



KOHINOOR
ENERGY LIMITED

2018
ANNUAL
REPORT

CONTENTS

CORPORATE INFORMATION	02
NOTICE OF ANNUAL GENERAL MEETING	03
CHAIRMAN'S REVIEW	05
DIRECTORS' REPORT	06
FINANCIAL DATA	18
STATEMENT OF COMPLIANCE	20
REVIEW REPORT TO THE MEMBERS	22
AUDITORS' REPORT TO THE MEMBERS	23
BALANCE SHEET	26
PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME	28
CASH FLOW STATEMENT	29
STATEMENT OF CHANGES IN EQUITY	30
NOTES TO AND FORMING PART	31
PATTERN OF SHAREHOLDING	62
PROXY FORM	

CORPORATE INFORMATION

Board of Directors

Mr. M. Naseem Saigol
Chairman
Mr. S M Shakeel
Chief Executive Officer
Mr. Ichiro Kawano
Non-Executive
Mr. Hirotoshi Ugajin
Independent
Ms. Mariko Ueda
Independent
Mr. Shingo Ito
Independent
Mr. Muhammad Asad Khan

Company Secretary

Mr. Muhammad Asif

Audit Committee

Mr. Shingo Ito
Chairman
Mr. Hirotoshi Ugajin
Ms. Mariko Ueda

HR & Remuneration Committee

Mr. Shingo Ito
Chairman
Mr. S M Shakeel
Mr. Hirotoshi Ugajin
Ms. Mariko Ueda

Management

Mr. S M Shakeel
Chief Executive Officer
Mr. Ghazanfar Ali Zaidi
General Manager Technical
Mr. Muhammad Ashraf
Chief Financial Officer

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor

LMA | Ebrahim Hosain

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Alfalah Limited
Askari Bank Limited
MCB Bank Limited
United Bank Limited
Faysal Bank Limited
AL Baraka Bank (Pakistan) Limited - (Islamic)
Meezan Bank Limited - (Islamic)
Habib Bank Limited - (Islamic)
National Bank of Pakistan - (Islamic)

Registered Office

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

Project/Head Office

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

Shares Registrar

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

Lahore Office

17-Aziz Avenue, Unit # 4, Canal Bank,
Gulberg V, Lahore, Pakistan.
Tel : +92-42-35717861-2
Fax : +92-42-35715090

Company Registration No.

0032461 of 1993-94

Company NTN No

0656788-6

Website

www.kel.com.pk



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of shareholders of Kohinoor Energy Limited will be held on October 23, 2018 (Tuesday) at 12:30 PM, at Hotel Margala Islamabad, M-2 Near Convention Centre, Islamabad to transact the following business:

1. To confirm minutes of the Annual General Meeting held on October 23, 2017.
2. To receive and adopt the Annual Audited Accounts of the Company for the financial year ended June 30, 2018 alongwith Directors' and Auditors' Reports thereon.
3. To approve final dividend @10% i.e. Rs. 1.00 per share as recommended by the Board of Directors in addition to the two interim dividends already paid @15% i.e. Rs. 1.50 per share and @10% i.e. Rs. 1.00 per share making a total dividend @35% i.e. Rs. 3.5 per share for the financial year 2017-18.
4. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To elect seven directors as fixed by the Board under Sections 159 and 161 of the Companies Act, 2017 for a term of three years commencing from October 30, 2018. The retiring Directors are:
 1. Mr. M. Naseem Saigol
 2. Mr. S M Shakeel
 3. Mr. Ichiro Kawano
 4. Mr. Hirotooshi Ugajin
 5. Mr. Shingo Ito
 6. Ms. Mariko Ueda
 7. Mr. Muhammad Asad Khan
6. Any other business with the permission of the Chair.

By order of the Board

Lahore:
September 11, 2018

(Muhammad Asif)
Company Secretary

Notes:

1. The Share Transfer Books of the Company will remain closed from October 17, 2018 to October 23, 2018 (both days inclusive). Transfers received at our Share Registrar Office M/S Corplink (Pvt.) Limited situated at Wings Arcade, 1-K, Commercial, Model Town, Lahore upto the close of business hours on October 16, 2018 will be treated in time for the purpose of entitlement of cash dividend to the transferees and for determination of entitlement to attend and vote at the meeting.
2. Any person who seeks to contest the election of directors shall file at Head Office of the Company, Near Tablighi Ijtima, Raiwind Bypass, Lahore, not later than fourteen days before the day of the meeting, his intention to offer himself for election of directors in terms of Section 159(3) of the Companies Act, 2017.
3. A member eligible to attend and vote at this meeting may appoint his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company. The members through CDC are requested to bring original CNIC, A/C No. and Participant ID to produce at the time of attending the meeting.
4. As per Section 242 of the Companies Act, 2017 dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Members who have not yet provided their International Banking Account Number (IBAN) are requested to provide the IBAN together with a copy of CNIC to the Central Depository Company or to their participant or to us in case of physical shareholding. In case of non-submission, all future dividend payments may be withheld. Members are also requested to submit declaration (CZ-50) as per Zakat & Ushr Ordinance, 1980 for Zakat exemption and to advise change in address, if any.

5. Members, who by any reason, could not claim their dividend or bonus shares, are advised to contact our shares Registrar M/S Corplink (Pvt.) Limited to collect/enquire about their unclaimed dividend or pending shares, if any. Please note that in compliance with Section 244 of the Companies Act, 2017 after having completed the stipulated procedure, all dividends unclaimed for a period of three years, from the date due and payable, shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan(SECP).
6. As per Circular No. 10 of 2014 dated May 21, 2014, issued by the SECP the members holding aggregate ten percent or more shareholding residing in geographical location may participate in the meeting through video conference. In this regard a prescribed form is available at <http://kel.com.pk/investorinfo.htm>. To avail this facility, please provide the information to the shares registrar of the Company.
7. As per SRO 787(I) (2014) dated Sep 08, 2014 issued by the SECP the shareholders have an option to receive annual financial statements and notice of AGM through email. In this regard the members are advised to send their consent on prescribed format as available at www.kel.com.pk to our shares registrar. The SECP through its SRO 470(I)/2016 dated May 31, 2016 has allowed the companies to circulate the annual financial statements through CD/DVD/USB. However, a shareholder may request to the Company at Tablighi Ijtima Raiwind Bypass Lahore to provide the printed copy of annual financial statements which shall be provided free of cost.



CHAIRMAN'S REVIEW

The Board of Directors holds annual reviews of its performance both individually and collectively; seeking ways to contribute more towards the sustainable performance of the business. The board of the Company comprises of diversified and multi regional people from Japan and Pakistan and thus poised to help the Company towards its primary objective of enhancing value for the shareholders.

The Board works with senior management to train, model and reinforce the expected behaviors keeping in mind of the need to encourage and sustain a healthy corporate culture with emphasis on ethical and safe practices. In addition, the Board works with management to continually improve the efficient, safe and reliable operations of the power plant.

Resultantly, the Company despite of relatively low dispatch requirement from the power purchaser and ever-increasing overdue amounts, has demonstrated a sound financial performance.

The Company posted net profit after tax of Rs.729.898 million and demonstrated earning per share (EPS) of Rs. 4.31 as compared to net profit after tax of Rs. 804.167 million with an EPS of Rs. 4.75 last year. Because of induction of new capacity of about 11,000 MW, the electricity off take from RFO fired power plants has relatively decreased during the year which is the main reason for reduction in the profit for the year. However because our plant is situated in the heart of the demand centre, therefore I anticipate that we will get more dispatch requirement for the power purchaser than the rest of RFO fired plants.

I take pleasure to inform you that inspite of the mounting overdue amounts receivable from the power purchaser, the Board has proposed a final cash dividend of Rs 1.00 per share. This makes the annual payout to be Rs 3.50 (35%), including two interim distributions of Rs 1.50 and Rs. 1.00 per share paid during the FY 2017-18.

During the year under review the Board regularly visited Company offices and plant and met the key management



executives and gained first hand knowledge of the ongoing operations, business, plans, key developments and challenges confronting the business of the Company. Kohinoor Energy Limited is privileged with a committed workforce of nearly 150 people who are well versed with the efficient, safe and cost effective practices for operation and maintenance of the power complex; This has helped achieve the confidence and satisfaction of our customer through interruption-free and dependable source of power generation. Therefore, on behalf of the Directors, I would like to acknowledge the hard work and enthusiasm of all the men and women at Kohinoor Energy Limited over the past year. Additionally, I would like to extend thanks to the management for their dedication and strong commitment for ensuring reliable, safe and efficient operations of the Company.

M Naseem Saigol
Chairman

Lahore
September 11, 2018

DIRECTORS' REPORT

The Board of Directors feel pleasure to present the Annual Report together with the audited financial statements of the Company for the financial year ended June 30, 2018.

Principal Activities

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

Financial Results

We report that during the year 2017-18, total sales of the Company remained at Rs. 8.283 billion compared to Rs. 8.224 billion in the last financial year. Increase in fuel oil prices has attributed to increase in sales revenue. The Company earned net profit after tax of Rs. 730 million (EPS 4.31) as compared to Rs. 804 million (EPS 4.75) earned during the last financial year. Lower dispatch to WAPDA is the main cause of decline in profit of the Company. The financial results of the Company for the year ended June 30, 2018 are summarized as follows:-

	2018	2017
	(Rupees in thousand)	
Profit before taxation	730,138	804,878
Taxation	(240)	(711)
Profit after taxation	729,898	804,167
Other comprehensive (loss) / income	(18,781)	8,354
Total comprehensive income for the year	711,117	812,521
Un-appropriated profit brought forward	4,362,323	4,397,095
Available for appropriations	5,073,440	5,209,616
Final Dividend 2016-17 @ 20% (Final Dividend 2015-16 @ 17.5% paid during FY 2016-17)	(338,917)	(296,553)
1st Interim Dividend 2017-18 @ 15% (1st Interim Dividend 2016-17@17.5% paid during FY 2016-17)	(254,187)	(296,553)
2nd Interim Dividend 2017-18 @ 10% (2nd Interim Dividend 2016-17@ 15% paid during FY 2016-17)	(169,459)	(254,187)
	(762,563)	(847,293)
Un-appropriated profit carried forward	4,310,877	4,362,323
Earnings per share	Rupees 4.31	4.75



We would like to report that the status of the matters with WAPDA on 1) eligibility of indexation on non-escalable component of the capacity purchase price and 2) the imposition of liquidated damages as detailed in Notes 11.1.1 and 11.1.2 to the financial information is the same as reported to you earlier. The Management and the legal counsel are of the opinion that the matters will be settled in Company's favor if the dispute(s) are referred to Arbitration. Therefore, the Company has not made provision in the attached financial statements.

Moreover, the matter related to sales tax demand raised by the Federal Board of Revenue (the FBR) has been detailed in Note 11.1.3 to the financial information. As informed to you in our earlier reports, the Honorable Lahore High Court vide its judgment dated Oct 31, 2016 has decided that case in favor of the Company. Subsequently, FBR has filed the appeal with the Supreme Court of Pakistan. The management is of the view that there are meritorious grounds to defend the case therefore no provision for the demand has been made in this financial information.

We would also like to report that recoveries from the power purchaser (WAPDA) are less as compare to our billings on account of power supply. Resultantly, overdue amount payable by WAPDA is mounting up. In this regard the management is consistently pursuing the power purchaser, PPIB and the Ministry of Energy for an early recovery of over dues. We reiterate that despite of mounting overdue amount, the Company is complying with all the dispatch instructions of the power purchaser solely in the best interest of the country.

Dividend Distribution

We take pleasure in recommending to the shareholders of the Company for approval in the ensuing AGM, a final dividend at the rate of Rs. 1.00 per share (i.e. @ 10%) which will be paid to those shareholders whose names would appear on members' register on the date as mentioned in the notice of AGM. This final dividend, together with two interim dividends which have already been paid @ 15% in March 2018 and @ 10% in May 2018, shall make the cumulative dividend distribution for the financial year 2017-18 to be 35%.



Operations

We report that during the financial year under review, due to less demand from the power purchaser, the power complex operated at 59.42% capacity factor as compared to the last year's dispatch of 72.93%. As a result the Company delivered 645,395 MWHs of electricity to WAPDA while last year the dispatch was 792,147 MWHs of electricity. During the FY 2017-18 three engines surpassing 116k and three engines surpassing 108k operational hours have been overhauled under 8k major maintenance program as compared to six engines which were dealt under major maintenance program last year.

It was reported earlier that during the year one of the engines had to be shut down due to electrical malfunction of the generator. Consequent to successful repairing at site the same is available at system and running successfully. The detail of the matter has been reported in note 18.7 to these financial statements.



The board report with a profound satisfaction that after taking the charge of maintenance of the plant, all maintenances activities have been carried out by our own well trained technical team. All of the scheduled and unscheduled maintenances have been successfully carried out in accordance with the highest possible standard of quality and budgeted plans. We pleaurably report

that all of the engines and their respective auxiliary equipment are in good condition for safe and reliable operations.

We re-report that the Company maintaining its track record successfully qualified the Annual Dependable Capacity Test (ADC), conducted by WAPDA on May 04, 2018. It is pertinent to mention that even after laps of 20 operational years the plant is in excellent condition and we demonstrated a capacity of 129.41 MW, which is pretty higher than the net contractual capacity of 124 MW. The Board appreciates and applauds the dedication and efforts of the management and all the employees of the Company that resulted in such achievement.

Risk Management

The risk management principles are geared to identifying and analyzing the risks to which the Company is exposed and to establishing the appropriate control mechanisms. The principles of risk management and the processes applied are regularly reviewed, taking due regard and changes in the industry and in the activities of the Company. The ultimate goal is to develop controls, based on the existing training management guidelines and conscious approach to risks.

Operational Risks

The management has established a very comprehensive system of identifying the operational risks. The Quality & EHS function at plant is fully responsible to discharge its responsibilities to identify, measure and to take necessary steps to address and mitigate the probabilities of malfunctioning or any unforeseen event. Standard operational procedures and contingency plans consistent with international quality standards, backed by thorough studies and practices, are in place to ensure safe and reliable operations.

