



**KOHINOOR**  
**ENERGY LIMITED**



Quarterly **Report**

**2023**

July-September (Un-Audited)

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## CORPORATE INFORMATION

### Board of Directors

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

### Company Secretary

Khawaja Safee Sultan

### Audit Committee

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

### HR & Remuneration Committee

Mr. Faisal Riaz  
Chairman  
Mr. Muhammad Zeid Yousuf Saigol  
Syed Manzar Hassan

### Management

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

### Auditors

A. F. Ferguson & Co.  
Chartered Accountants

### Legal Advisor

LMA | Ebrahim Hosain

### Bankers

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

### Registered Office

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

### Project/Head Office

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

### Shares Registrar

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

### Lahore Office

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

### Company Registration No.

0032461 of 1993-94

### Company NTN

0656788-6

### Website

www.kel.com.pk

## DIRECTORS' REPORT

The Board of Directors takes pleasure in presenting you the review report on financial and operational performance and interim accounts of Kohinoor Energy Limited for the 1st quarter ended September 30, 2023.

The Company is engaged in electricity generation from a furnace oil-fired power plant having a net capacity of 124 MW. The Company has an exclusive power purchase agreement with the Central Power Purchase Agency (Guarantee) Limited (the CPPA) for the sale of electricity being generated at the power plant. During the quarter under review, the dispatch of electricity was substantially lower than in the corresponding quarter of the previous FY. The power plant, by operating at 33.37% capacity factor, delivered 91,366 MWh of electricity to the CPPA, while during the corresponding quarter of the last FY, the power plant, by operating at 55.57% capacity factor, delivered 152,144 MWh of electricity to the CPPA.

Sales revenues of the Company for the 1st quarter of the current FY 2023-24 is Rs. 3,934 million compared to Rs 5,884 million for the corresponding quarter of the previous financial year. The Company earned a net profit after tax of Rs. 576 million by demonstrating the Earnings Per Share (EPS) of Rs. 3.40 as compared to Rs. 582 million (with an EPS of Rs. 3.44) earned during the corresponding quarter of the last Financial Year.

We write to report that during the 1st quarter of the current FY 2023-24, two 8000 running hours major maintenances have been carried out compared to no maintenance in the corresponding quarter. We are also pleased to report that all of the allied auxiliary equipment is in good condition due to the adequate care of the engines.

The status of Liquidated Damages LDs imposed by the Power Purchaser and the sales tax demand raised by the Revenue Department, as mentioned in notes 12.1(i) and 12.1(ii) is the same as reported in the preceding annual financial statement for the FY 2022-23.

The Board is thankful and acknowledges the consistent support being extended by the financial institutions, CPPA, PSO, Wartsila and other suppliers, as well as the valued shareholders of the Company. The Board also extends its appreciation to the management and employees of the Company for their continued efforts resulting in safe, efficient and reliable operations of the plant, and we are confident that the same spirit of their enthusiasm shall continue in the future.

For and on behalf of the Board



**M. Zeid Yousuf Saigol**  
Chief Executive Officer



**Syed Manzar Hassan**  
Director

**Lahore:**  
**October 23, 2023**

## BALANCE SHEET

	Note	September 2023 (Rupees in thousand)	June 2023
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized capital 170,000,000 (June 2023: 170,000,000) ordinary shares of Rs. 10 each		1,700,000	1,700,000
Issued, subscribed and paid up capital 169,458,614 (June 2023: 169,458,614) ordinary shares of Rs. 10 each		1,694,586	1,694,586
Unappropriated profit		3,587,171	3,688,506
		5,281,757	5,383,092
<b>CURRENT LIABILITIES</b>			
Short term finances	5	1,542,585	998,481
Trade and other payables		339,973	560,304
Accrued finance cost		63,699	112,768
Provision for taxation - net		39,229	48,398
Unclaimed dividend		44,452	31,526
		2,029,938	1,751,477
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	-	-
		7,311,695	7,134,569

The annexed notes 1 to 12 form an integral part of these financial statements.



