum Limited (note 21.8)	-	1,942,418
21.3	Subsidiary - KEVCL	-	92,900
	Payment of statutory filing fee on behalf of KEVCL	-	5
21.4	Subsidiary - K-Solar	3,422	5,611
	Salary of deputed staff	17,037	11,063
	Payment of statutory filing fee on behalf of K-Solar	-	2
21.5	Key management personnel	538,960	467,959
	Other allowances and benefits	172,119	191,312
	Retirement benefits	69,297	40,968
	Leave encashment	3,700	2,206
21.6	Provident fund	927,820	872,122
21.7	Gratuity fund	857,913	191,918
21.8	During the period, Hascol Petroleum Limited was not the related party of KE.		

22. OPERATING SEGMENTS

KE operates as a vertically integrated power utility under a single integrated tariff structure, as determined by NEPRA, with no separate revenue streams as KE as a whole earns revenues by providing electricity to its end consumers. The management has determined Generation, Transmission and Distribution as its operating segments, which are being presented to the Board of Directors of KE for allocation of resources and assessment of performance. These operating segments carry risks and rewards which differ from other segments and also reflects the management structure of KE.

The unallocated items of profit or loss and assets and liabilities include items which cannot be allocated to a specific segment on a reasonable basis.

	(Un-Audited) March 31, 2023									
	Generation		Transmission		Distribution		Eliminations		Total	
	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023
	(Rupees in million)									
Segment revenue	-	-	-	-	368,140	102,505	-	-	368,140	102,505
Inter-segment revenue	177,760	34,156	14,588	5,341	-	-	(192,348)	(39,497)	-	-
Total revenue	177,760	34,156	14,588	5,341	368,140	102,505	(192,348)	(39,497)	368,140	102,505
Purchase of electricity /										
Consumption of fuel and oil	(148,064)	(20,839)	-	-	(354,318)	(80,880)	192,348	39,497	(310,034)	(77,222)
Contribution margin	29,696	7,317	14,588	5,341	19,822	12,625	-	-	68,106	26,283
O&M expenses	(4,219)	(1,401)	(3,724)	(1,326)	(13,666)	(5,934)	-	-	(26,600)	(8,601)
Other expenses - net of other income	(13,745)	(12,793)	1,897	2,575	7,298	2,288	-	-	(4,581)	(7,032)
Impairment loss against trade debts and other receivables	-	-	-	-	(22,781)	(4,886)	-	-	(27,667)	(4,686)
EBITDA	11,731	(6,877)	12,731	6,990	(20,327)	4,291	-	-	4,135	4,064
Depreciation and amortisation	(10,280)	(3,434)	(2,973)	(1,012)	(5,434)	(1,928)	-	-	(18,687)	(6,374)
EBIT	1,451	(10,311)	9,758	5,978	(25,761)	2,363	-	-	(14,552)	(2,310)
Finance cost	(5,183)	(1,460)	(5,693)	(2,895)	(10,581)	(4,391)	-	-	(21,457)	(8,750)
Profit / (Loss) before taxation	(3,732)	(11,771)	4,065	2,878	(36,342)	(2,028)	-	-	(36,009)	(11,120)
Taxation - Current	(1,835)	(474)	(134)	(56)	(1,815)	(705)	-	-	(3,382)	(1,236)
Profit / (loss) for the period	(5,567)	(12,245)	3,931	2,822	(37,957)	(2,733)	-	-	(39,391)	(12,356)

	(Un-Audited) March 31, 2022									
	Generation		Transmission		Distribution		Eliminations		Total	
	Nine Months Period Ended March 31, 2022	Quarter Ended March 31, 2022	Nine Months Period Ended March 31, 2022	Quarter Ended March 31, 2022	Nine Months Period Ended March 31, 2022	Quarter Ended March 31, 2022	Nine Months Period Ended March 31, 2022	Quarter Ended March 31, 2022	Nine Months Period Ended March 31, 2022	Quarter Ended March 31, 2022
	(Rupees in million)									
Segment revenue	-	-	-	-	311,572	94,218	-	-	311,572	94,218
Inter-segment revenue	139,540	41,141	1,117	(11,452)	-	-	(140,957)	(29,889)	-	-
Total revenue	139,540	41,141	1,117	(11,452)	311,572	94,218	(140,957)	(29,889)	311,572	94,218
Purchase of electricity /										
Consumption of fuel and oil	(111,169)	(29,819)	-	-	(278,430)	(77,215)	140,957	29,889	(248,939)	(77,342)
Contribution margin	28,374	11,325	1,117	(11,452)	33,142	17,003	-	-	82,633	16,876
O&M expenses	(4,398)	(1,344)	(3,982)	(1,280)	(10,023)	(5,506)	-	-	(24,403)	(8,136)
Other expenses - net of other income	(3,357)	(1,712)	(743)	588	7,769	3,767	-	-	3,609	2,823
Impairment loss against trade debts	-	-	-	-	(12,947)	(3,669)	-	-	(16,616)	(3,899)
EBITDA	20,619	8,269	(3,608)	(12,170)	11,941	11,585	-	-	28,952	7,694
Depreciation and amortisation	(8,420)	(5,344)	(2,858)	(601)	(3,724)	(1,315)	-	-	(14,999)	(5,260)
EBIT	12,199	2,925	(6,466)	(12,771)	8,217	10,270	-	-	13,953	2,434
Finance cost	(3,164)	(1,197)	(2,138)	(727)	(4,393)	(1,461)	-	-	(8,985)	(3,375)
Profit / (Loss) before taxation	9,035	1,728	(8,604)	(13,498)	3,824	8,809	-	-	4,968	(941)
Taxation - Current	(1,945)	(600)	-	900	(823)	(823)	-	-	(2,768)	(883)
Profit / (loss) for the period	7,090	1,128	(8,604)	(12,598)	3,001	7,986	-	-	2,200	(1,824)

	(Un-Audited)	(Audited)
	March 31, 2023	June 30, 2022
(Rupees in million)		
Assets		
Generation	288,529	257,243
Transmission	154,362	142,794
Distribution	625,537	618,783
Un-allocated	36,348	41,308
	1,104,776	1,060,128
Liabilities		
Generation	255,698	201,613
Transmission	79,725	66,930
Distribution	539,285	491,913
Un-allocated	19,286	49,500
	893,994	809,956

25. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on April 28, 2023 by the Board of Directors of KE.

26. GENERAL

All figures have been rounded off to the nearest thousand of Pakistan Rupees, unless otherwise stated.



Chief Executive Officer



Director



Chief Financial Officer



**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

K-ELECTRIC LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		<u>Un-Audited</u>	<u>Audited</u>
		March 31, 2023	June 30, 2022
	Note	------(Rupees in '000)-----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	511,624,103	489,283,684
Intangible assets		826,351	518,889
Investment property		2,880,224	2,925,942
Other financial assets - at amortised cost	5	21,106,693	16,323,268
Long-term loans and deposits		23,545	26,499
Deferred taxation		<u>59,652</u>	<u>27,868</u>
		536,520,568	509,106,150
Current assets			
Inventories	6	17,770,212	17,105,276
Trade debts	7	97,522,879	136,963,108
Loans and advances		4,096,550	1,689,165
Deposits and short-term prepayments		12,106,331	8,057,751
Other receivables	8	404,463,402	375,198,048
Current maturity of other financial assets - at amortised cost	5	2,009,794	1,088,032
Derivative financial assets		25,592,996	8,033,631
Cash and bank balances		<u>4,738,805</u>	<u>2,899,473</u>
		568,300,968	551,034,484
TOTAL ASSETS		<u>1,104,821,536</u>	<u>1,060,140,634</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		96,261,551	96,261,551
Reserves			
Capital reserves			
Share premium and other reserves		2,009,172	2,009,172
Revaluation surplus on property, plant and equipment		65,581,096	69,713,296
		<u>67,590,268</u>	<u>71,722,468</u>
Revenue reserves			
General reserves		5,372,356	5,372,356
Unappropriated profit		41,415,360	76,742,861
		<u>46,787,716</u>	<u>82,115,217</u>
TOTAL EQUITY		<u>114,377,984</u>	<u>153,837,685</u>
		210,639,535	250,099,236
LIABILITIES			
Non-current liabilities			
Long-term financing	9	169,045,819	151,738,189
Lease liabilities		122,367	164,701
Long-term deposits		14,741,648	13,976,931
Employee retirement and other benefit obligations		5,549,853	5,492,679
Deferred revenue		<u>36,410,155</u>	<u>30,580,528</u>
		225,869,842	201,953,028
Current liabilities			
Current maturity of long-term financing	9	32,614,316	23,638,341
Current maturity of lease liabilities		20,678	32,750
Trade and other payables	10	479,478,411	439,323,801
Unclaimed dividend		645	645
Accrued mark-up		12,926,035	10,629,604
Taxation - net	11	1,080,905	897,273
Short-term borrowings	12	115,417,381	107,535,452
Short-term deposits		26,755,296	26,012,012
Provision		<u>18,492</u>	<u>18,492</u>
		668,312,159	608,088,370
TOTAL LIABILITIES		<u>894,182,001</u>	<u>810,041,398</u>
Contingencies and Commitments	13		
TOTAL EQUITY AND LIABILITIES		<u>1,104,821,536</u>	<u>1,060,140,634</u>

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Nine Months Ended		Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
REVENUE					
Net Revenue	14	260,501,947	219,951,261	97,406,556	70,268,103
Tariff adjustment	15	107,733,211	91,801,388	5,113,455	24,015,570
		<u>368,235,158</u>	<u>311,752,649</u>	<u>102,520,011</u>	<u>94,283,673</u>
COST OF SALES					
Purchase of electricity	16	(161,970,250)	(137,772,635)	(50,383,293)	(47,526,313)
Consumption of fuel and oil	17	(148,063,831)	(111,165,771)	(26,838,574)	(29,815,336)
Expenses incurred in generation, transmission and distribution		(21,394,576)	(18,939,232)	(7,204,193)	(6,363,964)
Other cost of sales		(82,842)	(167,134)	(15,214)	(60,754)
		<u>(331,511,499)</u>	<u>(268,044,772)</u>	<u>(84,441,274)</u>	<u>(83,766,367)</u>
GROSS PROFIT		36,723,659	43,707,877	18,078,737	10,517,306
Consumers services and administrative expenses		(24,016,180)	(20,525,293)	(7,866,111)	(7,055,129)
Impairment loss against trade debts and other receivables		(22,780,995)	(12,946,722)	(4,686,097)	(3,668,917)
Other operating expenses	18	(13,381,084)	(4,271,666)	(10,759,046)	(1,138,494)
Other income		8,805,436	7,938,400	2,830,889	3,761,622
		<u>(51,372,823)</u>	<u>(29,805,281)</u>	<u>(20,480,365)</u>	<u>(8,100,918)</u>
(LOSS) / PROFIT BEFORE FINANCE COST		(14,649,164)	13,902,596	(2,401,628)	2,416,388
Finance cost	19	(21,458,509)	(9,696,090)	(8,750,874)	(3,375,483)
(LOSS) / PROFIT BEFORE TAXATION		(36,107,673)	4,206,506	(11,152,502)	(959,095)
Taxation		(3,352,028)	(2,754,014)	(1,226,034)	(868,395)
(LOSS) / PROFIT FOR THE PERIOD		(39,459,701)	1,452,492	(12,378,536)	(1,827,490)
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION		4,040,431	28,904,965	3,973,590	7,677,404
----- (Rupees) -----					
(LOSS) / EARNING PER SHARE - BASIC AND DILUTED		(1.43)	0.05	(0.45)	(0.07)

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	------(Rupees in '000)-----		----- (Rupees in '000) -----	
(LOSS) / PROFIT FOR THE PERIOD	(39,459,701)	1,452,492	(12,378,536)	(1,827,490)
OTHER COMPREHENSIVE INCOME:				
Items that may be reclassified to profit or loss				
Changes in fair value of cash flow hedges	19,981,952	2,969,368	13,748,926	898,671
Adjustment for amounts transferred to profit or loss	(19,981,952)	(2,969,368)	(13,748,926)	(898,671)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(39,459,701)</u>	<u>1,452,492</u>	<u>(12,378,536)</u>	<u>(1,827,490)</u>

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

**K-ELECTRIC LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

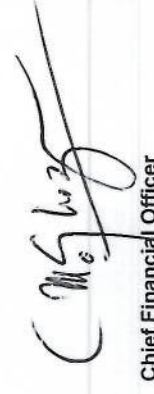
	Issued, subscribed and paid-up capital					Reserves			Revenue		Total
	Ordinary shares	Transaction costs	Total share capital	Share premium	Others	Revaluation surplus on Property, plant and equipment - net of tax	Total	General reserves	Unappropriated profit	Total	
Balance as at July 1, 2021	96,653,179	(391,628)	96,261,551	1,500,000	509,172	55,932,669	57,941,841	5,372,356	64,375,768	69,748,124	223,951,516
Total comprehensive income for the nine months period ended March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Incremental depreciation charged relating to revaluation surplus on property, plant and equipment - net of deferred tax	-	-	-	-	-	(2,057,264)	(2,057,264)	-	2,057,264	2,057,264	-
Balance as at March 31, 2022	96,653,179	(391,628)	96,261,551	1,500,000	509,172	53,875,405	55,884,577	5,372,356	67,885,524	73,257,880	225,404,008
Balance as at July 1, 2022	96,653,179	(391,628)	96,261,551	1,500,000	509,172	69,713,296	71,722,468	5,372,356	76,742,861	82,115,217	250,099,236
Total comprehensive income for the nine months ended March 31, 2023	-	-	-	-	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	-	-	-	(39,459,701)	(39,459,701)	(39,459,701)
Other comprehensive income	-	-	-	-	-	-	-	-	(39,459,701)	(39,459,701)	(39,459,701)
Incremental depreciation charged relating to revaluation surplus on property, plant and equipment - net of deferred tax	-	-	-	-	-	(4,132,200)	(4,132,200)	-	4,132,200	4,132,200	-
Balance as at March 31, 2023	96,653,179	(391,628)	96,261,551	1,500,000	509,172	65,581,096	67,590,268	5,372,356	41,415,360	46,787,716	210,639,535

(Rupees in '000)

