



NISHAT
CHUNIAN
POWER LTD.

Annual Report

2024

BRIEF PROFILE

2009

Listed on
KSE & LSE

2007

Incorporated
as a public
limited
company

2010

Started
commercial
operations

2011

First year of
profitable operations





Contents

Company Information	04
Notice of Annual General Meeting	06
Chairman's Review Report	11
Directors' Report	13
Gender pay gap statement	21
Financial Highlights	22
Statement of Compliance with the Code of Corporate Governance	23
Independent Auditor's Review Report on Code of Corporate Governance	26
Independent Auditor's Report	27
Statement of Financial Position	32
Statement of Profit or Loss	34
Statement of Comprehensive Income	35
Statement of Changes in Equity	36
Statement of Cash Flows	37
Notes to the Financial Statements	38
Pattern of Shareholding	82
Forms	87



Company Information

BOARD OF DIRECTORS:

Mr. Ghazanfar Husain Mirza (Appointed on April 09, 2024)

Chairman

Mr. Farrukh Ifzal

Chief Executive Officer

Mr. Aftab Ahmad Khan (Appointed on April 22, 2024)

Director

Mr. Rehmat Naveed Elahi

Director

Mr. Mustaqeem Talish

Director

Mr. Sheikh Muhammad Iqbal

Director

Ms. Leila Khan (Appointed on May 14, 2024)

Director

AUDIT COMMITTEE AND HR & R COMMITTEE:

Sheikh Muhammad Iqbal

Chairman

Mr. Rehmat Naveed Elahi

Member

Mr. Mustaqeem Talish

Member

CHIEF EXECUTIVE OFFICER:

Mr. Farrukh Ifzal

CHIEF FINANCIAL OFFICER:

Mr. Tanvir Khalid

COMPANY SECRETARY:

Mr. Syed Tasawar Hussain



BANKERS TO THE COMPANY:

Al Baraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
The Bank of Punjab
United Bank Limited

AUDITORS:

Riaz Ahmad & Company
Chartered Accountants

LEGAL ADVISERS:

RMA & Co.
Advocates & Legal Consultants

REGISTERED & HEAD OFFICE:

59, Shadman Colony-II, Shadman
Lahore, Pakistan.
Ph: 042-35761730
Fax: 042-35878696-97
www.ncpower.com.pk

SHARE REGISTRAR:

Hameed Majeed Associates (Pvt) Limited
1st Floor, H.M. House 7 - Bank Square, Lahore
Ph: 042-37235081-2
Fax: 042-37358817

PLANT:

66-Km, Multan Raod, Pattoki Kasur.



Notice of Annual General Meeting



Notice is hereby given that the 17th Annual General Meeting of the Shareholders of Nishat Chunian Power Limited (the "Company") will be held on Thursday, October 24, 2024 at 1:00 PM at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Annual Audited Financial Statements of the Company for the year ended June 30 2024 together with Chairman Review, Directors' and Auditors' reports thereon.

The Audited Financial Statement of Nishat Chunian Power Limited for the year ended June 30, 2024 has been placed at Company's website which can be downloaded from the below web link:

https://ncpower.com.pk/images/pdf/NCG_Financials/NCPL_Annual/annual2024.pdf

The Annual Audited Financial for the year ended June 30, 2024 along with other reports can be downloaded by scanning the below mentioned QR enabled code.



Scan QR code for annual report 2024

2. To appoint auditors for the year ending June 30, 2025, and to fix their remuneration. The present Auditors M/s Riaz Ahmad & Company, Chartered Accountants, retire and being eligible offer themselves for reappointment.
3. To transact any other business with the permission of the Chair.

Lahore
Dated: October 02, 2024

By order of the Board

Syed Tasawar Hussain
Company Secretary



NOTES:

1. Closure of Share Transfer Books

The Ordinary Share Transfer Books of the Company will remain closed from **17-10-2024 to 24-10-2024 (both days inclusive)**. Physical transfers/ CDS Transactions IDs received in order in all respect up to 1:00 p.m. on 16-10-2024 at the office of Share Registrar, M/s. Hameed Majeed Associates (Pvt) Ltd., H.M. House 7-Bank Square, The Mall, Lahore will be considered in time to attend and vote at the Annual General Meeting.

2. Participation in the Annual General Meeting

A member eligible to attend and vote at this meeting may appoint any other member as a proxy to attend and vote in the meeting. The proxy must be received at the Registered Office of the Company duly stamped and signed not later than 48 hours before the time for holding the meeting.

CDC Account Holders will further have to follow the under mentioned guidelines as laid by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses, and CNIC Numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his / her original CNIC or original Passport at the time of the meeting.
- v. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

3. Video Conference Facility

- i. In terms of the Companies Act, 2017, members residing in a city holding at least 10% of the total paid-up share capital may demand the facility of video-link for participating in the annual general meeting. The request for a video-link facility shall be received by the Share Registrar at the address given hereinabove at least 7 days prior to the date of the meeting.
- ii. In compliance with the guidelines issued by the Securities & Exchange Commission of Pakistan vide circulars No. 6 of 2021 issued on March 03, 2021 the company has arranged a video link facility for shareholders to participate in the meeting through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities. Shareholders interested in attending the meeting through video link are requested to register by submitting their following particulars at the Company Secretary's email (tasawar@ncpower.com.pk) not later than 48 hours before the time for holding the meeting. The link to participate in the meeting will be sent to the shareholders on the email address provided by them. Shareholders are requested to fill the particulars as per the below table:



Name of Shareholder	CNIC No.	Folio / CDC Account No.	No. of Shares held	Cell No.	Email address

The login facility will be opened at 1:00 p.m. on October 24, 2024 enabling the participants to join the proceedings.

4. Circulation of Annual reports through QR enabled code and Weblink

Pursuant to the SECP's notification SRO 389(I)/2023 dated March 21, 2023, the shareholders of Nishat Chunian Power Limited in its Extra Ordinary General Meeting of the Company held on October 23, 2023 had accorded their consent for the transmission of annual reports including audited annual accounts, notices of AGM, and other information contained therein of the Company through QR enabled code and Weblink instead of transmitting the same through CD/DVD/USB. As per SRO, the Company will the annual audited financial statements through email in case email address has been provided by the member to the company. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form provided in the annual report and is also available on the Company's website and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.

5. Submission of a copy of CNIC (mandatory)

Individuals including all joint holders holding physical share certificates are requested to submit a copy of their valid CNIC to the Company or the Company's Share Registrar. All shareholders are once again requested to send a copy of their valid CNIC to our Share Registrar, Hameed Majeed Associates (Pvt) Ltd, 7-Bank Square, Lahore. The Shareholders while sending CNIC must quote their respective folio numbers and name of the Company.

6. Change of Address

Members are requested to notify any change in their addresses immediately. Shareholders are requested to provide above mentioned information/documents to (i) respective Central Depository System (CDS) Participants and (ii) in case of physical securities to the Share Registrar of the Company.

7. Conversion of physical shares into CDS

In compliance with the requirements of Section 72 of the Companies Act, every existing listed company shall be required to replace his/her physical shares with bookentry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, that is, May 30, 2017.

Members having physical share certificates are requested to convert their shares from physical form into book entry form as early as possible. It would facilitate the Members in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at better rates.

8. Payment of Cash Dividend through Electronic Mode

The provisions of Section 242 of the Companies Act, 2017 require listed companies that dividend payable in cash is only to be paid through electronic mode directly into the bank account designated by the entitled shareholder. Accordingly, the shareholders holding shares in CDC are requested to provide complete bank account details to their respective CDS participants for updating and forwarding to the Company. Shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on the Company's website.

Members are requested to submit a declaration (CZ-50) as per Zakat & Usher Ordinance 1980, for Zakat exemption.

9. Unclaimed Dividend / Shares

Shareholders who could not collect their dividend/physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any.



نشاط چوچیاں پاور لمیٹڈ

اطلاع برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ نشاط چوچیاں پاور لمیٹڈ (کمپنی) کے شیئرز ہولڈرز کا 17 واں سالانہ اجلاس عام 24 اکتوبر، 2024 کو سہ پہر 1 بجے ایچ ایم مال، نشاط ہوٹل ٹریڈ اینڈ فنانس سینٹر بلاک نزد ایکسپو سینٹر، عبداللہی روڈ، جوہر ٹاؤن، لاہور میں واقع ہوگا اور مندرجہ ذیل امور طے پائیں گے:

عام امور:

(1) 30 جون 2024 کو ختم ہونے والے سال کے لئے کمپنی کے سالانہ محاسب شدہ مالی حسابات اور ان پر ڈائریکٹرز اور محاسب کی رپورٹس کی موصولی ان پر غور کرنا اور اپنانے کے لئے منظوری دینا۔

کمپنی کے 30 جون 2024 کو ختم ہونے والے سال کے محاسب شدہ مالی بیانات کمپنی کی ویب سائٹ پر رکھ دیئے گئے ہیں جنہیں نیچے دیئے گئے ویب لنک سے ڈاؤن لوڈ کیا جاسکتا ہے:

https://ncpower.com.pk/images/pdf/NCG_Financials/NCPL_Annual/annual2024.pdf



مزید برآں 30 جون 2024 کو ختم ہونے والے سال کے لئے سالانہ محاسب شدہ مالی بیانات کو دیگر دستاویزات کے ساتھ درج ذیل فعال کیو آر کوڈ کو اسکین کر کے ڈاؤن لوڈ کیا جاسکتا ہے۔

24 کے سالانہ محاسب شدہ اکاؤنٹس
کیلئے کیو آر کوڈ اسکین کریں

(2) 30 جون 2025 کو ختم ہونے والے سال کے لئے محاسب کی تقرری اور ان کا معاوضہ طے کرنا۔ موجودہ محاسب میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے کے بعد اہل ہونے کے بنا پر خود کو دوبارہ تقرری کے لئے پیش کر رہے ہیں۔

(3) چیئرمین کی اجازت سے کسی دوسرے امر کا طے کرنا۔

بجلم ہارڈ۔
سید تصور حسین
کمپنی سیکریٹری

لاہور

مورخہ: 02 اکتوبر، 2024

نوٹس:

(1) حصص منتقلی کی کتابوں کی بندش

کمپنی کی حصص منتقلی کی کتابوں 117 اکتوبر 2024 سے 124 اکتوبر 2024 تک (بشمول دونوں دن) بند رہیں گی۔ وہ منتقلیاں، جو کمپنی کے شیئرز رجسٹرار، میسرز حمید مجید الہوسی اینڈ (پرائیویٹ) لمیٹڈ، ایچ ایم ہاؤس، 7- بینک سکوائر، لاہور کو 16 اکتوبر 2024 سے پہلے تک موصول ہوگی وہی مذکورہ اجلاس میں شرکت اور ووٹ ڈالنے کے لئے بروقت تصور ہوں گی۔

(2) سالانہ عام اجلاس میں شرکت

اس اجلاس میں شرکت اور ووٹ ڈالنے کا اہل ممبر اجلاس میں شرکت اور ووٹ ڈالنے کے لئے کسی دوسرے ممبر کو پراکسی کے طور پر مقرر کر سکتا ہے۔ پراکسی (مہر اور دستخط شدہ) کمپنی کے رجسٹرڈ آفس پر 48 گھنٹے قبل موصول ہونا ضروری ہے۔

سی ڈی سی اکاؤنٹ ہولڈرز کو مزید سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات پر عمل کرنا ہوگا۔

(1) میٹنگ میں شرکت کے لئے:

(i) افراد کی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، وہ اجلاس میں شرکت کے وقت اپنی شناخت (کمپیوٹر انڈیویڈیوٹی شناختی کارڈ (CNIC) یا اصل پاسپورٹ) کی تصدیق کرے گا۔

(ii) کارپوریٹ اینٹٹی کی صورت میں، اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد اور/یا پاور آف اٹارنی برائے نامزد شخص کے نمونہ دستخط کے ساتھ پیش کیا جائے گا (جب تک کہ یہ پہلے فراہم نہیں کیا گیا ہو)۔

ب) پراکسی تقرری کے لئے:

(i) افراد کی صورت میں، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضابطے کے مطابق اپ لوڈ کی جاتی ہیں، مندرجہ بالا ضرورت کے مطابق پراکسی فارم جمع کروائیں۔



- (ii) پراکسی فارم کی تصدیق دو افراد کریں گے جن کے نام، پتے اور CNIC نمبر کا فارم پر ذکر کیا جائے گا۔
 (iii) تصدیق شدہ اوٹ کی سی این آئی یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔
 (iv) ملاقات کے وقت پراکسی اپنا اصلی CNIC یا اصل پاسپورٹ مہیا کرے گی۔

(v) کارپوریٹ اثاثہ کی صورت میں پراکسی فارم، بورڈ آف ڈائریکٹرز کی ریزولوشن/پاور آف اٹارنی کے ساتھ نمونہ دستخط (جب تک کہ یہ پہلے فراہم نہیں کیا گیا ہو) کھینی کے کو جمع کرایا جائے گا۔

3) ویڈیو کانفرنس کی سہولت

- (i)۔ کینیڈا ایکٹ، 2017 کے مطابق، شہر میں رہنے والے ممبران جو کم سے کم 10 فیصد حصص رکھتے ہیں، سالانہ عام اجلاس میں شرکت کے لئے ویڈیو لنک کا مطالبہ کر سکتے ہیں۔ ویڈیو لنک سہولت کے لئے درخواست شیڈولڈ ریزولوشن کے ذریعہ اجلاس کے تاریخ سے کم از کم 7 دن پہلے یہاں دیے گئے پتے پر موصول ہوگی۔
 (ii)۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے 03 مارچ 2021 کو جاری کردہ 2021 کے سرکلر نمبر 6 کی رہنمائی کی تعمیل میں، کھینی نے ہولڈرز کو اجلاس کی کارروائی میں شرکت کے لئے اپنے سہارٹ فونز یا کمپیوٹرز آلات کے ذریعے اپنے گھروں یا کسی بھی مناسب جگہ سے حاضری کے تقاضے پورے کرنے کے بعد میٹنگ میں شرکت کے لئے ویڈیو لنک کی سہولت کا اہتمام کیا ہے۔
 ویڈیو لنک کے ذریعے سے اجلاس میں شرکت کے خواہشمند حصص داران سے درخواست کی جاتی ہے کہ وہ اجلاس کے منعقد ہونے سے 48 گھنٹے قبل کھینی سیکریٹری کے ای میل ایڈریس (tasawar@ncpower.com.pk) پر اپنی مندرجہ ذیل تفصیلات جمع کروائیں۔ اجلاس میں شریک ہونے کا لنک شیڈولڈ ریزولوشن کے فراہم کردہ ای میل ایڈریس پر ارسال کر دیا جائے گا۔
 حصص یافتگان سے گزارش ہے کہ وہ نیچے دیئے گئے جدول کے مطابق تفصیلات کو پر کریں:

شیڈولڈ ریزولوشن کا نام	قومی شناختی کارڈ نمبر	فولیو ای سی ڈی سی اکاؤنٹ نمبر	تعداد شیئرز	موبائل نمبر	ای میل
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لاگ ان کی سہولت 24 اکتوبر 2024 کو سہ پہر 1 بجے کھولی جائے گی جو شرکاء کو کارروائی میں شمولیت کے قابل بنائے گی۔

4) فعال کیو آر کوڈ اور ویب لنک کے ذریعہ سالانہ رپورٹس کی ترسیل

ایس ای سی پی کے نوٹیفیکیشن ایس آر او (D) 389 / 2023 مورچہ 21 مارچ، 2023 کے مطابق، کھینی کے غیر معمولی اجلاس عام منعقدہ 23 اکتوبر 2023 میں نشاط چوہانیاں پاور لمیٹڈ کے حصص داروں نے بحاسب شدہ سالانہ اکاؤنٹس، سالانہ اجلاس عام کے نوٹس سمیت سالانہ رپورٹس، اور دیگر معلومات کی ترسیل سی ڈی ڈی / وی ڈی ڈی / یو ایس بی کے بجائے فعال QR کوڈ کے ذریعے کرنے کے لئے اپنی رضامندی دی تھی۔ ایس آر او کے مطابق اگر ممبر کی طرف سے کھینی کو ای میل ایڈریس فراہم کیا گیا ہے تو کھینی ای میل کے ذریعہ سالانہ بحاسب شدہ مالی بیانات کو تقسیم کرے گی۔
 وہ حصص یافتگان جو گذرے دستاویزات کا غذائی شکل میں وصول کرنا چاہتے ہیں وہ سالانہ رپورٹ میں فراہم کردہ درخواست فارم کھینی سیکریٹری / شیڈولڈ ریزولوشن کو بھیج سکتے ہیں، یہ فارم کھینی کی ویب سائٹ پر بھی دستیاب ہے۔ کھینی ایسی ماگ کے ایک ہفتہ کے اندر یا معاوضہ یہ دستاویزات حصص یافتگان کو فراہم کرے گی۔

5) شناختی کارڈ کی کاپی جمع کروانا (لازمی)

مادی شیڈولڈ ریزولوشن کے تحت تمام افراد بشمول مشترکہ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنی CNIC کی ایک کاپی کھینی کے شیڈولڈ ریزولوشن کو پیش کریں۔

