KOHINOOR
ENERGY LIMITED

Quarterly **Report**

2024

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' REVIEW

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, 2024.

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 8.30% capacity factor, delivered 22,716 MWh of electricity to the CPPA, while during the corresponding quarter of the last FY, the power plant, by operating at 33.37% capacity factor, delivered 91,366 MWh of electricity to the CPPA.

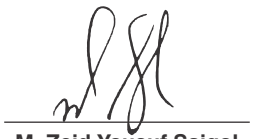
Sales revenues of the Company for the 1st quarter of the current FY 2024-25 is Rs. 1,463 million compared to Rs. 3,934 million for the corresponding quarter of the previous financial year. The Company earned a net profit after tax of Rs. 314 million by demonstrating the Earnings Per Share (EPS) of Rs. 1.85 as compared to Rs. 576 million (with an EPS of Rs. 3.40) earned during the corresponding quarter of the last Financial Year.

We write to report that during the 1st quarter of the current FY 2024-25, no major maintenance has been carried out compared to two major maintenances 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.

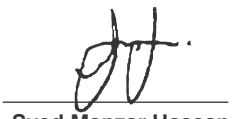
The status of Liquidated Damages LDs) imposed by the Power Purchaser and the sales tax demand raised by the Revenue Department, as mentioned in notes 12.1(i) and 12.1(ii) is the same as reported in the preceding annual financial statement for the FY 2023-24.

The Board expresses its appreciation to the financial institutions, CPPA, PSO, Wartsila and other suppliers, as well as the valued shareholders of the Company for their continued support that resulted in for the successful operations. The Board also extends its appreciation to the management and employees of the Company for their continued efforts resulting in safe, efficient and smooth operations of the power complex.

For and on behalf of the Board



M. Zeid Yousuf Saigol
Chief Executive Officer



Syed Manzar Hassan
Director

Lahore:
October 22, 2024

UNCONSOLIDATED BALANCE SHEET

	Note	September 2024	June 2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized capital		1,700,000	1,700,000
170,000,000 (June 2024: 170,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid up capital			
169,458,614 (June 2024: 169,458,614) ordinary shares of Rs. 10 each		1,694,586	1,694,586
Unappropriated profit		1,959,379	2,831,855
		3,653,965	4,526,441
CURRENT LIABILITIES			
Short term finances	5	2,757,669	2,476,137
Trade and other payables		306,797	615,854
Accrued finance cost		92,744	65,628
Provision for taxation - net		26,852	29,862
Dividend Payable		1,186,210	
Unclaimed dividend		17,585	17,830
		4,387,857	3,205,311
CONTINGENCIES AND COMMITMENTS	6	-	-
		8,041,822	7,731,752

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director**

AS AT SEPTEMBER 30, 2024 (Un-Audited)

	Note	September 2024	June 2024
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,475,384	2,382,648
Intangible assets		1,446	1,574
Long term loans and deposits		144	144
Long term investment	8	1,000	1,000
		2,477,974	2,385,366
CURRENT ASSETS			
Stores, spares and loose tools		499,700	403,787
Stock-in-trade		270,283	569,415
Trade debts		3,067,890	2,853,377
Loans, advances, deposits, prepayments and other receivables		486,968	553,001
Short term investment		133,885	14
Cash and bank balances		1,105,122	966,792
		5,563,848	5,346,386
		8,041,822	7,731,752

Chief Financial Officer

UNCONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Note	July to September 2024	July to September 2023
		(Rupees in thousand)	
Sales		1,462,569	3,934,209
Cost of sales	9	(961,949)	(3,217,031)
Gross profit		500,620	717,178
Administrative expenses		(88,130)	(72,500)
Operating Profit		412,490	644,678
Other income		16,174	157
Finance costs		(110,729)	(68,078)
Profit before levy and taxation		317,935	576,757
Levy - Final tax		(3,057)	-
Profit before taxation		314,878	576,757
Taxation		(1,144)	(258)
Profit after tax		313,734	576,499
Earnings per share - basic and diluted **Rupees**		1.85	3.40

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	July to September	
	2024	2023
	(Rupees in thousand)	
Profit for the period	313,734	576,499
Other comprehensive income	-	-
Total comprehensive income for the quarter	**313,734**	**576,499**

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED CASH FLOW STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Note	July to September 2024	July to September 2023
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	11	302,132	372,115
Staff retirement benefits paid		(3,526)	(5,135)
Finance costs paid		(82,870)	(116,957)
Taxes paid		(7,211)	(9,428)
Net cash from operating activities		208,525	240,596
Cash flows from investing activities			
Purchase of property, plant and equipment		(222,570)	(67,473)
Interest/mark-up income received		4,957	890
Sale proceeds of property, plant and equipment		-	651
Net cash used in investing activities		(216,613)	(65,932)
Cash flows from financing activities			
(Decrease) / Increase in short term finance		281,532	544,104
Dividend paid		(245)	(664,909)
Net cash used in financing activities		281,287	(120,804)
Net increase/(decrease) in cash and cash equivalents		273,199	53,859
Cash and cash equivalents at beginning of the period		966,792	221,017
Cash and cash equivalents at the end of the period		1,239,991	274,876