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Nine Months Ended	
		March 31, 2023	March 31, 2022
------(Rupees in '000)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(36,107,673)	4,206,506
Adjustments for non-cash and other items:			
Depreciation and amortisation		18,689,595	15,002,369
Provision for employee retirement and other benefits		915,087	754,204
Reversal / provision for slow moving and obsolete inventories - net		(334,371)	161,452
Impairment loss against trade debts and other receivables		22,780,995	12,946,722
Provision against fatal accident cases		-	(1,700)
Gain on sale of property, plant and equipment		(991,088)	(1,600,552)
Unrealised gain on derivative financial assets		(19,981,952)	(2,969,368)
Unrealised exchange loss - net		28,642,086	-
Finance cost		21,457,733	9,696,090
Amortisation of deferred revenue		(2,121,681)	(1,774,970)
Assets written off		488,275	-
Return on bank deposits		(955,602)	(295,049)
Operating profit before working capital changes		32,481,403	36,125,704
Working capital changes:			
(Increase) / decrease in current assets			
Inventories		(330,565)	(3,974,092)
Trade debts		17,370,783	(5,935,026)
Loans and advances		(2,433,031)	1,018,744
Deposits and short term prepayments		(4,022,934)	(2,947,553)
Other receivables		(29,976,053)	(85,939,548)
		(19,391,800)	(97,777,474)
Increase / (decrease) in current liabilities			
Trade and other payables		38,112,633	72,113,515
Short-term deposits		743,284	6,436,802
		38,855,917	78,550,317
Cash generated from operations		51,945,521	16,898,546
Employee retirement benefits paid		(857,912)	(190,979)
Income tax paid		(3,201,028)	(3,337,718)
Receipts in deferred revenue		7,951,308	2,178,721
Finance cost paid		(36,041,245)	(18,086,595)
Interest received on bank deposits		955,602	295,049
Long-term loans		2,954	1,570
		(31,190,321)	(19,139,952)
Net cash generated from / (used in) operating activities		20,755,200	(2,241,405)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(23,404,910)	(37,005,986)
Proceeds from disposal of property, plant and equipment		1,356,701	2,876,339
Redemption of other financial assets at amortised cost		882,320	-
Net cash used in investing activities		(21,165,889)	(34,129,647)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment of) / Proceeds from long-term financing - net		(6,439,004)	40,929,254
Settlement proceeds on expiry of derivative financial assets		91,978	-
Lease payments		(49,598)	(43,873)
Proceeds from / (Repayment of) short-term borrowings - net		6,364,372	(1,980,171)
Security deposit from consumers received		764,717	790,634
Net cash generated from financing activities		732,465	39,695,844
Net increase in cash and cash equivalents		321,775	3,324,791
Cash and cash equivalents at beginning of the period		(41,822,096)	(35,798,805)
Cash and cash equivalents at end of the period	20	(41,500,321)	(32,474,014)

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

K-ELECTRIC LIMITED
NOTES TO CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

1. LEGAL STATUS AND ITS OPERATIONS

The Group consists of K-Electric Limited (KE) and its subsidiary companies namely KE Venture Company (Private) Limited (KEVCL) and K-Solar (Private) Limited (K-Solar). Brief profiles of the Holding Company and its subsidiaries are as follows:

1.1 K-Electric Limited

1.1.1 KE was incorporated as a limited liability company on September 13, 1913 under the repealed Indian Companies Act, 1882 (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange. The registered office of KE is situated at KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi.

1.1.2 KE is principally engaged in the generation, transmission and distribution of electric energy to industrial and other consumers under the Electricity Act, 1910 and the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the NEPRA Act 1997) to its licensed areas. KES Power Limited (the Holding Company of KE) incorporated in Cayman Islands, holds 66.40 percent (June 30, 2022: 66.40 percent) shares in KE.

1.1.3 The business units of KE include the following:

Place of business	Geographical location
Registered / Head Office	KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi
Generation Plants	Port Qasim, Korangi & S.I.T.E., Karachi
Elander Road Office	Elander Road, Karachi
Civic Centre Office	Civic Centre, Karachi

Integrated Business Centres (IBCs), grid stations, inventory stores / warehouses and substations are located across KE's licensed territory, which covers Karachi and adjoining areas of Sindh and Balochistan.

1.2 KE Venture Company (Private) Limited

KE Venture Company (Private) Limited (KEVCL) was incorporated on July 30, 2020, as a private company with the intent to be the investment arm of KE to carry on any business including but not limited to businesses dealing in electricity and all other forms of energy, and products or services associated therewith. The registered office of KEVCL is situated at KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi.

KE along with its nominees held 100% shares of KEVCL as at March 31, 2023 (June 30, 2022: 100% holding).

The operations of KEVCL have not started as at reporting date.

1.3 K-Solar (Private) Limited

K-Solar (Private) Limited (K-Solar) was incorporated on September 18, 2020, as a private company to carry on all or any of the businesses dealing in electricity and all other forms of renewable energy and products or services associated therewith, and for promoting the conservation and efficient use of electricity. The registered office of K-Solar is situated at K-Solar House, Unit No. 3 & 4, SASI Town Houses, Abdullah Haroon Road, Civil Lines, Karachi. K-Solar is a wholly owned subsidiary of KEVCL.

KE held 100% effective shareholding of K-Solar as at March 31, 2023 (June 30, 2022: 100% holding).

1.4 As notified on the Pakistan Stock Exchange on October 28, 2016, Shanghai Electric Power Company Limited (SEP) has entered into a Sale and Purchase Agreement (SPA) with KES Power Limited (the Holding Company) to acquire up to 66.40 percent of the shares in KE. The completion of the transaction contemplated by SPA is subject to receipt of applicable regulatory approvals and satisfaction of other conditions precedent specified therein.

SEP notified its initial Public Announcement of Intention (PAI) for the above equity acquisition on October 3, 2016. Later, in order to comply with the statutory requirements under the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, SEP notified PAIs on different dates with latest PAI being notified on March 29, 2023 incorporating amended / additional requirements pursuant to the Securities Act, 2015 and the aforementioned regulations.

- 1.5 KE, being a regulated entity, is governed through Multi Year Tariff (MYT) regime. National Electric Power Regulatory Authority (NEPRA) vide its determination dated July 5, 2018 determined the MYT for the period commencing from July 1, 2016 till June 30, 2023 (MYT 2017-23). KE after considering that the MYT decision did not consider actual equity invested into the KE, applied notional capital structure based on the assumption of 70:30 debt to equity ratio and is a drastic departure from the previous structure without providing the KE an appropriate transition period, approached the Appellate Tribunal for relief under Section 12G of the NEPRA Act, 1997 which is pending. KE also approached the High Court of Sindh (HCS) against the aforementioned MYT decision and filed a suit in which a stay order was granted on July 26, 2018. KE, on April 3, 2019, withdrew the suit filed with HCS against MYT decision, as KE decided to pursue its legitimate concerns / issues with Appellate Tribunal, however, reserves its right to again approach the HCS, if required. The Ministry of Energy (Power Division) notified the MYT decision through SRO 576 (I) /2019 dated May 22, 2019.

KE's revenue recorded in these consolidated condensed interim financial statements is based on the aforementioned MYT decision.

- 1.6 KE filed Mid Term Review (MTR) petition with NEPRA as per the mechanism included in the MYT decision dated July 5, 2018, for reassessment of impact of USD indexation on allowed Return on Equity, changes due to necessary revision in the investment plan and working capital requirements of KE along with other adjustments. NEPRA issued its determination on MTR on March 1, 2022, (MTR decision) wherein NEPRA has determined a downward adjustment of Rs. 0.22/kWh. In its decision, NEPRA has not allowed additional investment requested, disallowed cost of working capital, allowed partial exchange rate variation for return on equity indexation and has not considered other adjustments. Being aggrieved, KE has filed an appeal before Appellate Tribunal and is currently pursuing its legitimate concerns / issues before the Appellate Tribunal. However, prudently, the impact of the downward adjustment of Rs. 0.22/kWh has been recognised in these consolidated condensed interim financial statements. Further, NEPRA in its MTR decision decided to review at the end of MYT control period, the impact of USD indexation on allowed Return on Equity and base rate adjustment component for required return on regulatory assets. Therefore, KE has accounted on accrual basis for these base tariff impacts in these consolidated condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited consolidated financial statements of KE for the year ended June 30, 2022.
- 2.3 In order to comply with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of consolidated annual financial statements of the immediately preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cashflows have been compared with the amounts of comparable period of the immediately preceding financial year.

- 2.4 These consolidated condensed interim financial statements are presented in Pakistan Rupee which is also the Group's functional currency.
- 2.5 There were certain amendments to accounting and reporting standards which became effective for KE during the period. However, these do not have any significant impact on KE's financial reporting and, therefore, have not been disclosed in these consolidated condensed interim financial statements.
- 2.6 **Amendments to published accounting and reporting standards that are not yet effective and have not been early adopted by KE**

The following amendments with respect to accounting and reporting standards would be effective from the dates mentioned there against:

	Effective dates (accounting periods beginning on or after)
IAS 1 Presentation of financial statements (Amendments)	January 1, 2023
IAS 8 Accounting policies, changes in estimates and errors (Amendments)	January 1, 2023
IAS 12 Income taxes (Amendments)	January 1, 2023
IFRS 16 Leases on sale and leaseback (Amendments)	January 1, 2024
IAS 1 Non current liabilities with covenants (Amendments)	January 1, 2024

The management anticipates that application of above amendments in future periods, will have no material impact on the consolidated condensed interim financial statements other than in presentation / disclosures.

- 2.7 SECP through S.R.O. 67(I)/2023 dated January 20, 2023 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP) in respect of circular debt, the requirements contained in IFRS 9 'Financial Instruments', with respect to application of Expected Credit Loss (ECL) method shall not be applicable for the financial years ending on or before December 31, 2024, provided that such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period.
- 2.8 **Use of accounting estimates and judgements**

The preparation of these consolidated condensed interim statements, in conformity with the approved accounting and reporting standards for interim financial reporting requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates.

During the preparation of these consolidated condensed interim financial statements, there have been no changes in the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty from those that were applied to the annual audited consolidated financial statements of the Group for the year ended June 30, 2022.

2.9 **Basis of consolidation**

These consolidated condensed interim financial statements include the financial statements of the Holding Company and its subsidiaries.

A company is a subsidiary, if the Holding Company directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies shareholders' equity in these consolidated condensed interim financial statements.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies and method of computation adopted for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the KE's annual consolidated financial statements for the year ended June 30, 2022.
- 3.2 KE follows the practice to conduct actuarial valuation annually at the year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in these consolidated condensed interim financial statements.
- 3.3 Taxes on income, in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.
- 3.4 As stated in note 2.7 above, due to extension of the exemption until financial years ending on or before December 31, 2024, applicable in respect of financial assets due from the GoP in respect of circular debt with respect to ECL method, the application of IAS 39 continues to be consistently applied by KE to such financial assets during the exemption period.

4. PROPERTY, PLANT AND EQUIPMENT	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
Operating fixed assets		388,705,345	337,420,702
Capital work-in-progress (CWIP)	4.2	122,796,928	151,674,637
Right-of-use assets		121,830	188,345
		<u>511,624,103</u>	<u>489,283,684</u>

4.1 Additions and disposals of operating fixed assets during the period are as follows:

	Transfers from CWIP (at cost)		Disposals (at net book value)	
	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
(Rupees in '000)				
Plant and machinery	40,470,113	5,327,746	65,176	1,120,789
Transmission and distribution network	27,796,078	29,523,780	297,190	672,853
Others	1,695,722	1,761,607	4,983	15,249
	<u>69,961,913</u>	<u>36,613,133</u>	<u>367,349</u>	<u>1,808,891</u>

- 4.1.1 The above disposals represent assets costing Rs. 1,979 million (June 30, 2022: Rs. 7,185 million) which were disposed off for Rs. 1,357 million (June 30, 2022: Rs. 4,003 million).

4.2 Details of CWIP are as follows:

	Plant and machinery	Transmission grid equipment / lines	Distribution network / renewals of mains and services	Others	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
(Rupees in '000)						
Opening balance at the beginning of period / year	87,960,284	27,774,043	30,069,697	5,870,613	151,674,637	125,881,045
Additions / inter-class transfers during the period / year (note 4.2.1)	23,011,410	7,271,376	11,132,407	751,397	42,166,590	62,786,089
	<u>110,971,694</u>	<u>35,045,419</u>	<u>41,202,104</u>	<u>6,622,010</u>	<u>193,841,227</u>	<u>188,667,134</u>
Transfers to operating fixed assets and intangible assets / adjustment (note 4.2.2)	(40,767,111)	(2,575,373)	(27,364,342)	(337,473)	(71,044,299)	(36,992,497)
Closing balance at the end of period / year	<u>70,204,583</u>	<u>32,470,046</u>	<u>13,837,762</u>	<u>6,284,537</u>	<u>122,796,928</u>	<u>151,674,637</u>

4.2.1 These include borrowing cost capitalised during the period amounting to Rs. 18,760 million (June 30, 2022: Rs. 11,523 million).

4.2.2 These include certain assets written off during the period amounting to Rs. 488 million (June 30, 2022: Nil).

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
5. OTHER FINANCIAL ASSETS - AT AMORTISED COST			
Investments in term deposit receipts	5.1	23,116,487	17,411,300
Less:			
Current maturity shown under current assets:		(2,009,794)	(1,088,032)
		<u>21,106,693</u>	<u>16,323,268</u>

5.1 These represents term deposits aggregating to USD 81.46 million maintained with Dubai Islamic Bank Pakistan Limited (DIBPL). These carry profit at the rate of three months LIBOR and are due to mature in quarterly installments starting from November 3, 2022 and ending on August 3, 2024. These term deposits are part of the long term foreign exchange hedge arrangement as explained in note 22.11 to the audited consolidated financial statements for the year ended June 30, 2022.