تمام حصص یافتگان سے ایک بار پھر درخواست کی گئی ہے کہ وہ اپنی CNIC کی کاپی ہمارے شیڈولڈ ریزولوشن، جمید جمید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 7- بینک اسکوائر، لاہور کو بھیجیں۔ سی این آئی سی بھیجے وقت حصص یافتگان کا اپنے متعلقہ فولیو نمبر اور کھینی کا نام درج کرنا ضروری ہے۔

6) پتے کی تبدیلی

ممبران سے گزارش ہے کہ وہ اپنے پتے میں کوئی تبدیلی فوری طور پر مطلع کریں۔ حصص یافتگان سے درخواست کی گئی ہے کہ وہ مندرجہ بالا معلومات / دستاویزات (i) متعلقہ سنٹرل ڈیپازٹری نظام (سی ڈی ایس) کے شرکاء کو فراہم کریں اور (ii) مادی سیکورٹیز کی صورت میں کھینی کے شیڈولڈ ریزولوشن کو مہیا کریں۔

7) مادی حصص کو سی ڈی ایس میں تبدیل کرنا

کینیڈا ایکٹ کے سیکشن 72 کے تقاضوں کے مطابق، ہر موجودہ لمیٹڈ کھینی کو اس کے مادی حصص کو بک انٹری فارم کے ساتھ اس انداز میں تبدیل کرنے کی ضرورت ہوگی جو کہ ایس ای سی پی کی طرف سے نہ صرف مخصوص کردہ ہو بلکہ مطلع کردہ تاریخ میں بھی ہو اور وہ تاریخ کینیڈا ایکٹ کے لاگو ہونے یعنی 30 مئی 2017 کے چار سال کے اندر اندر ہوگی۔

مادی شیڈولڈ ریزولوشن کے تحت ممبران سے درخواست کی جاتی ہے کہ وہ جلد سے جلد اپنے شیڈولڈ ریزولوشن کو مادی فارم سے بک انٹری فارم میں تبدیل کریں۔ یہ ممبروں کو کئی طریقوں سے سہولت فراہم کرے گا جس میں حصص کی محفوظ تحویل، حصص کا نقصان نہ ہونا، ڈیجیٹل حصص کے اجراء کے لیے درکار سرٹیفکیٹس، پینا اور منڈی میں آسانی سے حصص کی بہتر زرخوں پر فروخت اور خریداری ہونا شامل ہے۔

8) نقد منافع تقسیم کی ایکٹیو ویب ایڈریس

کینیڈا ایکٹ، 2017 کے سیکشن 242 کی دفعات کے تحت لمیٹڈ کمپنیوں کے لیے لازم ہے کہ نقد منافع ڈیویڈنڈ کی ادائیگی صرف الیکٹرانک موڈ کے ذریعے براہ راست حصص دار کے نامزد کردہ بینک اکاؤنٹ میں ادا کیا جائے۔ اس کے مطابق، سی ڈی ایس میں حصص رکھنے والے حصص داران سے درخواست کی جاتی ہے کہ وہ اپنے متعلقہ سی ڈی ایس شرکاء کو اپنے بینک اکاؤنٹ کی مکمل تفصیلات فراہم کریں تاکہ وہ کھینی کو تازہ ترین اور درست معلومات فراہم کر سکیں۔ مادی حصص رکھنے والے حصص یافتگان سے درخواست کی جاتی ہے کہ وہ کھینی کے شیڈولڈ ریزولوشن پر اپنی فراہم کردہ ای ڈیویڈنڈ فارم کو پورے پتے پر فراہم کریں، مذکورہ بالا فارم کھینی کی ویب سائٹ پر بھی دستیاب ہے

ارکین سے درخواست ہے کہ وہ ڈکوڈ اور مشر آرڈیننس 1980 کے مطابق ڈکوڈ سے اثاثہ کے لیے اعلامیہ (SO-CZ) جمع کرائیں۔

9) غیر رجسٹرڈ شدہ منافع انحصار

حصص داران جو اپنے منافع انحصار نہیں لے سکیں ہیں انہیں مشورہ دیا جاتا ہے کہ وہ ہمارے شیڈولڈ ریزولوشن سے اس بات میں رابطہ کریں



Chairman's Review Report



I am pleased to present the annual report for 2024, another successful year for Nishat Chunian Power Limited ('NCPL'). NCPL was able to achieve this success with solid performance, a committed workforce, and positive results. NCPL is currently in the fourteenth year of its twenty-five-year and seventy-five days Power Purchase Agreement with Central Power Purchasing Agency Guarantee Limited ('Power Purchaser').

The board remained pivotal in NCPL's success by ensuring a diligent governance framework for the effective and prudent management of business matters. The board is always keen to implement improvements in the light of global best practices. The board ensured that adequate policies were in place that enhanced the professional standards and corporate values. The board rooted a corporate culture that promotes sincerity among the Board, senior management, and other employees.

The company was able to amicably resolve the matters with the Power Purchaser which will avoid unnecessary litigations and costs and laid the foundation for a smooth operating environment with the Power Purchaser. The company has also received both installments of receivables under the Master Agreement. The proceeding of the Arbitration as agreed with the GOP under the Arbitration Submission Agreement has been initiated and subsequently members of the tribunal have been appointed and Terms of Reference (TORs) have been formally adopted.

The Board comprises of Seven (7) members, that were elected at the Extra Ordinary General Meeting held on October 23, 2023, for the next term of three years, under the provisions of Section 159 of the Companies Act, 2017. The board comprises members with vast experience and diversified knowledge that led to an effective decision-making process. The Board together with its committees was fully involved in the planning process and in developing the vision for the Company.

The board of directors met 6 times during the year to review the overall performance, appraise financial results, and the overall effectiveness of the role played by the board in achieving the company's objectives. Meeting agendas and supporting papers were received in a timely manner for the Board meetings.

On behalf of the Board, I wish to acknowledge the contribution of all our employees to the success of the company.

Mr. Ghazanfar Husain Mirza
Chairman

September 03, 2024



چیمبر مین کی جائزہ رپورٹ

میں نشاط چونیان پاور لمیٹڈ (این سی پی ایل) کے ایک اور کامیاب مالی سال 2024 کی سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔ این سی پی ایل نے ٹھوس کارکردگی، پُر عزم افرادی قوت اور مثبت نتائج کے ساتھ یہ کامیابی حاصل کی ہے۔ این سی پی ایل سنٹرل پاور پراجیکٹس ایجنسی گارنٹی لمیٹڈ (بجلی خریدار) کے ساتھ اپنے پچیس سال اور پچھتر دن کے بجلی خرید معاہدے کے چودھویں (14th) سال میں ہے۔

کاروباری معاملات کے موثر اور محتاط انتظام کے لیے مستعد گورننس فریم ورک کو یقینی بناتے ہوئے بورڈ نے کمپنی کی کامیابی میں اہم کردار ادا کیا۔ بورڈ ہمیشہ بہترین عالمی طریقوں کی روشنی میں بہتریوں کو نافذ کرنے کا خواہشمند ہے۔ بورڈ نے اس بات کو یقینی بنایا کہ مناسب پالیسیاں موجود ہیں جو پیشہ ورانہ معیارات اور کارپوریٹ اقدار کو بڑھا رہی ہیں۔ بورڈ نے کارپوریٹ گورننس کو فروغ دیا جو بورڈ، سینئر مینجمنٹ، اور دوسرے ملازمین کے مابین اخلاص کو فروغ دیتا ہے۔

این سی پی ایل بجلی خریدار کے ساتھ معاملات کو خوش اسلوبی سے حل کرنے میں کامیاب رہی ہے۔ اس کامیابی کی وجہ سے کمپنی غیر ضروری واجبات اور اخراجات سے بچے گی اور بجلی خریدار کے ساتھ ہموار اور خوشگوار ماحول کی بنیاد پڑے گی۔ کمپنی نے ماسٹر ایگریمنٹ کے تحت واجبات کی دونوں اقساط بھی حاصل کر لی ہیں۔ ثالثی معاہدے کے تحت جی او پی کے ساتھ متفقہ ثالثی کی کارروائی شروع کر دی گئی ہے اور اس کے بعد ڈریپول کے ممبران کا تقرر کیا گیا ہے اور ٹرمز آف ریفرنس (ٹی او آر) کو باضابطہ طور پر اپنایا گیا ہے۔

بورڈ (7) ممبروں پر مشتمل ہے اور یہ 23 اکتوبر 2023 کو ہی ہونے والی غیر معمولی میٹنگ میں کمپنیز ایکٹ، 2017 کے سیکشن 159 کی دفعات کے تحت اگلی تین سالہ مدت کے لیے منتخب ہوا ہے۔ بورڈ جن ممبران پر مشتمل ہے ان میں وسیع تجربہ اور متنوع علم موجود ہے جس کے نتیجے میں فیصلہ سازی کا ایک مؤثر عمل ہوتا ہے۔ بورڈ اپنی کمیٹیوں کے ساتھ مل کر منصوبہ بندی کے عمل میں اور کمپنی کے لئے وژن کو فروغ دینے میں پوری طرح شامل تھا۔

بورڈ آف ڈائریکٹرز نے سال کے دوران مجموعی کارکردگی کا جائزہ لینے، مالیاتی نتائج کو دیکھنے، اور بورڈ کے ذریعہ کمپنی کے مقاصد کے حصول میں ادا کردہ کردار کی مجموعی تاثیر مہینے کے لئے پیچھے باراجلاس منعقد کیے۔ بورڈ کے اجلاسوں کے لئے میٹنگ ایجنڈے اور معاون کاغذات بروقت وصول کیے گئے۔

بورڈ کی جانب سے، میں کمپنی کی کامیابی میں ہمارے تمام ملازمین کی شراکت کو تسلیم کرنا چاہتا ہوں۔

محترم جناب حفیظ حسین مرزا
چیمبر مین

3 ستمبر 2024ء



Directors' Report

Dear Shareholders,

The Board is pleased to present financial statements for the year ending on June 30, 2024. During the fiscal year, 2024 turnover was PKR 15.22 billion (2023: PKR 18.2 billion) with an after-tax profit of PKR 4.91 billion (2023: PKR 3.95 billion) and an Earning Per Share (EPS) of PKR 13.37 (2023: PKR 10.77).

Performance

During the year ended June 30, 2024, the capacity factor of the plant was 13.99% (2023: 22.52%) with an availability factor of 93.77% (2023: 91.40%) and the Company dispatched 240,447 MWH (2023: 386,127 MWH) to Power Purchaser.

The revenue of the company has decreased due to lower generation demand from Power Purchaser as compared to last year, correspondingly decreasing the cost of raw materials. The thermal efficiency and O&M cost components in our tariff are levelized over 25 years.

Receivables impact the profitability of the company as under the Power Purchase Agreement (PPA) the Power Purchaser's default in making timely payments of the invoices entitles the company to Delay Payment mark-up. Since the Power Purchaser is in continuous default of making timely payments therefore Delay Payment markup contributes to the bottom line of the company.

Significant Matters

On February 11, 2021, the Company along with other IPPs signed the Amendment to the Power Purchase Agreement (PPA) and Master Agreement (the Agreements) with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G/Power Purchaser) whereby certain concessions have been given to the Power Purchasers that are subject to fulfillment of certain terms and conditions. A mechanism was agreed for the settlement of long outstanding receivables in two installments of 40% and 60% comprising one-third each of cash, PIBs,



and Sukuk. The first installment was received on January 06, 2022, while the second installment was received on 30 June 2022.

Pursuant to the Agreements it was decided that matter of alleged excess profits of IPPs under the 2002 Power Policy shall be resolved as per the Arbitration Submission Agreement ('ASA'). As per the ASA, the IPPs and GOP have nominated their Arbitrators, and these two nominated Arbitrators have appointed the third Arbitrators who is the former President of the UK Supreme Court. The Arbitration Tribunal so constituted has initiated the arbitration proceedings and subsequently Terms of Reference (TORs) have been formally adopted. We believe that there are strong grounds that the matter will ultimately be decided in Company's favour. For further details, please refer to note 7.1.1(viii) of the accompanying financial statements.

Circular Debt

Circular debt has always been a major issue for companies operating in the power sector. Recoverability of receivables remained challenging during the year. The company continues to take up the matter of overdue receivables not only with the Power Purchaser but also with the Ministry of Water and Power through the Private Power & Infrastructure Board (PPIB) by giving notices of default pursuant to provisions of Power Purchase and Implementation Agreements. As of June 30, 2024, our total receivables from Power Purchaser are PKR 13.93 billion, out of which PKR 10.170 billion are overdue.





Risk Management And Controls

Financial risks to the company are mostly catered for in the tariff. Apart from liquidity risk (circular debt), the other major financial risk the company is exposed to is the interest rate. Any fluctuation in the interest rate can impact the profits of the company. As part of risk management, the company has designed and implemented adequate internal financial controls, manual as well as automated, that are communicated to staff via various policies and procedural guidelines. The Board of Directors ensures that sufficient adequate internal control exists in the company. These controls are also periodically monitored by the Internal Audit Function.

Corporate Social Responsibility

The company is keen on preserving the environment and nature. For this purpose, our power plant is equipped with machinery to ensure that the National Environmental Quality Standards are always complied with. The Company has also taken an initiative towards plantation and has planted trees inside the power plant premises and the surrounding vicinity.

Sustainability and DE&I Measures

The Board is committed to addressing sustainability risks, including environmental, social, and governance (ESG) factors, in line with SECP guidelines. We promote diversity, equity, and inclusion (DE&I) and continue to enhance gender equality across the organization.

We assess and manage sustainability risks, including climate-related ones, with strategies to ensure business resilience. Our efforts are regularly reviewed to align with long-term goals.

Dividends

The Power Purchaser consistently failed to make timely payments to the Company, consequently, our receivables have amplified to PKR 13.93 billion impacting on cashflows from the Power Purchaser. Furthermore, recent developments in the Power Sector increases the concern. Moreover, a Scheme of Arrangement under Sections 279 to 282 of the Companies Act, 2017 inter alia involving the Company is pending adjudication before the Honourable Lahore High Court, Lahore. Keeping in view the above, Board recommends not to declare dividend at the moment.

Auditors

The retiring auditors' M/s Riaz Ahmad & Co. Chartered Accountants, being eligible, offered themselves for re-appointment. The Audit Committee has recommended their re-appointment as auditors of the Company for the year 2024-25.

Pattern of Shareholding

The pattern of shareholding as of June 30, 2024, is annexed with the Annual Report.



Board of Directors and its Committees

During the year under review, Six (6) meetings were held. Attendance and composition of the board are as follows:

Name of Director	Category	Committee	Attendance
Mr. Farrukh Ifzal (CEO)	Executive		6
Mr. Muhammad Ashraf (Resigned on May 13, 2024)	Non-Executive		6
Mr. Aftab Ahmad Khan (Appointed on April 22, 2024)	Non-Executive		0
Mr. Muhammad Azam (Resigned on September 06, 2023)	Independent	Audit and HR & Remuneration Committee	1
Mr. Rehmat Naveed Elahi	Non-executive Independent	Audit and HR & Remuneration Committee	5
Mr. Babar Ali Khan (Resigned on April 02, 2024)	Non-executive		4
Mr. Mustaqeem Talish	Non-executive	Audit and HR & Remuneration Committee	5
Mrs. Samina Aslam (Resigned on Aug 29, 2024)	Non-executive		0
Sheikh Muhammad Iqbal	Non-executive Independent	Audit and HR & Remuneration Committee	6
Ms. Nadia Bilal (Resigned on April 05, 2024)	Non-executive		3
Ghazanfar Hussain Mirza (Appointed on April 09, 2024)	Non-Executive		2
Ms Leila Khan (Appointed on May 14, 2024)	Non-Executive Independent		0

The company has 1 female and 6 male directors as at June 30, 2024.

Director's Remuneration

The company does not pay remuneration to its non-executive directors including independent directors except for meeting fees which are determined by the Board as per the Companies Act 2017 & the listed Companies (Code of Corporate Governance) Regulations 2019.

The aggregate amount of remuneration paid to executive and non-executive directors has been disclosed in note 28 of the annexed financial statements.



Acknowledgement



The Directors would take this opportunity to thank our valued shareholders who have trust in our Company and also like to express their deep appreciation for the services, loyalty, and efforts rendered by the employees of the Company and hope that they will continue to do so in the future.