Financial Risks

The financial risk management is disclosed in note 31 to the financial statements of the Company.



Credit Rating

We report that the Pakistan Credit Rating Agency (PACRA) has maintained the same rating as awarded last year i.e. "AA" (Double A) and "A1+" (A one plus) for the long-term and short-term entity ratings of the Company respectively. The ratings denote a very low expectation of credit risk and strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

The ratings reflect robust financial profile of the Company. The ratings recognize the successful management of Operations and Maintenance (O&M) activities in-house and outcome of technically sound management, robust systems and controls and strong management structure of the Company.

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

The Directors state that:

- The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Company's ability to continue as a going concern;

- The key operating and financial data of last six years is attached to the report;
- During the financial year under review the Board of Directors (BOD) and the Audit Committee (AC) met, each for five times. The names of the persons who remain on the board during the FY 2017-18 and their attendance is as follows:

Name of Director	Attendance	
	BOD	AC
Mr. M. Naseem Saigol	3/5	
Mr. S M Shakeel	5/5	3/3
Mr. Mikihiro Moriya	1/3	1/3
Mr. Tatsuo Hisatomi	3/3	
Mr. Shinichi Ushijima	1/3	1/3
Mr. Ichiro Kawano	2/2	
Mr. Hirotooshi Ugajin	5/5	5/5
Mr. Shingo Ito	2/2	2/2
Ms. Mariko Ueda	2/2	2/2
Mr. Muhammad Asad Khan	2/5	

The Board granted leaves of absence to the board members who could not attend the board meeting(s).

- During the financial year under review the HR and Remuneration Committee met for one time and Ms. Mariko Ueda, Mr. Hirotooshi Ugajin and Mr. S M Shakeel attended the said meeting.
- The Chief Executive Officer, Directors, Chief Financial Officer, Company Secretary and their spouse and minor children have made no sale / purchase of Company's shares during the year July 01, 2017 to June 30, 2018.
- The Company has established Employees Gratuity Fund and registered with the concerned authority. Annual provision has been made on actuarial valuation basis to cover obligation under the scheme for all employees eligible to gratuity benefits irrespective of the qualifying period. The value of the investments of Gratuity Fund as on June 30, 2018 was Rs. 271.64 million.
- The Board has formed Audit Committee. It comprises of three non-executive directors. An independent director is the Chairman of the Committee.
- The Board as required by CCG for reporting on trade in shares of the Company, has defined that the expression 'Executive' shall means the CEO, COO, CFO, Head of Internal Audit, Company Secretary and the Managers / Departmental Heads of the Company by whatever name called.



Changes on the Board

We write to inform you that since the last annual general meeting held on October 23, 2017. Mr. Shinichi Ushijima, Mr. Tatsuo Hisatomi and Mr. Mikihiro Moriya have relinquished the office of Director and in their places the Board has appointed Mr. Ichiro Kawano, Ms Mariko Ueda and Mr. Shingo Ito as Directors of the Company with effect from April 16, 2018 for the remainder of the term of the outgoing directors.

The Board wishes to record its appreciation for the valuable services rendered by Mr. Ushijima, Mr. Hisatomi and Mr. Moriya as Directors and member of the board committees and extends its warm welcome to Mr. Kawano, Ms. Ueda and Mr. Ito as new Director of the Company.

Corporate Social Responsibility (CSR)

The board takes pleasure to report that community welfare programs are consistently running with full dedication and enthusiasm. We pleurably inform you that supporting to the surrounding community the CSR program has remained strategic part of our business approach. We profoundly report that contribution on free medical treatment facility and free education facility for deserving children of the people living in the vicinity of the power plant has remained the focused areas of our CSR program:

a) Medical Facility

The Company paying attention to one of the corporate social responsibility (CSR) program is providing free medical treatment facility to the deserving people of the neighboring area of the power plant. A competent medical team comprising of qualified doctor and its nursing staff is serving the patients with full devotion and dedication. During the FY 2017-18 total 13,040 deserving patients have been provided with medical care at a cost of Rs. 6.270 million.

b) Education Facility

The management of the Company is committed and playing its role in uplifting the living standard of the surrounding community. The Company is contributing to its second CSR program by providing free education to the deserving children of the community. We profoundly report that presently 224 students are being provided with education, of which the earliest two batches of students have passed out secondary school certificate.

We also take pleasure to inform you that from among the passing out students, the Company is also fully supporting the talented students seeking further education. Among the passing out

students, six talented children have been selected for providing higher secondary school education. Said students have been enrolled in private colleges where they are being provided with uniform, tuition fee and transportation fully sponsored by the Company. Overall, during the year the Company has contributed Rs. 6.129 million on account of education facility.

Impact on Environment

The Company is committed in minimizing the environmental impacts of its operations through adoption of sustainable practices and continuous improvement in environmental performance. The management always evaluates its process that could reduce waste and emissions. Improving operational efficiencies, minimizing consumption of non-renewable and natural resources are among our priority areas. The Company acknowledges the fact of protecting the environment and realizes its role to avoid disturbing the ecosystem as a result of its operations.

The processes of the Company are tried at best to follow the international standards of Environmental Management System, and comply with the applicable policies, laws and regulations relating to the environment.

In this regard we are taking some additional measures to restore eco friendly environment that includes:

- Conservation of rain water for uplifting the ground water level.
- Composting of mess kitchen and garden waste which is used to increase the fertility of the land by adding rich food nutrients to the plants while on the other side it reduces the garbage generation.
- The water used during operations activities is ultimately moved to feeding our fish ponds and gardening.
- The waste water is treated at waste water treatment plant before releasing to the main drain.



- We are putting our efforts to minimize the use of paper and trying to create an environment where most of the documentation is done electronically.
- We are conducting energy audits and monitoring the efficient use of energy at the areas of power complex and offices.
- We have replaced conventional lights with the energy efficient LED's (environment friendly lights).
- Lux level monitoring and motion sensors are being applied for reduction of lighting energy cost. Lux sensors are being used to measure the amount of available daylight and adjust the light levels accordingly to reduce unnecessary energy consumption.



Internal Control System of the Company

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

Auditors

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

Change in Format of Auditor's Report

The Securities and Exchange Commission of Pakistan (SECP) has issued Auditors (Reporting Obligations) Regulations, 2018 vide SRO 558(I)/2018 dated April 26, 2018 through which the revised formats of the auditor's reports have been specified. One of the significant changes that have been brought in by the said regulations is the inclusion of 'Key Audit Matters' in the audit report on the financial statements of the listed companies.

Accordingly, the report to the members of the Company complies with the revised format as specified in the regulations.

Pattern of Shareholding

A statement of pattern of shareholding and additional information as at June 30, 2018 is annexed to the Annual Report.

Acknowledgement

The Board recognizes and appreciates the valuable shareholders, WAPDA, Private Power and Infrastructure Board, financial institutions and lenders, Wartsila, Pakistan State Oil and other suppliers for their trust, continued support and their confidence extended to the Company. We are also thankful to all of the executives and staff members of the Company for their hard work, dedication and enthusiasm with the Company and we are sure that the same spirit of allegiance will remain continue in the years to come.

For and on behalf of the Board

Lahore
September 11, 2018

S M Shakeel
Chief Executive

Shingo Ito
Director



ڈائریکٹرز رپورٹ



بورڈ آف ڈائریکٹرز کمپنی کے مالی حسابات کے ساتھ سالانہ رپورٹ برائے مدت ختمہ 30 جون 2018 خوشی محسوس کرتے ہوئے پیش کرتے ہیں۔

اہم سرگرمیاں

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

مالی نتائج

ہم آگاہ کرتے ہیں کہ سال 2017-18 کے دوران کمپنی کی مجموعی فروخت 8.283 بلین روپے رہی جب کہ اس سے پچھلے مالی سال یہ 8.224 بلین روپے تھی۔ فروخت کی رقم میں اضافے کی اصل وجہ خام تیل کی قیمت میں اضافہ ہے۔ کمپنی نے پچھلے مالی سال کے 804 ملین روپے کے مقابلے میں 730 ملین روپے کا خالص بعد از ٹیکس منافع حاصل کیا۔ خالص منافع پچھلے مالی سال کے 4.75 روپے کے مقابلے میں 4.31 روپے فی شیئر آمدنی کو ظاہر کرتا ہے۔ کمپنی کے منافع میں کمی کی بڑی وجہ واپڈا کی طرف سے بجلی کی کم ڈیمانڈ ہے۔ 30 جون 2018 کو ختم ہونے والے سال کے لیے کمپنی کے مالی نتائج مختصراً اس طرح ہے۔

ہم واپڈا کے ساتھ معاملات کے بارے میں رپورٹ کرنا چاہتے ہیں (1 Non-Escalable اجزاء کی خریداری کی قیمت کی indexation اور 2 LDs) کے نفاذ کی تفصیل کو مالیاتی رپورٹ کے نوٹس 11.1.1 اور 11.1.2 میں پیش کر دیا گیا ہے جو ہم پہلے بھی رپورٹ کر چکے ہیں۔ انتظامیہ اور قانونی مشیر کی رائے ہے کہ اگر اس تنازع کو نمائندگی کے حوالے کیا گیا تو اس کا تصفیہ کمپنی کے حق میں ہونے کے واضح امکان ہیں۔ اس لیے کمپنی نے ان رقوم نفع و نقصان کے حساب میں نہیں لیا۔ اسکے علاوہ وفاقی بورڈ آف ریونیو کی طرف سے اٹھائے جانے والی سبزی ٹیکس کی طلب سے متعلق معاملات کے بارے میں مالیاتی رپورٹ کے نوٹ 11.1.3 میں درج کر دیا گیا ہے۔ ہم اس حوالے سے بھی بتانا چاہتے ہیں کہ 31 اکتوبر 2016 لاہور ہائی کورٹ کی اعلیٰ عدالت پہلے ہی کمپنی کے حق میں فیصلہ کر چکی ہے۔ اسکے بعد ریفرنس آرنے سہولت کو پاکستان میں اپیل کر رکھی ہے۔ انتظامیہ کا یہ موقف ہے کہ اس کیس کے دفاع میں ٹھوس حقائق موجود ہیں لہذا کمپنی نے اس رقم کو بھی نفع و نقصان کے حساب میں نہیں لیا۔

مزید برآں ہم رپورٹ کرنا چاہیں گے کہ بجلی کی خریداری کے مد میں واپڈا کی طرف واجب الادا رقم میں اضافہ ہو رہا ہے۔ اس سلسلے میں کمپنی کی انتظامیہ اس واجب الادا رقم کی وصولی کے لئے بجلی کے خریدار، پی پی آئی بی اور واٹر اینڈ پاور کی وزارت کے ساتھ مسلسل رابطے میں ہے۔ یہاں پر یہ ذکر کرنا

2017 2018

(روپے ہزار میں)

804,878	730,138
(711)	(240)
804,167	729,898
8,354	(18,781)
812,521	711,117
4,397,095	4,362,323
5,209,616	5,073,440
(296,553)	(338,917)
(296,553)	(254,187)
(254,187)	(169,459)
(847,293)	(762,563)
4,362,323	4,310,877
4.75	4.31

روپے

قبل از ٹیکس منافع

ٹیکس

بعد از ٹیکس منافع

دیگر جامع (خسارہ) / آمدنی

کل وسیع جامع آمدنی برائے سال

غیر مختص شدہ منافع

حتمی منافع منقسمہ 20% @ 2016-17 (حتمی منافع منقسمہ 17.5% @ 2015-16 مالی سال 2016-17 کے دوران ادا کیا گیا)
 پہلا عبوری منافع منقسمہ 15% @ 2017-18 (پہلا عبوری منافع منقسمہ 17.5% @ 2016-17 جو مالی سال 2016-17 میں ادا کیا گیا)
 دوسرا عبوری منافع منقسمہ 10% @ 2017-18 (دوسرا عبوری منافع منقسمہ 15% @ 2016-17 جو مالی سال 2016-17 میں ادا کیا گیا)

غیر ادا شدہ منافع

آمدنی فی شیئر

نے 129.41 MW استعداد کی قابل تعریف پرفارمنس کا مظاہرہ کیا جو 124 MW کی مجموعی معاہداتی استعداد سے کہیں زیادہ ہے۔

رسک مینجمنٹ

خطرات کے انتظامی اصول خطرات کی نشاندہی، ان کا تجزیہ کرنے اور انکو روکنے کے لئے مناسب اور مربوط طریقہ کار وضع کرتے ہیں جس کا کمپنی کو سامنا ہے۔ انڈسٹری میں ہونے والی تبدیلیوں اور کمپنی کی موجودہ سرگرمیوں کو مد نظر رکھتے ہوئے خطرات کے انتظام کے تمام لاگو قواعد و ضوابط کا باقاعدگی سے جائزہ لیا جاتا ہے۔ جس کا اہم مقصد خطرات سے نمٹنے کے لئے موجودہ ترتیبی نظام کے نقطہ نظر اور اصولوں کے مطابق طریقہ کار وضع کرنا ہے۔

آپریٹل خطرات

مینجمنٹ نے آپریٹل خطرات کی شناخت کے لئے ایک مکمل اور مربوط طریقہ کار وضع کیا ہے۔ پلانٹ پر کسی بھی قسم کے خطرے کی شناخت کرنے اور غیر متوقع خطرے کے وقوع پذیر ہونے کو کم کرنے کے لئے ضروری حفاظتی اقدامات کو مکمل طور پر کو ایچ ایس اور ایف ایس کے فنکشن کی ذمہ داری ہے۔

مالیاتی خطرات

کمپنی کے مالیاتی خطرات کے انتظام کو کمپنی کے مالیاتی حسابات کے نوٹ نمبر 31 میں واضح کر دیا گیا ہے۔