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
6. INVENTORIES			
High speed diesel (HSD)		1,247,038	796,320
Furnace oil		3,833,720	3,233,726
		<u>5,080,758</u>	<u>4,030,046</u>
Stores, spare parts and loose tools		13,531,923	14,362,377
Solar panels and other items		154,991	44,684
		<u>18,767,672</u>	<u>18,437,107</u>
Provision against slow moving and obsolete stores, spare parts and loose tools	6.1	(997,460)	(1,331,831)
		<u>17,770,212</u>	<u>17,105,276</u>
6.1 Provision against slow moving and obsolete stores, spare parts and loose tools			
Opening balance		1,331,831	1,113,368
(Reversal) / provision recognised during the period / year - net		(334,371)	218,463
		<u>997,460</u>	<u>1,331,831</u>
7. TRADE DEBTS			
Considered good			
Secured – against deposits from consumers		6,257,112	5,745,925
Unsecured		91,265,767	131,217,183
	7.1	<u>97,522,879</u>	<u>136,963,108</u>
Considered doubtful			
		<u>109,318,825</u>	<u>100,619,034</u>
		206,841,704	237,582,142
Provision for impairment against debts considered doubtful	7.3	(109,318,825)	(100,619,034)
		<u>97,522,879</u>	<u>136,963,108</u>

7.1 These balances do not include any Late Payment Surcharge (LPS) on receivables from public sector consumers, as fully explained in note 13.1.1 to these consolidated condensed interim financial statements, on the contention that due to the circular debt situation, the LPS should only be received by KE from its public sector consumers, if any surcharge is levied on KE on account of delayed payments of its public sector liabilities.

As at March 31, 2023, receivable from government and autonomous bodies amounting to Rs. 43,932 million (June 30, 2022: Rs. 48,309 million) includes unrecognised LPS of Rs. 7,909 million (June 30, 2022: Rs. 9,571 million); which includes receivable from Karachi Water and Sewerage Board (KW&SB) amounting to Rs. 34,533 million including unrecognised LPS of Rs. 5,603 million (June 30, 2022: Rs. 32,848 million including unrecognised LPS of Rs. 5,076 million) and receivable from City District Government Karachi (CDGK) amounting to Rs. 5,642 million including unrecognised LPS of Rs. 327 million (June 30, 2022: Rs. 8,449 million including unrecognised LPS of Rs. 1,926 million).

- 7.2 Ministry of Energy (Power Division) issued a corrigendum dated January 22, 2020, whereby, in accordance with GoP's uniform tariff policy, KE was directed to restrict the benefit of Industrial Support Package (ISPA) of Rs. 3/kWh to peak hours only. Thus, ISPA relief of Rs. 3/kWh already passed to industrial consumers on normal consumption and off-peak hours for the period July 2019 to December 2019 was withdrawn and accordingly ISPA arrears were billed to industrial consumers in their monthly bills of April 2020.

The industrial consumers challenged the corrigendum before the Honorable High Court of Sindh (HCS). The HCS in its order dated September 28, 2020 directed KE to charge determined tariff as per SRO 575(I)/2019 dated May 22, 2019 instead of applying corrigendum. Being aggrieved, KE challenged the HCS order before Supreme Court of Pakistan (SCP), wherein, vide judgement dated January 19, 2023 received in April 2023, the SCP has graciously allowed the appeals of KE and dismissed the petitions and appeals of the consumers. Further, the SCP has directed NEPRA to pass a determination with respect to the adjustment of the ISPA amount consequent to SRO 810 and issue an SOT amending the uniform tariff for KE. Consequently, the amount will be recovered upon issuance of SOT by NEPRA.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
		----- (Rupees in '000) -----	
7.3	Provision for impairment		
	Opening balance	100,619,034	97,746,537
	Provision recognised during the period / year	22,069,446	19,332,806
		<u>122,688,480</u>	<u>117,079,343</u>
	Write-off against provision during the period / year	(13,369,655)	(16,460,309)
		<u>109,318,825</u>	<u>100,619,034</u>
8.	OTHER RECEIVABLES		
	Due from the Government of Pakistan (GoP) and Government of Balochistan (GoB) - net:		
	- Tariff adjustment	384,305,256	355,338,042
	- Sales tax - net	20,444,449	19,062,320
	- Interest receivable from GoP on demand finance liabilities	237,173	237,173
	- Others	5,240,459	5,864,080
		<u>410,227,336</u>	<u>380,501,615</u>
	Others	462,346	211,164
		<u>410,689,682</u>	<u>380,712,779</u>
	Provision for impairment	(6,226,280)	(5,514,731)
		<u>404,463,402</u>	<u>375,198,048</u>

- 8.1 This includes Rs. 63,709 million recorded as claims for write off of trade debts. The claims submitted by KE for the years ended June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021 and June 30, 2022 aggregating to Rs. 51,637 million have been pending for determination by NEPRA for which NEPRA through its letters dated December 31, 2019, March 10, 2021, March 30, 2022, June 8, 2022 and October 24, 2022 stated that further deliberation is required in respect of the above-mentioned claims before these can be allowed as an adjustment in tariff.

8.2 There is no significant change in the status of the other matters detailed in notes 15.1 to the annual consolidated financial statements of KE for the year ended June 30, 2022.

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
9. LONG-TERM FINANCING			
Long-Term Financing from banking companies, financial institutions and others.	9.1	179,290,123	150,548,630
Long-Term Diminishing Musharaka	9.2	22,370,012	24,827,900
		<u>201,660,135</u>	<u>175,376,530</u>
Less: Current maturity shown under current liabilities		<u>(32,614,316)</u>	<u>(23,638,341)</u>
		<u>169,045,819</u>	<u>151,738,189</u>

9.1 Details about these facilities have been disclosed in note 22 to KE's annual consolidated financial statements for the year ended June 30, 2022.

9.2 Details about these facilities have been disclosed in note 21 to KE's annual consolidated financial statements for the year ended June 30, 2022.

	(Un-Audited)	(Audited)	
	March 31, 2023	June 30, 2022	
		----- (Rupees in '000) -----	
10. TRADE AND OTHER PAYABLES			
Trade creditors			
Power purchases	349,035,094	306,689,269	
Fuel and gas	47,574,326	49,490,805	
Others	18,336,122	22,891,168	
	<u>414,945,542</u>	<u>379,071,242</u>	
Accrued expenses	6,287,713	5,658,538	
Contract liabilities			
Energy	1,400,208	1,375,167	
Others	2,759,546	3,796,116	
	<u>4,159,754</u>	<u>5,171,283</u>	
Other liabilities			
Other liabilities	54,085,402	49,422,738	
	<u>479,478,411</u>	<u>439,323,801</u>	

11. TAXATION - NET

There is no significant change in the status of the tax related contingencies as disclosed in note 43.1 of the annual consolidated financial statements of KE for the year ended June 30, 2022.

	Note	(Un-Audited)	(Audited)
		March 31, 2023	June 30, 2022
		----- (Rupees in '000) -----	
12. SHORT-TERM BORROWINGS			
Secured:			
From banking companies:			
Bills payable	12.1	32,516,092	34,813,883
Short-term running finances	12.1	46,239,126	44,721,569
Privately placed sukuks	12.2	6,662,163	-
		<u>85,417,381</u>	<u>79,535,452</u>
Unsecured:			
From others:			
Privately placed sukuks	12.3	30,000,000	28,000,000
		<u>115,417,381</u>	<u>107,535,452</u>

12.1 Details about these facilities have been stated in note 30 to the annual consolidated financial statements of KE for the year ended June 30, 2022.

- 12.2 During the period, KE has issued a distinct privately placed and secured Sukuk certificate, amounting to Rs. 6.7 billion (issue size). These carry profit at 3 months KIBOR + 1.70% per annum.
- 12.3 These include six distinct privately placed and unsecured Sukuk certificates of 6 months' tenor amounting to Rs. 30 billion (issue size) in aggregate maturing from April 5, 2023 to September 21, 2023. These carry profit at 6 months KIBOR + 0.5% to 1.45% per annum.

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- 13.1.1 Mark-up on overdue balances with National Transmission and Dispatch Company (NTDC) / Central Power Purchasing Agency (Guarantee) Limited (CPPA), a major government owned power supplier, has not been accrued in these consolidated condensed interim financial statements. With effect from June 2015, CPPA has assumed the central power purchase division of NTDC along with the related assets, rights and liabilities of NTDC, including alleged receivables from KE. KE is of the view that in accordance with the mechanism defined in the Power Purchase Agreement (PPA) dated January 26, 2010 with NTDC, NTDC's dues are to be settled by the Ministry of Finance (MoF) through payment of KE's tariff differential claims directly to NTDC. Up to March 31, 2023, the MoF has released KE's tariff differential claims aggregating Rs. 544,657 million (June 30, 2022: Rs. 465,891 million) directly to NTDC / CPPA. Additionally, KE has also directly paid Rs. 67,167 million up to March 31, 2023 (June 30, 2022: Rs. 67,167 million) to NTDC / CPPA on account of its outstanding dues on an agreed mechanism. The PPA with NTDC has expired on January 25, 2015. However, the supply of electricity of 650 Megawatts (MW) continues in line with the High Court of Sindh's order dated February 6, 2014. Moreover, in accordance with Cabinet Committee on Energy (CCoE)'s decision dated August 27, 2020 and subsequent to completion of rehabilitation work, the overall interconnection capacity has been enhanced to 1,400 MW and the supply of electricity from NTDC / CPPA has been increased to 1,100 MW in order to meet additional demand and has been billed in line with the terms of PPA.

On June 22, 2018, NTDC / CPPA filed a suit in the District Court of Islamabad for recovery of Rs. 83,990 million up to May 2018, comprising of principal amounting to Rs. 66,347 million and mark-up thereon amounting to Rs. 17,643 million, which is pending adjudication to date. Within the alleged claims filed by NTDC / CPPA in the aforementioned suit, release of tariff differential claims amounting to Rs. 15,021 million was unilaterally adjusted by NTDC / CPPA against the disputed mark-up claim. This was subsequently corrected by NTDC / CPPA and adjusted against the principal balance (resulting in decrease in principal amount with corresponding increase in mark-up), as confirmed from invoices and correspondence received afterwards. NTDC / CPPA's mark-up claim up to March 31, 2023 amounts to Rs. 156,206 million (June 30, 2022: Rs. 113,720 million) which is on the premise that while the outstanding amounts were to be adjusted against tariff differential claims, KE is eventually responsible for payments of all outstanding amounts, including mark-up. However, KE has not acknowledged the disputed mark-up claimed by NTDC / CPPA as debt, as KE is of the view that the disputed mark-up claims would not have arisen in case tariff differential claims payments, including payments related to claims of unrecovered cost due to 4% capping and gas load management plan were released to NTDC / CPPA by the MoF on behalf of KE on timely basis.

In addition to above, the mark-up claimed by Sui Southern Gas Company Limited (SSGC) on Indigenous gas through its monthly invoices upto March 31, 2023 aggregates to Rs. 142,522 million (June 30, 2022: Rs. 129,505 million), which has not been accrued by KE. In view of KE, the unilateral reduction of gas by SSGC in year 2009-10, in violation of the ECC allocation and Head of Term Agreement dated July 31, 2009, led to increased consumption of furnace oil, which coupled with non-payment by government entities, as more fully explained in ensuing paragraphs, significantly affected KE's liquidity and hence the mark-up claim is not tenable.

In the year ended June 30, 2013, SSGC filed a suit against KE, in the High Court of Sindh for recovery of unpaid gas consumption charges and interest thereon and the damages amounting to Rs. 45,705 million and Rs. 10,000 million, respectively. KE also filed a suit, against SSGC in the High Court of Sindh for recovery of damages / losses of Rs. 59,600 million resulting from SSGC's failure to comply with its legal obligation to supply the allocated and committed quantity of 276 MMCFD of natural gas to KE. On October 7, 2019, the Court vacated a stay order dated December 3, 2012 granted in favour of SSGC which restrained KE from selling its immovable properties. Subsequently, SSGC had filed an appeal bearing HCA No. 353/2019 before the High Court of Sindh which is pending. Both these suits and HCA is pending adjudication to date. KE has also initiated contempt proceedings against MD SSGC for violation of order dated June 13, 2018 in Suit No. 4615 of 2018 which is pending before the Sindh High Court.

Further, KE entered into a payment plan with SSGC in the year 2014 and subsequently renewed the plan in years 2015 and 2016, which provided for a mechanism for payment of principal arrears by KE on supply of adequate gas by SSGC. The dispute of mark-up claim has also been mentioned in the payment plan. KE's management is of the view that the principal payments made by KE to SSGC have been unilaterally adjusted by SSGC against SSGC's disputed mark-up claim, which is in violation of the payment plan which clearly mentions that the payments are to be adjusted against outstanding principal balances and hence any adjustment against the mark-up by SSGC in KE's view is not tenable.

KE had filed an application CMA No. 12178/2018 in pending Suit No. 1263/2011 (Suit filed by KW&SB) before the High Court of Sindh for payment of outstanding liability of approximately Rs. 27,500 million by the Government of Sindh (GoS). After hearing the parties, the Court vide order dated November 18, 2021 allowed the application in favour of KE whereby, the Government of Sindh has been directed to pay the outstanding liability of KW&SB amounting to Rs. 27,500 million to KE and accordingly submit a payment plan. Government of Sindh has still not complied with the order dated November 18, 2021 for which the management is deliberating on initiating contempt proceedings.

During the period, KE's already stretched working capital position was further strained mainly due to the significant increase in fuel prices and accumulation of balance of tariff differential claims. Further, SSGC is not supplying the minimum required quantity of indigenous gas as per the CCOE decision dated April 23, 2018, order dated April 17, 2018 and June 13, 2018 of the Honorable Sindh High Court, resulting in higher fuel costs for KE in the form of RLNG. As a result, all the working capital lines of KE have been exhausted. KE had conveyed this situation to Ministry of Energy (Power Division) and other relevant authorities and had requested for immediate steps to release Tariff Differential Subsidy (TDS) claims of KE to ease out the working capital, which has not been made to date and consequentially KE had to delay the current payments of SSGC bills for RLNG. SSGC, in response, has claimed markup on the delayed payments of RLNG which aggregates to Rs. 2,912 million upto March 31, 2023 (June 30, 2022: Rs. 134 million) which has not been accrued by KE on the grounds that the delay in payment is due to delay in receipt from public sector entities, and on the net principal basis KE is in a net receivable position. KE remains in continuous engagement with the Ministry of Energy (Power Division) requesting them to expedite the process of release of pending TDS to ease out working capital position and payment to fuel suppliers.