Chief Executive Officer

Director

Lahore: September 03, 2024



مجلس نظاماء رپورٹ

محترم حصص داران،

بورڈ 30 جون 2024 کو ختم ہونے والے سال کے لئے مالی بیانات پیش کرنے پر غور ہے۔ مالی سال کے دوران، وصولی 15.22 ارب (2023: 18.2 ارب)، بلیکس کے بعد منافع 4.91 ارب (2023: 3.95 ارب) اور فی شیئر آمدنی 13.37 (2023: 10.77) روپے ہے۔

کارکردگی

30 جون 2024 کو ختم ہونے والے سال کے دوران، پلانٹ کی صلاحیت کا عنصر 13.99 فیصد (2023: 22.52 فیصد) تھا جبکہ پلانٹ کا بجلی کی پیداوار کے لئے موجود رہنے کا عنصر 93.77 فیصد (2023: 91.40 فیصد) تھا۔ سال کے دوران کمپنی نے 240,447 میگا واٹ (2023: 386,127 میگا واٹ) بجلی خریدار کو پیش کیا۔

گزشتہ سال کے مقابلے بجلی خریدار کی جانب سے کم پیداواری طلب کی وجہ سے کمپنی کی آمدنی میں کمی آئی ہے، جس کی وجہ سے خام مال کی قیمت میں بھی کمی آئی ہے۔ ہمارے ٹیرف میں تھرمل کارکردگی اور O&M لاگت کے اجزا کو 25 سالوں میں برابر کیا جاتا ہے۔

کمپنی کے منافع پر تاخیر سے وصولی کی انوائس اثر انداز ہوتی ہیں جیسا کہ پاور خریداری معاہدے (پی پی اے) کے تحت انوائس کی بروقت ادائیگی کرنے میں پاور خریدار کی ناکامی کمپنی کو تاخیر سے متعلق ادائیگی کے سود کا اہل بناتا ہے۔ پاور خریدار بروقت ادائیگی کرنے میں مستقل ناکام ہے اور کمپنی کی وصول کنندہ سے وصولیوں میں بڑی تعداد میں اضافہ ہوا ہے جس کی وجہ سے کمپنی کی تاخیر سے متعلق ادائیگی کی آمدنی اور نتیجے میں خالص منافع میں اضافہ ہوا ہے۔

اہم پیشرفت

11 فروری 2021 کو، کمپنی نے دیگر آئی پی پز کے ساتھ مل کر سنٹرل پاور پراجیکٹ ایجنسی (گارنٹی) لمیٹڈ (اسی پی پی اے۔ جی) کے ساتھ "ماسٹر معاہدہ" اور "پی پی اے" ترمیمی معاہدہ پر دستخط کیے تھے جس کے ذریعے بجلی خریدار کو کچھ رعایتیں فراہم کی گئی اور یہ رعایتیں کچھ شرائط و ضوابط کی تکمیل سے مشروط تھی۔ 40% اور 60% کی دو اقساط میں طویل مدتی بھت یا وصولیوں کے تصفیہ کے لیے ایک طریقہ کار پر اتفاق کیا گیا جس میں ایک تہائی نقد، ایک تہائی پی آئی بی اور ایک تہائی سکوک شامل ہیں۔ پہلی قسط 06 جنوری 2022 کو موصول ہوئی تھی جبکہ دوسری قسط 30 جون 2022 کو موصول ہوئی تھی۔

ثالثی معاہدے کے مطابق 2002 کی پاور پالیسی کے تحت آئی پی بی اور GOP نے اپنے ثالثوں کو نامزد کیا ہے، اور ان دو نامزد ثالثوں نے تیسرے ثالث کو مقرر کیا ہے جو برطانیہ کی سپریم کورٹ کے سابق صدر ہیں۔ تشکیل کردہ ثالثی ٹریبونل نے ثالثی کی کارروائی شروع کر دی ہے اور اس کے بعد ٹریبونل کے ممبران کا تقرر کیا گیا ہے اور ٹرمز آف ریفرنس (ٹی او آر) کو باضابطہ طور پر اپنایا گیا ہے۔ ہمیں یقین ہے کہ اس بات کی مضبوط بنیادیں ہیں کہ اس معاملے کا فیصلہ بالآخر کمپنی کے حق میں ہوگا۔

مزید تفصیلات مالی بیانات کے نوٹ (viii) 7.1.1 میں بیان کی گئی ہیں۔



گردشی قرضے

گردشی قرضے بجلی کے شعبے میں کام کرنے والی کمپنیوں کے لئے ہمیشہ ایک اہم مسئلہ رہے ہیں۔ سال کے دوران قابل وصول وصولیوں میں مشکلات رہیں۔ کمپنی زائد المعیاد وصولیوں کے معاملے کو بجلی خریدار اور پرائیویٹ پاور انفراسٹرکچر بورڈ (پی پی آئی بی) کے ساتھ بجلی خریدار معاہدے (پی پی اے) اور نفاذ معاہدے (آئی اے) کے تحت دیے جانے والے ڈیفالٹ نوٹسز کے ذریعے اٹھائے ہوئے ہے۔ 30 جون 2024 تک، پاور خریدار سے ہمارے وصولیات 13.93 ارب ہو چکے ہیں، جس میں سے 10.17 ارب روپے زائد المعیاد ہیں۔

رسک مینجمنٹ

کمپنی کو لاحق ہونے والے زیادہ تر مالی خطرات کا محصول میں احاطہ کیا جاتا ہے۔ لیکویڈیٹی رسک (گردشی قرضے) کے علاوہ، کمپنی کو دیگر بڑے مالی خطرہ لاحق ہے اس میں سود کی شرح ہے۔ سود کی شرح میں کوئی اتار چڑھاؤ کمپنی کے منافع کو متاثر کر سکتا ہے۔ رسک مینجمنٹ کے ایک حصے کے طور پر، کمپنی نے مناسب داخلی مالیاتی کنٹرول، دستی اور خود کار طریقے سے، ڈیزائن کیا ہے اور اس پر عمل درآمد کیا ہے، جو مختلف پالیسیوں اور طریقہ کار کے رہنما خطوط کے ذریعہ عمل کو بتایا جاتا ہے۔ بورڈ آف ڈائریکٹرز اس بات کو یقینی بناتا ہے کہ کمپنی میں مناسب اندرونی کنٹرول موجود ہے۔ یہ کنٹرول ہمارے اندرونی آڈٹ فنکشن کے ذریعہ وقتاً فوقتاً بھی مانیٹر کیے جاتے ہیں۔

کارپوریٹ سماجی ذمہ داری

کمپنی ماحول اور فطرت کو تحفظ فراہم کرنے میں گہری دلچسپی رکھتی ہے۔ اس مقصد کے لئے ہمارے پاور پلانٹ ایسی مشینری سے لیس ہیں جو قومی ماحولیاتی معیارات پر عمل کو یقینی بناتی ہیں۔ کمپنی نے شجر کاری کے بھی اقدامات کئے ہیں اور پاور پلانٹ کے احاطے میں اور ارد گرد پودے لگائے ہیں۔

پائیداری اور تنوع، مساوات اور شمولیت سے متعلقہ (ڈی ای اینڈ آئی) اقدامات

بورڈ ایس ای سی پی گائیڈ لائنز کے مطابق ماحولیاتی، سماجی اور گورننس (ای ایس جی) عوامل سمیت پائیداری کے خطرات سے نمٹنے کے لئے پرعزم ہے۔ ہم تنوع، مساوات اور شمولیت (ڈی ای اینڈ آئی) کو فروغ دیتے ہیں اور تنظیم بھر میں صنفی مساوات کو بڑھانا جاری رکھتے ہیں۔

ہم کاروباری ماحول کو یقینی بنانے کے لئے پائیداری سے متعلقہ امور اور درپیش خطرات جیسا کہ موسمی تبدیلی، کا جائزہ لیتے رہتے ہیں اور پھر اس جائزہ کی روشنی میں اپنی حکمت عملی وضع کو کرتے ہیں۔ مزید براں طویل مدتی اہداف کے ساتھ ہم آہنگ رہنے کے لئے ہم اپنی کاوشوں کا جائزہ لیتے رہتے ہیں۔

تصرقات

پاور پر چیز کمپنی کو بروقت ادائیگیاں کرنے میں مسلسل ناکام رہا جس کے نتیجے میں پاور پر چیز کی جانب سے ہماری وصولیاں بڑھ کر 13.93 ارب روپے تک پہنچ گئیں جس سے کیش فلو پر اثر پڑا ہے۔ مزید برآں، بجلی کے شعبے میں حالیہ پیش رفت تشویش میں اضافہ کرتی ہے۔ مزید برآں کمپنیز ایکٹ 2017ء کی دفعہ 279 تا 282 کے تحت کمپنی سے متعلق ایک اسکیم لاہور ہائی کورٹ لاہور میں زیر التوا ہے۔ مذکورہ بالا حالات کو مد نظر رکھتے ہوئے بورڈ نے سفارش کی ہے کہ فی الحال ڈیویڈنڈ کا اعلان نہ کیا جائے۔



ریٹائرڈ محاسب میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اہل ہونے کی بناء پر دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔ آڈٹ کمیٹی نے سال 2024-25 کے لئے کمپنی کے محاسب کی حیثیت سے ان کی دوبارہ تقرری کی منظوری دی ہے۔

نمونہ حصص داری

30 جون 2024 کے مطابق نمونہ حصص داری سالانہ رپورٹ کے ہمراہ منسلک کیا گیا ہے۔

مجلس نظمانا اور اسکی کمیٹیاں

زیرجائزہ سال کے دوران مجھے (6) اجلاس منعقد ہوئے۔ بورڈ کی حاضری اور ترتیب حسب ذیل ہے:

بورڈ رپورٹائریکٹرز

نام ڈائریکٹر	کمپنی	تعداد حاضری
جناب فرخ افضل	ایگزیکٹو	6
جناب محمد اشرف (مستعفی: 13 مئی، 2024)	نان ایگزیکٹو	6
جناب آفتاب احمد خان (تقرری 22 اپریل 2024)	نان ایگزیکٹو	0
جناب محمد اعظم (مستعفی: 06 ستمبر، 2023)	آزاد	1
جناب رحمت نوید الہی	نان ایگزیکٹو (آزاد)	5
جناب بابر علی خان (مستعفی: 02 اپریل، 2024)	نان ایگزیکٹو	4
جناب مستقیم تاش	نان ایگزیکٹو	5
محترمہ شمینہ اسلم (مستعفی: 29 اگست، 2023)	نان ایگزیکٹو	0
شیخ محمد اقبال	نان ایگزیکٹو (آزاد)	6
محترمہ نادیہ بلال (مستعفی: 5 اپریل، 2024)	نان ایگزیکٹو	3
جناب غضنفر حسین مرزا (تقرری 09 اپریل 2024)	نان ایگزیکٹو	2
محترمہ لیلیٰ خان (تقرری 14 مئی 2024)	نان ایگزیکٹو (آزاد)	0

30 جون 2024 پر کمپنی میں 1 خاتون اور 6 مرد ڈائریکٹرز ہیں۔



ڈائریکٹرز کا مشاہرہ

کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز اور آزاد ڈائریکٹرز کو سوائے ملاقات کی فیسوں کے جو بورڈ کے ذریعے کمپنیز ایکٹ 2017 اور کمپنیوں کے (کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق طے کی جاتی ہے کوئی ادائیگی نہیں کرتی ہے۔

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو ادا کی جانے والی فیس کی مجموعی رقم منسلک مالیاتی بیانات کے نوٹ 28 میں ظاہر کی گئی ہے۔

اظہار تشکر

ڈائریکٹرز اس موقع پر ہمارے قابل قدر شیئرز ہولڈرز کا شکریہ ادا کریں گے جو ہماری کمپنی پر بھروسہ رکھتے ہیں اور کمپنی کے ملازمین کی خدمات، وفاداری، اور کوششوں کے لیے ان سے اظہار تشکر کرنا چاہتے ہیں اور امید کرتے ہیں کہ وہ اس کام کو مستقبل میں جاری رکھیں گے۔

ڈائریکٹر

چیف ایگزیکٹو

لاہور: 3 ستمبر 2024ء



Nishat Chunian Power Limited

Gender pay gap statement under Circular No. 10 of 2024

(i)	Mean Gender pay gap:	100% *
(ii)	Median Gender Pay gap:	100% *
(iii)	Any other data/ details as deemed relevant.	-

The Board is committed to formulate a gender diversity policy for recruitment, promotion, gender pay gap analysis, retention and development of female employees.

The Board is focused on providing conducive working environment which includes but not limited to day care center, maternity leaves and anti harassment policies.

* The location of the plant site and nature of plant operations has usually attracted fewer or no female applicants, hence the Company do not have any female employee as at June 30, 2024.

Chief Executive Officer on behalf of Board of Directors of the Company

Date: September 03, 2024



Financial Highlights

Rupees in Millions

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Result of Operations						
Net Sales	15,021	13,023	11,643	25,416	18,221	15,215
Gross Profit	5,076	6,756	3,770	3,558	5,058	4,888
Operating Income	4,759	6,640	3,494	3,389	4,825	5,148
Financial Charges	(1,342)	(2,034)	(984)	(844)	(868)	(228)
Levy and Tax (Taxation) / Reversal	-	-	-	(1)	(1)	(8)
Net Income	3,417	4,606	2,509	2,504	3,957	4,912
Financial Position at Year-end:						
Capital	3,673	3,673	3,673	3,673	3,673	3,673
Accumulated profit	10,687	15,292	17,802	20,305	20,589	25,501
Net Worth	14,360	18,966	21,475	23,979	24,262	29,174
Fixed Assets	11,495	10,572	9,857	9,461	9,479	9,120
Long Term Deposits & Advances	3	3	2	0.1	0.1	0.1
Current Assets	18,073	20,376	23,237	26,621	18,308	22,866
Total Assets	29,571	30,951	33,095	36,083	27,787	31,987
Long Term Liabilities	716	729	17	-	-	-
Current Liabilities	14,494	11,254	11,603	12,104	3,525	2,812
Net Interest-Bearing Debt	14,094	10,993	10,072	10,869	975	123
Per Share Net Income	9.30	12.54	6.83	6.82	10.77	13.37
Cash Dividends	2.00	-	-	-	10.00	-
Dividend payout ratio	22%	0%	0%	0%	93%	0%
Financial Measures						
ROE	23.79%	24.28%	11.68%	10.44%	16.31%	16.84%
Shareholders' Equity Ratio	48.56%	61.28%	64.89%	66.46%	87.31%	91.21%
Net Debt Equity Ratio (times)	0.98	0.58	0.47	0.45	0.04	0.0042
Current Ratio	1.25	1.81	2.00	2.20	5.19	8.13
Common Stock						
Number of Shares Outstanding at Year-End	367,346,939	367,346,939	367,346,939	367,346,939	367,346,939	367,346,939



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

Name of Company: Nishat Chunian Power Limited
Year ended: June 30, 2024

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

1. The total number of Directors are Seven (7) as per the following:
 - a. Male: 6
 - b. Female: 1
2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Rehmat Naveed Elahi Mr. Sheikh Muhammad Iqbal Ms. Leila Khan (Female Director)
Non-Executive Directors	Mr. Aftab Ahmad Khan Mr. Mustaqeem Talish Mr. Ghazanfar Husain Mirza
Executive Director	Mr. Farrukh Ifzal (Chief Executive Officer)

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company;
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;
9. Following Directors have attained the directors training program certification:

Names of Directors
Mr. Farrukh Ifzal Mr. Ghazanfar Husain Mirza Ms. Leila Khan Mr. Aftab Ahmad Khan



10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

Names	Designation held
Mr. Sheikh Muhammad Iqbal	Chairman
Mr. Mustaqeem Talish	Member
Mr. Rehmat Naveed Elahi	Member

b) HR and Remuneration Committee

Names	Designation held
Mr. Sheikh Muhammad Iqbal	Chairman
Mr. Mustaqeem Talish	Member
Mr. Rehmat Naveed Elahi	Member

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

a) Audit Committee

Five meetings were held during the financial year ended 30 June 2024.

b) HR and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended 30 June 2024.

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



Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	Representation of Minority shareholders The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	No one intended to contest election as director representing minority shareholders.	5
2	Responsibilities of the Board and its members The Board is responsible for adoption of corporate governance practices by the Company.	Non-mandatory provisions of the Regulations are partially complied. The Company is deliberating on full compliance with all the provisions of the Regulations.	10(1)
3	Significant policies The Board is required to approve anti-harassment policy to safeguard the rights and well-being of employees.	During the year, Securities and Exchange Commission of Pakistan (SECP) amended regulation 10 of the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(4)(xvi)
4	Role of the Board and its members to address Sustainability Risks and Opportunities The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	During the year, SECP introduced new regulation 10A in the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(A)
5	Directors' Training It is encouraged that by 30 June 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	Four directors of the Company have acquired Directors' Training Program certification. The Company has planned to arrange Directors' Training Program certification for remaining three directors before 30 June 2025.	19(1)
6	Directors' Training Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training Program from July 2022.	The Company has planned to arrange Directors' Training Program certification for head of department in next few years.	19(3)
7	Chief Financial Officer (CFO) The Board shall appoint CFO as per criteria given in the Regulations.	On resignation of CFO during the year, the Board appointed Acting CFO. Subsequently, the Board has appointed CFO as per criteria given in the Regulations.	22
8	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee.	29
9	Risk Management Committee The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly.	30
10	Disclosure of significant policies on website The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in near future.	35

Mr. Ghazanfar Husain Mirza

Chairman

03 September 2024

Lahore



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Nishat Chunian Power Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

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

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

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

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

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

RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 03 September 2024

UDIN: CR202410132WAzikdUgI



INDEPENDENT AUDITOR'S REPORT

To the members of Nishat Chunian Power Limited Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 7.1.1(viii) to the accompanying financial statements which describes that the matter will be resolved through arbitration under the 'Arbitration Submission Agreement' between the Company and Government of Pakistan (GoP). Our opinion is not modified in respect of this matter.

Key Audit Matter

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

Following is the Key audit matter:



Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Contingencies</p> <p>As disclosed in note 7.1.1 to the accompanying financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.</p> <p>Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards.</p> <p>Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered this as a key audit matter.</p> <p>For further information on contingencies, refer to the following:</p> <ul style="list-style-type: none"> - Material accounting policy information, Contingent liabilities [note 2.1(c) and note 2.14 to the financial statements]. - Contingent liabilities (note 7.1.1) to the financial statements 	<p>Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:</p> <ul style="list-style-type: none"> • Obtained and reviewed detail of the pending matters and discussed the same with the Company's management; • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved; • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the pending tax cases and other contingencies; • Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters; • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

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

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

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

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



Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Atif Anjum.

RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 03 September 2024

UDIN: AR202410132JZyEdoQfM



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STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 (Rupees in thousand)	2023
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 385,000,000 (2023: 385,000,000) ordinary shares of Rupees 10 each		3,850,000	3,850,000
Issued, subscribed and paid-up share capital	4	3,673,469	3,673,469
Revenue reserve - un-appropriated profit		25,500,900	20,588,588
Total equity		29,174,369	24,262,057
LIABILITIES			
NON-CURRENT LIABILITIES			
		-	-
CURRENT LIABILITIES			
Trade and other payables	5	2,653,700	2,341,437
Accrued mark-up / profit on short term borrowings		1,439	174,095
Short term borrowings	6	123,281	975,099
Unclaimed dividend		33,900	34,531
		2,812,320	3,525,162
TOTAL LIABILITIES		2,812,320	3,525,162
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		31,986,689	27,787,219

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

CHIEF EXECUTIVE OFFICER



	Note	2024 (Rupees in thousand)	2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	9,120,118	9,478,782
Intangible assets	9	-	-
Long term loan to an employee	10	-	288
Long term security deposit		100	100
		9,120,218	9,479,170
CURRENT ASSETS			
Stores and spares	11	848,344	628,913
Inventories	12	2,298,214	808,922
Trade debts	13	13,170,211	13,747,743
Loans, advances, deposits, prepayments and other receivables	14	1,872,427	1,308,745
Advance income tax and prepaid levy - net	15	77,046	45,597
Short term investments	16	2,883,975	361,770
Bank balances	17	1,716,254	1,406,359
		22,866,471	18,308,049
TOTAL ASSETS		31,986,689	27,787,219

DIRECTOR

CHIEF FINANCIAL OFFICER



STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

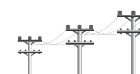
	NOTE	2024 (Rupees in thousand)	2023
REVENUE FROM CONTRACT WITH CUSTOMER	18	15,215,087	18,220,811
COST OF SALES	19	(10,327,050)	(13,162,851)
GROSS PROFIT		4,888,037	5,057,960
ADMINISTRATIVE EXPENSES	20	(189,272)	(156,218)
OTHER EXPENSES	21	(6,217)	(189,404)
		(195,489)	(345,622)
OTHER INCOME	22	455,373	113,139
PROFIT FROM OPERATIONS		5,147,921	4,825,477
FINANCE COST	23	(227,659)	(868,314)
PROFIT BEFORE TAXATION AND LEVY		4,920,262	3,957,163
LEVY	24	(1,449)	(600)
PROFIT BEFORE TAXATION		4,918,813	3,956,563
TAXATION	25	(6,501)	-
PROFIT AFTER TAXATION		4,912,312	3,956,563
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	26	13.37	10.77

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in thousand)	
PROFIT AFTER TAXATION	4,912,312	3,956,563
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,912,312	3,956,563

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	SHARE CAPITAL	REVENUE RESERVE- UN-APPROPRIATED PROFITS (Rupees in thousand)	TOTAL EQUITY
Balance as at June 30, 2022	3,673,469	20,305,494	23,978,963
Transaction with owners - Final dividend for the year ended 30 June 2022 @ Rupees 10 per share	-	(3,673,469)	(3,673,469)
Profit for the year ended 30 June 2023	-	3,956,563	3,956,563
Other comprehensive income for the year ended 30 June 2023	-	-	-
Total comprehensive income for the year ended 30 June 2023	-	3,956,563	3,956,563
Balance as at 30 June 2023	3,673,469	20,588,588	24,262,057
Profit for the year ended 30 June 2024	-	4,912,312	4,912,312
Other comprehensive income for the year ended 30 June 2024	-	-	-
Total comprehensive income for the year ended 30 June 2024	-	4,912,312	4,912,312
Balance as at 30 June 2024	3,673,469	25,500,900	29,174,369

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 (Rupees in thousand)	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	27	4,302,247	8,340,698
Finance cost paid		(400,315)	(896,338)
Net decrease in long term loan to an employee		288	693
Income tax and levy paid		(39,398)	(21,852)
Income tax refund received		-	36,969
Profit on bank deposits received		108,564	28,404
Net cash generated from operating activities		3,971,386	7,488,574
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(493,938)	(784,532)
Short term investments made		(5,116,402)	(307,263)
Proceeds from disposal of short term investments		2,757,296	2,731,004
Dividend received		1,912	-
Proceeds from sale of Pakistan Investment Bonds and Government Ijara Sukuks		-	5,806,225
Proceeds from disposal of property, plant and equipment		42,090	736
Net cash (used in) / from investing activities		(2,809,042)	7,446,170
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		-	(17,291)
Dividend paid		(631)	(3,655,501)
Net cash used in financing activities		(631)	(3,672,792)
Net increase in cash and cash equivalents		1,161,713	11,261,952
Cash and cash equivalents at the beginning of the year		431,260	(10,830,692)
Cash and cash equivalents at the end of the year		1,592,973	431,260
CASH AND CASH EQUIVALENTS			
Bank balances	17	1,716,254	1,406,359
Short term borrowings	6	(123,281)	(975,099)
		1,592,973	431,260

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 Nishat Chunian Power Limited ('the Company') is a public Company limited by shares incorporated in Pakistan on 23 February 2007 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company's ordinary shares are listed on the Pakistan Stock Exchange Limited.

1.2 The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW and net capacity of 195.722 MW at Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the Company is 59 Shadman Colony-II, Shadman, Lahore. On 13 November 2007, the Company entered into a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Dispatch Company Limited ('NTDC') for twenty-five years which commenced from 21 July 2010. On 11 February 2021, the Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Company entered into the PPA Amendment Agreement, whereby the Agreement Year that was ending on 20 July 2021 was extended by seventy five (75) days to 04 October 2021. Therefore, the existing term of the PPA has been extended by seventy five days to twenty five years and seventy five days ending on 04 October 2035.

1.3 Geographical location and addresses of all business units are as follows:

Business units	Address
Registered office	House No. 59, Shadman Colony-II, Lahore
Power station	Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab

1.4 The Board of Directors of Nishat (Chunian) Limited in its meeting held on 09 May 2024 has approved the Scheme of Arrangement (under sections 279 to 282 of the Companies Act, 2017) (herein refer to as "Scheme") involving Nishat (Chunian) Limited and Nishat Chunian Power Limited and their respective shareholders. The principal objective of this Scheme is to provide for the re-arrangement and re-construction of Nishat (Chunian) Limited and Nishat Chunian Power Limited by way of exchanging shares amongst Nishat Mills Limited and Mr. Shahzad Saleem. Nishat Mills Limited's shareholding in Nishat (Chunian) Limited will be transferred to, and vested in, Mr. Shahzad Saleem. In return and as consideration, corresponding part of Mr. Shahzad Saleem's shareholding in Nishat Chunian Power Limited will be transferred to, and vested in, Nishat Mills Limited. Foregoing exchange of shares between Nishat Mills Limited and Mr. Shahzad Saleem has been calculated and determined on the basis of share swap ratio in relation to Nishat (Chunian) Limited and Nishat Chunian Power Limited.

This Scheme shall become effective on such date when certified copy of the order of Honourable Lahore High Court, Lahore (the Court) sanctioning this Scheme is filed with the Registrar of Companies, Securities and Exchange Commission of Pakistan. Upon the sanction of this Scheme by the Court and upon this Scheme becoming effective, the shares swap as outlined in this Scheme shall be deemed to have occurred on 00:00 hours on 01 March 2024 (Appointed Date) and become effective and operative on the Appointed Date. Upon sanction of this Scheme by the Court and upon this Scheme becoming effective, the effect of exchange of shares, pursuant to this Scheme, shall be accounted for in the next financial statements of the respective companies in compliance with the applicable Accounting Principles.



Nishat (Chunian) Limited and Nishat Chunian Power Limited have jointly submitted the Scheme to the Court for approval after completing all necessary legal and corporate formalities. On 03 July 2024, subsequent to the reporting period, the Court has directed to hold Extra-Ordinary General Meeting (EOGM) of the members / shareholders of both aforementioned companies to consider and, if thought fit, approve, adopt and agree to the sanctioning of the Scheme between the aforementioned companies and their respective shareholders. In compliance with the order of the Court, the aforementioned companies held its EOGMs on 17 August 2024 wherein the Scheme has been approved by the shareholders of the aforementioned Companies. The order of the Court is awaited.

2 MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

b) Accounting convention

These financial statements have been prepared on historical cost basis, except as otherwise stated in respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Useful lives, pattern of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are



based on the analysis of the management of the Company. Further, the Company reviews the value of the assets for possible impairments on an annual basis. If such indication exists assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

Revenue from contract with customer involving sale of electricity (Note 2.28)

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Classification of investments

The management of the Company determines the appropriate classification of its investments at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 “Financial Instruments”.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company’s accounting periods beginning on or after 01 July 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 ‘Presentation of Financial Statements’ and IFRS Practice Statement 2 ‘Making Materiality Judgements’).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 ‘Income Taxes’).
- Change in definition of Accounting Estimate (Amendments to IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’).
- Amendments to IAS 12 ‘Income Taxes’ - International Tax Reform — Pillar Two Model Rules.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2023 but are considered not to be relevant or do not have any significant impact on the



Company's financial statements and are therefore not detailed in these financial statements.

f) Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2024 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2024. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

On 31 October 2022, the IASB issued 'Non-current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 01 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 01 January 2024.

On 25 May 2023, the IASB issued 'Suppliers Finance Arrangements (Amendments to IAS 7 and IFRS 7)' to add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangement. The amendments are effective for reporting period beginning on or after 01 January 2024.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and



disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standards and amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Property, plant and equipment

2.2.1 Operating fixed assets

Operating fixed assets, except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Residual values and estimated useful lives are reviewed at each reporting date, with the effect of changes in estimate accounted for on prospective basis.

Depreciation on operating fixed assets, other than identifiable capital spares in plant and machinery, is charged to statement of profit or loss on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 8.1 after taking into account their residual values. Depreciation on identifiable capital spares in plant and machinery is charged on the basis of number of hours used. Depreciation on additions is charged for the full month in which the asset is available for use and on deletion up to the month immediately preceding the deletion.

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

An item of operating fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

2.2.2 Capital work-in-progress

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

2.2.3 Major spare parts and standby equipment

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



2.3 Leases - Exemption from requirements of IFRS 16 to the extent of Power Purchase Agreement (PPA)

Securities and Exchange Commission of Pakistan (SECP) vide SRO 986(I)/2019 dated 02 September 2019 has granted exemption from the requirements of IFRS 16 'Leases' to all companies, which have entered into power purchase agreements before 01 January 2019. Therefore, the standard will not have any impact on the Company's financial statements to the extent of its PPA. For the remaining leases, the Company has assessed that the application of this standard does not have any material impact on these financial statements.

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

	2024	2023
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(8,523,450)	(8,756,042)
Recognition of lease debtor	6,691,580	5,993,442
De-recognition of trade debts	(3,172,904)	(2,377,037)
Decrease in un-appropriated profit at the beginning of the year	(5,139,637)	(5,454,039)
Increase in profit for the year	134,864	314,402
Decrease in un-appropriated profit at the end of the year	(5,004,773)	(5,139,637)

2.4 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the



acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

Debt instruments

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

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

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.



Fair value through profit or loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss and as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

2.5 Financial liabilities – Classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

2.6 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables other than those due from the Government of Pakistan, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.7 Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan include trade debts and other receivables due from Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G') under the PPA that also includes accrued amounts. SECP through SRO 67(I)/2023 dated 20 January 2023 has notified that, in respect of companies holding financial assets due from the Government of Pakistan, the requirements contained in IFRS 9 with respect to application of Expected Credit Losses method shall not be applicable till financial year ending on or before 31 December 2024 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the same continue to be reported as per the following accounting policy:

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

The Company assesses at the end of each reporting period whether there is objective evidence that the financial asset is impaired. The financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.



The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. When the financial asset is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

2.8 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.9 Offsetting of financial instruments

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

2.10 Inventories

Inventories except for those in transit and furnace oil are valued principally at lower of weighted average cost and net realizable value. Materials in transit are stated at cost comprising invoice value plus other charges paid thereon. Furnace oil is valued at lower of cost based on First-In First-Out (FIFO) method and net realizable value.

Net realizable value is determined on the basis of estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. Provision for obsolete and slow moving inventories is made based on management's estimate.

2.11 Stores and spares

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

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

2.12 Provisions

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



2.13 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.14 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.15 Taxation and Levy

2.15.1 Current

The profits and gains of the Company derived from electric power generation are exempt from tax in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the conditions and limitations provided therein.

Under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, the Company is also exempt from levy of minimum tax on 'turnover' under section 113 of the Income Tax Ordinance, 2001. However, provision for current tax and levy is made in the statement of profit or loss on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any. Except for the tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company, final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. Tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company is charged as current tax in the statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years. Previously, component representing levy was included in provision for current tax and was not separately charged in statement of profit or loss. Now, the Company has changed its accounting policy of taxation and levy in accordance with "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountants of Pakistan through circular 7/2024. This change in accounting policy has been applied retrospectively in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and resulted in following reclassification of corresponding figures:

Reclassified from (Rupees in thousand)	Reclassified to	30 June 2023
Statement of profit or loss:		
Taxation	Levy	600
Statement of financial position:		
Advance income tax	Prepaid levy	-
Provision for taxation	Levy payable	626

Had there been no change in the above referred accounting policy, amounts of levy Rupees 1.449 million, prepaid levy Rupees 1.116 million and levy payable Rupees 1.449 million would have been presented as taxation expense, advance income tax and provision for taxation respectively in these financial



statements for the year ended 30 June 2024. Further, this change in accounting policy has no impact of earnings per share of the Company. Furthermore, the Company has not presented the third statement of financial position as at the beginning of the preceding period as the retrospective application does not have an effect on the information in the statement of financial position at the beginning of the preceding period.

2.15.2 Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax has not been provided in these financial statements as the management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the Company remains exempt from taxation under clause 132 of Part I and clause 11A of Part IV of Second Schedule to the Income Tax Ordinance, 2001.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.17 Borrowings

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

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

2.18 Borrowing costs

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

2.19 Trade debts

Trade debts are amounts due from CPPA-G in the ordinary course of business. They are generally due for settlement as referred to in note 2.28 and therefore are all classified as current. Trade debts are



recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade debts with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment.

2.20 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortised cost using the effective interest method.

2.21 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the profit or loss.

2.22 Revenue recognition

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

Sale of electricity

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

- Capacity Purchase Price revenue is recognised over time, based on the capacity made available to CPPA-G, at rates as specified under the PPA with CPPA-G, as amended from time to time; and
- Energy Purchase Price revenue is recognised at a 'point in time', as and when the Net Electrical Output (NEO) are delivered to CPPA-G.

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

Invoices are generally raised on a monthly basis and are due after 30 days from acknowledgement by CPPA-G.

Interest

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

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.



2.23 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

3. SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

3.2 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises of the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

3.3 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an



index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.4 Functional and presentation currency

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

3.5 Employee benefits

Short term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

Defined contribution plan

The Company operates a contributory provident fund scheme covering all regular employees. Equal monthly contributions are made by the Company and employees to the fund. The Company's contribution to the fund are charged to the statement of profit or loss.

3.6 Share capital

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

3.7 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of fixed assets are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

3.8 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.9 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.



4 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2024	2023		2024	2023
(Number of shares)			(Rupees in thousand)	
367,346,939	367,346,939	Ordinary shares of Rupees 10 each fully paid-up in cash	3,673,469	3,673,469

4.1 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure and make adjustments to it in the light of changes in economic conditions, the Company may adjust the amount of dividends paid to shareholders. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net borrowings divided by total equity. Net borrowings are calculated as short term borrowings as disclosed in note 6 less bank balances as disclosed in note 17 to these financial statements. Total capital employed includes equity as shown in the statement of financial position, plus net borrowings.

	Note	2024	2023
		(Rupees in thousand)	
Short term borrowings		123,281	975,099
Less: Bank balances		1,716,254	1,406,359
Net bank balances		(1,592,973)	(431,260)
Equity		29,174,369	24,262,057
Capital and net borrowings		27,581,396	23,830,797
Gearing ratio		0%	0%

5 TRADE AND OTHER PAYABLES

Creditors		1,322,202	1,075,191
Accrued liabilities		24,024	30,885
Sindh infrastructure cess payable		39,893	36,456
Workers' profit participation fund payable	5.1	897,482	849,699
Workers' welfare fund payable	5.2	369,943	271,538
Income tax deducted at source		76	1,563
Sales tax payable		-	76,025
Others		80	80
		2,653,700	2,341,437



	Note	2024 (Rupees in thousand)	2023
5.1 Workers' profit participation fund payable			
Balance as at 01 July		849,699	651,841
Allocation for the year	14.2	245,641	197,858
		1,095,340	849,699
Payments made during the year		(197,858)	-
Balance as at 30 June		897,482	849,699
5.2 Workers' welfare fund payable			
Balance as at 01 July		271,538	192,395
Provision for the year	14.3	98,405	79,143
		369,943	271,538
Payments made during the year		-	-
Balance as at 30 June		369,943	271,538
6 SHORT TERM BORROWINGS			
From banking companies - secured			
Running musharakah and musawwamah	6.1	123,281	975,099

6.1 These musharakah and musawwamah facilities are obtained from banking companies aggregating to Rupees 5,900.000 million (2023: Rupees 5,749.210 million) at profit rates ranging from one month to six months KIBOR plus 0.05% to 1.50% (2023: one month to six months KIBOR plus 0.05% to 1.50%) per annum. Profit on musawwamah is payable at the maturity of the respective musawwamah transaction, whereas, the profit on musharakah is payable monthly / quarterly on the balance outstanding. These facilities are secured against first joint pari passu hypothecation charge on the present and future current assets of the Company comprising of fuel stocks, inventories and total receivables from CPPA-G. The profit rate charged during the year on the outstanding balance ranges from 21.74% to 24.19% (2023: 14.31% to 22.98%) per annum.