کریڈٹ ریٹنگ

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

یہ ریٹنگ کمپنی کے مضبوط فنانشل پروفائل کی عکاسی کرتی ہیں۔ یہ ریٹنگ کمپنی کے اندر آپریٹنگ اینڈ مینٹیننس (O&M) سرگرمیوں کے کامیاب انتظام کا اعتراف اور فنی اعتبار سے مضبوط انتظام، مستحکم سٹریکچر اور کثرت و بڑا اور کمپنی کے طاقت ور انتظامی ڈھانچے کی عکاسی کرتی ہیں۔

کوڈ آف کارپوریٹ گورننس کی تعمیل میں اسٹیٹمنٹس

ڈائریکٹرز بیان کرتے ہیں کہ:

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

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

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

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

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

ضروری ہے کہ واجب الادا رقم کے بڑھنے کے باوجود کمپنی ملک کے بہترین مفاد میں واپڈا کی طرف سے بجلی کی ترسیل کی تمام ہدایات کی پابندی کر رہی ہے

منافع منقسمہ کی تقسیم

بورڈ آف ڈائریکٹرز خوشی کے ساتھ، کمپنی کے شیئرز ہولڈرز کے لیے اگلے سالانہ اجلاس عام میں 1.00 روپے فی شیئر (10% کی شرح سے) حتمی منافع منقسمہ کی منظوری کی سفارش کرتے ہیں، جو ان شیئرز ہولڈرز کو ادا کیا جائے گا جن کے نام اس تاریخ کو جو سالانہ اجلاس عام کے نوٹس میں درج ہوگی، ممبران کے رجسٹر میں موجود ہوں گے۔ دو پچھلے عبوری منافع منقسمہ، جو پہلے ہی مارچ 2018 میں 15% اور مئی 2018 میں 10% کی شرح سے ادا کیے جا چکے ہیں، کو ساتھ ملا کر یہ حتمی منافع منقسمہ 2017-18 کے مالی سال کے لیے کل منافع منقسمہ بنے گا، 35% ہو جائے گا۔

آپریٹنگ

ہم آگاہ کرتے ہیں کہ زیر بحث مالی سال کے دوران پاور کمپلیکس نے 59.42% استعدادی محرک کے طور پر کام کیا جبکہ پچھلے سال کی ترسیل 72.93 فیصد کی استعداد پر رہی۔ اس کے نتیجے میں کمپنی نے واپڈا کو 645,935 MWhs بجلی فراہم کی، جبکہ پچھلے سال یہ فراہمی 792,147 MWhs تھی۔ زیر غور مالی سال کے دوران تین انجن جو کہ 116K اور تین انجن 108K آپریٹل گھنٹے مکمل کر چکے تھے انھیں 8K میجر مینٹی نینس پروگرام کے تحت اور ہال کیا گیا جبکہ پچھلے سال چھ انجنوں کو 8K میجر مینٹی نینس پروگرام کے تحت اور ہال کیا گیا۔ یہ پہلے بتایا جا چکا ہے کہ انجنوں میں سے ایک انجن جرنیشن کی خرابی کی وجہ سے بند ہو گیا تھا، پلانٹ پر یہ کامیابی کے ساتھ مرمت کرنے کے بعد اب کامیابی کے ساتھ چل رہا ہے جس کی تفصیل مالی حسابات کے نوٹ نمبر 18.7 میں درج کر دی گئی ہے



بورڈ یہ بتاتے ہوئے مطمئن ہے کہ مینٹی نینس کا چارج لینے کے بعد تمام مینٹی نینس ہماری اپنی ٹیم نے انجام دی ہے۔ تمام شیڈولڈ اور پریوینٹیو مینٹی نینس مقررہ طریقہ کار کے مطابق کی گئی ہے۔

ہمیں یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ تمام انجن اور معاون آلات محفوظ اور قابل بھروسہ آپریٹنگ کے لیے بالکل ٹھیک حالت میں ہیں۔ ہمیں یہ بتاتے ہوئے بھی خوشی ہے کہ ہم نے واپڈا کی طرف سے 04 مئی 2018 کو لیے جانے والے Annual Dependable Capacity Test (ADC) کو کامیابی سے کوالیفائی کیا۔ ہم مکمل یقین کے ساتھ یہ بتا رہے ہیں کہ کارکردگی کے 20 سال مکمل کرنے کے باوجود پاور پلانٹ بہترین حالت میں ہے۔ نتیجتاً اس



ڈائریکٹر مقرر کیا ہے۔ جناب میکھی ہیر و موریا، جناب ناتسو پیسا ٹومی اور جناب شی نیچی اوشی جیما نے ڈائریکٹر کی حیثیت سے جو گراں قدر خدمات انجام دیں، بورڈ آف ڈائریکٹرز ان کو سراہتا ہے اور کمپنی کے نئے ڈائریکٹر کی حیثیت سے جناب اچیر و کوانو، جناب شنگو ایتو اور محترمہ ماریکو اویدا کا پر جوش خیر مقدم کرتا ہے۔

کارپوریٹ سماجی ذمہ داریاں (CSR)

☆ کمپنی کے آگے بڑھنے کی قابلیت کے بارے میں کوئی شبہ نہیں ہے۔
☆ پچھلے چھ سال کا آپریٹنگ اور فنانس ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔
☆ زیر جائزہ مالی سال کے دوران بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے پانچ اجلاس ہوئے اور سال 2017-18 کی دوران بورڈ پر ہونے والے ڈائریکٹرز کے نام اور حاضری درج ذیل ہے:

حاضری			حاضری		
آڈٹ کمیٹی	بورڈ	ڈائریکٹر کا نام	آڈٹ کمیٹی	بورڈ	ڈائریکٹر کا نام
	2/2	جناب اچیر و کوانو		3/5	جناب نسیم سہگل
5/5	5/5	جناب ہیر و ٹوشی اوگا جن	3/3	5/5	جناب ایس ایم تکلیل
2/2	2/2	جناب شنگو ایتو	1/3	1/3	جناب میکھی ہیر و موریا
2/2	2/2	محترمہ ماریکو اویدا		3/3	جناب ناتسو پیسا ٹومی
	2/5	جناب محمد اسد خان		1/3	جناب شی نیچی اوشی جیما

بورڈ نے ان بورڈ ممبرز کی رخصت کی منظوری دی جو اجلاس (اجلاسوں) میں شریک نہیں ہو سکے۔

ہم آپ کو بخوشی آگاہ کرتے ہیں کہ آس پاس رہنے والی آبادی کی مدد CSR پروگرام ہمارے کاروباری انداز فکر کا اہم حصہ رہا ہے۔ ہم یہ اطلاع دیتے ہیں کہ بجلی گھر کے قرب و جوار میں رہنے والوں کو علاج معالجے کی مفت سہولت اور مستحق بچوں کی مفت تعلیم ہمارے CSR پروگرام کی توجہ کا محور رہی ہے۔

(a) طبی سہولت

آپ کی کمپنی کی انتظامیہ اپنی سماجی ذمہ داری پر توجہ دیتے ہوئے بجلی گھر کے آس پاس کے علاقے کے مستحق لوگوں کو مفت علاج معالجے کی سہولت فراہم کر رہی ہے۔ کوالیفائیڈ ڈاکٹر اور اسٹاف پر مشتمل ایک صلاحیت میڈیکل ٹیم پورے خلوص کے ساتھ مریضوں کی خدمت کر رہی ہے۔ ہم آگاہ کرتے ہیں کہ مالی سال 2017-18 کے دوران 6,270 ملین روپے سے 13,040 مستحق مریضوں کا علاج معالجہ کیا گیا۔

(b) تعلیمی سہولت

ایک اور CSR پروگرام میں معاونت کرتے ہوئے آپ کی کمپنی آس پاس کی آبادی کے مستحق بچوں کو مفت تعلیم فراہم کر رہی ہے اور اس طرح تعلیم کے ذریعے معاشرے کی ترقی میں اپنا کردار ادا کر رہی ہے۔ اس ضمن میں ہم آپ کو آگاہ کرنا چاہیں گے کہ اس وقت 224 اسٹوڈنٹس کو تعلیم دی جا رہی ہے، جن میں سے طلبہ کے دو بیچ 10 ویں جماعت پاس کر چکے ہیں۔ اس سہولت میں تمام طلبہ کو مفت تدریس، نصابی کتب اور یونیفارم کی فراہمی شامل ہے۔ کمپنی نے سال کے دوران تعلیمی سہولت کی مدد میں 6.129 ملین روپے خرچ کیے۔

ماحول پر اثرات

کمپنی اپنے آپریٹنگ کی وجہ سے ہونے والے ماحولیاتی اثرات کو کم کرنے کے لئے بہترین طریقوں کو استعمال کرتے ہوئے ماحولیاتی کارکردگی کو بہتر بنانے کے لئے کوشاں ہے۔ مینجمنٹ ہمیشہ اس بات کا خیال رکھتی ہے جو ویسٹ اور ضیاع کو کم کر سکے۔ آپریشنل صلاحیتوں میں بہتری اور غیر قابل تجدید

☆ زیر غور مالی سال کے دوران ایچ آر اور مشاہرہ کمیٹی کا ایک اجلاس ہوا جس میں محترمہ ماریکو اویدا، جناب ہیر و ٹوشی اوگا جن اور جناب ایس ایم تکلیل شریک ہوئے۔
☆ یکم جولائی 2017 سے 30 جون 2018 کے سال کے دوران چیف ایگزیکٹو آفیسر، ڈائریکٹرز، چیف فنانس آفیسر، کمپنی سیکرٹری، ان کی بیگمات اور نابالغ بچوں نے کمپنی کے شیئرز کی کوئی خرید و فروخت نہیں کی۔
☆ کمپنی نے ایبلیٹا گریپوٹی فنڈ قائم کیا اور اسے متعلقہ اتھارٹی کے پاس رجسٹر کر لیا۔ سالانہ تخصیص اصل ویلیویشن کی بنیاد پر کی گئی تاکہ اس اسکیم کے تحت ان تمام ملازمین کی ذمہ داری پوری کی جاسکے جو کوالیفائیڈ مدت سے قطع نظر گریپوٹی کے فوائد کا حق رکھتے ہیں۔ 30 جون 2018 کو گریپوٹی فنڈ میں سرمایہ کاری کی ویلیو 271.64 ملین روپے تھی۔
☆ بورڈ نے آڈٹ کمیٹی قائم کی ہے۔ یہ تین ممبران پر مشتمل ہے، جن میں سے تین نان ایگزیکٹو ڈائریکٹرز ہیں۔ غیر جانبدار ڈائریکٹرز اس کمیٹی کا چیئرمین ہے۔
☆ بورڈ نے، جیسا کہ کمپنی کے انڈسٹریز کی خرید و فروخت کے بارے میں اطلاع دینے کے لیے CCG کا تقاضا ہے، یہ تفریح کی ہے کہ لفظ "ایگزیکٹو" کا مطلب CEO, COO, ہیڈ آف انٹرنل آڈٹ، کمپنی سیکرٹری، اور کمپنی کے مینجنگ سبجیکٹس جاتی سربراہ ہوں گے خواہ انہیں کسی بھی نام سے پکارا جائے۔

بورڈ میں تبدیلیاں

ہم آپ کو آگاہ کرتے ہیں کہ 23 اکتوبر 2017 کو منعقد ہونے والے سالانہ اجلاس عام کے بعد جناب میکھی ہیر و موریا، جناب ناتسو پیسا ٹومی اور جناب شی نیچی اوشی جیما نے ڈائریکٹر کا عہدہ چھوڑ دیا ہے اور بورڈ نے ان کی جگہ جناب اچیر و کوانو، جناب شنگو ایتو اور محترمہ ماریکو اویدا جن کو سبکدوش ہونے والے ڈائریکٹر کی بقید مدت کے لیے 23 اپریل 2018 سے کمپنی کا

قابل اعتماد مالیاتی معلومات کی بروقت تیاری ہے

آڈیٹرز

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

آڈیٹرز رپورٹ کے طریقہ کار میں تبدیلی

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے SRO 558(1)/2018 بتاریخ 26 اپریل 2018 کو آڈیٹرز ریگولیشن 2018 جاری کیا ہے جس میں نظر ثانی شدہ آڈیٹرز رپورٹ کا طریقہ کار وضع کیا گیا ہے۔ اس ریگولیشن کی ایک اہم تبدیلی جو سامنے آئی ہے وہ کمپنی کے مالی حسابات کی آڈٹ رپورٹ میں "Key Audit Matters" کا شامل ہونا ہے۔ اس کے مطابق ممبران کے لئے رپورٹ اس نئے نظر ثانی شدہ طریقہ کار کے قواعد و ضوابط کو پورا کرتی ہے۔


شیئرز ہولڈنگ کا پیٹرن

اسٹیٹ آف پیٹرن آف شیئرز ہولڈنگ اور اضافی معلومات، جیسا کہ 30 جون 2018 کو تھیں، اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر

بورڈ، گران قدر شیئرز ہولڈرز، واڈا، پرائیویٹ پاور اینڈ انفراسٹرکچر بورڈ، مالیاتی اداروں، Wartsila، اے بی بی، پاکستان اسٹیٹ آئل اور دوسرے کاروباری ساتھیوں کی مسلسل حمایت، اور کمپنی پر ان کے اعتماد کا اعتراف اور تعریف کرتا ہے۔ بورڈ انجینئرز کی ٹیکنیکل ٹیم کو یکسوئی کے ساتھ اپنے فرائض کی انجام دہی پر خراج تحسین پیش کرتا ہے اور ہم کمپنی کے تمام ایگزیکٹوز کی انتھک محنت، خلوص اور لگن کے بھی شکر گزار ہیں کہ انہوں نے پلانٹ کے آپریشنز کو محفوظ اور یقینی بنایا اور ہمیں یقین ہے کہ آئندہ مستقبل میں بھی وفاداری کا یہ جذبہ برقرار رہے گا۔