KE's management believes that overdue amounts have only arisen due to circular debt situation caused by delayed settlement of tariff differential claims by the GOP as well as delayed settlement of KE's energy dues by certain public sector consumers (e.g. KW&SB). This contention of KE's management is also supported by the legal advices that it has obtained. Hence, mark-up / financial charges on outstanding liabilities due to government-controlled entities will be payable by KE only when it will receive mark-up on outstanding receivable balances on account of tariff differential claims and energy dues of KE's public sector consumers.

A high level Task Force has been constituted by the Honorable Prime Minister of Pakistan to resolve issues faced by KE including historic disputes around receivables and payables with Government entities and departments, along with implementation of a mechanism to prevent such disputes from arising in the future. KE remains in continuous engagement with relevant stakeholders and seeks a fair and equitable resolution to the issue in accordance with the law. Without prejudice to the aforementioned position of KE and solely on the basis of abundant caution, a provision amounting to Rs. 5,269 million (June 30, 2022: Rs. 5,269 million) is being maintained by KE in these consolidated condensed interim financial statements on account of mark-up on delayed payment.

- 13.1.2** The Government of Pakistan promulgated GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 for collection of Gas Infrastructure Development Cess (GIDC) from gas consumers (both power sector and industrial sector) other than domestic consumers. Single bench of the High Court of Sindh through its judgment (by consolidating all similar cases) dated October 26, 2016 held the GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 to be ultra vires and un-constitutional and held that the amounts collected in pursuance of the above laws are liable to be refunded / adjusted in the future bills, therefore all amounts previously paid by KE to SSGC amounting to Rs. 4,672 million, in respect of GIDC, became immediately due and recoverable from SSGC.

Subsequently, GoP filed an appeal before the divisional bench of the High Court of Sindh challenging the above judgment (in respect of few other parties), whereby the decision of the single bench was suspended by the divisional bench of the High Court of Sindh on November 10, 2016. During the year ended June 30, 2020, High Court of Peshawar ruled that the GIDC Act 2015 was constitutional. Aggrieved parties filed an appeal before the Supreme Court of Pakistan to challenge the decision of the High Court of Peshawar. KE was impleaded as a party in the said appeal on the basis of its Intervenor Application.

The Supreme Court of Pakistan (SCP) vide its decision dated August 13, 2020, has dismissed all the petitions and related appeals in matter of GIDC and declared GIDC Act 2015 to be valid, being within the legislative competence of the parliament. Further, as per this decision, the companies responsible to collect GIDC under the GIDC Act 2015 were directed to recover all arrears of GIDC due but not recovered upto July 31, 2020, in 24 equal monthly installments starting from August 1, 2020 without the component of late payment surcharge. KE filed a review petition and the SCP dismissed the review petition through its order dated November 2, 2020, however, installments for payment of GIDC arrears have been increased to 48 from 24.

In respect of the above, KE filed a suit before the High Court of Sindh (HCS) which is pending while KE obtained a stay order dated October 6, 2020 whereby, the HCS has restrained SSGC and the GOP from taking any coercive action for non-payment of installments of GIDC arrears, on the grounds amongst others that KE falls within the category of gas consumers who have not accrued the GIDC in their books and have neither recovered nor passed it on to their consumers through addition in the cost / tariff of electricity. The stay granted by HCS is still valid and operational.

KE, based on the views of its legal counsel, is of the opinion that KE in its suit before the HCS has raised substantive grounds and has fairly reasonable prospects of success if the courts accepts the abovementioned interpretation / grounds. It has been contended that in the presence of a valid Decree passed by the HCS, no GIDC can be imposed during the time such Decree is in the field. Accordingly, no liability and the related receivable amounting to approximately Rs. 35,822 million respectively in respect of GIDC has been recognized in these consolidated condensed interim financial statements. However, if the eventual outcome of the suit filed before the HCS results in any amount payable by KE on account of GIDC, it will be ultimately recovered through the MYT as a pass-through item.

13.1.3 There has been no significant change in the status of contingencies as disclosed in notes 33.1.2 to 33.1.4 and note 33.1.6 of the annual consolidated financial statement of KE for the year ended June 30, 2022.

13.2 Claims not acknowledged as debts

13.2.1 Claims not acknowledged as debts as disclosed in notes 33.2 to the annual consolidated financial statements of KE for the year ended June 30, 2022 remained unchanged except mentioned below:

	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
	----- (Rupees in '000) -----	
13.2.2 Outstanding dues of property tax, water charges, custom duty, ground rent and occupancy value	9,521,860	8,986,844
13.3 Commitments		
13.3.1 Guarantees from banks	16,333,283	13,623,959
13.3.2 Transmission projects	26,967,739	26,128,344
13.3.3 BQPS III 900 MW combined cycle power plant and associated transmission project	7,202,782	21,068,317
13.3.4 Outstanding letters of credit	4,197,685	2,815,125
13.3.5 Dividend on preference shares	1,119,453	1,119,453

KE has not recorded any dividend on redeemable preference shares in view of certain restrictions on dividend placed under loan covenants by certain local and foreign lenders.

13.3.6 Commitments for rentals under Ijarah facilities obtained from Islamic banks in respects of vehicles are as follows:

	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
	----- (Rupees in '000) -----	
- Not later than one year	699,611	425,062
- Later than one year and not later than five years	1,316,997	638,515

These facilities have a tenure of 3 to 5 years. These are secured against promissory notes.

- 13.3.7 This includes guarantees amounting to Rs. 6 billion called off by the supplier on account of non-payment of outstanding dues by KE, however, KE has obtained a stay order from the High Court of Sindh in this regard.

		(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
14. NET REVENUE	Note	----- (Rupees in '000) -----			
Gross revenue	14.1	340,672,752	277,243,222	118,292,090	85,154,942
Sales tax		(60,633,189)	(43,471,886)	(15,844,104)	(11,169,469)
Other taxes		(19,537,616)	(13,820,075)	(5,041,430)	(3,717,370)
Net revenue	14.2	<u>260,501,947</u>	<u>219,951,261</u>	<u>97,406,556</u>	<u>70,268,103</u>

- 14.1 Gross revenue is net-off an amount of Rs. 4,414 million (March 31, 2022: Rs. 1,613 million) representing invoices raised during the period for energy consumed, however, these invoices are considered non-recoverable.

		(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
14.2 Net revenue comprises of:	Note	----- (Rupees in '000) -----			
Residential	14.2.1	111,973,045	73,339,101	27,544,637	15,180,912
Commercial	14.2.1	51,957,605	36,347,528	16,522,491	10,615,290
Industrial	14.2.1	126,564,304	91,798,003	48,159,017	33,396,755
Fuel surcharge adjustment	14.2.2	(31,830,086)	17,183,886	4,457,926	10,516,931
Others		1,837,079	1,282,743	722,485	558,215
		<u>260,501,947</u>	<u>219,951,261</u>	<u>97,406,556</u>	<u>70,268,103</u>

- 14.2.1 The above includes net cycle day impact amounting to Rs. 3,050 million (March 31, 2022: Rs.972 million).
- 14.2.2 This represents monthly fuel surcharge adjustment as per mechanism provided in the MYT decision. The said amount has been / will be charged to the consumers in accordance with NEPRA's determinations.
- 15. TARIFF ADJUSTMENT**
- 15.1 This represents tariff differential subsidy claim for variation in fuel prices, cost of power purchases, write-off claims, operation and maintenance cost, being adjustments required as per NEPRA's MYT decision and those resulting in adjustment of tariff due from Government.
- 15.2 Includes Rs. 12,072 million comprising dues of 61,285 consumers (March 31, 2022: Rs 9,652 million comprising dues of 60,770 consumers) recognised during the nine months period ended March 31, 2023 against actual write-off of bad debts under the MYT decision dated July 5, 2018 for the period from July 1, 2016 to June 30, 2023.

	(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
16. PURCHASE OF ELECTRICITY	----- (Rupees in '000) -----			
CPPA / NTDC Independent Power Producers (IPPs)	113,281,435	98,019,427	38,276,094	34,712,964
/ other power purchase Karachi Nuclear Power Plant (KANUPP).	48,688,815	38,901,073	12,107,199	12,813,349
	-	852,135	-	-
	<u>161,970,250</u>	<u>137,772,635</u>	<u>50,383,293</u>	<u>47,526,313</u>

	(Un-Audited) Nine Months Ended		(Un-Audited) Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
17. CONSUMPTION OF FUEL AND OIL	----- (Rupees in '000) -----			
Natural gas / RLNG	79,738,171	73,302,532	21,631,002	15,725,018
Furnace and other fuel / oil	66,421,238	35,486,915	5,004,415	13,737,648
High speed diesel (HSD)	1,904,423	2,376,324	203,157	352,670
	<u>148,063,831</u>	<u>111,165,771</u>	<u>26,838,574</u>	<u>29,815,336</u>
18. OTHER OPERATING EXPENSES				
Exchange loss - net	12,598,272	3,974,236	10,428,986	1,403,421
Workers' profits participation fund	-	224,164	-	(49,486)
Interest on consumer deposits	-	-	-	(258,060)
Donations	40,673	63,114	19,026	35,394
Listing fee	8,483	4,208	1,375	1,281
Others	733,655	5,944	309,659	5,944
	<u>13,381,084</u>	<u>4,271,666</u>	<u>10,759,046</u>	<u>1,138,494</u>
19. FINANCE COST				
Mark-up / interest on:				
- Long term financing	7,694,639	3,325,344	3,116,829	887,577
- Short-term borrowings	7,999,791	4,156,395	3,183,356	1,621,940
	<u>15,694,430</u>	<u>7,481,740</u>	<u>6,300,185</u>	<u>2,509,517</u>
Late payment surcharge on delayed payment to creditors	798,953	6,573	685,956	-
Bank charges, guarantee commission, commitment fee and other service charges	597,639	308,864	284,050	107,312
Mark-up on lease liabilities	14,401	11,542	4,093	3,501
Letters of credit discounting charges	4,353,086	1,887,371	1,476,590	755,153
	<u>21,458,509</u>	<u>9,696,090</u>	<u>8,750,874</u>	<u>3,375,483</u>

	Note	(Un-Audited)	
		March 31, 2023	March 31, 2022
20. CASH AND CASH EQUIVALENTS		----- (Rupees in '000) -----	
Cash and bank balances		4,738,805	2,322,314
Short-term running finances	12	(46,239,126)	(34,796,328)
		<u>(41,500,321)</u>	<u>(32,474,014)</u>

21. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Group comprise of associated companies, state-controlled entities, staff retirement benefit plans and the KE's directors and key management personnel. Details of significant transactions with related parties other than those disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

21.1 Government related entities

KE has availed the exemption available to it under its reporting framework, and therefore has not provided detailed disclosures of its transactions with government related / state-owned entities except for transactions included below, which KE considers to be significant:

		(Un-Audited)	
		March 31, 2023	March 31, 2022
		(Rupees in '000)	
CPPA / NTDC	Power purchases	113,281,435	98,019,427
Pakistan State Oil Company Limited	Purchase of furnace oil / HSD & other lubricants	69,414,021	38,096,305
Sui Southern Gas Company Limited	Purchase of gas	42,831,811	73,302,532
Pakistan LNG Limited	Purchase of gas	36,906,360	-
21.2 Hascal Petroleum Limited (note 21.6)	Purchase of furnace oil	-	1,942,418
21.3 Key management personnel	Managerial remuneration	538,960	467,959
	Other allowances and benefits	172,119	191,312
	Retirement benefits	69,297	40,968
	Leave encashment	3,700	2,206
21.4 Provident fund	Contribution to provident fund	927,820	872,122
21.5 Gratuity fund	Contribution to gratuity fund	857,913	191,918
21.6	During the period, Hascal Petroleum Limited was not the related party of Group.		

22. OPERATING SEGMENT

KE operates as a vertically integrated power utility under a single integrated tariff structure, as determined by NEPRA; with no separate revenue streams as KE as a whole earns revenues by providing electricity to its end-consumers. The management has determined Generation, Transmission and Distribution as its operating segments, which are being presented to the Board of Directors of KE for allocation of resources and assessment of performance. These operating segments carry risks and rewards which differ from other segments and also reflects the management structure of KE.

The unallocated items of profit or loss and assets and liabilities include items which cannot be allocated to a specific segment on a reasonable basis.