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Contingent liabilities:

i) Assistant Commissioner Inland Revenue ('ACIR') has raised a demand of Rupees 1,161.548 million through its order dated 28 November 2013 by disallowing input sales tax for the tax periods from July 2010 to June 2012. Such amount was disallowed on the grounds that the revenue derived by the Company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Company.

Against the aforesaid order, the Company preferred an appeal on 09 December 2013 before the Commissioner Inland Revenue (Appeals) ['CIR(A)'] who vacated the ACIR's order on the issue regarding apportionment of input sales tax. However, CIR(A) did not adjudicate upon the Company's other grounds



of appeal. Consequently, the Company preferred an appeal on 17 March 2014 before the Appellate Tribunal Inland Revenue ('ATIR') on the issues not adjudicated upon by the CIR(A) and the Federal Board of Revenue ('tax department') also preferred an appeal on 08 May 2014 before the ATIR against the CIR(A)'s order. The ATIR decided the case in favour of the Company on 11 September 2018. However, the tax department filed a sales tax reference with Honourable Lahore High Court, Lahore against the decision. On 31 March 2022, the Honourable Lahore High Court, Lahore set aside the ATIR's judgment and remanded back the case to determine whether payments made against capacity purchase price constitute a taxable or non-taxable supply and to treat the input sales tax adjustment accordingly. Being aggrieved by the decision of the Honourable Lahore High Court, Lahore, the Company filed leave for appeal before the Honourable Supreme Court of Pakistan on 20 May 2022. On 30 September 2022, Honourable Supreme Court of Pakistan accepted the application of leave for appeal, stayed the impugned judgment of Honourable Lahore High Court, Lahore and restricted the tax department to take any adverse action against the Company till the disposal of appeal which is pending adjudication.

Furthermore, the Deputy Commissioner Inland Revenue ('DCIR') issued a show cause notice on 12 November 2014 whereby intentions were shown to raise a sales tax demand of Rupees 1,093.262 million by disallowing input sales tax claimed by the Company for the tax periods from July 2010 to June 2012 on similar grounds as explained above. The Company agitated the initiation of such proceedings through institution of a writ petition before the Honourable Lahore High Court, Lahore on 23 July 2015. The Honourable Lahore High Court disposed of the petition in the Company's favour through its order dated 31 October 2016, by stating that there is no supply being made against capacity purchase price, hence, there is no existence of an "exempt supply". Accordingly, the Company is free to reclaim or deduct input tax under the relevant provisions of Sales Tax Act, 1990. However, the tax department filed a review petition before the Honourable Lahore High Court on 09 January 2017 and an appeal before the Honourable Supreme Court of Pakistan on 24 November 2017 against the aforementioned Honourable Lahore High Court's order, both of which are pending adjudication.

For the period July 2013 to June 2014, the Company's case was selected for audit by the tax department, which selection was objected to, on jurisdictional basis, by the Company by way of filing a writ petition before the Honourable Lahore High Court on 20 November 2015. While, the Honourable Lahore High Court has allowed the tax department to proceed with audit proceedings, it has been directed that no adjudication order, consequent to conduct of audit, shall be passed after confronting the audit report. The audit proceedings were completed by the tax department during the financial year 2016 and audit report thereof was submitted to the Company seeking explanations in regard to the issues raised therein. In the subject audit report, an aggregate amount of Rupees 631.769 million primarily including a disallowance of input sales tax of Rupees 622.263 million has been confronted on same grounds as explained above. The Honourable Lahore High Court through its order dated 09 January 2017 has allowed initiation of adjudication proceedings after issuance of audit report. On 17 May 2017, the DCIR issued a showcause notice as to why sales tax of the aforesaid amount of Rupees 631.769 million alongwith default surcharge should not be recovered from the Company. The Company filed a representation in this regard with the Chairman, Federal Board of Revenue. The Chairman, Federal Board of Revenue disposed of the case on the grounds that it did not invoke any provision of section 7 of the FBR Act 2007 as no issue of misadministration is involved therein. The Company then challenged the show cause notice before the Honourable Lahore High Court. The Honourable Lahore High Court declared on 09 November 2018 that the show cause notice was issued without having jurisdiction.

The tax department filed appeal before the Honourable Supreme Court of Pakistan. The Honourable Supreme Court of Pakistan decided the appeal in favour of tax department. On 21 January 2021, DCIR issued notice to the Company requiring to submit reply of the show cause notice. The Company duly submitted its reply to the show cause notice. On 03 June 2021, DCIR passed an order wherein aggregate demand of Rupees 1,326.682 million including penalty and default surcharge was raised. The Company being aggrieved with the order of DCIR, preferred an appeal before the CIR(A) on 28 June 2021. On 31 December 2021, CIR(A) passed an order wherein the disallowance of input sales tax amounting to Rupees 1.164 million has been confirmed and the remaining amount involved has been annulled / deleted. Being aggrieved by the decision of CIR(A), the Company has filed an appeal before ATIR. The management based on the advice of its legal counsel, has strong grounds to believe that the cases will be decided in favour of the Company. Therefore, no provision has been made in these financial statements.



ii) During the year ended 30 June 2019, the Commissioner Inland Revenue ('CIR') has raised a demand of Rupees 104.977 million against the Company through his order dated 16 April 2019, mainly on account of input tax claimed on inadmissible expenses in sales tax return for the various tax periods and sales tax default on account of suppression of sales related to various tax periods. The Company filed application for grant of stay before the ATIR against recovery of the aforesaid demand that was duly granted. Further, the Company has filed appeals before CIR(A) and ATIR against the order. The ATIR decided the case against the Company vide its order dated 06 May 2020. The Company has filed sales tax reference before the Honourable Lahore High Court, Lahore which is pending adjudication. During the year ended 30 June 2021, the Honourable Lahore High Court, Lahore on an application of the Company provided interim relief by restricting tax department from taking any coercive action against the Company subject to furnishing of the bank guarantee of disputed amount, that was duly provided by the Company. Management based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favour of the Company. Therefore, no provision has been made in these financial statements.

iii) An amendment order dated 31 August 2017 was issued by the DCIR under section 122 of the Income Tax Ordinance, 2001 for tax year 2014 whereby income tax of Rupees 191.536 million was levied on other income, interest on delayed payments from CPPA-G, minimum tax on capacity sales, scrap sales and sale proceeds of fixed assets' disposal, and workers' welfare fund (WWF) was also levied of Rupees 12.946 million. Against the aforesaid order, the Company preferred an appeal on 25 September 2017 before the CIR(A) and the learned CIR(A) passed an order on 02 February 2018, declaring that the levy of income tax on interest on delayed payments from CPPA-G and minimum tax on capacity sales is not justified, while directing the Company to pay income tax aggregating to Rupees 1.466 million on profit on debt, miscellaneous income, capital gain on disposal of securities, minimum tax on scrap sales and fixed assets' disposal and WWF of Rupees 4.552 million. The Company and tax department both have filed appeals on 08 March 2018 and 26 March 2018 respectively, before the ATIR against the order of CIR(A). ATIR decided the case in favour of tax department and dismissed Company's appeal to grant relief. Further, all relieves granted by CIR(A) have been vacated and original order of DCIR has been upheld. The Company, being aggrieved by the ATIR's decision, filed income tax reference before the Honourable Lahore High Court, Lahore which is pending adjudication. The Honourable Lahore High Court, Lahore vide its interim order dated 25 January 2021 provided interim relief to the Company and suspended the order of ATIR subject to furnishing of the bank guarantee of disputed amount that was duly provided by the Company.

Further, another amendment order dated 15 December 2014 was issued by Additional Commissioner Inland Revenue ('ACIR') under section 122 of the Income Tax Ordinance, 2001 for tax year 2013 whereby income tax of Rupees 25.340 million was levied on interest income and minimum tax on capacity sales and disallowed the tax credit under section 65B of the Income Tax Ordinance, 2001 amounting to Rupees 4.027 million. Against the aforesaid order, the Company preferred an appeal before CIR(A) on 23 January 2015 and the learned CIR(A) passed an order on 03 April 2015, declaring that income tax on interest income and minimum tax on capacity sales is not justified, while upheld to disallow the tax credit under section 65B of the Income Tax Ordinance, 2001. The Company and tax department both filed appeals before the ATIR against the order of CIR(A) on 15 April 2014 and 04 June 2015. ATIR vide its order dated 24 February 2023 remanded back the case, in the matter of tax credit to the ACIR, whereas upheld the decision of CIR(A) in remaining matters. No remand back proceedings have been initiated by the ACIR.

Moreover, another amendment order dated 13 June 2018 was issued by the ACIR under section 122 of the Income Tax Ordinance, 2001 for tax year 2012 and subsequently, rectification order dated 27 June 2018 under section 221 of the Income Tax Ordinance, 2001 was issued whereby income tax of Rupees 50.063 million was levied mainly comprising minimum tax on capacity sales. The Company filed an appeal on 26 July 2018 before the CIR(A) against the aforesaid orders. The CIR(A), through its order dated 12 September 2018, decided the case in favour of the Company. However, the tax department has filed an appeal before the ATIR against the order of the CIR(A). On 01 March 2024, ATIR dismissed the appeal filed by the department and upheld the decision of CIR(A). No further notice has been served by the department against the order passed by ATIR.

An amendment order dated 31 January 2023 was issued by the ACIR under section 122 of the Income Tax Ordinance, 2001 for tax year 2019 whereby income tax of Rupees 63.606 million was levied on



account of minimum tax on capacity sales. On 10 February 2023, the Company has filed an appeal before the CIR(A) against the aforesaid order which is pending adjudication.

The management considers that there exist meritorious grounds to defend the Company's stance and the ultimate decision from the appellate authorities would be in the Company's favour. Consequently, no provision has been made in these financial statements.

iv) For the period from July 2015 to June 2016, the Company's case was selected for sales tax audit by the tax department. The tax department conducted the audit and the Deputy Commissioner Inland Revenue - Audit ['DCIR (Audit)'] issued the audit report on 18 September 2019 in which observations involving sales tax amounting to Rupees 530.207 million were raised and comments were sought thereon from the management of the Company. The main observation was apportionment of sales tax which is already decided in favour of the Company by the Honourable Lahore High Court, Lahore in the previous case. The Company submitted detailed reply on all the observations. DCIR (Audit) has further issued a show cause notice to the Company on 08 October 2019 with the same amount. The Company submitted detailed reply of the show cause notice but DCIR (Audit) issued final order on 27 November 2019 involving sales tax amounting to Rupees 530.207 million. The Company filed an appeal before CIR(A) on 18 December 2019 against the above mentioned order of the DCIR (Audit). The CIR(A) vide its order dated 04 March 2020 accepted the stance of the Company on main observation of apportionment of sales tax and remanded back the case for rest of observations to DCIR (Audit). However, no remand back proceedings have been initiated by DCIR (Audit).

v) On 19 April 2021, DCIR issued show cause notice to the Company involving Rupees 223.773 million on account of input sales tax on capacity purchase price claimed by the Company for the period from July 2017 to January 2021. On 27 May 2021, the Company challenged the jurisdiction of DCIR to issue show cause notice before the Honourable Lahore High Court, Lahore. On 31 May 2021, the Honourable Lahore High Court, Lahore directed the Company to file the reply of show cause notice issued by DCIR and ordered the DCIR to first determine the jurisdiction as raised by the Company. The Company filed its reply to show cause notice to DCIR. DCIR determined its jurisdiction to be lawful. On 03 August 2021, the DCIR passed an order whereby a demand of Rupees 223.773 million was raised against the Company. Against the aforesaid order of DCIR, the Company preferred an appeal before CIR(A) on 23 August 2021. In its order dated 10 November 2021, CIR(A) remanded back the case to DCIR. Since the CIR(A) remanded back the case without hearing the merits, therefore, the Company has also filed an appeal before ATIR on 16 December 2021 which is pending adjudication. The management based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favour of the Company. Therefore, no provision has been made in these financial statements.

vi) During the year ended 30 June 2019, National Electric Power Regulatory Authority (NEPRA) initiated suo moto proceedings against the Company and other Independent Power Producers (IPPs) on the profits earned by the companies since Commercial Operation Date (COD). The Company filed suit in Islamabad High Court and was provided an interim relief whereby the Court suspended the suo moto proceedings and whereas the suit is still pending adjudication. Based on the facts and law, the Company expects no outflow at this stage and consequently, no provision has been made in these financial statements.

vii) On 28 April 2022, National Electric Power Regulatory Authority (NEPRA) issued a notice of hearing to all the RFO based IPPs under the 2002 Power Policy regarding application of highest lab tested Calorific Value (CV) for calculation of CV adjustment instead of average CV as per existing mechanism. The Company vide its letter dated 16 May 2022 replied to NEPRA to refrain from re-initiating the subject proceedings which has already been finalized and implemented by NEPRA vide its letter dated 01 September 2021. Contrary to the reply of the Company, NEPRA held its hearing on 17 May 2022 and verbally directed to the Company to provide its comments in 15 days failing which the proceedings would be concluded on ex-parte basis. Against the directions of NEPRA, the Company filed a petition in Honourable Lahore High Court, Lahore on 06 June 2022, for restraining NEPRA to take any adverse action in this regard, which is pending adjudication. The Honourable Lahore High Court, Lahore vide its interim order dated 06 June 2022, suspended the impugned notice of hearing. On 18 November 2022, NEPRA determined that although CV adjustment is computed on the basis of average of two CV results, however, the said CV adjustment shall be subject to the final outcome of the suit pending before the



Honourable Lahore High Court, Lahore. NEPRA has set out further amendment (change of one of the labs) in methodology for CV adjustment, however the Company, during the year ended 30 June 2024, has replied to NEPRA that aforementioned matter, being similar in nature, is sub judice before the Honourable Lahore High Court, Lahore. The management based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favour of the Company. Further, its financial impact cannot be reasonably estimated at this stage, therefore, no provision has been made in these financial statements.

viii) In March 2020, Committee for the Power Sector Audit, Circular Debt Resolution and Future Roadmap constituted by Ministry of Energy alleged that savings were made by the 'IPPs', including the Company, in the tariff components. On 11 February 2021, the Company and CPPA-G have signed "Master Agreement" and "PPA Amendment Agreement" wherein it has been agreed that the abovementioned dispute will be resolved through arbitration under the 'Arbitration Submission Agreement' between the Company and GoP. On 15 November 2021, the Company has authorized GoP / CPPA-G to retain Rupees 8,360 million of its trade debts (note 13) until the Arbitration Tribunal renders the Award which shall be final and binding. During the year ended 30 June 2023, Arbitration Tribunal has been constituted under the terms of 'Arbitration Submission Agreement', On 29 September 2023, mutually agreed Terms of Reference have been formally adapted and proceedings under these Terms of Reference have been initiated. Management believes that there are strong grounds that the matter will ultimately be decided in Company's favour. Furthermore, its financial impact cannot be reasonably estimated at this stage, hence, no provision in this respect has been made in these financial statements.

ix) On 14 May 2024, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for tax periods from July 2018 to June 2019 wherein aggregate demand of Rupees 10.955 million including penalty and default surcharge on various issues was raised against the Company. Being aggrieved with the order of DCIR, the Company preferred an appeal before the ATIR on 30 May 2024 which is pending adjudication. The management based on the advice of its tax advisor, has strong grounds to believe that the case will be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

x) Letter of guarantees of Rupees 355.131 million (2023: Rupees 345.179 million) are given by the banks of the Company to Director, Excise and Taxation, Karachi under direction of Honourable Supreme Court of Pakistan in respect of suit filed for levy of infrastructure cess, Collector of Customs under the direction of Honourable Lahore High Court, Lahore in respect of suit filed for custom duty, Federal Board of Revenue and Punjab Revenue Authority in respect of stay granted by various Courts of Pakistan pertaining to pending tax cases and infrastructure development cess respectively.