برائے اور از طرف بورڈ



English

ایس ایم گل

چیف ایگزیکٹو

شکو ایجو

ڈائریکٹر

لاہور

11 ستمبر 2018

قدرتی وسائل کی کم سے کم کھپت ہماری ترجیحات میں شامل ہے۔ کمپنی ماحول کے تحفظ کو تسلیم کرتی ہے اور اپنے آپریشنز سے ہونے والے اثرات سے ماحول کو بچانے کے لئے اپنی ذمہ داری سے بخوبی عیاں ہے۔



کمپنی کے تمام پراسسز کی اپنے طور پر بہترین کوشش ہے کہ بین الاقوامی ماحولیاتی انتظامی طریقہ کار کو اپنایا جائے اور تمام نافذ العمل پالیسیز اور قواعد و ضوابط کی پاسداری کی جائے اس سلسلے میں ہم ماحول کو ماحول دوست بنانے کے لیے کچھ اضافی اقدامات کر رہے ہیں جس میں شامل ہے:-

زمین کے پانی کی سطح بلند کرنے کے لئے بارش کے پانی کی حفاظت
چکن اور باغ کی ویسٹ جہاں زمین کی زرخیزی اور پودوں کی نشوونما کے لئے غذائی خوراک کے طور پر استعمال ہو رہی ہے وہاں دوسری طرف کچرے کی بڑھوتی میں بھی کمی کر رہی ہے
آپریشنز کے دوران استعمال ہونے والا پانی بالآخر چھلی کے تالابوں اور باغیچوں کے لئے استعمال کیا جاتا ہے۔

ضائع شدہ پانی کو بڑے نالے میں نکاس سے پہلے واٹر ٹریٹمنٹ پلانٹ پر نکاس کے قابل بنایا جاتا ہے۔

ہم اپنی بھرپور کوشش کر رہے ہیں کہ کاغذ کے استعمال کو کم کیا جائے اور ایسا ماحول بنانے کی کوشش کر رہے ہیں جہاں پر زیادہ تر خط و کتابت الیکٹرانکلی ہو۔

ہم توانائی کے استعمال کا آڈٹ کر رہے ہیں۔ پاور کیکلیس اور دفاتر کے حصوں میں موخر توانائی کے حصول کی نگرانی کر رہے ہیں۔

ہم نے پرانی روایتی لائٹس کو نئی ماحول دوست موخر اور بہتر LED لائٹس کے ساتھ تبدیل کر دیا ہے۔

بجلی کی کھپت کو کم کرنے کے لئے ریکس لیول مانیٹرنگ اور موثر سینرز استعمال کئے جا رہے ہیں۔ کس سینرز دن کی روشنی کی موجودگی کو جانچنے کے لئے استعمال کئے جا رہے ہیں اور جو غیر ضروری توانائی کی کھپت میں موجودہ روشنی کی مقدار کے مطابق کمی کرتے ہیں۔

کمپنی کا اندرونی نظام کنٹرول

انتظامیہ نے انتظام کے مقاصد کو حاصل کرنے کو یقینی بنانے کے لئے تمام اندرونی کنٹرول کی پالیسیوں کو اپنایا ہے۔ جہاں عملی طور پر اس کے کاروبار کے منظم اور موثر انداز میں انتظامی پالیسیوں کی تعمیل، امانتوں کی حفاظت، دھوکے دہی اور غلطی کا پتہ لگانے سمیت، اکاؤنٹنگ ریکارڈ کی درستگی اور مکمل



HUMAN RESOURCE MANAGEMENT

Our Human Resources (HR) policies, procedures and infrastructure exist to ensure that we recruit, retain and develop a diverse, talented and committed workforce while meeting our statutory obligations as an employer. Highly professional and skilled engineers are among our valuable assets of the Company.

Equality and diversity considerations are central to all aspects of HR. We have extensive monitoring procedures and ensure that all our main policies and procedures are covered by equality assessments.



We believe in the retain policy and accordingly we have designed our policies and have provided excellent working environment to employees across the Company to achieve this goal. We take care of the mental and physical health and fitness of our human resource.



CORPORATE SOCIAL RESPONSIBILITY (CSR)



The community welfare programs are consistently running with full dedication and enthusiasm. We pleasurablely inform you that supporting to the surrounding community the CSR program has remained strategic part of our business approach. We profoundly report that contribution on free medical treatment facility and free education facility for deserving children of the people living in the vicinity of the power plant has remained the focused areas of our CSR program:

a) Medical Facility

The Company paying attention to one of the corporate social responsibility (CSR) program is providing free medical treatment facility to the deserving people of the neighboring area of the power plant. A competent medical team comprising of qualified doctor and its nursing staff is serving the patients with full devotion and dedication. During the FY 2017-18 total 13,040 deserving patients



have been provided with medical care at a cost of Rs. 6.270 million.

b) Education Facility

The management of your Company is committed and playing its role in uplifting the living standard of the surrounding community. The Company is contributing to its second CSR program by providing free education to the deserving children of the community. We profoundly report that presently 224 students are being provided





with education, of which the earliest two batches of students have passed out secondary school certificate.

We also take pleasure to inform you that from among the passing out students the Company is also fully supporting to the talented students seeking further education. Among the passing out students, six talented children have been selected for providing higher secondary school education. Said students have been enrolled in private colleges where they are being provided with uniform, tuition fee and transportation fully sponsored by the Company. Overall, during the year the Company has contributed Rs. 6.129 million on account of education facility,



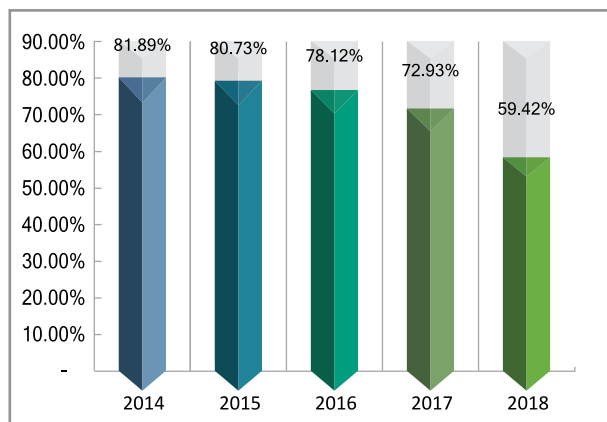
FINANCIAL DATA

	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
DISPATCH LEVEL (%)	59.42%	72.93%	78.12%	80.73%	81.89%
DISPATCH (MWH)	645,395	792,147	850,945	876,897	889,521
REVENUE (Rs. 000)					
ENERGY FEE	7,124,100	7,113,363	6,209,568	10,578,874	13,905,992
CAPACITY FEE	1,158,541	1,110,498	1,074,368	1,082,190	1,052,174
TOTAL REVENUE	8,282,641	8,223,861	7,283,936	11,661,064	14,958,166
COST OF SALES	7,019,967	6,988,329	6,174,928	10,292,710	13,379,179
GROSS PROFIT	1,262,674	1,235,532	1,109,008	1,368,354	1,578,987
PROFITABILITY (Rs. 000)					
PROFIT/(LOSS) BEFORE TAX	730,138	804,878	695,661	843,759	1,071,618
PROVISION FOR INCOME TAX	240	711	445	1,283	3,054
PROFIT/(LOSS) AFTER TAX	729,898	804,167	695,216	842,476	1,068,564
OTHER COMPREHENSIVE (LOSS) / INCOME	(18,781)	8,354	(7,985)	9,901	7,814
FINANCIAL POSITION (Rs. 000)					
NON CURRENT ASSETS	3,503,541	3,690,802	3,908,948	4,141,922	4,324,055
CURRENT ASSETS	8,022,394	6,184,818	4,880,224	4,818,886	5,856,887
LESS CURRENT LIABILITIES	5,520,472	3,818,711	2,697,491	2,593,739	3,490,374
NET WORKING CAPITAL	2,501,922	2,366,107	2,182,733	2,225,147	2,366,513
CAPITAL EMPLOYED	6,005,463	6,056,909	6,091,681	6,367,069	6,690,568
LESS LONG TERM LOANS	-	-	-	30,597	189,721
SHARE HOLDERS EQUITY	6,005,463	6,056,909	6,091,681	6,336,472	6,500,847
REPRESENTED BY (Rs. 000)					
SHARE CAPITAL	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586
UNAPPROPRIATED PROFIT BEFORE APPROPRIATION	5,073,440	5,209,616	5,329,117	5,658,638	6,712,670
APPROPRIATION / DIVIDENDS	762,563	847,293	932,022	1,016,752	1,906,409
UNAPPROPRIATED PROFIT BROUGHT FORWARD	4,310,877	4,362,323	4,397,095	4,641,886	4,806,261
	6,005,463	6,056,909	6,091,681	6,336,472	6,500,847
SHARE PRICES AS ON JUNE 30,	40.00	43.07	41.20	50.50	41.42
EARNING PER SHARE	4.31	4.75	4.10	4.97	6.31
RATIOS:					
RETURN ON ASSETS	0.06	0.08	0.08	0.09	0.10
PRICE EARNING RATIO	9.28	9.07	10.05	10.16	6.56
BREAK UP VALUE PER SHARE OF Rs. 10 EACH	35.44	35.74	35.95	37.39	38.36
CURRENT RATIO	1.45	1.62	1.81	1.86	1.68
NET PROFIT/(LOSS) TO SALES (%AGE)	8.81%	9.78%	9.54%	7.22%	7.14%
DIVIDEND PER SHARE	4.50	5.00	5.50	6.00	11.20

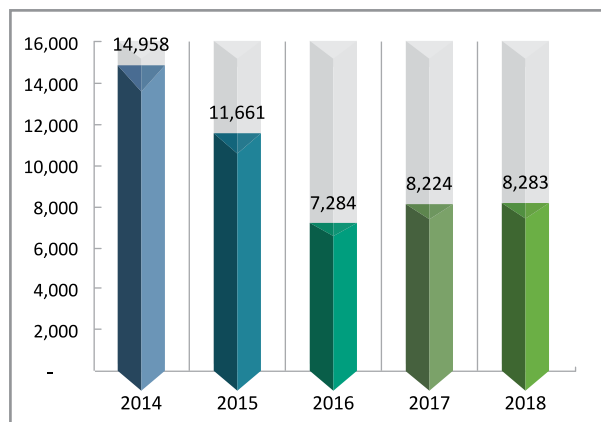


PERFORMANCE OVERVIEW

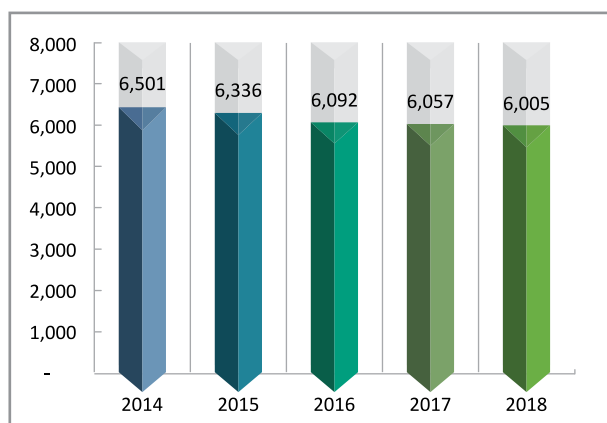
“Despatch Percentage”



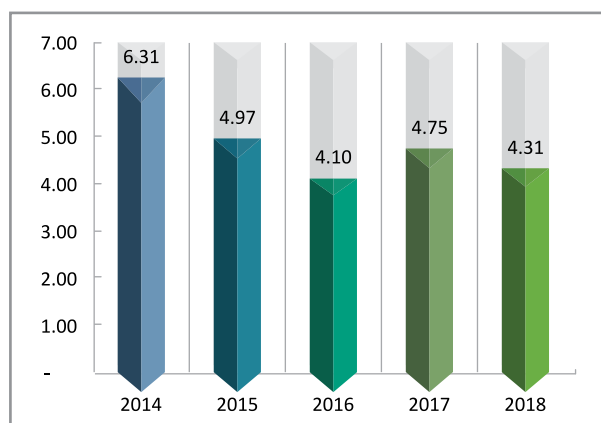
“Turnover” (Rupees in Million)



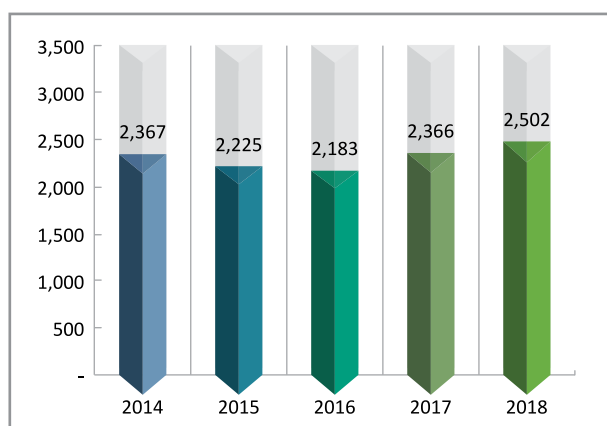
“Share Holder Equity” (Rupees in Million)



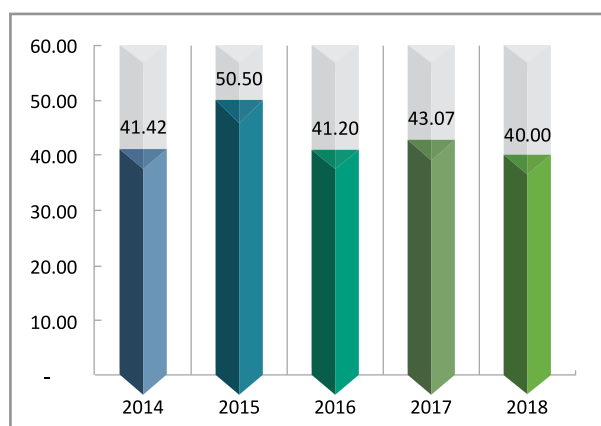
“Earning Per Share” (Rupees)



“Working Capital Analysis” (Rupees in Million)



“Share Price” (Rupees)



STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2017

For the Year ended June 30, 2018

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

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

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

2. The composition of board is as follows:

Independent Directors	Non-Executive Directors	Executive Directors
Mr. Hirotooshi Ugajin Mr. Shingo Ito Ms. Mariko Ueda	Mr. M. Naseem Saigol Mr. Muhammad Asad Khan Mr. Ichiro Kawano	Mr. S M Shakeel

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board has arranged Directors' Training programs for the following:

Name of Directors:	Name of Executive & Designation
1. Mr. Hirotooshi Ugajin	1. Syed Ghazanfar Ali Zaidi General Manager Technical
2. Mr. Ichiro Kawano	2. Mr. Muhammad Ashraf Chief Financial Officer
3. Mr. Shingo Ito	3. Mr. Muhammad Asif Company Secretary
4. Ms. Mariko Ueda	

10. The board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

Audit Committee	HR and Remuneration Committee
1. Mr. Shingo Ito Chairman 2. Mr. Hirotooshi Ugajin 3. Ms. Mariko Ueda	1. Mr. Shingo Ito Chairman 2. Mr. S M Shakeel 3. Mr. Hirotooshi Ugajin 4. Ms. Mariko Ueda

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 of the committee were as per following:

- a) Audit Committee : Five Quarterly Meetings during the Financial Year 2017- 2018
- b) HR and Remuneration Committee : One Meetings during the Financial Year 2017- 2018

15. The board has set up an effective internal audit function who is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.