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Share capital	Un-appropriated profit	Total
	(Rupees in thousand)		
Balance as on July 1, 2023	**1,694,586**	**3,688,506**	**4,911,106**
	-		
1st Interim dividend for the year ended June 30, 2024 at the rate of Rs 4.00 per share		(677,834)	(677,834)
Total comprehensive income for the period	-	576,499	576,499
Balance as on September 30, 2023	**1,694,586**	**3,587,171**	**4,809,771**
2nd Interim dividend for the year ended June 30, 2023 at the rate of Rs 5.50 per share		(932,022)	(932,022)
3rd Interim dividend for the year ended June 30, 2023 at the rate of Rs 5.00 per share		(847,293)	(847,293)
Profit for the period (Oct-22 to Jun-23)	-	1,023,999	1,023,999
Balance as on June 30, 2024	**1,694,586**	**2,831,855**	**4,054,455**
1st Interim dividend for the year ending June 30, 2024 at the rate of Rs 7.00 per share	-	(1,186,210)	(1,186,210)
Total comprehensive income for the quarter	-	313,734	313,734
Balance as on September 30, 2024	**1,694,586**	**1,959,379**	**3,181,979**

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

UNCONSOLIDATED SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (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 reporing 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, 2024.

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, 2024.

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, 2024.

		September 2024	June 2024
5	**Short Term Financing - Secured**		
	- Under mark up arrangements	1,172,841	836,120
	- Under arrangements permissible under Shariah	1,584,827	1,640,018
		2,757,669	**2,476,138**

Short term finances available from banks under mark up arrangements amount to Rs. 7,150 million (June 30, 2024: Rs. 7,150 million), out of which finances available from Islamic banks under Islamic arrangements amount to Rs. 3,150 million (June 30, 2024: Rs. 3,150 million). The rates of mark up for finances under mark up arrangement ranged from 20.54 % to 21.88 % per annum (June 30, 2024: 21.12% to 23.66% per annum) and for finances under arrangement permissible under Shariah ranged from 17.92 % to 20.74 % per annum (June 30, 2024 : 20.96% to 23.64% 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, 2024 except the following:

6.1 Commitment regarding letter of credit/bank contracts other than capital expenditure Rs. 7 million (June 30, 2024: Rs. 40.11 million).

Commitment regarding letter of credit for capital expenditure Rs. Nil million (June 30, 2024: Rs. 95.11 million).

		Note	September 2024	June 2024
			(Rupees in thousand)	
7	**Property, plant and equipment**			
	Operating fixed assets	7.1	2,113,350	2,235,446
	Stores held for capital expenditures		362,034	147,202
			2,475,384	**2,382,648**

		September 2024	June 2024
		(Rupees in thousand)	
7.1	**Operating fixed assets**		
	Opening net book value	2,235,446	2,290,382
	Additions (At cost)	7,740	412,701
		2,243,186	2,703,083
	Disposals (at NBV)	-	(4,821)
	Depreciation charge	(129,836)	(462,816)
		(129,836)	(467,637)
	Closing net book value	2,113,350	2,235,446

	Note	September 2024	June 2024
		(Rupees in thousand)	
8 Long Term Investment			
Investment in subsidiary - unquoted			
KEL Power Solutions (Pvt) Limited	**8.1**	1,000	1,000
		1,000	1,000

8.1 KEL Power Solutions (Pvt) Limited wholly owned subsidiary, was incorporated in Pakistan on May 13, 2024 as a private limited company. The principal activities of the subsidiary are to invest in new business opportunities in power sector and associated businesses.

	July to September	
	2024	2023
	(Rupees in thousand)	
9 Cost of sales		
Raw material consumed	671,505	2,915,329
Salaries, wages and benefits	59,349	49,894
Stores and spares consumed	22,046	75,176
Depreciation/amortization	126,084	104,819
Insurance	35,084	35,164
Traveling, conveyance and entertainment	9,086	9,688
Repair and maintenance	2,158	3,058
Electricity consumed in-house	21,938	12,777
Contract Staff Charges	10,346	8,259
Miscellaneous	4,353	2,868
	961,949	3,217,031

10 Transactions with related parties

Relationship with the company	Nature of transactions		
i. Associated undertakings and other related parties	Purchase of services	22	-
	Purchase of goods	-	149
	Dividend paid	-	395,647
ii. Key Management Personnel	Salaries and other employee benefits	28,610	24,564
	Dividend paid	-	25,268