Chief Executive Officer



Director

## AS AT SEPTEMBER 30, 2023 (Un-Audited)

	Note	September 2023 (Rupees in thousand)	June 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	2,322,897	2,363,748
Intangible assets		1,952	2,080
Long term loans and deposits		144	144
		<u>2,324,993</u>	<u>2,365,972</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		387,549	339,645
Stock-in-trade		646,886	984,130
Trade debts		3,108,406	2,320,379
Loans, advances, deposits, prepayments and other receivables		568,984	903,426
Cash and bank balances		274,877	221,017
		<u>4,986,702</u>	<u>4,768,597</u>
		<u><u>7,311,695</u></u>	<u><u>7,134,569</u></u>



Chief Financial Officer

## PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (Un-Audited)

	Note	July to September	
		2023	2022
		(Rupees in thousand)	
Sales		3,934,209	5,883,619
Cost of sales	8	(3,217,031)	(5,072,067)
<b>Gross profit</b>		717,178	811,552
Administrative expenses		(72,500)	(69,275)
<b>Operating Profit</b>		644,678	742,277
Other income		157	1,239
Finance costs		(68,078)	(161,077)
<b>Profit before tax</b>		576,757	582,439
Taxation		(258)	(347)
<b>Profit after tax</b>		576,499	582,092
Earnings per share - basic and diluted	<b>Rupees</b>	3.40	3.44

The annexed notes 1 to 12 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (Un-Audited)

	July to September	
	2023	2022
	(Rupees in thousand)	
Profit for the period	576,499	582,092
Other comprehensive income	-	-
<b>Total comprehensive income for the quarter</b>	<b>576,499</b>	<b>582,092</b>

The annexed notes 1 to 12 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



## CASH FLOW STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (Un-Audited)

	Note	July to September	
		2023	2022
<b>Cash flows from operating activities</b>			
		(Rupees in thousand)	
Cash generated from operations	10	372,115	(470,998)
Staff retirement benefits paid		(5,135)	(5,397)
Finance costs paid		(116,957)	(124,227)
Taxes paid		(9,428)	(1,461)
<b>Net cash from operating activities</b>		<b>240,596</b>	<b>(602,083)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(67,473)	(22,395)
Interest/mark-up income received		890	1,198
Sale proceeds of property, plant and equipment		651	1,888
<b>Net cash used in investing activities</b>		<b>(65,932)</b>	<b>(19,309)</b>
<b>Cash flows from financing activities</b>			
(Decrease) / Increase in short term finance		544,104	238,333
Repayment of long term finance		-	(14,420)
Dividend paid		(664,909)	(253,842)
<b>Net cash used in financing activities</b>		<b>(120,804)</b>	<b>(29,928)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>53,859</b>	<b>(651,320)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>221,017</b>	<b>820,508</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>274,876</b>	<b>169,188</b>

The annexed notes 1 to 12 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (Un-Audited)

	Share capital	Un-appropriated profit	Total
	(Rupees in thousand)		
<b>Balance as on July 1, 2022</b>	<b>1,694,586</b>	<b>3,216,520</b>	<b>4,911,106</b>
1st Interim dividend for the year ended June 30, 2023 at the rate of Rs 1.50 per share	-	(254,188)	(254,188)
Total comprehensive income for the period	-	582,092	582,092
<b>Balance as on September 30, 2022</b>	<b>1,694,586</b>	<b>3,544,424</b>	<b>5,239,010</b>
2nd Interim dividend for the year ended June 30, 2023 at the rate of Rs 3.00 per share	-	(508,376)	(508,376)
3rd Interim dividend for the year ended June 30, 2023 at the rate of Rs 2.00 per share	-	(338,917)	(338,917)
Profit for the period (Oct-22 to Jun-23)	-	991,375	991,375
<b>Balance as on June 30, 2023</b>	<b>1,694,586</b>	<b>3,688,506</b>	<b>5,383,092</b>
1st Interim dividend for the year ending June 30, 2024 at the rate of Rs 4.00 per share	-	(677,834)	(677,834)
Total comprehensive income for the quarter	-	576,499	576,499
<b>Balance as on September 30, 2023</b>	<b>1,694,586</b>	<b>3,587,171</b>	<b>5,281,757</b>

The annexed notes 1 to 12 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (Un-Audited)

## 1. Legal status and nature of business

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

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

## 2. Statement of Compliance

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

- 'International Accounting Standard (IAS) 34 - 'Interim Financial Reporting', issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and

- Provision of & directives issued under the Companies Act, 2017

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

This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2023.

## 3. Significant Accounting Policies

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended June 30, 2023.

## 4 Accounting Estimates & Judgements

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2022.