	Note	2024 (Rupees in thousand)	2023
7.2 Commitments			
Commitments in respect of other than capital expenditure		113,671	418,877
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	8,658,568	8,792,326
Capital work-in-progress	8.2	-	44,308
Major spare parts and standby equipment	8.3	461,550	642,148
		9,120,118	9,478,782



8.1 Reconciliation of carrying amounts of operating fixed assets at the beginning and at the end of the year is as follows:

Description	Rupees in thousand							TOTAL	
	Freehold land	Buildings on freehold land	Plant and machinery	Electric installations	Computer equipment	Office equipment and fixtures	Furniture		Vehicles
At 30 June 2022									
Cost	224,245	209,547	17,676,957	4,904	17,327	37,717	1,235	50,983	18,222,915
Accumulated depreciation	-	(91,066)	(8,866,940)	(3,549)	(14,724)	(37,074)	(984)	(18,678)	(9,033,015)
Net book value	224,245	118,481	8,810,017	1,355	2,603	643	251	32,305	9,189,900
Year ended 30 June 2023									
Opening net book value	224,245	118,481	8,810,017	1,355	2,603	643	251	32,305	9,189,900
Additions	-	-	358,691	295	2,478	1,060	-	6,656	369,180
Disposals / derecognitions:									
Cost	-	-	(140,870)	-	(473)	-	-	(1,438)	(142,781)
Accumulated depreciation	-	-	140,870	-	471	-	-	1,186	142,527
Depreciation charge for the year	-	(10,654)	(744,737)	(276)	(1,402)	(210)	(26)	(9,195)	(766,500)
Closing net book value	224,245	107,827	8,423,971	1,374	3,677	1,493	225	29,514	8,792,326
At 30 June 2023									
Cost	224,245	209,547	17,894,778	5,199	19,332	38,777	1,235	56,201	18,449,314
Accumulated depreciation	-	(101,720)	(9,470,807)	(3,825)	(15,655)	(37,284)	(1,010)	(26,687)	(9,656,988)
Net book value	224,245	107,827	8,423,971	1,374	3,677	1,493	225	29,514	8,792,326
Year ended 30 June 2024									
Opening net book value	224,245	107,827	8,423,971	1,374	3,677	1,493	225	29,514	8,792,326
Additions	-	24,766	619,772	14,082	8,358	-	13,685	38,180	718,843
Disposals / derecognitions:									
Cost	-	-	(532,036)	-	(125)	-	-	(42,312)	(574,473)
Accumulated depreciation	-	-	433,413	-	125	-	-	15,374	448,912
Written off:									
Cost	-	-	(98,623)	-	-	-	-	(26,938)	(125,561)
Accumulated depreciation	-	-	-	-	(13,148)	-	(222)	-	(13,370)
Depreciation charge for the year	-	(11,923)	(700,422)	(761)	(2,228)	(421)	(489)	(10,627)	(726,871)
Closing net book value	224,245	120,670	8,244,698	14,695	9,638	1,072	13,421	30,129	8,658,568
At 30 June 2024									
Cost	224,245	234,313	17,982,514	19,281	14,417	38,777	14,698	52,069	18,580,314
Accumulated depreciation	-	(113,643)	(9,737,816)	(4,586)	(4,779)	(37,705)	(1,277)	(21,940)	(9,921,746)
Net book value	224,245	120,670	8,244,698	14,695	9,638	1,072	13,421	30,129	8,658,568
Annual rate of depreciation (%)	-	4 to 20	3.96 to 25 and number of hours	10	30	10 to 30	10	20	



8.1.1

Detail of operating fixed assets, exceeding the book value of Rupees 500,000, disposed of during the period is as follows:

Description	Qty	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
----- Rupees in thousand -----								
Plant and machinery								
Cylinder units and accessories of diesel generator - 08		291,652	193,029	98,623	216,433	117,810	Insurance claim	Adamjee Insurance Company Limited, Lahore.
Vehicles								
KIA Grand Carnival AED-739	1	9,927	3,806	6,121	13,000	6,879	Insurance claim	Adamjee Insurance Company Limited, Lahore.
Honda Civic LE-19A-8082	1	3,604	2,943	661	1,476	815	Company Policy	Mr. Haris Murtaza, Company's employee, Lahore.
Hyundai Sonata AKM-149	1	8,107	2,837	5,270	9,000	3,730	Insurance claim	Adamjee Insurance Company Limited, Lahore.
KIA Grand Carnival APM-459	1	17,513	2,627	14,886	13,500	(1,386)	Negotiation	Nishat (Chunian) Limited - associated company
		330,803	205,242	125,561	253,409	127,848		
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		3,286	3,286	-	5,114	5,114		
		334,089	208,528	125,561	258,523	132,962		

8.1.2 Particulars of immovable properties (i.e. land and buildings) are as follows:

Description	Address	Area of land	Covered area of buildings
Power station	Jambar Kalan, Tehsil Pattoki, District Kasur, Punjab	99,527 Square Meters	19,782 Square Meters
Office	House No. 59, Shadman Colony-II, Lahore	2 Kanal, 16 Marla and 155 Square Feet	4,486 Square Feet

8.1.3 Fixed assets having cost of Rupees 930.996 million (2023: Rupees 899.069 million) which are fully depreciated but still in the use of the Company.

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

	Note	2024 (Rupees in thousand)	2023
Cost of sales	19	714,818	758,106
Administrative expenses	20	12,053	8,394
		726,871	766,500
8.2 Capital work-in-progress			
Advances for purchase of vehicles		-	44,308

8.2.1 Movement in capital work in progress is as follows:

	Plant and machinery	Advance for purchase of vehicle	Total
	(Rupees in thousand)		
As at 30 June 2022	2,067	10,000	12,067
Add: Additions during the year	259,037	44,308	303,345
Less: Adjustments during the year	(2,067)	(10,000)	(12,067)
Less: Transferred to operating fixed assets during the year	(259,037)	-	(259,037)
As at 30 June 2023	-	44,308	44,308
Add: Additions during the year	491,263	13,071	504,334
Less: Adjustments during the year	-	(57,379)	(57,379)
Less: Transferred to operating fixed assets during the year	(491,263)	-	(491,263)
As at 30 June 2024	-	-	-



2024 **2023**
(Rupees in thousand)

8.3 Major spare parts and standby equipment

8.3.1 Reconciliation of the carrying amount is as follows:

Balance as at 01 July	642,148	259,037
Additions during the year	310,665	642,148
	952,813	901,185
Transferred to capital work-in-progress during the year	(491,263)	(259,037)
Balance as at 30 June	461,550	642,148

9 INTANGIBLE ASSETS - Computer software

Cost	23,952	23,952
Accumulated amortization	(23,952)	(23,952)
Net book value	-	-
Annual rate of amortization (%)	20%	20%

9.1 Intangible assets having cost of Rupees 23.952 million (2023: Rupees 23.952 million) are fully amortized and are still in use.

9.2 Fully amortized intangible assets having cost of Rupees 5.885 million were written off during the year.

2024 **2023**
(Rupees in thousand)

10 LONG TERM LOAN TO AN EMPLOYEE

Considered good:

Executive	10.1	-	981
Current portion shown under current assets	14	-	(693)
		-	288

10.1 Reconciliation of carrying amount of loan to chief executive officer:

2024 **2023**
(Rupees in thousand)

Balance as at 01 July		981	1,674
Add: Interest accrued during the year	22	71	101
		1,052	1,775
Less: Repaid during the year		(1,052)	(794)
Balance as at 30 June		-	981

10.1.1 Maximum aggregate balance due from chief executive officer at the end of any month during the year was Rupees 0.924 million (2023: Rupees 1.617 million).



10.2 This represented house loan to chief executive officer as per Company's policy and was recoverable within a period of ten years commenced from the date of disbursement through monthly deductions from salaries. The loan was sanctioned and disbursed to chief executive officer in the previous years when he was not the Company's chief executive officer. This carried interest at the rate ranged from 10.9% to 11.56% (2023: 6.42% to 8.75%) per annum. This loan was secured against the accumulated provident fund balance of the relevant employee. The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' was not considered material and hence not recognized.

11 STORES AND SPARES

11.1 Most of the items of stores and spares are of interchangeable nature and can be used as machine spares or consumed as stores. Accordingly, it is not practicable to distinguish stores from spares until their actual usage.

	2024	2023
	(Rupees in thousand)	
12 INVENTORIES		
Furnace oil	2,255,320	774,048
Diesel	4,431	4,018
Lubricating oil	38,463	30,856
	2,298,214	808,922
13 TRADE DEBTS		
Other than related parties - considered good	13,170,211	13,747,743

13.1 These represent trade receivables from CPPA-G and are considered good. These are secured by a guarantee from the Government of Pakistan (GOP) under the Implementation Agreement and are in the normal course of business and interest free, however, delayed payment mark-up at the rate of three months KIBOR plus 2.00% per annum for first sixty days and three months KIBOR plus 4.50% per annum after first sixty days, each compounded semi-annually, is charged in case the amounts are not paid within due dates. The rate of delayed payment mark-up charged during the year on outstanding amounts ranged from 22.19% to 28.49% (2023: 16.80% to 26.58%) per annum.

	2024	2023
	(Rupees in thousand)	
13.2 As at 30 June, age analysis of trade debts - net is as follows:		
Neither past due nor impaired	3,000,155	5,227,485
Past due but not impaired:		
- 1 to 30 days	486,060	853,957
- 31 to 90 days	1,171,496	1,019,436
- 91 to 180 days	4,517,464	2,725,940
- 181 to 365 days	3,995,036	3,920,925
- Above 365 days	-	-
	10,170,056	8,520,258
	13,170,211	13,747,743



14 LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2024 (Rupees in thousand)	2023
Current maturity of long term loan to an employee	10	-	693
Advances to suppliers - unsecured and considered good		73,166	48,455
Advances against letters of credit		7,842	81,609
Advances to employees against salaries		-	17
Sales tax receivable		242,149	-
Margin against bank guarantees		58,919	27,984
Prepayments		141	2,395
Insurance claim receivable	14.1	216,433	-
Recoverable from CPPA-G as pass through item:			
Workers' profit participation fund	14.2	897,482	849,699
Workers' welfare fund	14.3	369,943	271,538
Private Power and Infrastructure Board's fee		-	22,378
Others		6,352	3,977
		1,872,427	1,308,745

14.1 During the year, cylinder units and their accessories of diesel generator - 08 got damaged. The Company filed the insurance claim in respect of these assets. The insurer had appointed a surveyor who completed his survey during the current year and assessed the insurance claim at Rupees 216.433 million.

	Note	2024 (Rupees in thousand)	2023
14.2 Workers' profit participation fund			
Opening balance		849,699	651,841
Allocation for the year	5.1	245,641	197,858
		1,095,340	849,699
Amount received during the year		(192,201)	-
Written off during the year	21	(5,657)	-
Closing balance		897,482	849,699
14.3 Workers' welfare fund			
Opening balance		271,538	192,395
Allocation for the year	5.2	98,405	79,143
		369,943	271,538
Amount received during the year		-	-
Closing balance		369,943	271,538



	Note	2024 (Rupees in thousand)	2023
15	ADVANCE INCOME TAX AND PREPAID LEVY - NET		
Advance income tax - net			
Advance income tax		83,880	46,223
Less: Provision for taxation		(6,501)	-
		77,379	46,223
Prepaid levy - net			
Prepaid levy		1,116	-
Less: Levy payable		(1,449)	(626)
		(333)	(626)
		77,046	45,597

16 SHORT TERM INVESTMENTS

Debt instruments	16.1	344,457	348,585
Equity instruments	16.2	2,539,518	13,185
		2,883,975	361,770

16.1 Debt instruments

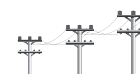
At amortized cost:

Government Treasury Bills	16.1.1&16.1.2	341,105	307,263
Add: Interest accrued thereon		3,352	41,322
		344,457	348,585

16.1.1 These carry interest rate ranging from 15.80% to 22.87% (2023: 15.80% to 15.89%) per annum.

16.1.2 Government Treasury Bill having having maturity period of 6 months and having face value of Rupees 375.000 million (2023: Rupees 307.265) is under lien with the bank of the Company against bank guarantees issued by the bank.

		2024 (Rupees in thousand)	2023
16.2	Equity instruments		
At fair value through profit or loss			
Quoted - other than related party:			
Adamjee Life Assurance Company Limited			
956,174 (2023: 956,174) fully paid ordinary shares of Rupees 10 each		13,185	26,773
MCB DCF Fixed Return Plan III 20,038 (2023: Nil) units		2,003,798	-
Pakistan Cash Management Fund 9,925 (2023: Nil) units		500,901	-
		2,517,884	26,773
Add: Unrealized gain / (loss) on remeasurement of investments at fair value through profit or loss		21,634	(13,588)
		2,539,518	13,185



	Note	2024 (Rupees in thousand)	2023
17	BANK BALANCES		
Cash with banks on:			
Saving accounts	17.1	1,374,242	1,404,784
Current accounts		242,012	1,575
		1,616,254	1,406,359
Term Deposit Receipt	17.2	100,000	-
		1,716,254	1,406,359

17.1 Saving accounts carry profit at the rates ranging from 19.00% to 22.55% (2023: 4.50% to 21.35%) per annum.

17.2 This represent Term Deposit Receipt with original maturity period of 1 month and carry profit at the rate of 19% per annum.

	Note	2024 (Rupees in thousand)	2023
18	REVENUE FROM CONTRACT WITH CUSTOMER		
Energy purchase price revenue - net	18.1	8,821,225	12,471,080
Capacity purchase price revenue		3,956,655	3,557,418
Delayed payment mark-up		2,437,207	2,192,313
		15,215,087	18,220,811

18.1 Energy purchase price revenue is net of sales tax amounting to Rupees 1,617.861 million (2023: Rupees 2,173.798 million).

	Note	2024 (Rupees in thousand)	2023
19	COST OF SALES		
Raw materials consumed		8,098,563	11,513,685
Salaries and other benefits	19.1	186,707	165,820
Stores and spares consumed		697,755	244,110
Electricity consumed in-house		57,550	38,833
Insurance		457,146	349,379
Travelling and conveyance		38,313	37,300
Postage and telephone		4,039	5,555
Repair and maintenance		37,599	22,301
Entertainment		428	169
Depreciation on operating fixed assets	8.1.4	714,818	758,106
Fee and subscription		6,353	5,311
Miscellaneous	19.2	27,779	22,282
		10,327,050	13,162,851



19.1 Salaries and other benefits include Rupees 8.369 million (2023: Rupees 6.695 million) in respect of provident fund contribution by the Company.

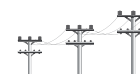
19.2 These include wages of contractual employees aggregating Rupees 9.577 million (2023: Rupees 7.565 million).

	Note	2024 (Rupees in thousand)	2023
20 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	20.1	55,308	51,994
Travelling and conveyance		24,889	5,830
Entertainment		4,075	2,150
Common facilities cost	20.2	9,900	19,800
Printing and stationery		3,024	935
Postage and telephone		1,890	742
Insurance		1,186	629
Vehicles' running		1,430	762
Utilities		965	176
Repairs and maintenance		4,671	96
Legal and professional		57,173	55,012
Auditor's remuneration	20.3	4,554	4,209
Advertisement		548	140
Fee and subscription		5,339	2,873
Depreciation on operating fixed assets	8.1.4	12,053	8,394
Miscellaneous		2,267	2,476
		189,272	156,218

20.1 Salaries and other benefits include Rupees 2.386 million (2023: Rupees 2.374 million) in respect of provident fund contribution by the Company.

20.2 The amount represents common facilities cost charged to the Company by Nishat (Chunian) Limited - associated company.

	2024 (Rupees in thousand)	2023
20.3 Auditor's remuneration		
Statutory audit	2,214	2,214
Half yearly review	1,114	1,085
Certifications required by various regulations	912	829
Out of pocket expenses	314	81
	4,554	4,209



	Note	2024 (Rupees in thousand)	2023
21 OTHER EXPENSES			
Donations	21.1	-	72,550
Trade debts written off		59	-
Loss on disposal of Pakistan Investment Bonds and Government Ijara Sukuks		-	41,446
Loss on disposal of Government Treasury Bills		332	-
Exchange loss		-	65,634
Stores and spares written off		-	1,149
Fixed assets written off	8.1	169	-
Unrealized loss on remeasurement of investment at fair value through profit or loss		-	8,625
Workers' profit participation fund written off	14.2	5,657	-
		6,217	189,404

21.1 These include Rupees Nil (2023: Rupees 72.500 million) paid to Saleem Memorial Trust Hospital, Lahore. Directors of the former holding company and now associated company are also directors of Saleem Memorial Trust Hospital.