	(Un-Audited)											
	March 31, 2023											
	Generation		Transmission		Distribution		Un-allocated / Others		Eliminations		Total	
	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023	Nine Months Period Ended March 31, 2023	Quarter Ended March 31, 2023
Segment revenue:	-	-	-	-	368,140	102,505	95	15	-	-	368,235	102,529
Inter-segment revenue	177,760	34,166	14,666	5,341	-	-	-	-	(192,348)	(39,497)	-	-
Total revenue	177,760	34,166	14,666	6,341	368,140	102,505	95	16	(192,348)	(39,497)	368,235	102,529
Purchase of electricity /												
Consumption of fuel and oil / others	(148,664)	(26,839)	-	-	(354,318)	(89,860)	(83)	(15)	192,348	39,497	(310,117)	(77,237)
Contribution Margin	29,696	7,317	14,666	6,341	13,822	12,645	12	-	-	-	58,118	25,293
O&M expenses	(4,219)	(1,401)	(3,724)	(1,326)	(18,666)	(5,934)	(116)	(37)	-	-	(26,725)	(9,693)
Other expenses - net of other income	(13,746)	(12,793)	1,667	2,575	7,269	2,266	8	4	-	-	(4,572)	(7,928)
Impairment loss against trade debts and other receivable	-	-	-	-	(22,781)	(4,666)	-	-	-	-	(22,781)	(4,666)
EBITDA	11,731	(6,877)	12,731	6,690	(20,327)	4,291	(96)	(33)	-	-	4,040	3,971
Depreciation and amortisation	(10,280)	(3,434)	(2,973)	(1,012)	(5,434)	(1,928)	(3)	-	-	-	(18,690)	(6,374)
EBIT	1,451	(10,311)	9,758	5,678	(25,761)	2,363	(99)	(33)	-	-	(14,650)	(2,403)
Finance cost	(5,183)	(1,480)	(5,693)	(2,699)	(10,581)	(4,391)	(2)	(1)	-	-	(21,459)	(8,751)
Profit / (Loss) before taxation	(3,732)	(11,771)	4,065	2,679	(36,342)	(2,028)	(101)	(34)	-	-	(36,109)	(11,164)
Taxation - Current	(1,633)	(474)	(134)	(59)	(1,615)	(705)	31	13	-	-	(3,351)	(1,225)
Profit / (loss) for the period	(6,365)	(12,245)	3,931	2,620	(37,957)	(2,733)	(70)	(21)	-	-	(39,460)	(12,389)

	(Un-Audited)												
	March 31, 2022												
	Generation		Transmission		Distribution		Un-allocated / Others		Eliminations		Total		
Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended	Nine Months Period Ended	Quarter Ended
March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
(Rupees in million)													
Segment revenue					311,572	94,218	181	66				311,753	94,284
Inter-segment revenue	139,540	41,141	1,117	(11,452)	-	-	-	-	(140,657)	(29,689)	-	-	-
Total revenue	139,540	41,141	1,117	(11,452)	311,572	94,218	181	66	(140,657)	(29,689)	-	311,753	94,284
Purchase of electricity/ Consumption of fuel and oil / others	(111,166)	(29,818)	-	-	(278,430)	(77,215)	(167)	(61)	140,657	29,639	-	(249,106)	(77,403)
Contribution Margin	28,374	11,325	1,117	(11,452)	33,142	17,003	14	5	-	-	-	62,647	16,881
O&M expenses	(4,398)	(1,344)	(3,982)	(1,286)	(16,023)	(5,506)	(64)	(24)	-	-	-	(24,467)	(8,166)
Other operating expenses	(3,357)	(1,712)	(743)	568	7,759	3,767	3	2	-	-	-	3,672	2,625
Impairment loss against trade debts	-	-	-	-	(12,947)	(3,669)	-	-	-	-	-	(12,947)	(3,669)
EBITDA	20,619	8,269	(3,608)	(12,170)	11,941	11,695	(47)	(17)	-	-	-	28,905	7,677
Depreciation and amortisation	(8,420)	(3,344)	(2,655)	(601)	(3,724)	(1,315)	(4)	(1)	-	-	-	(15,003)	(5,281)
EBIT	12,199	4,925	(6,463)	(12,771)	8,217	10,280	(51)	(18)	-	-	-	13,902	2,416
Finance cost	(3,164)	(1,187)	(2,138)	(727)	(4,393)	(1,461)	(2)	(1)	-	-	-	(8,697)	(3,375)
Profit / (Loss) before taxation	9,035	3,738	(8,601)	(13,498)	3,824	8,819	(53)	(19)	-	-	-	4,205	(809)
Taxation - Current	(1,945)	(956)	-	805	(823)	(822)	15	15	-	-	-	(2,753)	(567)
Taxation - Deferred	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit / (loss) for the period	7,090	2,772	(8,601)	(12,692)	3,001	7,996	(38)	(4)	-	-	-	1,452	(1,827)

	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
	(Rupees in million)	

Assets

Generation	288,529	257,243
Transmission	154,362	142,794
Distribution	625,537	618,783
Un-allocated	36,394	41,321
	<u>1,104,822</u>	<u>1,060,141</u>

Liabilities

Generation	255,698	201,613
Transmission	79,725	66,930
Distribution	539,285	491,913
Un-allocated	19,474	49,585
	<u>894,182</u>	<u>810,041</u>

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**23.1 Financial risk factors**

Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of Group during the period, consequently these consolidated condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual consolidated financial statements.

	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
	(Rupees in '000)	

23.2 Financial risk factors**Financial assets measured at fair value through profit or loss**

Derivative financial assets

	25,592,996	8,033,631
--	------------	-----------

23.2.1 Derivative financial assets and liabilities have been classified into level 2 fair value measurement hierarchy and the fair value is calculated as the present value of estimated future cash flows based on observable yield.

23.2.2 There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

23.2.3 The different levels of fair value measurement methods have been defined as follows:

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

23.3 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these consolidated condensed interim financial statements approximate their fair values.

24. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. Following major balances have been clubbed in these consolidated condensed interim financial statements which were presented separately in the annual audited consolidated financial statement of KE for the year ended June 30, 2022.

FSLs in annual audited consolidated financial statements for the year ended June 30, 2022	Note	Un-Audited		Audited		FSLs in consolidated condensed interim financial statements for the nine months ended March 31, 2023	Note	Un-Audited		Audited	
		March 31, 2023		June 30, 2022				March 31, 2023		June 30, 2022	
		--- (Rupees in '000) ---						--- (Rupees in '000) ---			
Long-term loans	9	10,428	11,899	Long-term loans and deposits	N/A	23,545	26,499				
Long-term deposits	10	13,117	14,600	Long-term financing	9	169,045,819	151,738,189				
Long-term diminishing musharaka	21	18,620,012	21,077,900	Current maturity of long-term diminishing musharaka	21	3,750,000	3,750,000				
Long-term financing	22	150,425,807	130,660,289	Current maturity of long-term financing	9	32,614,316	23,638,341				
Current maturity of long-term diminishing musharaka	21	3,750,000	3,750,000								
Current maturity of long-term financing	22	28,864,316	19,888,341								

25. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on April 28, 2023 by the Board of Directors of KE.

26. GENERAL

All figures have been rounded off to the nearest thousand of Pakistan Rupees, unless otherwise stated.


Chief Executive Officer


Director


Chief Financial Officer

بورڈ حکومتِ پاکستان، شیئرز ہولڈرز، صارفین اور کمپنی کے دیگر اسٹیک ہولڈرز کے تعاون اور حمایت پر ان کا شکریہ ادا کرنا چاہتا ہے اور کمپنی کے ملازمین کو خراجِ تحسین پیش کرتا ہے۔

Mark Skelton
مارک جیرارڈ اسکیلٹن
چیرمین

سید منوس عبداللہ علوی
چیف ایگزیکٹو آفیسر

(ازراہ کرم اس بات کا خیال رکھیں کہ اس ڈائریکٹرز رپورٹ کا اردو متبادل صرف معلومات فراہم کرنے کی غرض سے شامل کیا گیا ہے۔ لہذا انگریزی میں دی گئی اصل عبارت ہی مستند ہے۔ کسی بھی نوعیت کی تشریح کے لئے انگریزی میں دی گئی ڈائریکٹرز رپورٹ ہی سے رجوع کریں اور اسی پر انحصار کیا جائے)

کراچی، 28 اپریل 2023

1. مارک جیرارڈ اسکیلٹن
2. سید منس عبداللہ علوی (سی ای او)
3. ادیب احمد
4. ارشد مجید محمد
5. Boudewijn Clemens Wentik
6. چوہدری خاقان سعد اللہ خان
7. ڈاکٹر عمران اللہ خان
8. مبشر ایچ۔ شیخ
9. محمد کامران کمال
10. محمد زبیر موتی والا
11. سعد امان اللہ خان
12. سعدیہ خرم
13. شان اے۔ اشعری

اس کے بعد، مسٹر مارک جیرارڈ اسکیلٹن کو بورڈ آف ڈائریکٹرز نے بورڈ کا چیئرمین مقرر کیا۔ مزید برآں، مسٹر Boudewijn Clemens Wentink، چوہدری خاقان سعد اللہ خان اور محترمہ سعدیہ خرم نے اکتوبر 2022 میں نان ایگزیکٹو ڈائریکٹرز کے عہدے سے استعفیٰ دے دیا جس کے نتیجے میں بورڈ میں عارضی آسامیاں خالی ہوئیں۔

تاہم، کے۔ الیکٹرک درج ذیل عوامل کی وجہ سے اپنے موجودہ بورڈ کی ساخت کو تبدیل نہیں کر سکتا ہے:

- a. سوٹ 1731 / 2022 (AI Jomaih Power Limited) اور دیگر بمقابلہ IGCF SPV 21 لمیٹڈ اور دیگر) سندھ ہائی کورٹ سے 21 اکتوبر 2022 کو عبوری حکم نامے کے ساتھ اس خاص نکتے میں منظور ہوا۔ جس کے ذریعے کمپنی کو ہدایت کی گئی ہے کہ "کے الیکٹرک کے موجودہ بورڈ آف ڈائریکٹرز میں کوئی تبدیلی متاثر نہیں ہوگی"
- b. سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے بتاریخ 08 نومبر 2022 کی ہدایات کے ساتھ، جس میں بیان کیا جاتا ہے کہ "ٹارگٹ کمپنی (یعنی کے الیکٹرک) کے موجودہ بورڈ آف ڈائریکٹرز کی تشکیل کو جو بھی ہو، کمیشن کے اگلے احکامات تک تبدیل نہیں کیا جائے گا"

لہذا، بورڈ میں عارضی آسامیوں کو پُر کیا جائے گا جو کہ متعلقہ ریگولیٹری منظور یوں کی تحریری رسید/ وصولی سے مشروط ہوں گی۔

03	ii. عارضی آسامی
	31 مارچ 2023 تک بورڈ کی تشکیل
01	(i) آزاد ڈائریکٹر
09	(ii) غیر ایگزیکٹو ڈائریکٹرز
	(بشمول آزاد ڈائریکٹر)
01	(iii) ایگزیکٹو ڈائریکٹرز

بورڈ کمیٹی

بورڈ کمیٹی کے ارکان کے نام اس رپورٹ کے "کمپنی کی معلومات" سیکشن میں درج ہیں۔

بورڈ کے معاوضے کی پالیسی

بورڈ نے 25 جون 2020 کو ہونے والی اپنی 1216 ویں میٹنگ میں نان ایگزیکٹو ڈائریکٹرز کے لیے معاوضے کی پالیسی کی منظوری دی ہے جو قابل اطلاق کارپوریٹ ریگولیٹری فریم ورک کے مطابق ہے۔ غیر ایگزیکٹو ڈائریکٹرز کی منظور شدہ معاوضے کی پالیسی کی نمایاں خصوصیات حسب ذیل ہیں:

- A. فیس کا ہر تین سال بعد جائزہ لیا جائے گا۔
- B. جائزہ ہمیشہ قابل اطلاق کارپوریٹ ریگولیٹری فریم ورک کی تعمیل کرے گا اور اسے معروضی انداز میں انجام دیا جائے گا۔
- C. معاوضے کی سطح موزوں ذمہ داری اور پیشہ ورانہ مہارت کی سطح کے مطابق ہوگی جو کمپنی کے امور کی انجام دہی کے لئے اس کے کارپوریٹ اور سماجی مقاصد کو کامیابی سے حاصل کرنے کے ساتھ قدر افزوگی کی حوصلہ افزائی کرے۔

بورڈ آف ڈائریکٹرز میں تبدیلیاں

اس مدت کے دوران، ڈائریکٹرز کا انتخاب ہوا جس میں درج ذیل ڈائریکٹرز کا تقرر کیا گیا:

اس سلسلے میں، کے ای کے جنریشن پلانٹس کی بقایا زندگی کے لیے جنریشن پیٹیشن اور اگلی کنٹرول مدت کے لیے ٹرانسمیشن اور ڈسٹری بیوشن سیگمنٹ کے لیے سرمایہ کاری کے منصوبے اور کارکردگی KPIs کے لیے NEPRA کی جانب سے درخواست دائر کی گئی ہے۔ کے ای بروقت اور پائیدار تعین کے لیے NEPRA کے ساتھ مصروف ہے۔

مسابقتی تجارتی دو طرفہ تجارتی معاہدات مارکیٹ (CTBCM)

مئی 2022 میں NEPRA کی جانب سے CPPA-G کو مارکیٹ آپریٹر لائسنس کے اجراء کے بعد، فی الحال CTBCM کے رول آؤٹ سے متعلق ڈرائی رن سرگرمیاں جاری ہیں۔ کے ای اپنے انضمام کے مجوزہ منصوبے کی منظوری کے لیے NEPRA سمیت متعلقہ اسٹیک ہولڈرز کے ساتھ انتہائی مصروف عمل ہے، جس کا مقصد قومی بجلی کی پالیسی 2021 اور پاکستان میں مسابقتی ہول سیل بجلی کی منڈیوں کے قیام کے لیے CCoE کے منظور شدہ اصولوں کے مطابق ایک پائیدار اور منظم منتقلی کو یقینی بنانا ہے۔

ڈسٹری بیوشن اور الیکٹرک پاور سپلائی لائسنس

کے ای کو 21 جولائی 2003 کو اس کی ٹیریٹری میں جولائی 2023 تک 20 سال کی مدت کے لیے الیکٹرک پاور سروسز کی ڈسٹری بیوشن اور سپلائی کے لیے ڈسٹری بیوشن لائسنس دیا گیا تھا۔ پاور سیکٹر میں جاری تبدیلیوں بشمول ڈسٹری بیوشن (نیٹ ورک) اور سپلائی کا کاروبار NEPRA ایکٹ 1997 کے تحت علیحدہ لائسنس یافتہ سرگرمیاں (جیسا کہ ترمیم شدہ) اور CTBCM کے نفاذ کے ساتھ، کے الیکٹرک نے زیر جائزہ مدت کے دوران ڈسٹری بیوشن اور سپلائی کے کاروبار کے لیے الگ الگ لائسنس کی درخواستیں دائر کی ہیں۔ کے ای جمع شدہ لائسنس کی درخواستوں کے بروقت اجراء اور حتمی شکل دینے کے لیے NEPRA کے ساتھ رابطے میں ہے۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ریگولیشنز، 2019 کی تعمیل

بورڈ کی تشکیل

10	31 مارچ 2023 تک ڈائریکٹرز کی کل تعداد
---	(i) عورت
10	(ii) مرد

جس کے لیے ثالثی کے معاہدے کا مسودہ تیار کیا گیا ہے۔ ثالثی کے معاہدے کا مسودہ فی الوقت فریقین کے زیرِ غور ہے اور اسے منظوری کے لیے مجاز فورم کے سامنے رکھا جائے گا، ایک بار جب فریقین اس پر اپنی رضامندی دے دیں۔