18. We confirm that all other requirements of the Regulations have been complied with.

for and on behalf of the Board

Lahore:
September 11, 2018



M. Naseem Saigol
Chairman/Director



S M Shakeel
Chief Executive/Director

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Kohinoor Energy Limited (the Company) for the year ended June 30, 2018 in accordance with the requirements of regulation 40 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

A. F. Ferguson & Co.
Chartered Accountants



Engagement Partner: Hammad Ali Ahmad

Lahore
October 01, 2018



AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the annexed financial statements of Kohinoor Energy Limited ('the Company'), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and other comprehensive loss, 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.

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.# Key audit matter

1 Additional disclosures required under the 4th schedule of Companies Act, 2017:

(Refer note 2 to the financial statements)

The Fourth Schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of annual financial statements for the year ended June 30, 2018.

As part of this transition to the requirements, the management performed an analysis to identify differences between the previous and the current Fourth Schedule and as a result certain amendments relating to presentation and disclosures were made in the accompanying financial statements.

In view of the various new disclosures prepared and presented in the financial statements, we considered this a key audit matter.

How the matter was addressed in our audit

We reviewed and understood the requirements of the fourth schedule to the Companies Act, 2017. Our audit procedures included the following:

- considered the management's process to identify the additional disclosures required in the Company's annexed financial statements.
- obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence.
- verified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on



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

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

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

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

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

Report on other legal and regulatory requirements

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Emphasis of matter

We draw attention to note 11.1.1 and 11.1.2 to the financial statements, which describe the uncertainties regarding the outcome of certain claims by WAPDA which have been disputed by the Company. Our opinion is not qualified in respect of this matter.

The engagement partner on the audit resulting in this independent auditor's report is Hammad Ali Ahmad.

A. F. Ferguson & Co.
Chartered Accountants

Engagement Partner: Hammad Ali Ahmad

Lahore
October 01, 2018

STATEMENT OF FINANCIAL POSITION

Note 2018
(Rupees in thousand) 2017

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital 170,000,000 (June 2017: 170,000,000) ordinary shares of Rs. 10 each		1,700,000	1,700,000
Issued, subscribed and paid up capital 169,458,614 (June 2017: 169,458,614) ordinary shares of Rs. 10 each	6	1,694,586	1,694,586
Un-appropriated profit		4,310,877	4,362,323
		6,005,463	6,056,909

CURRENT LIABILITIES

Employee benefits	7	29,950	9,611
Short term finances - secured	8	5,285,780	3,578,671
Trade and other payables	9	84,120	182,766
Accrued finance cost	10	48,878	33,361
Unclaimed dividend		10,305	14,302
Provision for taxation - net		61,439	-
		5,520,472	3,818,711

CONTINGENCIES AND COMMITMENTS

	11	-	-
		11,525,935	9,875,620



Chief Executive Officer



Director

AS AT JUNE 30, 2018

	Note	2018 (Rupees in thousand)	2017
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	3,491,232	3,674,756
Intangible assets	13	4,606	5,111
Long term loans and deposits	14	7,703	10,935
		3,503,541	3,690,802
CURRENT ASSETS			
Stores, spares and loose tools	15	305,767	334,621
Stock in trade	16	381,717	234,340
Trade debts	17	6,645,211	4,910,059
Loans, advances, deposits, prepayments and other receivables	18	535,126	531,838
Advance tax - net receivable		-	29,041
Cash and bank balances	19	154,573	144,919
		8,022,394	6,184,818
		11,525,935	9,875,620

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Financial Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 (Rupees in thousand)	2017
Sales	20	8,282,641	8,223,861
Cost of sales	21	(7,019,967)	(6,988,329)
Gross profit		1,262,674	1,235,532
Administrative expenses	22	(266,101)	(254,976)
Operating profit		996,573	980,556
Other income	23	1,869	2,294
Finance costs	24	(268,304)	(177,972)
Profit before taxation		730,138	804,878
Taxation	25	(240)	(711)
Profit after tax		729,898	804,167
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement of staff gratuity fund		(18,781)	8,354
Items that may be reclassified subsequently to profit or loss			
		-	-
Total other comprehensive (loss) / income		(18,781)	8,354
Total comprehensive income for the year		711,117	812,521
Earnings per share - basic and diluted - Rupees	32	4.31	4.75

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JUNE 30, 2018



KOHINOOR
ENERGY LIMITED

	Note	2018 (Rupees in thousand)	2017
Cash flows from operating activities			
Cash (used in) / generated from operations	26	(542,468)	212,022
Employee benefits paid		(32,178)	(42,427)
Mark up on borrowings paid		(252,787)	(159,439)
Taxes refund / (paid)		90,240	(15,017)
Net cash used in operating activities		(737,193)	(4,861)
Cash flows from investing activities			
Purchase of property, plant and equipment		(203,829)	(116,131)
Interest / mark up income received		800	257
Net decrease / (increase) in long term loans and deposits		3,232	(1,327)
Proceeds from sale of property, plant and equipment		6,095	7,031
Net cash used in investing activities		(193,702)	(110,170)
Cash flows from financing activities			
Dividend paid		(766,560)	(847,940)
Long term loans repaid during the year		-	(30,413)
Net cash used in financing activities		(766,560)	(878,353)
Net decrease in cash and cash equivalents		(1,697,455)	(993,384)
Cash and cash equivalents at the beginning of the year		(3,433,752)	(2,440,368)
Cash and cash equivalents at the end of the year	27	(5,131,207)	(3,433,752)

The annexed notes 1 to 36 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, 2018

	Share Capital	Un-appropriated Profit (Rupees in thousand)	Total
Balance as on July 1, 2016	1,694,586	4,397,095	6,091,681
Final dividend for the year ended June 30, 2016 at the rate of Rs. 1.75 per share	-	(296,553)	(296,553)
Interim dividend for the year ended June 30, 2017 at the rate of Rs. 1.75 per share	-	(296,553)	(296,553)
Interim dividend for the year ended June 30, 2017 at the rate of Rs. 1.50 per share	-	(254,187)	(254,187)
Profit for the year	-	804,167	804,167
Other comprehensive income:			
Re-measurement of staff gratuity fund	-	8,354	8,354
Total comprehensive income for the year	-	812,521	812,521
Balance as on June 30, 2017	1,694,586	4,362,323	6,056,909
Final dividend for the year ended June 30, 2017 at the rate of Rs. 2.00 per share	-	(338,917)	(338,917)
Interim dividend for the year ended June 30, 2018 at the rate of Rs. 1.50 per share	-	(254,187)	(254,187)
Interim dividend for the year ended June 30, 2018 at the rate of Rs. 1.00 per share	-	(169,459)	(169,459)
Profit for the year	-	729,898	729,898
Other comprehensive income:			
Re-measurement of staff gratuity fund	-	(18,781)	(18,781)
Total comprehensive income for the year	-	711,117	711,117
Balance as on June 30, 2018	1,694,586	4,310,877	6,005,463

The annexed notes 1 to 36 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



NOTES TO AND FORMING PART

OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

1. Legal status and nature of business

Kohinoor Energy Limited (the 'Company') was incorporated in Pakistan on April 26, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance) repealed with the enactment of the Companies Act, 2017 on May 30, 2017. The Company is listed on the Pakistan Stock Exchange. The principal activities of the Company are to own, operate and maintain a power plant of 124 MW capacity in Lahore and to sell the electricity produced therefrom to a sole customer, the Pakistan Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA), for a term of 30 years which commenced from June 19, 1997. The address of the registered office of the Company is 301, 3rd Floor, Green Trust Tower, Blue Area, Islamabad, Lahore Office is situated at 17-Aziz Avenue, Unit # 4, Canal Bank, Gulberg V, Lahore and the Company's power plant has been set up at Post Office Raja Jang, Near Tablighi Ijtima, Raiwind Bypass, Lahore.

1.1 Summary of significant events and transactions in the current reporting period

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

- During the year, one of the engines of the power plant had to be shut down due to an electrical malfunction of the generator. The Company filed an insurance claim as per the terms of the insurance policy, as detailed in Note 18.7.
- The provisions of the fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time in the preparation of these financial statements, as detailed in Note 3.1.1.

2. Statement of compliance

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

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

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

During the year, the Company has opted for the presentation of a combined 'Statement of Profit or Loss and Other Comprehensive Income' as allowed in the Companies Act, 2017 in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' instead of a separate 'Statement of Profit and Loss Account' and 'Statement of Comprehensive Income'.

3. Basis of preparation

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

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

3.1.1 Changes in accounting standards, interpretations and pronouncements

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

The Companies Act, 2017 has also brought certain changes with regard to preparation and presentation of financial statements of the Company. These changes also include change in nomenclature of the primary statements, etc.

Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- elimination of duplicative disclosures with the IFRS disclosure requirements;
- incorporation of significant additional disclosures; and
- a single statement of profit and loss and other comprehensive income which was previously prepared as two separate statements.

Keeping in view of the above, the presentation of these financial statements has been realigned with the provisions contained in the Act, however, does not have any impact on the recognition and measurement of the amounts included in these financial statements of the Company.

b) Standards, Interpretations and Amendments to published approved accounting standards that became effective during the year but are not relevant

There are new accounting standards, amendments that are mandatory from accounting periods beginning on or after July 01, 2017 and are considered not to be relevant to the Company's financial statements and are therefore, not detailed in these financial statements.

3.1.2 Standards, amendments and interpretation to existing standards that are not yet effective but are applicable / relevant to the Company's operations

IFRS 15, 'Revenue from contracts with customers'	July 1, 2018
Amendments to 'Revenue from contracts with customers' - Clarifications	July 1, 2018
IFRIC 22, 'Foreign currency transactions and advance consideration'	January 1, 2018
IFRS 9, 'Financial instruments'	July 1, 2018
IAS 19, 'Employee benefits'	January 1, 2019
IFRIC 23, 'Uncertainty over income tax'	January 1, 2019

There are other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after July 1, 2018 but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these financial statements.

3.1.3 Exemption from applicability of certain interpretations to standards

IFRIC 4, 'Determining Whether an Arrangement Contains a Lease' is applicable for periods beginning on or after January 01, 2006, however, Independent Power Producers (IPPs), whose letter of intent has been signed on or before June 30, 2010, have been exempted from its application by the Securities and Exchange Commission of Pakistan (SECP). This interpretation provides guidance on determining whether arrangements that do not take the legal form of a lease should, nonetheless, be accounted for as a lease in accordance with International Accounting Standard (IAS) 17, 'Leases'.

Consequently, the Company is not required to account for a portion of its Power Purchase Agreement (PPA) with Water and Power Development Authority (WAPDA) as a lease under IAS 17. If the Company were to follow IFRIC 4 and IAS 17, the effect on the financial statements would be as follows:

	2018	2017
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(3,225,158)	(3,392,268)
Recognition of lease debtor	429,279	469,450
Decrease in un-appropriated profit at the beginning of the year	(2,922,818)	(3,142,967)
Increase in profit for the year	126,939	220,149
Decrease in un-appropriated profit at the end of the year	<u>(2,795,879)</u>	<u>(2,922,818)</u>

4. Basis of measurement

- 4.1** These financial statements have been prepared under the historical cost convention, modified by capitalization of exchange differences in previous years, except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

The Company's significant accounting policies are stated in note 5. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

a) Retirement benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 5.2.

b) Provision for taxation

The Company takes into account the current income tax law and the decisions taken by appellate authorities. 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 a material nature is in accordance with law, the amounts are shown as contingent liabilities.

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

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

5. Significant accounting policies

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

5.1 Taxation

Current

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

Deferred

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

5.2 Employee retirement benefits

The main features of the schemes operated by the Company for its employees are as follows:

a) Defined benefit plans

The Company operates an approved funded defined benefit gratuity scheme for all employees according to the terms of employment subject to a minimum qualifying period of service. The contribution to the fund is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits. The latest actuarial valuation for the scheme was carried out as at June 30, 2018 and the actual return on plan assets during the year was Rs. 7.91 million (2017: Rs. 28.79 million). The actual return on plan assets represents the difference between the fair value of plan assets at beginning of the year and end of the year after adjustments for contributions made by the Company as reduced by benefits paid during the year.

Projected Unit Credit (PUC) Actuarial Cost Method, using the following significant assumptions, is used for valuation of this scheme:

- Discount rate	10.00% per annum (2017: 9.25% per annum)
- Expected rate of increase in salary level	9.00% per annum (2017: 8.25% per annum)

The Company accounts for actuarial gains / losses in accordance with IAS 19 "Employee benefits".

b) Accumulating compensated absences

Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to profit and loss account.

5.3 Property, plant and equipment

5.3.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain plant and machinery comprises historical cost, exchange differences capitalized in previous years and borrowing cost referred to in note 5.12.