	Note	2024 (Rupees in thousand)	2023
22 OTHER INCOME			
Income from financial assets:			
Profit on:			
Bank deposits		108,564	12,499
Term Deposit Receipts		156	6,842
Unrealized gain on remeasurement of investments at fair value through profit or loss		21,634	-
Dividend income		7,441	-
Interest on Government Treasury Bills		136,268	41,322
Interest on long term loan to an employee	10.1	71	101
Income from non-financial assets:			
Gain on disposal of operating fixed assets		132,962	482
Amortization of deferred income - Government grant		-	181
Scrap sales		26,608	50,073
Insurance claim		-	1,081
Miscellaneous		785	558
Other:			
Exchange gain		20,884	-
		455,373	113,139



	Note	2024 (Rupees in thousand)	2023
23	FINANCE COST		
	Mark-up / profit on:		
	Long term financing	-	245
	Short term borrowings	222,642	861,656
	Bank charges and commission	5,017	6,413
		227,659	868,314
24	LEVY		
	Final tax on dividend	1,116	-
	Minimum tax on scrap sales	333	626
	Prior year adjustment		(26)
		1,449	600
25	TAXATION		
	Current tax - for the year	25.1	6,501

25.1 Total income of the Company except other income is exempt from levy of income tax under Clause 132 of Part I and Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Other income is calculated in accordance with the relevant provisions of the Income Tax Ordinance, 2001. The numerical reconciliation between the average tax rate and the applicable tax rate has been given as follows:

	2024 (Rupees in thousand)	2023
Relationship between tax expense and accounting profit		
Profit before taxation	4,918,813	3,956,563
Tax at the applicable rate of 29% (2023: 29%)	1,426,456	1,147,403
Tax effect of amounts that are:		
Exempt as referred to in note 25.1	(1,426,456)	(1,147,403)
Net interest income attributable to finance cost	6,501	-
	6,501	-

	2024	2023
26	EARNINGS PER SHARE - BASIC AND DILUTED	
	There is no dilutive effect on the basic earnings per share which is based on:	
	Profit attributable to ordinary shareholders (Rupees in thousand)	4,912,312
	Weighted average number of shares (Number)	367,346,939
	Earnings per share - basic and diluted (Rupees)	13.37
		10.77



	Note	2024 (Rupees in thousand)	2023
27 CASH GENERATED FROM OPERATIONS			
Profit before taxation and levy		4,920,262	3,957,163
Adjustments for non-cash charges and other items:			
Depreciation on operating fixed assets	8.1	726,871	766,500
Gain on disposal of property, plant and equipment	22	(132,962)	(482)
Amortization of deferred income - Government grant	22	-	(181)
Profit on bank deposits	22	(108,564)	(12,499)
Profit on Term Deposit Receipts	22	(156)	(6,842)
Loss on disposal of Government Treasury Bills	21	332	-
Interest on Government Treasury Bills	22	(136,268)	(41,322)
Dividend income	22	(7,441)	-
Finance cost	23	227,659	868,314
Trade debts written off	21	59	-
Exchange (gain) / loss		(20,884)	65,634
Loss on disposal of Pakistan Investment Bonds and Government Ijara Sukuks	21	-	41,446
Unrealized (gain) / loss on remeasurement of investments at fair value through profit or loss	22	(21,634)	8,625
Fixed assets written off	21	169	-
Workers' profit participation fund written off	21	5,657	-
Stores and spares written off	21	-	1,149
Working capital changes	27.1	(1,150,853)	2,693,193
		4,302,247	8,340,698
27.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(219,431)	(184,476)
Inventories		(1,489,292)	1,445,766
Trade debts		577,473	(29,608)
Advances, deposits, prepayments and other receivables		(352,750)	201,453
		(1,484,000)	1,433,135
Increase in trade and other payables		333,147	1,260,058
		(1,150,853)	2,693,193

27.2 Reconciliation of movement of liabilities to cash flows arising from financing activities is as follows:

2024
Liabilities from financing activities
Unclaimed dividend
(Rupees in thousand)

Balance as at 01 July 2023	34,531
Dividend paid	(631)
Balance as at 30 June 2024	33,900



2023		
Liabilities from financing activities		
Long term financing	Unclaimed dividend	Total

(Rupees in thousand)

Balance as at 01 July 2022	17,110	16,563	33,673
Repayment of financing / borrowings	(17,291)	-	(17,291)
Dividend declared	-	3,673,469	3,673,469
Dividend paid	-	(3,655,501)	(3,655,501)
Other change - Non-cash movement	181	-	181
Balance as at 30 June 2023	-	34,531	34,531

28 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive Officer, Directors and Executives of the Company is as follows:

	Chief Executive Officer		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	----- (Rupees in thousand) -----					
Managerial remuneration	14,500	7,000	-	-	82,225	38,656
Bonus	5,888	-	-	-	12,510	5,292
Allowances						
Housing rent	-	2,800	-	-	-	15,462
Medical expenses	1,450	700	-	-	8,222	3,866
Leave encashment	1,013	444	-	-	8,281	1,442
Meeting fee	150	80	790	500	-	-
Contribution to provident fund trust	886	583	-	-	5,771	3,220
	23,887	11,607	790	500	117,009	67,938
Number of persons	1	1	7	7	42	19

29 TRANSACTIONS WITH RELATED PARTIES

The related parties include former holding company, associated companies, associated undertakings of the former holding company, related parties on the basis of common directorship, key management personnel of the Company and its former holding company and post employment benefit plan (Provident Fund). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that company. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, except for remuneration to key management personnel as discussed in note 28, are as follows:



i) Nature of relationship	Nature of transactions		
Former Holding company *			
Nishat (Chunian) Limited	Common facilities cost	-	2,129
	Reimbursement of expenses	-	227
	Income sharing	-	61
Associated company*			
Nishat (Chunian) Limited	Common facilities cost	9,900	17,671
	Reimbursement of expenses	6,458	-
	Income sharing	784	497
	Expenses incurred on behalf of the Company	251	-
Associated company of former holding company*			
Saleem Memorial Trust Hospital	Donations paid	-	72,500
Key management personnel			
Chief executive officer	Repayment of long term loan	1,052	693
	Mark-up on long term loan	71	101
Other related parties			
Mr. Shahzad Saleem**	Consultancy charges	36,147	47,633
Ms. Samina Aslam ***	Dividend paid	-	5
Mr. Muhammad Azam ***	Dividend paid	-	5
Mr. Farrukh Ifzal	Dividend paid	-	4
Mr. Babar Ali Khan ****	Dividend paid	-	1
Mr. Mustaqeem Talish	Dividend paid	-	1
Mr. Rehmat Naveed Ilahi	Dividend paid	-	593
Post employment benefit plan	Company's contribution to provident fund trust	10,755	9,069

*Nishat (Chunian) Limited ceased to be the holding company and became an associated company with effect from 10 August 2022.

**Mr. Shahzad Saleem ceased to be the advisor to the board of directors with effect from 01 April 2024.

*** Ms. Samina Aslam and Mr. Muhammad Azam ceased to be the directors of the Company with effect from 29 August 2023 and 06 September 2023 respectively.

**** Mr. Babar Ali Khan ceased to be the director of the Company with effect from 02 April 2024.



29.1 The related parties with whom the Company had entered into transactions or had arrangements/agreements in place during the year have been disclosed below along with their basis of relationship:

Name of the related party	Basis of relationship	Transaction entered or agreement and / or arrangement in place during the financial year	Percentage of shareholding held by the Company
Nishat (Chunian) Limited	Common management	Yes	None
Mian Muhammad Yahya Trust	Common trusteeship	No	None
Nishat Hospitality (Private) Limited	Common directorship	No	None
Nishat (Raiwind) Hotels and Properties Limited	Common directorship	No	None
Nishat Hotels and Properties Limited	Common directorship	No	None
Quaid-e-Azam Thermal Power Limited	Common directorship	No	None
Pakgen Power Limited	Common directorship	No	None
Pakistan Textile Council	Common directorship	No	None
DL Nash (Private) Limited	Common directorship	No	None
Nishat Power Limited	Common directorship	No	None
Nishat Energy Limited	Common directorship	No	None
Nishat Paper Products Company Limited	Common directorship	No	None
Media Times Limited	Common directorship	No	None
Educate Ways (Private) Limited.	Common directorship	No	None
Nishat Chunian Power Limited - Employees Provident Fund	Post employment benefit plan	Yes	None
Sheikh Muhammad Iqbal	Director	No	None
Mr. Mustaqeem Talish	Director	No	None
Mr. Rehmat Naveed Ilahi	Director	No	None
Mr. Ghazanfar Husain Mirza*	Director	No	None
Mr. Aftab Ahmad Khan*	Director	No	None
Ms. Leila Khan*	Director	No	None
Mr. Farrukh Ifzal	Chief Executive	Yes	None

* Mr. Ghazanfar Husain Mirza, Mr. Aftab Ahmad Khan and Ms. Leila Khan were appointed as directors of the Company on 09 April 2024, 22 April 2024 and 14 May 2024 respectively.



30 NUMBER OF EMPLOYEES

	2024	2023
Number of employees as on June 30	142	149
Average number of employees during the year	146	151

	2024 MWH	2023 MWH
--	-------------	-------------

31 CAPACITY AND PRODUCTION

Installed capacity [based on 8,784 hours (2023: 8,760 hours)]	1,719,222	1,714,525
Actual energy delivered	240,447	386,127

Output produced by the plant is dependent on the load demanded by CPPA-G and plant availability.

32 FINANCIAL RISK MANAGEMENT

32.1 Financial risk factors

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

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

(a) Market risk

(i) Currency risk

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

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the British Pound Sterling (GBP) and Euro. As on reporting date, the Company's foreign exchange risk exposure is restricted to payables only. The Company's exposure to currency risk was as follows:



	2024	2023
Trade and other payables		
- GBP	(10,430)	(94)
- Euro	(9,393)	-
Net exposure - GBP	(10,430)	(94)
Net exposure - Euro	(9,393)	-
The following significant exchange rates were applicable during the year:		
Rupees per GBP		
Average rate	357.42	306.75
Reporting date rate	351.85	365.40
Rupees per Euro		
Average rate	307.31	267.16
Reporting date rate	298.41	314.27

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the GBP and EURO with all other variables held constant, the impact on profit after taxation for the year would have been Rupees 0.324 million (2023: Rupees 0.002 million) respectively lower / higher, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risks.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange (PSX) Index on the Company's profit after taxation for the year. The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and the Company's equity instrument moved according to the historical correlation with the index:

Index	Impact on profit after taxation	
	2024	2023
	(Rupees in thousand)	
PSX (5% increase)	1,685	659
PSX (5% decrease)	(1,685)	(659)



(iii) Interest rate risk

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

The Company's interest rate risk arises from bank balances in saving accounts, short term investments, past due trade debts, and short term borrowings. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments, if any, at fixed rate expose the Company to fair value interest rate risk.

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

	2024	2023
	(Rupees in thousand)	
Fixed rate instruments		
Financial assets		
Trade debts - past due	10,170,056	8,520,258
Other receivables	-	22,378
Government Treasury Bills	341,105	307,263
Term Deposit Receipt	100,000	-
Financial liabilities	-	-
	10,611,161	8,849,899
Floating rate instruments		
Financial assets		
Long term loan to an employee	-	981
Bank balances - saving accounts	1,374,242	1,404,784
Financial liabilities		
Short term borrowings	(123,281)	(975,099)
	1,250,961	430,666
Net exposure	11,862,122	9,280,565

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss as on 30 June 2024. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 12.510 million (2023: Rupees 4.307 million) higher / lower, mainly as a result of higher / lower interest income on bank balances. This analysis is prepared assuming the amounts of assets and liabilities outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:



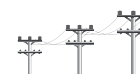
	2024	2023
	(Rupees in thousand)	
Long term loan to an employee	-	981
Long term security deposit	100	100
Trade debts	13,170,211	13,747,743
Advances, deposits and other receivables	1,549,129	1,175,593
Short term investments	2,883,975	361,770
Bank balances	1,716,254	1,406,359
	19,319,669	16,692,546

Age analysis of trade debts as at reporting date is given in Note 13.2.

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

		Rating		2024	2023
	Short Term	Long Term	Agency	(Rupees in thousand)	
CPPA-G		Not available		3,000,155	5,227,485
Short term investment					
State Bank of Pakistan				341,105	307,263
MCB Investment Management Limited	AM1		PACRA	2,505,813	-
Adamjee Life Assurance Company Limited	A++ (ifs)		PACRA	33,705	13,185
Term Deposit Receipt					
MCB Islamic Bank Limited	A1	A+	PACRA	100,000	-
Banks					
Al-Baraka Bank (Pakistan) Limited	A-1	A+	VIS	1	1
Askari Bank Limited	A1+	AA+	PACRA	28	88
Bank Alfalah Limited	A1+	AAA	PACRA	528	3
BankIslami Pakistan Limited	A1	AA-	PACRA	385	496
Dubai Islamic Bank Limited	AA	A-1+	VIS	3	1
Habib Bank Limited	AAA	A-1+	VIS	107,694	19
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	1	-
MCB Bank Limited	A1+	AAA	PACRA	1,060,333	433
MCB Islamic Bank Limited	A1	A+	PACRA	8	3
Meezan Bank Limited	AAA	A-1+	VIS	20	639
National Bank of Pakistan	AAA	A-1+	VIS	193,675	1,404,560
The Bank of Punjab	A1+	AA+	PACRA	39	-
United Bank Limited	AAA	A-1+	VIS	13,724	116
Allied Bank Limited	AAA	A-1+	PACRA	239,815	-
				1,616,254	1,406,359
				7,597,032	6,954,292

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.



(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. As 30 June 2024, the Company had Rupees 13,716.784 million (2023: Rupees 14,014.398 million) available borrowing limits from financial institutions, Rupees Nil (2023: Rupees 1,000 million) available borrowing limit from former holding company and now associated company [Nishat (Chunian) Limited] and Rupees 1,716.254 million (2023: Rupees 1,406.359 million) bank balances to meet the short-term funding requirements due to delay in payments by CPPA-G. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including mark-up / profit payments. The amounts disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2024:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
(Rupees in thousand)						
Non-derivative financial liabilities:						
Trade and other payables	1,346,306	1,346,306	1,346,306	-	-	-
Accrued mark-up / profit	1,439	1,439	1,439	-	-	-
Unclaimed dividend	33,900	33,900	33,900	-	-	-
Short term borrowings	123,281	143,710	143,710	-	-	-
	1,504,926	1,525,355	1,525,355	-	-	-

Contractual maturities of financial liabilities as at 30 June 2023:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	More than 2 years
(Rupees in thousand)						
Non-derivative financial liabilities:						
Trade and other payables	1,142,612	1,142,612	1,142,612	-	-	-
Accrued mark-up / profit	174,095	174,095	174,095	-	-	-
Unclaimed dividend	34,531	34,531	34,531	-	-	-
Short term borrowings	975,099	1,102,677	-	1,102,677	-	-
	2,326,337	2,453,915	1,351,238	1,102,677	-	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 June. The rates of mark-up / profit have been disclosed in note 6 to these financial statements.

32.2 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.



32.3 Financial instruments by categories

	2024		
	At amortized cost	At fair valur through profit or loss	Total
	(Rupees in thousand)		
Financial assets			
Long term security deposit	100	-	100
Trade debts	13,170,211	-	13,170,211
Advances, deposits and other receivables	1,549,129	-	1,549,129
Short term investments	344,457	2,539,518	2,883,975
Bank balances	1,716,254	-	1,716,254
	16,780,151	2,539,518	19,319,669

	2023		
	At amortized cost	At fair valur through profit or loss	Total
	(Rupees in thousand)		
Financial assets			
Long term loan to an employee	981	-	981
Long term security deposit	100	-	100
Trade debts	13,747,743	-	13,747,743
Advances, deposits and other receivables	1,175,593	-	1,175,593
Short term investments	348,585	13,185	361,770
Bank balances	1,406,359	-	1,406,359
	16,679,361	13,185	16,692,546

	Financial liabilities at amortized cost	
	2024	2023
	(Rupees in thousand)	
Financial liabilities		
Trade and other payables	1,346,306	1,142,612
Accrued mark-up / profit	1,439	174,095
Unclaimed dividend	33,900	34,531
Short term borrowings	123,281	975,099
	1,504,926	2,326,337



32.4 Reconciliation to the line items presented in the statement of financial position is as follows:

	2024		
	Financial assets	Non-financial assets	Total as per statement of Financial Position
	(Rupees in thousand)		
Assets			
Long term security deposit	100	-	100
Trade debts	13,170,211	-	13,170,211
Loans, advances, deposits, prepayments and other receivables	1,549,129	323,298	1,872,427
Short term investments	2,883,975	-	2,883,975
Bank balances	1,716,254	-	1,716,254
	19,319,669	323,298	19,642,967
	19,319,669	323,298	19,642,967

	2024		
	Financial liabilities	Non-financial liabilities	Total as per statement of Financial Position
	(Rupees in thousand)		
Liabilities			
Trade and other payables	1,346,306	1,307,394	2,653,700
Accrued mark-up / profit	1,439	-	1,439
Unclaimed dividend	33,900	-	33,900
Short term borrowings	123,281	-	123,281
	1,504,926	1,307,394	2,812,320
	1,504,926	1,307,394	2,812,320

	2023		
	Financial assets	Non-financial assets	Total as per statement of Financial Position
	(Rupees in thousand)		
Assets			
Long term loan to an employee	288	-	288
Long term security deposit	100	-	100
Trade debts	13,747,743	-	13,747,743
Loans, advances, deposits, prepayments and other receivables	1,176,286	132,459	1,308,745
Short term investments	361,770	-	361,770
Bank balances	1,406,359	-	1,406,359
	16,692,546	132,459	16,825,005
	16,692,546	132,459	16,825,005

	2023		
	Financial liabilities	Non-financial liabilities	Total as per statement of Financial Position
	(Rupees in thousand)		
Liabilities			
Trade and other payables	1,142,612	1,198,825	2,341,437
Accrued mark-up / profit	174,095	-	174,095
Unclaimed dividend	34,531	-	34,531
Short term borrowings	975,099	-	975,099
	2,326,337	1,198,825	3,525,162
	2,326,337	1,198,825	3,525,162



33 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Financial assets				
Financial assets at fair value through profit or loss	2,539,518	-	-	2,539,518

Recurring fair value measurements at 30 June 2023	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Financial assets				
Financial assets at fair value through profit or loss	13,185	-	-	13,185

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments is the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Assets Value (NAV) of respective Assets Management Company.