مزید برآں، کے الیکٹرک پاور پر چیز ایجنسی ایگریمنٹ (PPAA)، انٹر کنکشن ایگریمنٹ (ICA) اور نیشنل گرڈ سے سپلائی اور سبسڈی کے اجراء کے لیے ٹیرف ڈیفینیشنل سبسڈی (TDS) معاہدے کو حتمی شکل دینے اور اس پر عمل درآمد کے لیے GoP اور متعلقہ فریقوں سے مسلسل رابطے میں ہے۔ عزت مآب وزیر اعظم کی تشکیل کردہ ٹاسک فورس کی سطح پر ہونے والی بات چیت کی بنیاد پر PPAA اور ICA کو حتمی شکل دے دی گئی ہے۔ جبکہ TDS معاہدہ حتمی شکل دینے کے اعلیٰ سطحی مراحل میں ہے۔ کے ای معاہدوں پر جلد از جلد عمل درآمد کے لیے تمام اسٹیک ہولڈرز کے ساتھ مصروف عمل ہے۔

ملٹی ایئر ٹیرف (MYT)

ریکوری نقصان کے بدلے کلیم شدہ لاگت کی زیر التواء منظوری

کمپنی مالی سال 2017 سے مالی سال 2022 کی مدت کے لیے ریکوری نقصان کے بدلے لاگت سمیت زیر التواء سہ ماہی ٹیرف کے تغیرات کے تعین کو تیز کرنے کے لیے NEPRA کے ساتھ مسلسل رابطے میں ہے (کے ای کے MYT کے تحت اجازت شدہ، خراب قرضوں کی اصل معافی کے سلسلے میں) جیسے کہ کے ای کے MYT میں فراہم کردہ میکانزم کے مطابق کلیم کیا گیا۔

ان درخواستوں کی بروقت منظوری کمپنی کی پائیداری اور منصوبہ بند سرمایہ کاری کے نفاذ کے لیے اہم ہے۔

MYT پوسٹ 2023

کے ای کو NEPRA کی جانب سے 7 سال کے کنٹرول کی مدت کے لیے ایک مربوط MYT دیا گیا جو جون 2023 میں اختتام پذیر ہو جائے گا۔ موجودہ MYT اور بجلی کے شعبے میں جاری تبدیلیوں بشمول ڈسٹری بیوشن (نیٹ ورک) اور سپلائی کے کاروبار میں علیحدہ لائسنس یافتہ سرگرمیاں، CTBCM ماڈل کا نفاذ اور ملک بھر میں مجوزہ مرکزی اقتصادی ترسیل کو مدنظر رکھتے ہوئے، کے ای ہر کاروباری طبقے کے لیے جون 2023 کے بعد کی مدت کے لیے علیحدہ ٹیرف کے تعین کی کوشش کر رہا ہے۔

5 علاقوں میں واٹر فلٹریشن پلانٹس کا افتتاح کیا جس سے سالانہ 50,000 سے زائد افراد مستفید ہوں گے۔ کے ای نے بلڈ ڈونیشن ڈرائیو مہم کے ذریعے حاصل شدہ کمپیوٹرز FEET، DIL اور Roshni ہیلپ لائن کو عطیہ کیے۔

کاربن فوٹ پرنٹ کو کم کرنے میں اپنا کردار ادا کرتے ہوئے، کے ای نے اپنے بل کا سائز آدھا کر دیا جس سے ہر سال 4,000 سے زیادہ درختوں اور 200 ملین لیٹر پانی کی بچت کی صلاحیت کے ساتھ ایک اہم ماحولیاتی اثرات مرتب ہوئے

کے ای نے اپنے بل کا سائز آدھا کر دیا جس سے ہر سال 4,000 سے زیادہ درختوں اور 200 ملین لیٹر پانی کی بچت کی صلاحیت کے ساتھ ایک اہم ماحولیاتی اثرات مرتب ہوئے۔ کے ای کے 100,000 سے زائد صارفین نے اب ای بلنگ کے لیے سبسکرائب کیا ہے۔ ایک سرسبز پاکستان کے لیے، کے ای نے 100,000 مینگر ووز لگانے کا بھی عہد کیا ہے جو تقریباً 4,000 ٹن CO2 کو الگ کرنے اور ساحل کے تحفظ و سلامتی کو بڑھانے میں معاون ہوں گے۔

دیگر اہم معاملات

سرکاری اداروں اور شعبوں کی طرف بڑھتے واجبات

31 مارچ 2023 تک، مختلف وفاقی اور صوبائی اداروں سے کے ای کی خالص وصولی، اصل واجب الادا بنیادوں پر تقریباً 23.9 بلین روپے تھی۔ ایندھن کی قیمتوں میں اضافہ اور کے ای کو مقامی گیس کی فراہمی کی عدم فراہمی کے نتیجے میں کے ای کے ٹیرف ڈیفریٹنشل سبسڈی (ٹی ڈی ایس) کلیمز میں اضافہ ہوا ہے جو (حکومت پاکستان) جی او پی سے قابل وصول ہیں۔

وصولیوں کا بیک لاگ کمپنی کی کیش فلو پوزیشن پر نتیجہ خیز اثر ڈالتا ہے اور اس کے نتیجے میں پاور انفراسٹرکچر میں سرمایہ کاری میں اضافہ کرنے کی صلاحیت پر منفی اثرات مرتب ہوتے ہیں۔ تاہم، کے ای اور اس شعبے کے بڑے پیمانے پر استحکام کے لیے ضروری ہے کہ حکومت سمیت تمام فریقین اس دیرینہ مسئلے کو قانون کے مطابق حل کرنے کے لیے ایک باہمی پرامن حل کو یقینی بنائیں۔ اس سلسلے میں وزیر اعظم کی تشکیل کردہ ٹاسک فورس کے اجلاسوں کے دوران دیگر امور پر تبادلہ خیال کیا گیا۔ یہ تجویز کیا گیا کہ ایک جامع ثالثی جس میں کے الیکٹرک اور حکومتی اداروں اور محکموں کے درمیان تاریخی وصولیوں اور ادائیگیوں کے معاملے کے تمام فریقوں پر غور کیا جائے،

ایکسیلنس، S&OP، سمیت دیگر اسٹریٹجک کے عالمی بہترین طریقوں کو بھی نافذ کیا جا رہا ہے۔ کوالٹی ایشورنس اور اسٹریٹجک سورسنگ کے نتیجے میں KPIs کی کارکردگی بہتر ہوتی ہے۔ کے ای نے Nutshell گروپ کے ساتھ مل کر پیداوار کے لیے لوکلائزیشن پر ایک قومی پالیسی ڈائلاگ کا انعقاد کیا جس میں صنعت کاروں نے بھرپور شرکت کی اور ذرائع کی لوکلائزیشن کے امکانات کا جائزہ لینے کے لیے وقف پروگرام شروع کیے گئے۔

ادارہ جاتی سماجی ذمہ داری (سی ایس آر)

اس عرصے کے دوران، کمپنی نے حفاظت، سیلاب سے نجات، سماجی بہبود اور کمیونٹی کی بنیاد پر مختلف اقدامات کے افتتاح سے متعلق سرگرمیاں انجام دی ہیں جبکہ ساتھ ساتھ پائیداری اور شمولیت پر تنظیموں کے ساتھ شراکت داری کی ہے۔ CSR محاذ پر کے ای کی کاوشوں کے اعتراف میں، کے ای کو دوسرے NEPRA CSR ایوارڈز میں سلور ایوارڈ سے نوازا گیا۔

کے ای نے اپنے CSR پارٹنرز کے اشتراک سے سندھ اور بلوچستان کے سیلاب سے متاثرہ علاقوں میں امداد فراہم کی۔ کے ای کے ملازمین اور انتظامیہ نے 5.7 ملین روپے جمع کیے جس سے 1,600 خاندانوں کو مستفید ہوئے۔ اس کے علاوہ خیمے بنانے کے لیے پینا فلکس بھی عطیہ کیے گئے۔ کے ای نے Educast کے ساتھ مل کر ٹیلی ہیلتھ کلینک قائم کیا تاکہ 36,000 سیلاب سے متاثرہ افراد کو ٹیلی کنسلٹیشن کال سینٹرز کے ذریعے سہولت فراہم کی جاسکے۔

بارشوں کے موسم اور ہیٹ ویو کی صورتحال سے متعلق حفاظتی پیغامات مساجد، مندروں اور گرجا گھروں کے ذریعے 40,000 سے زائد افراد تک پہنچائے گئے جبکہ پاکستان ریڈ کریسنٹ سوسائٹی سندھ کے تعاون سے فرنٹ لائن ورکرز کو مون سون سیفٹی اور CPR پر تربیت دی گئی۔

کے ای کے الیکٹرک کی 60 روشنی باجی کا دوسرا گروپ مالی سال کے دوران گریجویٹ ہو اور 50 روشنی باجی پر مشتمل تیسرا گروپ شروع کیا گیا۔ کے ای اور اخوت کارپوریشن کے ساتھ مل کر سولر مائیکرو فنانس فنڈ نیپرا کے CSR وژن "خوشحالی کے ساتھ طاقت" کے تحت تشکیل دیا گیا، اب تک 51 مستحقین کے استعمال میں آچکا ہے۔

کے ای نے اپنے CSR پارٹنرز کے ساتھ مل کر 4,000 سے زائد مریضوں کو سہولت فراہم کرتے ہوئے ہیلتھ کمپس کا انعقاد کیا،

لیے RFP کو NEPRA میں جمع کرادیا گیا ہے اور ساتھ ہی، ممکنہ بولی دہندہ گان کی پری کوالیفیکیشن اہلیت کا عمل بھی شروع کر دیا گیا ہے۔

کے ای مقامی وسائل کو شامل کر کے اپنی پیداواری لاگت کو کم کرنے کے لیے پُر عزم ہے جس میں بیس لوڈ پلانٹس کے ذریعے بجلی کا آف ٹیک بھی شامل ہے۔ فی الحال، وہیلنگ کے ذریعے مقامی کونٹے اور ہائیڈل پر مبنی بجلی شامل کرنے کی کوششیں کی جا رہی ہیں۔ مقامی کونٹے پر، کے ای تقریباً 990 میگا واٹ کے منصوبوں بشمول جامشورو کول پراجیکٹ سے بجلی کے براہ راست حصول کی ممکنہ ترقی کے حوالے سے حکومتی اور نجی اسپانسرز دونوں کے ساتھ مصروف عمل ہے۔ کے ای نے صدیق سزنانر جی لمیٹڈ (SEL) کے ساتھ تھر میں تیار کیے جانے والے 330 میگا واٹ کے مقامی کونٹے سے چلنے والے پاور پروجیکٹ سے ممکنہ بجلی کے حصول کے لیے ایک MoU پر بھی دستخط کیے ہیں۔

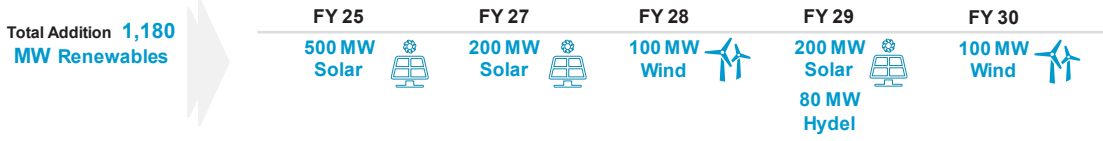
ہائیڈل پاور کی شمولیت کے حوالے سے، کے ای 82 میگا واٹ کے Turtonas Uzghor ہائیڈل پراجیکٹ (Uzghor) پر سرگرمی سے عمل پیرا ہے۔ کمپنی فی الحال پرائیویٹ پاور انفراسٹرکچر بورڈ (PPIB) سے آف ٹیکر میں تبدیلی کی اجازت دینے کے لیے منظوری طلب کر رہی ہے۔ مزید برآں، اس نے NEPRA کو لائسنس کی تجویز کردہ ترمیم (LPM) کی درخواست بھی دائر کی ہے، تاکہ پہلے جاری کردہ جنریشن لائسنس میں آف ٹیکر میں تبدیلی کے حوالے سے ترمیم کی اجازت دی جائے۔ مزید برآں، اس کے ہائیڈل پورٹ فولیو میں مزید وسعت کے لیے، پختونخوا انرجی ڈیولپمنٹ آرگنائزیشن (PEDO) کے ساتھ تشکیل کردہ جوائنٹ ورکنگ گروپ (JWG) پر پیش رفت جاری ہے۔ KE اور PEDO خریداری کے فریم ورک بشمول ٹارگٹ پروفیکٹس کی شارٹ لسٹنگ اور حتمی شکل دینے پر سرگرمی سے کام کر رہے ہیں۔

مزید برآں، کے ای نے 30 دسمبر 2022 کو China Three Gorges South Asia Limited (CTGSAL) کے ساتھ ہائیڈل اور قابل تجدید ذرائع کے منصوبوں کی مشترکہ ترقی کے لیے ایک سٹریٹجک لیول MOU بھی کیا ہے۔ فریم ورک کے تحت، دونوں اداروں کی طرف سے مزید ترقی کے لیے کئی مواقع کا جائزہ لیا جا رہا ہے۔

سپلائی چین

آپریشنل وسائل کی تنظیم نو، حقوق سازی اور استحکام کے ذریعے لاگت کو بہتر بنانے کے لیے کئی اقدامات کیے گئے ہیں۔ سپلائی چین

کے ای کے سروس ایریا میں بجلی کی بڑھتی ہوئی طلب کو مد نظر رکھتے ہوئے، ایک مضبوط اور جراتمندانہ سرمایہ کاری کا منصوبہ تیار کیا گیا ہے جس میں مقامی وسائل کے ساتھ ساتھ قابل تجدید ذرائع (بشمول ہائیڈرو) کے استعمال پر توجہ دی گئی ہے جو کہ کم لاگت، مقامی فیول پر بننے والے بجلی کے منصوبوں کو شامل کرنے کے لیے قومی بجلی کی پالیسی کے مطابق ہے۔ تھرڈ پارٹی اسٹڈیز اور ریگولیٹری منظور یوں سے مشروط، کے ای نے مالی سال 2030 تک تقریباً 1,180 میگاواٹ (ہائیڈل کے ساتھ) کے قابل تجدید ذرائع سمیت 2,172 میگاواٹ کے مجموعی اضافے کا منصوبہ بنایا ہے:



قابل تجدید ذرائع کا حصہ بڑھانے کے لیے، کے ای سندھ سولر کے تحت ورلڈ بینک (WB) کے تعاون سے سندھ سولر انرجی پروجیکٹ (SSEP) کے تحت سندھ انرجی ڈیپارٹمنٹ (SED)، حکومت سندھ (GoS) کے ساتھ مسابقتی بولی کے ذریعے 350 میگاواٹ کے سولر پروجیکٹ (پروجیکٹس) پر کام کر رہا ہے۔ اس فریم ورک کے تحت، SED زمین کا بندوبست کرنے اور پراجیکٹ کے تکنیکی مطالعات کو انجام دینے کے لیے ذمہ دار ہے، جبکہ KE مسابقتی بولی لگائے گا اور ان منصوبوں کا پاور آف ٹیکر ہوگا جہاں وہ کامیاب بولی دہندہ SPV کے ساتھ ایک طویل مدتی EPA میں شامل ہوگا۔ پروجیکٹ (پروجیکٹس) کے لیے زمین GOS کے ذریعے دیہہ بلکانی، ڈسٹرکٹ ویسٹ اور دیہہ میٹھا گھر، ضلع ملیر میں مختص کی گئی ہے۔ مزید یہ کہ کنسلٹنٹس فزیبلٹی اسٹڈیز اور گرڈ انٹر کنکشن اسٹڈی کو حتمی شکل دی جا رہی ہیں۔ پری کوالیفیکیشن کا عمل جاری ہے جس کا آغاز 26 جنوری 2023 کو ہوا۔ پروجیکٹ کی متوقع تکمیل مالی سال 2025 ہے۔

بلوچستان میں 150 میگاواٹ کے وندر اور ہیبلہ سولر پروجیکٹس کے حوالے سے، NEPRA نے 14 اکتوبر 2022 کو RFP پر اپنا فیصلہ جاری کیا۔ اس کے بعد، کے ای نے RFP کے فیصلے پر نظر ثانی کی درخواست دائر کی، جس کی سماعت 6 اپریل 2023 کو کی گئی۔ کابینہ (حکومت بلوچستان) کی جانب سے پروجیکٹ کے لیے زمین مختص و منظور کر لی گئی ہے اور مختص کرنے کے طریقہ کار کے لیے کے ای اور حکومت بلوچستان کے درمیان نتیجہ خیز گفت و شنید جاری ہے۔

کے ای نے 220 میگاواٹ کے سائٹ نیوٹرل ہائی برڈ قابل تجدید منصوبے کی زمین کاری کا آغاز بھی کر دیا ہے۔ منصوبے کے

مندرجہ بالا اہدائی اقدامات کے ساتھ، کے ای اپنے ڈسٹری بیوشن نیٹ ورک کی حفاظت، اعتبار اور استحکام کو بڑھانے کے لیے پراعتماد ہے۔

حفاظت اور ماحول

سیفٹی کے شعبے میں، کے ای کی توجہ اس شعبے کے عالمی حفاظتی معیارات کی پابندی کو یقینی بنانے پر مرکوز ہے۔ کمپنی فی الحال اپنے حفاظتی روڈ میپ کے مطابق پروسیس سیفٹی مینجمنٹ (PSM) کو نافذ کرنے کی سمت کام کر رہی ہے۔ آج تک، کاروباری اکائیوں میں کل 11 PSM عناصر شروع کیے گئے ہیں۔ PSM کے نفاذ کے ساتھ تعمیل کو یقینی بنانے کے لیے، ہفتہ وار مینجمنٹ سیفٹی آڈٹ (MSAs) کرائے جاتے ہیں، جو کارکنوں کے رویے، کام کے ماحول اور حالات کا اچھی طرح سے جائزہ لیتے ہیں۔ مزید برآں، کے ای نے کل 16,618 عملے کے ارکان کو HSEQ کی تربیت فراہم کی ہے، جس میں 41,473 تربیتی اوقات کار شامل ہیں۔ کمپنی نے BU ڈسٹری بیوشن میں "WELLBEING 360" ایک ویب سیریز "پروگرام بھی شروع کیا تا کہ ملازمین میں فلاح و بہبود کے بارے میں بیداری پیدا کی جاسکے اور صحت مند طریقوں کو ان کی روزمرہ کی زندگیوں میں شامل کیا جاسکے۔ اس کے علاوہ، حفاظت سے متعلق ایک آگاہی اسکول مہم کے دوران کل 36 اسکولوں اور 20,000 سے زائد بچوں کو آگاہی دی گئی۔ کے ای کو دسمبر 2022 میں منعقدہ تقریب میں 2022 کے لیے NEPRA کی PSC کارکردگی کے معیار کے مطابق اعلیٰ ترین حفاظتی کارکردگی کو برقرار رکھنے کے لیے NEPRA کی جانب سے بطور اعتراف ایوارڈ سے نوازا گیا۔ مزید برآں، ڈسٹری بیوشن، جنریشن اور ٹرانسمیشن کے 5 فیلڈ اسٹاف نے انفرادی ایوارڈز بھی حاصل کیے۔

ماحولیاتی محاذ پر، کے ای نے جنریشن، ٹرانسمیشن اور ڈسٹری بیوشن نیٹ ورک پر تمام قابل اطلاق ماحولیاتی قوانین اور ضوابط کی 100% تعمیل کو یقینی بنایا ہے۔ تعمیل کے اسٹیٹس کی توثیق آزاد مانیٹروں اور EPA سے منظور شدہ لیبارٹریوں کے ذریعے کی جاتی ہے، اور تعمیل کی رپورٹیں مقررہ تعداد کے مطابق ریگولیٹرز کے پاس جمع کرائی جاتی ہیں۔ خطرناک فضلہ کو EPA کے منظور شدہ ویسٹ کنٹریکٹرز کے ذریعے ٹھکانے لگایا جاتا ہے۔ مزید برآں، کے ای نے ISO 14001:2015 اور برٹش فائیو سٹار ماحولیاتی پائیداری آڈٹ کے عمل کے مطابق ایک ماحولیاتی پائیداری کے انتظام کا نظام (ESMS) قائم کیا ہے۔

کاروباری پیش رفت

کے کریڈٹ کارڈ ہولڈرز اپنے کے ای بل کی ادائیگی پر کیش بیک سے فائدہ اٹھا سکتے ہیں اور وہ اپنے جے ایس کریڈٹ کارڈ کا استعمال کرتے ہوئے 3 آسان اقساط میں اپنے کے ای بل کی ادائیگی بھی کر سکتے ہیں۔

□۔ باختیار ریکوری افسران کے ذریعے، کے ای کے بل کی ادائیگی صارفین کے گھر پر ڈیجیٹل طریقے سے کی جاسکتی ہے۔

تکنیکی اقدامات

کے ای نے حال ہی میں AMI پورٹل متعارف کرایا ہے، ایک مرکزی پلیٹ فارم جس میں AMI پالیسیاں، کوڈز، اور سمارٹ میٹر اور متعلقہ آلات کے لیے وضاحتیں، لائف سائیکل کے معیاری آپریٹنگ طریقہ کار، اور AMI انفراسٹرکچر کو چلانے کے لیے فریم ورک موجود ہے۔ مزید برآں، کے ای نے حال ہی میں اپنے ڈسٹری بیوشن سسٹم میں دیکھ بھال کے کم آلات کو شامل کرنے کے لیے ایک چیلنج کا آغاز کیا ہے، جس کا پہلا قدم فی الحال استعمال میں روایتی ڈرا آؤٹ قسم کے VCBs کو تبدیل کرنے کے لیے فلسفہ قسم کے ویکيوم سرکٹ بریکرز (VCBs) کی تیاری شامل ہے۔

کے ای کے پاس نیٹ ورک کی پائیداری بڑھانے اور اس کے اعلیٰ قیمتی اثاثوں کی ہیلتھ کی نگرانی کے لیے ایک متواتر پریوینٹیو مینٹیننس (PPM) نظام بھی موجود ہے۔ اس کے ابتدائی مرحلے میں، ڈسٹری بیوشن ٹرانسفارمرز کے لیے ایک فریم ورک ڈیزائن کیا گیا ہے تاکہ بار بار ہونے والی خرابی کو کم کیا جاسکے اور ہیلتھ انڈیکس پر مبنی معائنہ اور دیکھ بھال کے ذریعے نظام کو مضبوط اور قابل اعتماد بنایا جاسکے۔ مزید برآں، طے شدہ معائنہ اور دیکھ بھال کے لیے ایک نظام پر مبنی ورک فلوتیار کیا جا رہا ہے جو ڈسٹری بیوشن ٹرانسفارمرز فریم ورک کے کامیاب ٹیسٹ رن کے لیے ایک راہ ہموار کرے گا جس کے بعد PPM انسپکشن چیک لسٹ پر افرادی قوت کو بہتر بنایا جائے گا۔

مندرجہ بالا اقدامات کے علاوہ، کے ای نے صلاحیت کی ترقی کے شعبے میں بھی ایک پہل کی۔ اس سلسلے میں، نیٹ ورک کی ہیلتھ پر تربیت کے اثرات کا اندازہ لگانے کے لیے ایک بارمرکوز پروگرام "AOC گریجویٹیشن" شروع کیا گیا۔ اس سے تقسیم میں تکنیکی تربیت کی افادیت کا اندازہ لگانے میں مدد ملے گی۔

2023 کی تیسری سہ ماہی کے دوران 23,000 اضافی میٹر کی تنصیب کی گئی ہے۔

زیر جائزہ مدت کے دوران، کمپنی کو بنیادی طور پر کنزرویٹو پیمانہ پر اضافے، ایندھن کی لاگت میں ایڈجسٹمنٹ اور عوام پر اثر انداز ہونے والے بلند افراط زر کے دباؤ کی وجہ سے ادائیگیوں کی وصولی کی کوششوں میں متعدد چیلنجوں کا سامنا کرنا پڑا۔ ان عوامل نے صارفین کی ادائیگی کرنے کی صلاحیت کو بری طرح متاثر کیا، جس کے نتیجے میں مالی سال 2023 کی تیسری سہ ماہی میں وصولی کا تناسب 97.3% تک گر گیا۔ (YTD 92.4%) جبکہ گزشتہ سال اسی مدت کے دوران 99.5% (YTD 95.6%) رپورٹ کیا گیا تھا۔ ان چیلنجوں کے باوجود، کمپنی متعدد اقدامات کے ذریعے اپنی ریکوری کی کوششوں کو بڑھانے کے لیے پُر عزم ہے جس میں آسان قسط کی ادائیگی کی ایک اسکیم جس کا نام "ہم قدم - ریکوری پلان" ہے، شامل ہے۔ اب تک، 97,000 سے زیادہ صارفین اس اسکیم سے مستفید چکے ہیں۔ مزید برآں، "ہم قدم گورننس پروجیکٹ" کے تحت، 400,000 سے زائد صارفین کو ٹیپ کیا گیا ہے اور 71,000 کلوگرام غیر قانونی کنکشن ہٹائے گئے ہیں۔ مزید، 31 ملین چوری ہونے والے یونٹس کی نشاندہی کی گئی ہے۔

ڈیجیٹل ادائیگیاں اور شرائط

ای نے صارفین کے لیے ڈیجیٹل ادائیگی کے تجربے کو بہتر بنانے کے لیے بینکنگ اور FinTechs کے تعاون سے خصوصی ڈیجیٹل ادائیگیوں اور ریکوری سلوشنز کی پیشکش کے ذریعے اپنے صارفین کو بااختیار بنانے کے مشن میں ڈیجیٹل ادائیگی کے نیٹ ورک کو وسیع کر دیا ہے۔ اہم جھلکیوں میں شامل ہیں:

- کے ای اور PayFast کے درمیان اشتراک۔ بینک ٹرانسفر اور کارڈ کی ادائیگی کے اختیارات کے ساتھ PayFast گیٹ وے کو فعال کر کے کے ای بل کی ادائیگی کا عمل اب جدید تقاضوں کے مطابق اسٹریم لائن کر دیا گیا ہے، جو صارفین کے لیے اپنے بلوں کی ادائیگی میں زیادہ آسان بنا رہا ہے۔

- کے ای نے بینک الفلاح کے صارفین کو کیش بیک فراہم کرنے کے لیے بینک الفلاح کے ساتھ شراکت کی۔
- کے ای نے JS کرڈ کارڈز پر 1 in 2 میں ڈیل پیش کرنے کے لیے جے ایس بینک سے شراکت کی۔ جہاں جے ایس بینک

□۔ انسولیٹر کی تبدیلی کے منصوبے نے مالی سال 2023 کی تیسری سہ ماہی تک اپنا ہدف حاصل کر لیا ہے۔ 11 اہم سرکٹس کی نشاندہی کی گئی ہے اور انہیں کمپوزٹ انسولیٹروں میں تبدیل کیا جا رہا ہے جس سے ان سرکٹس پر صفائی کی ضرورت کو ختم کرنے میں مدد ملے گی۔
□۔ 9 سرکٹس پر انسولیٹروں کی RTV کوٹنگ 95% تک تکمیل پا چکی ہے۔

مزید برآں، کے کے آئی گرڈ (کے ای کا پہلا 500 کے وی فلیگ شپ انٹر کنیکٹنگ اور لوڈ گرڈ) کی تعمیر زور و شور سے جاری ہے۔ اسی طرح 220kV دھابھی کی پری کمیشننگ سرگرمیاں اپنے عروج پر ہیں اور جلد ہی انٹر کنکشن بڑھانے کے کام آغاز کر دیا جائے گا۔ اس کے علاوہ، NTDC کے ساتھ انٹر کنکشن کے لیے ایکسیپٹینس لیٹر 500kV KKI اور 220kV دھابھی اور ہیڈ انٹر کنکشن کے لیے کنٹریکٹر کو جاری کر دیا گیا ہے جبکہ 220kV کے زیر زمین حصے کے لیے گفت و شنید جاری ہے۔

مزید برآں، BQPS-III پروجیکٹ کے تحت، ٹرانسمیشن نیٹ ورک کی اپ گریڈیشن کا عمل جاری ہے جس میں دو اہم نوعیت کے لوڈ گرڈز اور دو جنریشن انٹر کنکشن گرڈ اسٹیشنز کا اضافہ شامل ہے۔ ایک لوڈ گرڈ (نیولانڈھی) کو انرجائزڈ کر دیا گیا ہے جس نے صنعتی بوجھ کے نئے اضافے کو پورا کرنے میں اپنا حصے کی شراکت کا آغاز کر دیا ہے۔ اس کے علاوہ، KTPS میں نئے انٹر کنکشن نے KCCP کی پاور کا 220kV کے بجائے 132kV سسٹم پر بجلی کا انخلاء شروع کر دیا ہے جو کہ کو-ریلیٹنگ ایسبیڈ ڈجنریشن اور نیٹ ورک کی کارکردگی میں بہتری سے متعلق ہے۔