Depreciation on all operating fixed assets is charged to profit and loss account 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 12.1 after taking into account their residual values.

The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if the impact on depreciation is significant. The Company's estimate of the residual value of its operating fixed assets as at June 30, 2018 has not required any adjustment as its impact is considered insignificant.

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

The net exchange difference relating to an asset, at the end of each year, is amortized in equal instalments over its remaining useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 5.5).

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only

when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

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

5.3.2 Capital work-in-progress

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

5.3.3 Stores held for capitalization

Stores held for capitalization 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.

5.4 Intangible assets

Expenditure incurred to acquire intangible assets is stated at cost less accumulated amortization and any identified impairment loss. Intangible assets are amortized using the straight line method over its estimated useful life at the annual rate mentioned in note 13.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 5.5).

5.5 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to depreciation / amortization and are tested annually for impairment. Assets that are subject to depreciation / amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs 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.

5.6 Stores, spares and loose tools

Usable stores and spares are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

5.7 Stock in trade

Stock in trade except for those in transit and furnace oil are valued principally at lower of moving average cost and net realizable value. Furnace oil is valued at lower of cost based on First in First Out (FIFO) basis and net realizable value.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

5.8 Financial instruments

5.8.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise loans, advances, deposits and other receivables and cash and cash equivalents in the statement of financial position.

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss account. Financial assets are de-recognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in the profit and loss account in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the profit and loss account as part of other income when the Company’s right to receive payments is established.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. If any such evidence exists, the recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognized as expense in the income statement. Impairment testing of trade debts and other receivables is described in note 5.9.

5.8.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

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



5.8.3 Offsetting of financial assets and financial liabilities

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

5.9 Trade debts and other receivables

Trade debts and other receivables are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortized cost using the effective interest method, less provision for doubtful debts. A provision for doubtful debts 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade debt is impaired. The provision is recognized in the profit and loss account. When a trade debt is uncollectible, it is written-off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit and loss account.

5.10 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and short term finances under mark up arrangements with original maturities of three months or less.

5.11 Borrowings

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

5.12 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the profit and loss account in the period in which they arise.

5.13 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.14 Provisions

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

5.15 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.16 Revenue recognition

Revenue is recognized when it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

Revenue on account of energy is recognized on transmission of electricity to WAPDA, whereas on account of capacity is recognized when due. Profit on deposits with banks is recognized on a time proportion basis by reference to the amounts outstanding and the applicable rates of return.

5.17 Foreign currency transactions and translation

a) Functional and presentation currency

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

b) Transactions and balances

Foreign currency transactions are translated into Pak Rupees using the 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 recognized in the profit and loss account.

5.18 Dividend

Dividend distribution to the Company's members is recognized as a liability in the period in which the dividends are approved.

6. Issued, subscribed and paid up capital

2018 (Number of shares)	2017		2018 (Rupees in thousand)	2017
130,352,780	130,352,780	Ordinary shares of Rs. 10 each fully paid in cash	1,303,528	1,303,528
39,105,834	39,105,834	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	391,058	391,058
<u>169,458,614</u>	<u>169,458,614</u>		<u>1,694,586</u>	<u>1,694,586</u>

6.1 33,891,722 (2017: 33,891,722) ordinary shares of the Company are held by an associated company, Toyota Tsusho Corporation.



	Note	2018 (Rupees in thousand)	2017
7. Employee benefits			
Gratuity	7.1	19,885	(174)
Leave salary		10,065	9,785
		<u>29,950</u>	<u>9,611</u>
7.1 This represents staff gratuity and the amounts recognized in the statement of financial position are as follows:			
Present value of defined benefit obligation		291,527	253,064
Fair value of plan assets		(271,642)	(253,238)
Net liability / (asset) as at June 30		<u>19,885</u>	<u>(174)</u>
7.1.2 For the year			
Net (asset) / liability as at July 1		(174)	20,092
Charge to profit and loss account		17,243	16,539
Contribution by the Company		(15,965)	(28,451)
Re-measurement chargeable to other comprehensive income		18,781	(8,354)
Net liability / (asset) as at June 30		<u>19,885</u>	<u>(174)</u>
7.1.3 The movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation as at July 1		253,064	219,494
Current service cost		17,997	16,012
Past service cost		-	-
Interest cost		23,155	19,601
Benefits paid		(5,475)	(3,401)
Gain and losses arising on plan settlements		-	-
Remeasurements		(734)	(258)
Experience loss		3,520	1,616
Present value of defined benefit obligation as at June 30		<u>291,527</u>	<u>253,064</u>
7.1.4 The movement in fair value of plan assets is as follows:			
Fair value as at July 1,		253,238	199,402
Interest income on plan assets		23,909	19,074
Contribution by the Company		15,965	28,451
Benefits paid		(5,475)	(3,401)
Return on plan assets excluding interest income		(15,995)	9,712
		<u>271,642</u>	<u>253,238</u>

7.2 Plan assets of the Fund

	2018 (Rupees in thousand)	%	2017 (Rupees in thousand)	%
The breakup of Plan assets of the Fund is as follows:				
Investment in bonds and term deposits	131,249	48.3%	143,515	56.7%
Investment in equity shares of the Company	15,540	5.7%	16,733	6.6%
Investment in other shares	20,845	7.7%	32,557	12.9%
Investment in units in mutual funds	98,172	36.2%	57,811	22.8%
Cash and bank / receivables	5,836	2.1%	2,622	1.0%
	<u>271,642</u>	<u>100%</u>	<u>253,238</u>	<u>100%</u>

Investments out of fund have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

7.3 Sensitivity analysis of the Fund

The impact of change in discount rates and salary increases on year end defined benefit obligation is as follows:

	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Discount rate + 1%	264,711	205,062
Discount rate - 1%	322,305	255,280
Salary increase + 1%	322,759	255,554
Salary increase - 1%	263,843	204,418

The present value of defined benefit obligation, the fair value of plan assets and the surplus or deficit of the gratuity fund are as follows:

	2018	2017	2016 (Rupees in thousand)	2015	2014
As at June 30					
Present value of defined benefit obligation	291,527	253,064	219,494	178,242	160,436
Fair value of plan assets	271,642	253,238	199,402	178,372	127,924
(Deficit) / surplus	<u>(19,885)</u>	<u>174</u>	<u>(20,092)</u>	<u>130</u>	<u>(32,512)</u>
Experience adjustment arising on obligation losses	(2,786)	(1,358)	(813)	(4,478)	(8,046)
Experience adjustment arising on plan assets (losses) / gain	(15,995)	9,712	(7,712)	5,423	(232)

8. Short term finances - secured

	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Under mark up arrangements	8.1	3,590,533	1,797,349
Under arrangements permissible under shariah	8.1	1,695,247	1,781,322
		<u>5,285,780</u>	<u>3,578,671</u>



- 8.1** Short term finances available from commercial banks under mark up arrangements amount to Rs. 6,760 million (June 30, 2017: Rs. 6,260 million), out of which finances available from Islamic banks under Islamic arrangements amount to Rs. 2,780 million (June 30, 2017: Rs. 2,780 million). The rates of mark up for finances under mark up arrangement ranged from 6.46% to 7.67% per annum (June 30, 2017: 6.14% to 6.92% per annum) and for finances under arrangement permissible under Shariah ranged from 6.55% to 7.08% per annum (June 30, 2017: 6.12% to 6.66% per annum) on the balances outstanding. The security and other agreements, negotiable instruments and documents to be executed by the Company in favor of the bank shall be in the form and substance satisfactory to the bank. The Company shall execute or cause to be executed all such instruments, deeds or documents, which the bank may in its sole discretion require.
- 8.2** Out of the aggregate running finances availed by the Company, Rs. 6,260 million are secured by joint pari passu charge and Rs. 500 million are secured by ranking charge on the current assets of the Company.
- 8.3** Of the aggregate facility of Rs. 476.85 million (2017: Rs. 373 million) for opening letters of credit and Rs. 207.05 million (2017: Rs. 345 million) for guarantees, the amount utilized as at June 30, 2018 were Rs. 151.4 million (2017: Rs. 11 million) and Rs. 207.05 million (2017: Rs. 184.15 million) respectively.

9. Trade and other payables	Note	2018	2017
		(Rupees in thousand)	
Trade creditors	9.1	17,092	16,137
Accrued liabilities		2,860	4,601
Withholding tax payable		4,616	29
Workers' Profit Participation Fund	9.2	36,507	40,244
Workers' Welfare Fund	9.3	367	115,451
Security deposit payable	9.4	153	153
Payable against imports		16,714	209
Other payables		5,811	5,942
		84,120	182,766
9.1 Trade creditors include amount due to related parties of Rs. Nil (2017: Rs. 0.74 million).			
9.2 Movement in Workers' Profit Participation Fund is as follows:			
Opening balance		40,244	2,783
Provision for the year	18.3	36,507	40,244
		76,751	43,027
Less: Payments made during the year		(40,244)	(2,783)
Closing balance		36,507	40,244
9.3 Movement in Workers' Welfare Fund is as follows:			
Opening balance		115,451	99,358
Provision for the year	18.4	11	16,093
		115,462	115,451
Less: Reversal made during the year	18.6	(115,095)	-
Closing balance		367	115,451

- 9.4** This represents advances and security deposits received from customers against scrap sales, which by virtue of agreement are interest free and are repayable on demand or on the cancellation of agreement.

10. Accrued finance cost

2018
(Rupees in thousand)

Mark up accrued on short term finances

48,878

33,361

11. Contingencies and commitments

11.1 Contingencies

11.1.1 During year ended June 30, 2010, WAPDA disputed the eligibility of indexation of non-escalable component (NEC) of the capacity purchase price relating to the period subsequent to the repayment of foreign currency loan taking the stance that under the Power Purchase Agreement (PPA) indexation is allowed until the repayment of foreign currency loan, and since the loan was fully repaid in September, 2008, therefore no indexation was to be allowed from September, 2008 onwards (Dispute 1). WAPDA had earlier paid Rs. 430.51 million relating to the period from September, 2008 to September, 2009 but subsequently withheld this amount in June, 2010 against the invoices of April, 2010 (Dispute 2).

Article XV of PPA requires that if a dispute arises the matter shall be decided by (i) mutual discussions, failing which (ii) through mediation by an expert and as a last resort through (iii) arbitration. During the year ended June 30, 2011, the management of the Company referred the matter to the expert. Consequently an expert was engaged with the consent of both the parties.

The expert had given his decision / recommendation on December 30, 2011 as follows:

- (i) For Dispute 1, Company is not entitled to continued indexation of the NEC after repayment of foreign currency loans.

However, Management of the Company is of the view that under the terms of the PPA the Company is entitled to the continued indexation of the NEC even after repayment of foreign currency loans; and

- (ii) For Dispute 2, the adjustment of Rs. 430.51 million is unlawful, therefore, WAPDA is required to pay this amount to the Company. WAPDA has waived its right to seek revision of such invoices in terms of section 9.7 (d) of the PPA since the invoices for the period from September 2008 to September 2009 were not disputed within the prescribed period of 180 days."

WAPDA had not accepted the decision / recommendation of the expert (on Dispute 2). The management of the Company and legal advisor is of the opinion that the matter will be settled in Company's favor and consequently the Company has not provided for Rs. 430.51 million in these financial statements. Indexation on non-escalable of capacity purchase price was not claimed by the Company subsequent to September 2009. Consequently, there is no implication in subsequent periods.

11.1.2 WAPDA has imposed Liquidated Damages (LD) on the Company amounting to Rs. 510.97 million (2017: Rs. 478.31 million) during the period from 2011 to 2018. The reasons of LDs are as follows:

- i) Rs 353.85 million is because of failure to dispatch electricity due to WAPDA's non-payment of dues on timely basis and consequential inability of the Company to make advance payments to its fuel supplier - Pakistan State Oil Company Limited (PSO), that resulted in inadequate level of electricity production owing to shortage of fuel, and;
- ii) Rs 157.12 million is due to incorrect calculation of LDs by WAPDA as while calculating the LDs, certain factors were ignored by WAPDA that were to be considered under the terms of Power Purchase Agreement (PPA).

The Company disputes and rejects the claim on account of LDs because under the terms of PPA, no LDs can be charged to the Company due to the reasons caused solely by the Power Purchaser i.e. WAPDA.

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

11.1.3 A sales tax demand of Rs. 505.41 million was raised against the Company through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August, 2009 to June, 2013. Such amount was disallowed on the grounds that the revenue derived by the Company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Company. Against the aforesaid order, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Subsequently, the Company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'). Additionally, the Company had filed an application with the Lahore High Court seeking a stay in recovery of tax arrears, default surcharge and penalty. The Lahore High Court, in its order dated December 31, 2014, stayed the recovery of the tax demand along with default surcharge and penalty till adjudication by the ATIR, subject to deposit of Rs. 10 million with the Tax Department which the Company duly submitted on January 7, 2015 and which has been refunded to the company during the current year. The ATIR vide its order dated May 4, 2015, upheld the CIR(A)'s order on the issue regarding apportionment of input sales tax. Thereafter, the Company filed an appeal against the decision of ATIR in the Lahore High Court.

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

11.1.4 The Company has issued the following guarantees in favor of:

- (i) Water and Power Development Authority (WAPDA) on account of liquidated damages, in case the Company fails to make available electricity to WAPDA on its request, amounting to Rs. 205 million (June 30, 2017: Rs. 185 million).
- (ii) Sui Northern Gas Pipelines Limited on account of payment of dues against gas sales etc., amounting to Rs 2.15 million (June 30, 2017: Rs 2.15 million).

11.2 Commitments

- (i) Letters of credit / bank contracts other than capital expenditure are Rs. 68.13 million (June 30, 2017: Rs. 18.10 million).
- (ii) Letters of credit / bank contracts for capital expenditure Rs. 131.35 million (June 30, 2017: Rs. 49.62 million).