34 UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2024	2023	2024	2023
	(Rupees in thousand)		(Rupees in thousand)	
Total facilities	2,082,195	1,638,969	13,840,065	14,984,322
Utilized at the end of the year	468,802	764,057	123,281	969,924
Unutilized at the end of the year	1,613,393	874,912	13,716,784	14,014,398

35 PROVIDENT FUND

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

36 SEGMENT INFORMATION

These financial statements have been prepared on the basis of single reportable segment. Revenue from sale of electricity relates to CPPA-G, the Company's sole customer in Pakistan. All non-current assets of the Company as at reporting date are located in Pakistan.

37 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, except for reclassification as disclosed in note 2.15 to these financial statements, there are no significant rearrangements / reclassification have been made.

38 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 03,2024 by the Board of Directors of the Company.

39 GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.



PATTERN OF SHAREHOLDING

AS ON JUNE 30, 2024

Number of Shareholders	Shareholdings		Total Number of Shares Held	Percentage of Total Capital
	From	To		
2872	1 -	100	63,075	0.02
1839	101 -	500	641,445	0.17
1109	501 -	1000	898,947	0.24
1842	1001 -	5000	5,070,668	1.38
558	5001 -	10000	4,392,048	1.20
197	10001 -	15000	2,511,141	0.68
164	15001 -	20000	2,978,646	0.81
111	20001 -	25000	2,592,948	0.71
86	25001 -	30000	2,435,876	0.66
60	30001 -	35000	1,984,084	0.54
46	35001 -	40000	1,776,686	0.48
36	40001 -	45000	1,549,248	0.42
80	45001 -	50000	3,934,569	1.07
27	50001 -	55000	1,432,299	0.39
22	55001 -	60000	1,293,256	0.35
20	60001 -	65000	1,246,016	0.34
22	65001 -	70000	1,494,122	0.41
21	70001 -	75000	1,547,363	0.42
10	75001 -	80000	789,061	0.21
12	80001 -	85000	1,008,102	0.27
7	85001 -	90000	620,092	0.17
9	90001 -	95000	838,024	0.23
38	95001 -	100000	3,770,277	1.03
12	100001 -	105000	1,232,210	0.34
6	105001 -	110000	642,666	0.17
2	110001 -	115000	228,336	0.06
8	115001 -	120000	944,225	0.26
3	120001 -	125000	373,000	0.10
8	125001 -	130000	1,019,510	0.28
5	130001 -	135000	666,885	0.18
4	135001 -	140000	554,808	0.15
2	140001 -	145000	287,292	0.08
6	145001 -	150000	898,144	0.24
4	150001 -	155000	605,222	0.16
3	160001 -	165000	486,500	0.13
4	165001 -	170000	674,416	0.18
6	170001 -	175000	1,042,089	0.28
5	175001 -	180000	896,000	0.24
4	180001 -	185000	731,776	0.20
5	185001 -	190000	938,733	0.26
4	190001 -	195000	774,825	0.21
8	195001 -	200000	1,591,742	0.43



Number of Shareholders	Shareholdings		Total Number of Shares Held	Percentage of Total Capital
	From	To		
1	200001 -	205000	204,500	0.06
4	205001 -	210000	829,900	0.23
3	210001 -	215000	637,929	0.17
1	215001 -	220000	217,592	0.06
4	220001 -	225000	892,419	0.24
1	225001 -	230000	228,901	0.06
4	230001 -	235000	932,369	0.25
2	235001 -	240000	477,354	0.13
1	240001 -	245000	242,657	0.07
3	245001 -	250000	750,000	0.20
1	255001 -	260000	255,500	0.07
2	265001 -	270000	534,100	0.15
2	270001 -	275000	547,000	0.15
1	275001 -	280000	280,000	0.08
1	280001 -	285000	285,000	0.08
1	285001 -	290000	285,312	0.08
1	290001 -	295000	294,000	0.08
9	295001 -	300000	2,694,019	0.73
1	300001 -	305000	300,500	0.08
1	305001 -	310000	308,000	0.08
2	310001 -	315000	622,749	0.17
1	315001 -	320000	317,761	0.09
1	325001 -	330000	330,000	0.09
1	335001 -	340000	340,000	0.09
1	340001 -	345000	343,000	0.09
2	345001 -	350000	700,000	0.19
1	350001 -	355000	354,057	0.10
2	360001 -	365000	726,998	0.20
1	370001 -	375000	371,877	0.10
2	375001 -	380000	760,000	0.21
1	385001 -	390000	386,165	0.11
2	390001 -	395000	785,110	0.21
2	395001 -	400000	800,000	0.22
1	405001 -	410000	406,000	0.11
1	430001 -	435000	430,391	0.12
2	445001 -	450000	898,000	0.24
3	450001 -	455000	1,359,118	0.37
1	460001 -	465000	463,000	0.13
1	465001 -	470000	470,000	0.13
1	470001 -	475000	471,000	0.13
1	480001 -	485000	482,607	0.13
1	485001 -	490000	489,281	0.13
1	490001 -	495000	493,000	0.13
6	495001 -	500000	3,000,000	0.82
1	500001 -	505000	500,411	0.14
1	505001 -	510000	508,154	0.14
1	520001 -	525000	521,150	0.14



Number of Shareholders	Shareholdings		Total Number of Shares Held	Percentage of Total Capital
	From	To		
1	525001 -	530000	529,770	0.14
1	530001 -	535000	535,000	0.15
1	535001 -	540000	537,000	0.15
1	545001 -	550000	550,000	0.15
1	575001 -	580000	580,000	0.16
1	595001 -	600000	600,000	0.16
1	600001 -	605000	603,066	0.16
1	610001 -	615000	613,654	0.17
2	630001 -	635000	1,264,065	0.34
1	635001 -	640000	637,000	0.17
1	645001 -	650000	647,626	0.18
1	655001 -	660000	657,000	0.18
1	690001 -	695000	691,500	0.19
1	695001 -	700000	700,000	0.19
1	710001 -	715000	714,918	0.19
1	750001 -	755000	751,534	0.20
1	765001 -	770000	769,853	0.21
1	785001 -	790000	790,000	0.22
3	795001 -	800000	2,400,000	0.65
1	800001 -	805000	801,128	0.22
1	805001 -	810000	807,400	0.22
1	810001 -	815000	812,500	0.22
1	825001 -	830000	827,373	0.23
1	835001 -	840000	838,122	0.23
1	840001 -	845000	840,246	0.23
1	900001 -	905000	904,591	0.25
1	915001 -	920000	919,896	0.25
2	935001 -	940000	1,872,909	0.51
4	995001 -	1000000	4,000,000	1.09
1	1000001 -	1005000	1,005,000	0.27
1	1045001 -	1050000	1,050,000	0.29
1	1065001 -	1070000	1,070,000	0.29
1	1080001 -	1085000	1,084,792	0.30
1	1095001 -	1100000	1,100,000	0.30
1	1180001 -	1185000	1,184,701	0.32
1	1200001 -	1205000	1,200,546	0.33
1	1275001 -	1280000	1,280,000	0.35
1	1285001 -	1290000	1,289,500	0.35
1	1390001 -	1395000	1,395,000	0.38
1	1495001 -	1500000	1,500,000	0.41
1	1510001 -	1515000	1,512,200	0.41
1	1545001 -	1550000	1,547,786	0.42
1	1625001 -	1630000	1,627,720	0.44
1	1660001 -	1665000	1,665,000	0.45
1	1695001 -	1700000	1,700,000	0.46
1	1970001 -	1975000	1,972,000	0.54
2	1995001 -	2000000	4,000,000	1.09



Number of Shareholders	Shareholdings		Total Number of Shares Held	Percentage of Total Capital
	From	To		
1	2015001 -	2020000	2,016,000	0.55
1	2030001 -	2035000	2,031,079	0.55
1	2360001 -	2365000	2,362,733	0.64
1	2405001 -	2410000	2,410,000	0.66
1	2410001 -	2415000	2,415,000	0.66
1	2525001 -	2530000	2,528,775	0.69
1	2995001 -	3000000	3,000,000	0.82
1	3095001 -	3100000	3,100,000	0.84
1	3280001 -	3285000	3,284,537	0.89
1	3320001 -	3325000	3,323,236	0.90
1	3405001 -	3410000	3,408,000	0.93
1	3430001 -	3435000	3,431,274	0.93
1	3645001 -	3650000	3,650,000	0.99
1	4030001 -	4035000	4,031,502	1.10
1	4065001 -	4070000	4,069,525	1.11
1	4535001 -	4540000	4,537,164	1.24
1	4670001 -	4675000	4,672,221	1.27
1	5680001 -	5685000	5,683,067	1.55
1	6390001 -	6395000	6,390,943	1.74
1	7630001 -	7635000	7,634,500	2.08
1	9235001 -	9240000	9,236,024	2.51
1	9930001 -	9935000	9,933,455	2.70
1	10605001 -	10610000	10,606,996	2.89
1	11460001 -	11465000	11,464,400	3.12
1	13375001 -	13380000	13,379,786	3.64
1	15265001 -	15270000	15,269,545	4.16
1	16300001 -	16305000	16,301,547	4.44
1	64810001 -	64815000	64,811,981	17.64
9,455			367,346,939	100.00



CATEGORIES OF SHAREHOLDERS

AS ON JUNE 30, 2024

Categories of Shareholders	No. of Shareholder	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse and minor children			
1 MUSTAQEEM TALISH		58	0.0000
2 FARRUKH IFZAL		391	0.0001
3 SHEIKH MUHAMMAD IQBAL		500	0.0001
4 GHAZANFAR HUSAIN MIRZA		1,000	0.0003
5 LEILA KHAN		1,500	0.0004
6 REHMAT NAVEED ELAHI		59,346	0.0162
7 MR. AFTAB AHMAD KHAN		1	0.0000
	7	62,796	0.0171
Associated Companies, Undertaking and Related Parties:			
1 TRUSTEES NISHAT CHUNIAN POWER LTD. EMP. PRVDNT. FUND TRUST		102,342	0.0279
2 TRUSTEE-NISHAT (CHUNIAN) LTD-EMPLOYEES PROVIDENT FUND TRUST		919,896	0.2504
	2	1,022,238	0.2783
NIT & ICP	3	4,376	0.0012
Banks Development Financial Institutions, Non Banking Financial Institutions:	21	17,077,401	4.6488
Modarabas and Mutual Funds	30	22,417,004	6.1024
Insurance Companies	8	18,010,456	4.9028
General Public			
Local:	247,729,077	9214	
Foreign:	126,745	9	247,855,822
			67.4719
Others	161	60,896,846	16.5775
Total	9455	367,346,939	100.0000

Shareholders Holding 10% or more voting rights:

Name of Shareholder	Shares Held	Percentage
MR. SHAHZAD SALEEM	64,811,981	17.64326148
	64,811,981	17.6433



PROXY FORM

The Company Secretary,
Nishat Chunian Power Limited
59, Shadman Colony-II, Shadman Lahore.

I/We

_____ of _____
being a members(s) of Nishat Chunian Power Limited, and a holder of _____
Ordinary shares as per Share Register Folio No. _____ (in case of Central
Depository System Account Holder A/C No. _____ Participant I.D. No _____
hereby appoint of _____ another member of the Company as
per Share Register Folio No. _____ (or failing him/her _____
of _____ another member of the Company as my /our Proxy to attend and vote for
me / us and on my / our behalf at Annual General Meeting of the Company, to be held on Thursday,
October 24, 2024 at 1:00 PM at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block,
Near Expo Centre, Abdul Haq Road, Johar Town, Lahore and at any adjournment thereof.

As witness my hand this _____ day of _____ 2024 signed by the said
_____ in presence of _____

Affix Rs. 5/- Revenue
Stamp

Witness

Signature _____

Signature _____

Notes:

1. Proxies, in order to be effective, must be received at the company's Registered Office / Head office not less than 48 hours before the meeting duly stamped, signed and witnessed.
2. Signature must agree with the specimen signature registered with the Company.



پراکسی فارم (مختار نامہ)

کمپنی سیکرٹری،

نشاط چوئیاں پاور لمیٹڈ

59 شادمان کالونی-11، شادمان، لاہور۔

میں / ہم

ساکن

بجیٹ رکن نشاط چوئیاں پاور لمیٹڈ، اور مالک _____ عام حصص برطبق فولیو نمبر _____ (بصورت سنٹرل ڈیپازٹری سسٹم اکاؤنٹ

ہولڈر اکاؤنٹ نمبر _____ پارٹسپنٹ آئی ڈی نمبر _____ بذریعہ ہذا محترم / محترمہ _____

ساکن _____ کمپنی کا دیگر رکن برطبق شیئر رجسٹر فولیو نمبر _____

یا اسکی غیر موجودگی میں

جو مذکورہ کمپنی کا حصص دار مورخہ 24 اکتوبر، 2024ء بروز جمعرات سے پہر 1 بجے

کو اپنے / ہمارے ایما پر:

ایکسپو سینٹر، عبدالحق روڈ، جوہر ٹاؤن، لاہور میں واقع نشاط ہوٹل (ایچ پی ایم مال) ٹریڈ اینڈ فنانس سینٹر بلاک میں

منعقد ہونے والے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے، تقریر اور شرکت کرنے یا کسی بھی التواء کی صورت میں اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔
آج بروز _____ تاریخ _____ 2024ء کو میرے / ہمارے دستخط اور گواہوں کی تصدیق سے جاری ہوا۔

پانچ روپے کی ریونیوسٹمپ
چسپاں کریں

دستخط:

دستخط:

گواہان

اہم نوٹ:

- 1۔ پراکسیاں تاکہ موثر ہو سکیں، باقاعدہ مہر، دستخط اور گواہی شدہ کمپنی کے رجسٹرڈ دفتر / صدر دفتر میں اجلاس منعقد ہونے سے کم از کم 48 (اڑتالیس) گھنٹے قبل لازماً وصول ہو جانی چاہئیں۔
- 2۔ دستخط لازماً کمپنی کے ہاں رجسٹرڈ نمونہ دستخطوں کے مطابق ہونے چاہئیں۔



CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore

Subject: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

Dear Sirs,

I/we, being the shareholder(s) of Nishat Chunian Power Limited (“Company”), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

Name of Shareholder(s):	
Fathers / Husband Name:	
CNIC:	
NTN:	
Fathers / Husband Name:	
E-mail Address:	
Telephone:	
Mailing Address:	

Date: _____

Signature: (In case of corporate shareholders the authorized signatory must sign)



STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of Member: _____

2. CNIC/Passport Number: _____

3. Participant ID / Folio No / Sub A/C: _____

Registered Address: _____

I/We hereby request you to provide me/us a hard copy of the Annual Report of Nishat Chunian Power Limited for the year ended June 30, 2024 at my above-mentioned registered address instead of QR Code. I undertake to intimate any change in the above information through revised Standard Request Form.

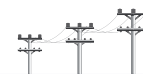
Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary,
NISHAT GHUNIAN POWER LIMITED
59, Shadman Colony-II, Shadman Lahore
Email: tasawar@ncpower.com.pk

Chief Executive,
M/s HAMEED MAJEED ASSOCIATES (PVT) LIMITED
H.M. House, 7-Bank Square,
The Mall, Lahore

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.



E-DIVIDEND FORM (DIVIDEND PAYMENT THROUGH ELECTRONIC MODE)

The Company Secretary/Share Registrar,

I/We, _____, holding CNIC No. _____, being the registered shareholder of the company under folio no. _____, state that pursuant the relevant provisions of Section 242 of the Companies Act, 2017 pertaining to dividend payments by listed companies, the below mentioned information relating to my Bank Account for receipt of current and future cash dividends through electronic mode directly into my bank account are true and correct and I will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as the occur through revised E-Dividend Form.

Title of Bank Account	
Bank Account Number	
IBAN Numbe	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

In case of CDC shareholding, I hereby also undertake that I shall update the above information of my bank account in the Central Depository System through respective participant.

Date: _____

Member's Signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
NISHAT CHUNIAN POWER LIMITED
59, Shadman Colony-II, Shadman Lahore
Email: tasawar@ncpower.com.pk

Chief Executive,
M/S HAMEED MAJEED AOSSCIATE (PVT) LIMITED
H.M. House, 7-Bank square,
The Mall, Lahore.



FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary/Share Registrar,

I/We, _____, of _____, being the registered shareholder(s) of the company under Folio No.(s). _____ / CDC Participant ID No. _____ and Sub Account No. _____ CDC Investor Account ID No., and holder of _____ Ordinary Shares, hereby request for video conference facility at _____ for the Annual General Meeting of the Company to be held on _____, 2024.

Date: _____

Member's Signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
NISHAT CHUNIAN POWER LIMITED
59, Shadman Colony-II, Shadman Lahore
Email: tasawar@ncpower.com.pk

Chief Executive,
M/S HAMEED MAJEED AOSSCIATE (PVT) LIMITED
H.M. House, 7-Bank square,
The Mall, Lahore.





**NISHAT
CHUNIAN**
POWER LTD.

59, Shadman Colony-II, Shadman Lahore, Pakistan.

Tel: +92 42 3576 1730, Fax: +92 42 3587 8696

www.ncpower.com.pk