ڈسٹری بیوشن

کے ای نے اپنے ڈسٹری بیوشن نیٹ ورک کی ہیلتھ میں بہتری، نقصانات میں کمی اور صارفین کی مرکزیت کو بڑھانے کے مقصد کے ساتھ ہدف کردہ سرمایہ کاری اور اقدامات کے عمل کو جاری رکھا ہے۔ کمپنی نے مالی سال 2023 کی تیسری سہ ماہی کے لیے 2.9% پوائنٹس کی بہتری (YTD میں 1.1% بہتری) کے ساتھ 15.4% (YTD 13.4%) کے T&D نقصانات کو رپورٹ کیا۔ یہ بہتری کے ای ڈسٹری بیوشن کے فلیگ شپ پروجیکٹ سر بلندی اور گورننس کی حکمت عملی کی کامیابی پر مضبوطی سے استوار ہے، جس کا مقصد ماضی کی سرمایہ کاری کے زیادہ سے زیادہ ثمرات سے مستفید ہونا ہے۔ نقصانات میں کمی و ریکوری میں بہتری کے لیے کے ای کی کوششوں کے ایک حصے کے طور پر، کم ادائیگی کے رجحان والے علاقوں میں تقریباً 17,200 کم لاگت والے میٹر نصب کیے گئے ہیں اور مالی سال

یہ سرگرمیاں گرمیوں کے موسم میں بجلی کی بڑھتی ہوئی طلب سے نمٹنے کے لیے کے۔ الیکٹرک کے نظام میں بجلی کی فراہمی کے اعتبار کو بہتر بنانے میں معاون ثابت ہوں گی۔

ٹرانسمیشن

روز افزوں طلب کے باعث صارفین کو قابل اعتماد بجلی کی فراہمی کے اپنے وژن کے مطابق، کے ای نیٹ ورک میں اضافے اور بجالی کے مطلوبہ کاموں کے ذریعے اپنے ٹرانسمیشن سسٹم کے اعتبار اور استحکام کو برقرار رکھنے اور بہتر بنانے کے لیے مسلسل کام کر رہا ہے۔

مالی سال 2023 کی تیسری سہ ماہی کے اختتام تک، کئی سنگ میل عبور کیے جا چکے ہیں۔ آغا خان اور نیو لائنڈھی گروڈز میں نئے پاور ٹرانسفارمرز کے اضافے کے ساتھ موجودہ گروڈز میں 122MVAs کے اضافے کے ذریعے ٹرانسمیشن کی صلاحیت کو بڑھایا گیا ہے جس سے کل ٹرانسفارمیشن کی صلاحیت 6,925 MVA تک پہنچ گئی ہے۔ اس اضافے میں اولڈ گو لیمار میں دو 40MVA پاور ٹرانسفارمرز اور فیڈرل بی گروڈز کی تبدیلی شامل ہے جو پہلی بار 50/67 MVA CHINT سے پاور ٹرانسفارمرز کو گروڈ سسٹم لوڈ گروٹھ پروجیکٹ کے حصے کے طور پر بنائے گی۔ اس اضافے کی صلاحیت کے ای کو علاقے میں اضافی بوجھ اور نئے کنکشن کی ضروریات کو پورا کرنے کے قابل بنائے گی۔

مزید برآں، ٹرانسمیشن سسٹم میں قابل اعتمادی اور اثاثہ لائف سائیکل کو بہتر کرتے ہوئے، درج ذیل منصوبے مکمل کیے گئے ہیں:

HVUB سرکٹس (فیزا II) کی بحالی۔

I&II سرکٹ 220kV BQPS-Pipri کی ساختی بحالی اور ری کنڈکٹنگ

لوڈ گروٹھ کو پورا کرنے کے حوالے سے ٹرانسمیشن کی صلاحیت بڑھانے کے لیے 132kV نیو لائنڈھی۔ لائنڈھی۔ گل احمد/گل

احمد۔ کورنگی ٹاؤن/پری۔ کورنگی ٹاؤن سرکٹس کے STACIR کنڈکٹر کے ساتھ بحالی اور ری کنڈکٹنگ

نئی 132kV سائٹ۔ ہارون آباد سرکٹ۔ II کو N-1 ہنگامی صورتحال کی فراہمی کے لیے انرجائزڈ کر دیا گیا ہے

کے عکاس و سرمایہ کاری کے قابل ٹیرف کا حصول ہے جو پاور سیکٹر کے دیگر اداروں کے برابر ایڈجسٹمنٹ میکانزم کے ساتھ ایک پائیدار، لاگت کے عکاس اور سرمایہ کاری کے قابل ٹیرف کے حصول کے مقصد سے صارفین کو کم سے کم ممکنہ لاگت پر قابل اعتماد اور ہموار سروس کے تسلسل کو یقینی بنانا ہے۔

اہم معاملات پر اپ ڈیٹ:

جنریشن

زیر جائزہ مدت کے دوران، کے ای نے اپنے 900 میگاواٹ کے بی کیو پی ایس III آریل این جی پاور پلانٹ کے ساتھ ساتھ دیگر پاور اسٹیشنز پر بحالی اور دیکھ بھال کی سرگرمیاں بھی جاری رکھی ہیں۔

III BQPS میں 900 میگاواٹ کے بیس لوڈ آپریشن کی تکمیل کے بعد، III BQPS یونٹ 2 کاریل اینیلٹی ٹیسٹ رن اور پرفارمنس ٹیسٹ فروری 2023 میں کامیابی کے ساتھ مکمل ہو گیا تھا اور NEPRA کی طرف سے درست طریقے سے ہیٹ ریٹ ٹیسٹ کے کامیاب ہونے کے بعد، 9 مارچ 2023 سے RLNG پر COD قرار پایا گیا ہے۔ یونٹ - 1 زیر مشاہدہ ہے اور مئی 2023 کے اوائل میں RLNG پر متوقع ہیٹ ریٹ ٹیسٹ کا منصوبہ بنایا گیا ہے، جس کے بعد یونٹ 1 کے لیے COD کا اعلان بھی کیا جائے گا۔

دیگر پاور پلانٹس میں کئے گئے اہم کاموں میں شامل ہیں:

- PLL کی RLNG سپلائی کے ساتھ بن قاسم پاور اسٹیشن II (BQPS II) پوسٹ انٹر لیکیشن میں بلیک سٹارٹ سہولت کی ٹیسٹنگ
- BQPS II پاور پلانٹ میں اسٹیم ٹربائن اور ST جنریٹر اور گیس ٹربائن 1 اور 2 کے ہاٹ گیس پانچھ انسپیکشن کی اہم جانچ پڑتال اور درستگی

II۔ بن قاسم پاور اسٹیشن 1 (BQPS I) کے یونٹ 5 اور یونٹ 6 کی سالانہ منصوبہ بند مینٹینینس

- کورنگی کمبائنڈ سائیکل پاور پلانٹ (KCCP) کے تمام GTs کا ششماہی معائنہ کیا گیا

(2,769)	(3,383)	ٹیکس - خالص
1,490	(39,390)	کُل (نقصان) آمدت کے لیے منافع
0.05	(1.43)	(نقصان) / آمدنی فی حصص - بنیادی / تخفیف شدہ (روپے)
28,952	4,136	EBITDA

مالی جائزہ

زیر جائزہ مدت کے دوران، مشکل سماجی سیاسی اور میکرو اکنامک عوامل نے کے۔ الیکٹرک سمیت متعدد شعبوں پر شدید منفی اثرات مرتب کیے ہیں۔ بڑھتی ہوئی افراط زر، پالیسی کی شرح میں اضافہ اور اقتصادی سرگرمیوں میں کمی، کمپنی کے آپریشنز اور منافع پر نمایاں اثرات کی حامل رہی ہے۔ ان مشکلات کے اثرات کے باعث کمپنی نے بھیجے گئے یونٹس میں 5.8% سے کمی دیکھی ہے۔ اور کمپنی کے مجموعی منافع میں 6.9 بلین روپے کی نمایاں کمی واقع ہوئی ہے۔

مزید برآں، پاک روپی کی قدر میں نمایاں کمی کی وجہ سے کمپنی کو 8.6 بلین روپے کے زرمبادلہ کے نقصان کا سامنا کرنا پڑا۔ اسی طرح بڑھتی مہنگائی، صارفین کے ٹیرف میں اضافہ اور صارفین میں ادائیگی کے رجحان کو متاثر حال بگڑتے ہوئے معاشی حالات کی وجہ سے خراب قرضوں پر 9.8 بلین روپے کے نقصان کا اضافہ ہوا۔ مذکورہ بالا عوامل کے ساتھ مالیاتی لاگت میں 11.8 بلین روپے کے انتہائی اضافہ، بنیادی طور پر قرض لینے کی مؤثر شرح میں اضافے اور سرکاری اداروں کی طرف سے واجبات کی عدم ادائیگی کی وجہ سے قرضوں میں اضافہ ہوا جس کی وجہ سے، ٹیکس کے بعد 39.1 بلین روپے کی رقم کا نقصان ظاہر ہوا۔

کمپنی ریگولیشن ٹیرف کے تحت کام کرتی ہے اور موجودہ ملٹی ایئر ٹیرف کے مطابق یکم جولائی 2016 سے لاگو ہے۔ بھیجے گئے اور پالیسی ریٹ میں فرق کے لیے ٹیرف میں کمپنی کو کوئی ایڈجسٹمنٹ فراہم نہیں کی جاتی ہے۔

کے ای چیلنجز سے نمٹنے کے لیے پُر عزم ہے اور مزید آپریشنل بہتریوں پر بڑے پیمانے پر توجہ مرکوز کر رہا ہے۔ یکم جولائی 2023 سے شروع ہونے والی اگلی کنٹرول مدت کے لیے ٹیرف کی تجدید کے لیے سرگرمی سے مصروف عمل ہے۔ جس کا مقصد ایک پائیدار، لاگت

کے۔ الیکٹرک لمیٹڈ

ڈائریکٹرز ریویو

بورڈ آف ڈائریکٹرز کی جانب سے، ہم انتہائی مسرت کے ساتھ 31 مارچ 2023 کو ختم ہونے والے نو ماہ کے حوالے سے غیر آڈٹ شدہ مختصر عبوری مالی گوشوارے ڈائریکٹرز رپورٹ میں پیش کر رہے ہیں۔
کلیدی آپریشنل اور مالی نتائج کا خلاصہ درج ذیل ہے:

جولائی - مارچ 2022	جولائی - مارچ 2023
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(یونٹس GWh میں)

عملی (آپریشنل)

5,109	4,623	پیداواری یونٹس (نیٹ آف آکسیلیری)
8,791	8,464	خریدے گئے یونٹس کی تعداد
13,900	13,087	ڈسٹری بیوشن کے لئے دستیاب کل یونٹس (بھیجے گئے)
11,884	11,336	بل کردہ یونٹس
14.5%	13.4%	ٹرانسمیشن اور ڈسٹری بیوشن کے نقصانات %

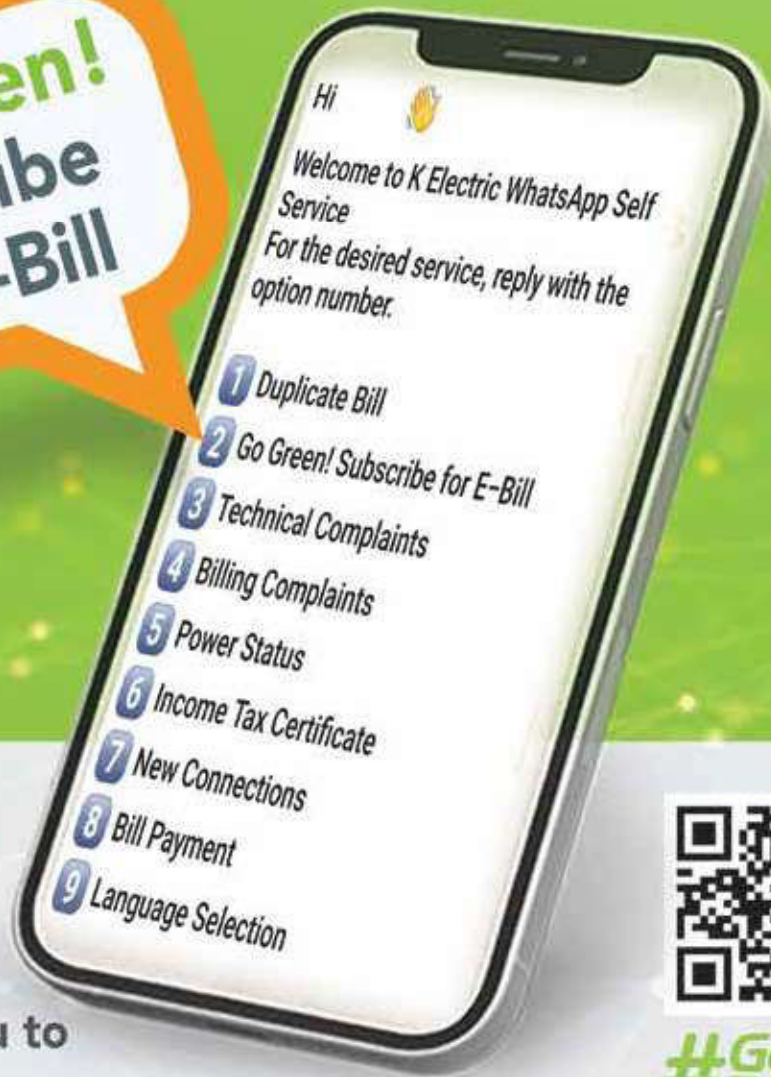
(ملین پاکستانی روپے)

311,572	368,141	مالیاتی آمدنی
43,694	36,712	کل منافع
13,954	(14,550)	مالی لاگت سے پہلے (نقصان) / منافع
4,259	(36,007)	ٹیکسیشن سے پہلے (نقصان) / منافع



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