Note **2018** **2017**
(Rupees in thousand)

12. Property, plant and equipment

Operating fixed assets	12.1	3,432,549	3,600,913
Stores held for capitalization	12.2	58,683	73,843
		3,491,232	3,674,756

12.1 Property, plant and equipment

(Rupees in thousand)										
Freehold land	Buildings on freehold land	Plant and machinery	Office appliances and equipment	Laboratory equipment	Electric appliances and equipment	Computers	Furniture and fixtures	Vehicles	Total	

Net carrying value basis (NBV)

Year ended June 30, 2018

Opening balance	212,383	3,243,202	998	3,575	10,218	1,359	68	35,901	3,600,913	
Additions (at cost)	-	204,262	-	-	184	1,117	-	13,426	218,989	
Disposals	-	-	-	-	-	-	-	(5,026)	(5,026)	
Write-offs	-	(10,892)	-	-	-	-	-	-	(10,892)	
Depreciation charge	(21,310)	(339,172)	(160)	(556)	(1,922)	(956)	(10)	(7,349)	(371,435)	
Closing balance	191,073	3,097,400	838	3,019	8,480	1,520	58	36,952	3,432,549	

Gross carrying value basis

As at June 30, 2018

Cost	625,458	8,298,947	5,418	5,561	29,211	49,456	7,884	65,110	9,180,254	
Accumulated depreciation	(434,385)	(5,201,547)	(4,580)	(2,542)	(20,731)	(47,936)	(7,826)	(28,158)	(5,747,705)	
Net book value (NBV)	191,073	3,097,400	838	3,019	8,480	1,520	58	36,952	3,432,549	
Depreciation rate % per annum	4% - 6%	4.5% - 30%	10%	10%	10%	33%	10%	20%		

Net carrying value basis (NBV)

Year ended June 30, 2017

Opening balance	233,693	3,475,279	1,194	4,131	11,051	923	78	33,001	3,852,559	
Additions (at cost)	-	100,896	180	-	1,270	1,362	-	14,758	118,466	
Disposals	-	-	-	-	-	-	-	(4,994)	(4,994)	
Write-offs	-	(5,071)	-	-	-	-	-	-	(5,071)	
Depreciation charge	(21,310)	(327,902)	(376)	(556)	(2,103)	(926)	(10)	(6,864)	(360,047)	
Closing balance	212,383	3,243,202	998	3,575	10,218	1,559	68	35,901	3,600,913	

Gross carrying value basis

As at June 30, 2017

Cost	625,458	8,127,000	5,418	5,561	29,027	48,739	7,884	62,841	9,005,137	
Accumulated depreciation	(413,075)	(4,883,798)	(4,420)	(1,986)	(18,809)	(47,380)	(7,816)	(26,940)	(5,404,224)	
Net book value (NBV)	212,383	3,243,202	998	3,575	10,218	1,559	68	35,901	3,600,913	
Depreciation rate % per annum	4% - 6%	5% - 20%	10%	10%	10%	10% - 33%	10%	20%		

12.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2018 is Rs. 318.42 million (2017: Rs. 290.06 million).

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

Note	2018	2017
	(Rupees in thousand)	
Cost of sales	21	352,828
Administrative expenses - depreciation on operating fixed assets	22	7,185
Community welfare expenses	22	34
	371,435	360,047

12.1.3 Disposal of operating fixed assets

2018

Detail of fixed assets sold during the year is as follows:

Particulars of assets	(Rupees in thousand)						
	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposals
Vehicles							
Employees							
Mr. Rehmatullah		2,401	1,153	1,248	1,248	—	Company Policy
Mr. Abdul Rauf Irfan		2,054	986	1,068	1,068	—	-do-
Mr. Usman Saeed		2,038	978	1,060	1,060	—	-do-
Mr. Imran Afzal		1,089	581	508	508	—	-do-

Net book value of all other assets disposed off during the year was less than Rs.50,000 each.

Detail of fixed assets sold during the year is as follows:

2017

(Rupees in thousand)

Particulars of assets	(Rupees in thousand)						
	Sold to	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposals
Vehicles							
Employees							
Mr. Ghazanfar Ali Zaidi		1,775	1,136	639	639	—	Company policy
Mr. Muhammad Asif		1,792	932	860	860	—	-do-
Mr. Muhammad Yahya		1,771	897	874	874	—	-do-
Mr. S M Shakeel		1,731	1,108	623	623	—	-do-



	Note	2018 (Rupees in thousand)	2017
12.2 Stores held for capitalization			
Stores held for capitalization	12.3	58,683	73,843
		<u>58,683</u>	<u>73,843</u>

12.3 This amount represents the mechanical store items including cylinder liners, turbine blade coated and nozzle ring which are held for capitalization.

12.4 Immovable fixed assets of the company are situated at Project/Head Office, Post Office Raja Jang, Near Tablighi Ijtima, Raiwind Bypass, Lahore, Pakistan. Freehold land represents 256 kanal of land situated at Post Office Raja Jang, Near Tablighi Ijtima, Raiwind Bypass, Lahore out of which approximately 16 kanal represents covered area.

13. Intangible assets	Computer software	Others	Total
	(Rupees in thousand)		
Net carrying value basis			
Year ended June 30, 2018			
Opening net book value (NBV)	4,555	556	5,111
Additions at cost	-	-	-
Amortization charge	(450)	(55)	(505)
	<u>4,105</u>	<u>501</u>	<u>4,606</u>
Gross carrying value basis			
As at June 30, 2018			
Cost	22,117	1,000	23,117
Accumulated amortization	(18,012)	(499)	(18,511)
Net book value (NBV)	<u>4,105</u>	<u>501</u>	<u>4,606</u>
Amortization rate % per annum	<u>6.25% - 8.82%</u>	<u>5.56%</u>	
Net carrying value basis			
Year ended June 30, 2017			
Opening net book value (NBV)	5,164	612	5,776
Additions at cost	-	-	-
Amortization charge	(609)	(56)	(665)
Closing net book value (NBV)	<u>4,555</u>	<u>556</u>	<u>5,111</u>
Gross carrying value basis			
As at June 30, 2017			
Cost	22,117	1,000	23,117
Accumulated amortization	(17,562)	(444)	(18,006)
Net book value (NBV)	<u>4,555</u>	<u>556</u>	<u>5,111</u>
Amortization rate % per annum	<u>6.25% - 10%</u>	<u>5.56%</u>	



	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
13.1	The amortization charge for the year has been allocated as follows:		
Administrative expenses	22	505	665

13.2 The cost of fully amortized assets which are still in use as at June 30, 2018 is Rs. 16.50 million (2017: Rs. 16.50 million).

	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
--	------	------------------------------	------------------------------

14. Long term loans and deposits

Loans to employees - considered good			
- Executives	14.1	7,362	7,191
- Others	14.1	13,921	17,983
		21,283	25,174
Less: Current portion included in current assets			
- Loans to employees - executives	14.1	(5,159)	(4,209)
- Loans to employees - others	14.1	(8,666)	(10,275)
		(13,825)	(14,484)
		7,458	10,690
Security deposits		245	245
		7,703	10,935

14.1 These represent interest free loans to executives and other employees for purchase of residential plot, construction of house, purchase of motor cars, motorcycles etc. and are repayable in monthly instalments over a period of 24 to 60 months. Loans for purchase of residential plots and construction of house are secured against staff retirement benefits of employees. Loans for purchase of motor cars and motorcycles are secured by registration of motor cars in the name of the Company and open transfer letters signed by the employees in the case of motorcycles.

	2018 (Rupees in thousand)	2017 (Rupees in thousand)
--	------------------------------	------------------------------

14.2 Reconciliation of carrying amount of loans to executives

Opening balance	7,191	5,695
Disbursements	6,134	6,500
Employees promoted as executives	498	1,221
	13,823	13,416
Less: Repayments	(6,461)	(6,225)
Closing balance	7,362	7,191

14.3 The maximum amount outstanding at the end of any month from executives aggregated Rs. 8.51 million (2017: Rs. 9.27 million).

	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
15. Stores, spares and loose tools			
Stores		5,600	8,541
Spares		313,402	338,964
Loose tools		903	1,254
		<u>319,905</u>	<u>348,759</u>
Less : Provision for obsolete items	15.1	(14,138)	(14,138)
		<u>305,767</u>	<u>334,621</u>
15.1 Provision for obsolete stores and spares			
Opening balance		14,138	14,138
Provision / (reversal) for the year		-	-
Closing balance		<u>14,138</u>	<u>14,138</u>
16. Stock in trade			
Furnace oil		375,389	227,853
Diesel		733	769
Lubricating oil		5,595	5,718
		<u>381,717</u>	<u>234,340</u>
17. Trade debts			
Trade receivables from WAPDA - secured			
- Considered good		6,645,211	4,910,059
- Considered doubtful		-	-
	17.1	<u>6,645,211</u>	<u>4,910,059</u>
Less: Provision for doubtful debts	17.2	-	-
		<u>6,645,211</u>	<u>4,910,059</u>

17.1 This includes an overdue amount of Rs. 5,458.62 million (2017: Rs. 4,031.50 million) receivable from WAPDA. The trade debts are secured by a guarantee from the Government of Pakistan under the Implementation Agreement. These are in the normal course of business and are interest free, however, a penal mark up at the rate of base rate plus 2% per annum is charged in case the amounts are not paid within due dates, the base rate being the State Bank of Pakistan's reverse repo rate. The penal mark up rate charged during the year is 8.25 to 9.25% (2017: 8.25%) per annum.

	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
17.2 Provision for doubtful debts			
Opening balance		-	-
Written off during the year		-	-
Closing balance		<u>-</u>	<u>-</u>



18. Loans, advances, deposits, prepayments and other receivables

	Note	2018 (Rupees in thousand)	2017
Current portion of long term loans to employees	14	13,825	14,484
Advances - considered good			
- To employees	18.1	1,425	1,011
- To suppliers	18.2	140,469	116,882
Prepayments		23,732	1,756
Claims recoverable from WAPDA for pass through items:			
- Workers' Profit Participation Fund	18.3	202,299	170,792
- Workers' Welfare Fund	18.4	367	115,451
Sales tax receivable		128,421	110,899
Insurance claim receivable	18.7	23,751	-
Other receivables - considered good		837	563
		535,126	531,838

18.1 Included in advances to employees are amounts due from executives of Rs. 0.41 million (2017: Rs. 0.20 million).

18.2 Included in advances to suppliers are amounts due from related parties of Rs. 0.149 million (2017: Rs. Nil).

	Note	2018 (Rupees in thousand)	2017
18.3 Movement in Workers' Profit Participation Fund is as follows:			
Opening balance		170,792	130,548
Provision for the year - note 9.2		36,507	40,244
		207,299	170,792
Less: Receipts during the year		(5,000)	-
Closing balance	18.5	202,299	170,792

18.4 Movement in Workers' Welfare Fund is as follows:

Opening balance		115,451	99,358
Provision for the year - note 9.3		11	16,093
		115,462	115,451
Less: Reversal during the year	18.6	(115,095)	-
Closing balance		367	115,451

18.5 Under section 14.2(a) of Part III of Schedule 6 to the Power Purchase Agreement (PPA) with WAPDA, payments to Workers' Profit Participation Fund and Workers' Welfare Fund are recoverable from WAPDA as pass through items.

18.6 Consequent to certain amendments made in the Workers' Welfare Fund ('WWF') Ordinance, 1971 through Finance Act, 2006, the definition of income upon which WWF was computed was changed. The changes were challenged at appellate forums, however the Company recognized an accumulated provision of Rs. 115.45 million to account for aforesaid change.

The Honorable Supreme Court of Pakistan ('SC') vide its order dated November 10, 2016 declared the amendments made in the WWF Ordinance, 1971 through Finance Act, 2006 ultra vires.

The Company in consultation with its legal advisor is of the view that the WWF provision on exempt income is no longer required in view of the SC order mentioned above. Based on the legal advice and considering the remote likelihood of such payment being made, the management has reversed the provision of Rs. 115.1 million in these financial statements.

18.7 During the year, one of the engines of the power plant had to be shut down due to an electrical malfunction of the generator. The Company filed an insurance claim in respect of the loss due to this damage which comprises Property Damage ('PD') and Business Interruption Loss ('BIL') as per the terms of the insurance policy. Furthermore, the Company has entered into letter of credit arrangements with its bankers for procurement of the new generator as disclosed in note 11.2 (ii).

The Company has incurred restoration/repair costs of Rs. 48.07 million during the year as a temporary solution to minimize the BIL. The operations of the generator were restored in April 2018 and the repaired generator will be replaced by the newly purchased generator in the next year.

The amount of Rs. 23.75 million represents provisional amount on account of repair of the damaged generator. This amount has been reimbursed by the insurer to the Company subsequent to the year end. The total amount of claim will be recognized upon its final settlement by the insurer. The management of the Company is confident that the claim will be acknowledged and settled by the insurer.

	Note	2018 (Rupees in thousand)	2017
19. Cash and bank balances			
Balance at banks on:			
Current accounts		100,262	2
Saving accounts			
- Under interest / mark up arrangements	19.1	22,966	113,611
- Under arrangements permissible under Shariah	19.1	30,049	30,069
		53,015	143,680
		153,277	143,682
Cash in hand		1,296	1,237
		154,573	144,919

19.1 The balance in savings bank accounts bear mark up at rates ranging from 3.7% to 4.0% per annum (2017: 3.75 % to 4.50 % per annum) and balance in accounts under arrangements permissible under Shariah bear profit at the rates ranging from 2.47% to 5.50% per annum (2017: 2.39% to 5.01%).