	September 2023	June 2023
<b>5 Short Term Financing - Secured</b>		
- Under mark up arrangements	338,937	498,481
- Under arrangements permissible under Shariah	1,203,648	500,000
	<b>1,542,585</b>	<b>998,481</b>

Short term finances available from banks under mark up arrangements amount to Rs. 7,150 million (June 30, 2023: Rs. 7,150 million), out of which finances available from Islamic banks under Islamic arrangements amount to Rs. 3,150 million (June 30, 2023: Rs. 3,150 million). The rates of mark up for finances under mark up arrangement ranged from 22.96 % to 23.61 % per annum (June 30, 2023: 12.64% to 21.38% per annum) and for finances under arrangement permissible under Shariah ranged from 23.06 % to 23.64 % per annum (June 30, 2023 : 14.40% to 21.98% per annum) on the balances outstanding.

## 6 Contingencies and commitments

There is no change in contingencies & commitments from the preceding published financial statements of the company for the year ended June 30, 2023 except the following:

- 6.1** Commitment regarding letter of credit/bank contracts other than capital expenditure Rs. 45.00 million (June 30, 2023: Rs. 40.34 million).

Commitment regarding letter of credit for capital expenditure Rs. 133.39 million (June 30, 2023: Rs. 118.34 million).

	Note	September 2023	June 2023
(Rupees in thousand)			
<b>7 Property, plant and equipment</b>			
Operating fixed assets	7.1	2,227,341	2,290,383
Capital work in progress		4,531	-
Stores held for capital expenditures		91,026	73,365
		<b>2,322,897</b>	<b>2,363,748</b>

	September 2023	June 2023
	(Rupees in thousand)	
<b>7.1 Operating fixed assets</b>		
Opening net book value	2,290,383	2,624,932
Additions (At cost)	45,283	93,197
	2,335,666	2,718,129
Disposals ( at NBV)	(1,384)	(4,742)
Depreciation charge	(106,942)	(423,004)
	(108,326)	(427,746)
Closing net book value	2,227,341	2,290,383
	<b>July to September</b>	
	<b>2023</b>	<b>2022</b>
	(Rupees in thousand)	

## 8 Cost of sales

Raw material consumed	2,915,329	4,827,273
Salaries, wages and benefits	49,894	62,522
Stores and spares consumed	75,176	30,091
Depreciation/amortization	104,819	102,094
Insurance	35,164	24,963
Traveling, conveyance and entertainment	9,688	8,064
Repair and maintenance	3,058	2,693
Electricity consumed in-house	12,777	6,563
Contract Staff Charges	8,259	4,243
Miscellaneous	2,868	3,561
	3,217,031	5,072,067

## 9 Transactions with related parties

Relationship with the company	Nature of transactions		
i. Associated undertakings and other related parties	Purchase of services		49
	Purchase of goods	149	3,843
	Dividend paid	395,647	148,368
ii. Key Management Personnel	Salaries and other employee benefits	24,564	30,996
	Dividend paid	25,268	9,475

**September  
2023  
(Rupees in thousand)**

**June  
2023**

Payable to related parties

-

-

**July to September**

**2023**

**2022**

**(Rupees in thousand)**

## 10 Cash generated from operations

Profit before tax	576,757	582,439
Adjustments for:		
Depreciation/amortization	107,068	104,285
Loss / (Gain) on disposal of property, plant and equipment	733	(41)
Interest income	(890)	(1,198)
Provision for retirement benefits	3,878	3,878
Finance cost	67,888	161,026
<b>Profit before working capital changes</b>	<b>755,434</b>	<b>850,389</b>
Effect on cash flow due to working capital changes		
Stores and spares	(47,904)	(17,993)
Stock in trade	337,244	139,190
Trade debts	(788,027)	(1,299,569)
Other receivables	334,442	(167,864)
Creditors, accrued and other liabilities	(219,074)	24,849
	(383,319)	(1,321,387)
	<b>372,115</b>	<b>(470,998)</b>

## 11 Date of authorization for issue

These financial statements were authorized for issue on October 23, 2023 by the Board of Directors of the company.

## 12 Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However no significant re-arrangements were made during the period.



Chief Executive Officer



Director



Chief Financial Officer

**“ SAY NO TO CORRUPTION”**

**Contribution to Social Welfare**

[www.kel.com.pk](http://www.kel.com.pk)