	September 2024	June 2024
	(Rupees in thousand)	
Period end balances		
Payable to related parties	-	-
Receivable from related parties	43	43

	July to September	
	2024	2023
	(Rupees in thousand)	
11 Cash generated from operations		
Profit before tax	317,935	576,757
Adjustments for:		
Depreciation/amortization	129,962	107,068
Loss on disposal of property, plant and equipment	-	733
Interest income	(3,946)	(890)
Provision for retirement benefits	4,335	3,878
Finance cost	109,986	67,888
	558,272	**755,434**
Profit before working capital changes		
Effect on cash flow due to working capital changes		
Stores and spares	(95,913)	(47,904)
Stock in trade	299,132	337,244
Trade debts	(214,513)	(788,027)
Other receivables	65,022	334,442
Creditors, accrued and other liabilities	(309,868)	(219,074)
	(256,140)	(383,319)
	302,132	**372,115**

12 Date of authorization for issue

These financial statements were authorized for issue on October 22, 2024 by the Board of Directors of the company.

13 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**

CONSOLIDATED BALANCE SHEET

	Note	September 2024	June 2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized capital 170,000,000 (June 2024: 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 2024: 169,458,614) ordinary shares of Rs. 10 each		1,694,586	1,694,586
Unappropriated profit		1,959,083	2,831,855
		3,653,669	4,526,441
Long Term Loan	5	17,000	-
		17,000	-
CURRENT LIABILITIES			
Short term finances	6	2,757,669	2,476,137
Trade and other payables		306,873	615,854
Accrued finance cost		92,744	65,628
Provision for taxation - net		26,845	29,862
Dividend Payable		1,186,210	
Unclaimed dividend		17,585	17,830
		4,387,926	3,205,311
CONTINGENCIES AND COMMITMENTS	7	-	-
		8,058,595	7,731,752

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director**

AS AT SEPTEMBER 30, 2024 (Un-Audited)

	Note	September 2024	June 2024
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,475,384	2,382,648
Intangible assets		1,446	1,574
Long term loans and deposits		144	1,144
		2,476,974	2,385,366
CURRENT ASSETS			
Stores, spares and loose tools		499,700	403,787
Stock-in-trade		270,283	569,415
Trade debts		3,067,890	2,853,377
Loans, advances, deposits, prepayments and other receivables		486,968	553,001
Short term investment		133,885	14
Cash and bank balances		1,122,895	966,792
		5,581,621	5,346,386
		8,058,595	7,731,752

Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Note	July to September 2024	July to September 2023
		(Rupees in thousand)	
Sales		1,462,569	3,934,209
Cost of sales	9	(961,949)	(3,217,031)
Gross profit		500,620	717,178
Administrative expenses		(88,473)	(72,500)
Operating Profit		412,147	644,678
Other income		16,222	157
Finance costs		(110,729)	(68,078)
Profit before levy and taxation		317,640	576,757
Levy - Final tax		(3,057)	-
Profit before taxation		314,583	576,757
Taxation		(1,144)	(258)
Profit after tax		313,439	576,499
Earnings per share - basic and diluted **Rupees**		1.85	3.40

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	July to September	
	2024	2023
	(Rupees in thousand)	
Profit for the period	313,439	576,499
Other comprehensive income	-	-
Total comprehensive income for the quarter	**313,439**	**576,499**

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Note	July to September 2024	July to September 2023
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from operations	11	301,865	372,115
Staff retirement benefits paid		(3,526)	(5,135)
Finance costs paid		(82,870)	(116,957)
Taxes paid		(7,218)	(9,428)
Net cash from operating activities		208,251	240,596
Cash flows from investing activities			
Purchase of property, plant and equipment		(222,570)	(67,473)
Interest/mark-up income received		5,005	890
Sale proceeds of property, plant and equipment		-	651
Net cash used in investing activities		(216,565)	(65,932)
Cash flows from financing activities			
(Decrease) / Increase in short term finance		281,532	544,104
Dividend paid		(245)	(664,909)
Net cash used in financing activities		281,287	(120,804)
Net increase/(decrease) in cash and cash equivalents		272,972	53,859
Cash and cash equivalents at beginning of the period		966,792	221,017
Cash and cash equivalents at the end of the period		1,239,764	274,876

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (Un-Audited)

	Share capital	Un-appropriated profit	Total
	(Rupees in thousand)		
Balance as on July 1, 2023	**1,694,586**	**3,688,506**	**4,911,106**
1st Interim dividend for the year ended June 30, 2024 at the rate of Rs 4.00 per share	-	(677,834)	(677,834)
Total comprehensive income for the period	-	576,499	576,499
Balance as on September 30, 2023	**1,694,586**	**3,587,171**	**4,809,771**
2nd Interim dividend for the year ended June 30, 2023 at the rate of Rs 5.50 per share		(932,022)	(932,022)
3rd Interim dividend for the year ended June 30, 2023 at the rate of Rs 5.00 per share		(847,293)	(847,293)
Profit for the period (Oct-22 to Jun-23)	-	1,023,999	1,023,999
Balance as on June 30, 2024	**1,694,586**	**2,831,855**	**4,054,455**
1st Interim dividend for the year ending June 30, 2024 at the rate of Rs 7.00 per share	-	(1,186,210)	(1,186,210)
Total comprehensive income for the quarter	-	313,439	313,439
Balance as on September 30, 2024	**1,694,586**	**1,959,083**	**3,181,683**

The annexed notes 1 to 13 form an integral part of these financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2024 (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 reporing 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, 2024.

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, 2024.

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, 2024.

		September 2024	June 2024
5 Long Term Loan			
Long term loan	5.1	17,000	
		17,000	**-**

5.1 This amount represent loan from sponsor director of KEL Power Solutions (Pvt) Ltd to the company.

	September 2024	June 2024
6 Short Term Financing - Secured		
- Under mark up arrangements	1,172,841	836,120
- Under arrangements permissible under Shariah	1,584,827	1,640,018
	2,757,669	**2,476,138**

Short term finances available from banks under mark up arrangements amount to Rs. 7,150 million (June 30, 2024: Rs. 7,150 million), out of which finances available from Islamic banks under Islamic arrangements amount to Rs. 3,150 million (June 30, 2024: Rs. 3,150 million). The rates of mark up for finances under mark up arrangement ranged from 20.54 % to 21.88 % per annum (June 30, 2024: 21.12% to 23.66% per annum) and for finances under arrangement permissible under Shariah ranged from 17.92 % to 20.74 % per annum (June 30, 2024 : 20.96% to 23.64% per annum) on the balances outstanding.

7 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, 2024 except the following:

7.1 Commitment regarding letter of credit/bank contracts other than capital expenditure Rs. 7 million (June 30, 2024: Rs. 40.11 million).

Commitment regarding letter of credit for capital expenditure Rs. Nil million (June 30, 2024: Rs. 95.11 million).

	Note	September 2024	June 2024
		(Rupees in thousand)	
8 Property, plant and equipment			
Operating fixed assets	8.1	2,113,350	2,235,446
Stores held for capital expenditures		362,034	147,202
		2,475,384	**2,382,648**

		September 2024	June 2024
		(Rupees in thousand)	
8.1	**Operating fixed assets**		
	Opening net book value	2,235,446	2,290,382
	Additions (At cost)	7,740	412,701
		2,243,186	2,703,083
	Disposals (at NBV)	-	(4,821)
	Depreciation charge	(129,836)	(462,816)
		(129,836)	(467,637)
	Closing net book value	2,113,350	2,235,446

		July to September	
		2024	2023
		(Rupees in thousand)	
9	**Cost of sales**		
	Raw material consumed	671,505	2,915,329
	Salaries, wages and benefits	59,349	49,894
	Stores and spares consumed	22,046	75,176
	Depreciation/amortization	126,084	104,819
	Insurance	35,084	35,164
	Traveling, conveyance and entertainment	9,086	9,688
	Repair and maintenance	2,158	3,058
	Electricity consumed in-house	21,938	12,777
	Contract Staff Charges	10,346	8,259
	Miscellaneous	4,353	2,868
		961,949	3,217,031

10 Transactions with related parties

Relationship with the company	Nature of transactions		
i. Associated undertakings and other related parties	Purchase of services	22	-
	Purchase of goods	-	149
	Dividend paid	-	395,647
ii. Key Management Personnel	Salaries and other employee benefits	28,610	24,564
	Dividend paid	-	25,268

	September 2024	June 2024
	(Rupees in thousand)	
Period end balances		
Payable to related parties	-	-
Receivable from related parties	-	-

	July to September	
	2024	2023
	(Rupees in thousand)	
11 Cash generated from operations		
Profit before tax	317,640	576,757
Adjustments for:		
Depreciation/amortization	129,962	107,068
Loss on disposal of property, plant and equipment	-	733
Interest income	(3,994)	(890)
Provision for retirement benefits	4,335	3,878
Finance cost	109,986	67,888
Profit before working capital changes	**557,929**	**755,434**
Effect on cash flow due to working capital changes		
Stores and spares	(95,913)	(47,904)
Stock in trade	299,132	337,244
Trade debts	(214,513)	(788,027)
Other receivables	65,022	334,442
Creditors, accrued and other liabilities	(309,792)	(219,074)
	(256,064)	(383,319)
	301,865	**372,115**

12 Date of authorization for issue

These financial statements were authorized for issue on October 22, 2024 by the Board of Directors of the company.

13 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

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