	Note	2018 (Rupees in thousand)	2017
20. Sales			
Energy purchase price	20.1	7,124,100	7,113,363
Capacity purchase price		1,158,541	1,110,498
		8,282,641	8,223,861

20.1 Energy purchase price is exclusive of sales tax of Rs. 1,164.91 million (2017: Rs. 1,180.99 million).



	Note	2018 (Rupees in thousand)	2017
21. Cost of sales			
Raw material consumed		6,092,886	6,100,116
Salaries, wages and benefits	21.1	229,911	212,285
Fee for produce of energy (FPE)		-	1,925
Stores and spares consumed		236,318	230,559
Depreciation on operating fixed assets	12.1	363,969	352,828
Fee and subscription		3,952	2,416
Insurance		27,243	29,597
Travelling, conveyance and entertainment		12,866	13,263
Repairs and maintenance		15,211	19,816
Communication charges		2,233	1,839
Electricity consumed in-house		7,412	2,476
Environmental expenses		910	1,360
Assets written-off		10,891	5,071
Contracted services		13,801	12,054
Miscellaneous		2,364	2,724
		<u>7,019,967</u>	<u>6,988,329</u>

	2018 (Rupees in thousand)	2017
--	------------------------------	------

21.1 Salaries, wages and other benefits

Salaries, wages and other benefits include following in respect of gratuity:

Current service cost	10,798	9,607
Past service cost	-	-
Interest cost for the year	13,893	11,761
Expected return on plan assets	(14,345)	(11,444)
	<u>10,346</u>	<u>9,924</u>

In addition to above, salaries, wages and other benefits included in admin expenses include Rs. 8.25 million (2017: Rs. 7.62 million) in respect of provision for leave encashment.

	Note	2018 (Rupees in thousand)	2017
22. Administrative expenses			
Salaries, wages and benefits	22.1	151,980	141,444
Communication charges		2,093	2,208
Depreciation on operating fixed assets	12.1	7,399	7,185
Amortization on intangible assets	13.1	505	665
Insurance		3,323	3,160
Travelling, conveyance and entertainment		30,962	33,917
Repairs and maintenance		7,425	6,551
Legal and professional charges	22.2	10,904	6,059
Community welfare expenses		12,466	13,128
Donations	22.3	-	200
Rents, rates and taxes		2,364	1,957
Fee and subscription		2,218	1,827
Security expenses		8,160	7,319
Environmental expenses		9,596	10,574
Contracted services		10,896	10,258
Miscellaneous		5,810	8,524
		<u>266,101</u>	<u>254,976</u>

22.1 Salaries, wages and other benefits

Salaries, wages and other benefits include following in respect of gratuity:

	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Current service cost	7,199	6,405
Past service cost	-	-
Interest cost for the year	9,262	7,840
Expected return on plan assets	(9,564)	(7,630)
Gain and losses arising on plan settlement	-	-
	<u>6,897</u>	<u>6,615</u>

In addition to above, salaries, wages and other benefits included in admin expenses include Rs. 8.25 million (2017: Rs. 7.62 million) in respect of provision for leave encashment.

22.2 Legal and professional charges include the following:

In respect of auditors' services for:

	2018 (Rupees in thousand)	2017 (Rupees in thousand)
- Statutory audit	1,500	1,428
- Half yearly review and sundry services	640	712
- Out of pocket expenses	123	220
	<u>2,263</u>	<u>2,360</u>

22.3 None of the directors and their spouses has any interest in the donee.

22.4 Employees of the company

	2018	2017
Total number of employees as at June 30	<u>153</u>	<u>154</u>
Total number of employees at plant site as at June 30	<u>115</u>	<u>116</u>
Average number of employees	<u>154</u>	<u>152</u>
Average number of employees at plant site as at June 30	<u>110</u>	<u>111</u>

23. Other income

	Note	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Income on bank deposits	23.1	800	257
Profit on disposal of property, plant and equipment		1,069	2,037
		<u>1,869</u>	<u>2,294</u>

23.1 Income on bank deposits

Income on bank deposits under mark up arrangements	534	185
Income on bank deposits under arrangements permissible under Shariah	266	72
	<u>800</u>	<u>257</u>



24. Finance cost

	2018 (Rupees in thousand)	2017
Mark up on short term finances	266,839	176,587
Bank guarantee and commission	764	750
Others	701	635
	268,304	177,972

25. Taxation

This represents the provision for current taxation for the year. No provision for taxation on reserves of the Company and super tax imposed under Finance Act 2016 has been made since the profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

	2018 (Rupees in thousand)	2017
25.1 Tax charge reconciliation		
Profit before tax	730,138	804,878
Tax @ 30% (2017: 31%)	219,041	249,512
Tax effect of exempt income referred to in note 5.1	(218,801)	(248,801)
Tax charge	240	711

25.2 Management assessment on sufficiency of provision for income taxes

	2017	2016 (Rupees in thousand)	2015
Tax assessed as per most recent tax assessment	59	90	14,930
Provision in accounts for income tax	711	445	1,283

The tax assessed as per most recent tax assessed for the year 2017 and 2016 is based on "deemed assessment" as per income tax return filed for respective years.

As at June 30, 2018, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in accounts for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

26. Cash generated from operations

	2018 (Rupees in thousand)	2017
Profit before taxation	730,138	804,878
Adjustment for:		
- Depreciation on property, plant and equipment	371,435	360,047
- Amortization on intangible assets	505	665
- Fixed assets written-off during the period	10,892	5,071
- Gain on disposal of property, plant and equipment	(1,069)	(2,037)
- Income on bank deposits	(800)	(257)
- Charge for employee retirement benefits	33,736	31,789
- Finance cost on borrowings	268,304	177,972
Profit before working capital changes	1,413,141	1,378,128

2018
(Rupees in thousand)

Effect on cash flow due to working capital changes:
 - Decrease in stores and spares
 - Increase in stock in trade
 - Increase in trade debts
 - (Increase) / decrease in loans, advances, deposits, prepayments and other receivables
 - (Decrease) / increase in trade and other payables

	2018	2017
	28,854	10,471
	(147,377)	(75,486)
	(1,735,152)	(1,302,654)
	(3,288)	153,721
	(98,646)	47,842
	(1,955,609)	(1,166,106)
	<u>(542,468)</u>	<u>212,022</u>

27. Cash and cash equivalents

Cash and bank balances
 Finances under mark up arrangements

	2018	2017
	154,573	144,919
	(5,285,780)	(3,578,671)
	<u>(5,131,207)</u>	<u>(3,433,752)</u>

28. Remuneration of Chief Executive, Directors and Executives

28.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive, full time working directors including alternate directors and executives of the Company is as follows:

	Chief Executive		Executive Director		Non-Executive Director		Executives	
	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees in thousand)							
Managerial remuneration and allowances	11,276	10,842	-	13,165	-	13,165	41,084	33,612
Housing	5,070	4,874	-	5,920	-	5,920	18,428	15,070
Utilities	1,127	1,083	-	1,315	-	1,315	4,095	3,349
Retirement benefits	1,985	1,909	-	-	-	-	7,232	5,913
Medical expenses	194	-	-	-	-	-	1,361	697
Bonus	5,824	5,572	-	-	-	-	21,111	17,362
Club expenses	88	81	-	-	-	-	519	492
Others	9,069	7,783	-	6,902	-	6,902	29,003	23,651
	<u>34,633</u>	<u>32,144</u>	<u>-</u>	<u>27,302</u>	<u>-</u>	<u>27,302</u>	<u>122,833</u>	<u>100,146</u>
Number of persons	1	1	0	1	0	1	16	12

28.2 The Company also provides some of the Directors and Executives with free transport and residential telephones.

28.3 Aggregate amount charged in the financial statements for the year for fee to Directors is Rs. Nil (2017: Nil).

28.4 The Companies Act, 2017 has changed the definition of "Executives" therefore for the purpose of comparability, corresponding figures of executive remuneration have been changed.

29. Transactions with related parties

The related parties comprise associated undertakings, other related companies, key management personnel and post retirement benefit plan. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of key management personnel is disclosed in note 28. Other significant transactions with related parties are as follows:



Relation with undertaking	Nature of transaction	2018		2017	
		(Rupees in thousand)			
Associated companies	Purchase of services	3,347		4,532	
	Reimbursement of expenses	149		237	
	Purchase of goods	1,084		460	
	Dividend paid	274,523		305,026	
Retirement benefit plan	Dividend paid	1,748		1,943	
	Expense charged	17,243		16,539	
Key management personnel	Dividend paid	99,313		110,349	

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

Name of the related party	Basis of relationship	Percentage of shareholding %
Toyota Tsusho Corporation	Associated company	20%
Tomen Power (Singapore) (Private) Limited	-do-	16%
Red Communication Arts (Private) Limited	Common directorship	-
Kohinoor Power Company Limited	-do-	-
Pak Elektron Limited	-do-	-
PEL Marketing (Private) Limited	-do-	-
Wartsila Pakistan (Private) Limited	-do-	-
Trustee Kohinoor Energy Limited		
Employees Gratuity Fund	Retirement benefit plan	0%

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

29.2 Information about the related party incorporated outside the Pakistan with whom the company had entered into transactions is as follows:

29.2.1 Name of company:	Toyota Tsusho Corporation
Registered address of the company:	9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan.
Country of incorporation:	Japan
Basis of association:	Associated company
Aggregate percentage of shareholding:	20%
President and Chief Executive Officer:	Mr. Ichiro Kashitani
Operational status:	Operational
Auditors opinion on latest financial statements:	Unmodified opinion
29.2.2 Name of company:	Tomen Power (Singapore) (Private) Limited
Registered address of the company:	600 North Bridge Road, #04-09 Parkview Square, Singapore 188778.
Country of incorporation:	Singapore
Basis of association:	Associated company
Aggregate percentage of shareholding:	16%
Chief Executive Officer/Principal Officer/ Authorized Agent:	Mr. Ichiro Kawano
Operational status:	Operational
Auditors opinion on latest financial statements:	Unmodified opinion

30. Capacity and production

	2018	2017
Installed capacity (Based on 8,760 hours)	1,086,240	1,086,240
Actual energy delivered	645,395	792,147

Under utilization of available capacity is due to less demand and delayed payments by WAPDA.

31. Financial risk management

31.1 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 programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The Board of Directors (the Board) exercises oversight of the Company's risk management programme.

Risk management is carried out by the finance department under the principles and policies approved by the Board. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies. The finance department prepares monthly and quarterly management accounts. Quarterly management accounts are scrutinized by the Board and variances from the budgets are investigated. Quantitative and qualitative analyses are carried out to measure risk exposures and to develop strategies for managing these risks. These analyses include ratio analysis and trend analysis over financial and non-financial measures of performance.

a) Market risk

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of financial instruments 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 only with respect to the Euro (EUR). Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable / payable from / to the foreign entities. At the reporting date, no amounts were receivable from the foreign entities. The Company's exposure to currency risk is as follows:

	2018 (FCY in thousand)	2017
Trade and other payables	86	-

The following significant exchange rates were applied during the year:

	2018	2017
Rupees per Euro		
Average rate	131.43	114.39
Reporting date rate	141.57	120.14

If the functional currency, at reporting date, had fluctuated by 5% against the Euro with all other variables held constant, the impact on profit after taxation for the year would have been Rs. 0.73 million (2017: Nil) higher / lower. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.



ii) Other price risk

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

iii) Interest rate risk

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

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from short term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

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

	2018	2017
	(Rupees in thousand)	
Fixed rate instruments		
Financial assets		
Bank balances - savings accounts	53,015	143,680
Net exposure	<u>53,015</u>	<u>143,680</u>
Floating rate instruments		
Financial assets		
Trade debts - overdue	5,458,623	4,031,496
Financial liabilities		
Finances under mark up arrangements - secured	(5,285,780)	(3,578,671)
Net exposure	<u>172,843</u>	<u>452,825</u>

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates on finances under mark up arrangements, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 52.86 million (2017: Rs. 35.78 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate finances.

b) Credit risk

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

i) Exposure to credit risk

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

	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Long term loans and deposits	7,703	10,935
Trade debts	6,645,211	4,910,059
Loans, advances, deposits, prepayments and other receivables	369,500	412,189
Balances with banks	153,277	143,682
	<u>7,175,691</u>	<u>5,476,865</u>
The age of trade receivables as at reporting date is as follows:		
- Not past due	1,186,588	878,563
- Past due 0 - 180 days	4,445,736	3,041,258
- Past due 181 - 365 days	111,580	71,166
- 1 - 2 years	137,235	122,822
- More than 2 years	764,072	796,250
	<u>6,645,211</u>	<u>4,910,059</u>
The movement in provision for impairment of receivables is as follows:		
Opening balance	-	-
Written off during the year	-	-
Closing balance	<u>-</u>	<u>-</u>

The trade debts are secured by a guarantee from the Government of Pakistan under the Implementation Agreement.

ii) Credit quality of major financial assets

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

	Short Term	Long Term	Rating Agency	2018 (Rupees in thousand)	2017 (Rupees in thousand)
Trade debts					
WAPDA	Not available			6,645,211	4,910,059
Other receivables					
WAPDA	Not available			202,666	286,243
Banks					
Bank Alfalah Limited	A1+	AA+	PACRA	744	20,024
Standard Chartered Bank	A1+	AAA	PACRA	100,250	1
Askari Commercial Bank	A1+	AA+	PACRA	21,267	21,658
MCB Bank Limited	A1+	AAA	PACRA	1	5
Habib Bank Limited	A-1+	AAA	JCR-VIS	30,031	30,063
Al-Baraka Bank	A1	A	PACRA	18	391
United Bank Limited	A-1+	AAA	JCR-VIS	2	71,006
National Bank of Pakistan	A1+	AAA	PACRA	78	535
Faysal Bank Limited	A1+	AA+	PACRA	886	-
				<u>7,001,154</u>	<u>5,339,985</u>

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



c) Liquidity risk

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

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2018, the Company had Rs. 6,760 million available borrowing limits from financial institutions and Rs. 154.57 million cash and bank balances.

The following are the contractual maturities of financial liabilities as at June 30, 2018:

	Carrying amount	Less than one year (Rupees in thousand)	One to five years	More than five years
Finances under mark up arrangements	5,285,780	5,285,780	-	-
Trade and other payables	47,246	47,246	-	-
Accrued finance cost	48,878	48,878	-	-
Unclaimed dividend	10,305	10,305	-	-
	<u>5,392,209</u>	<u>5,392,209</u>	<u>-</u>	<u>-</u>

The following are the contractual maturities of financial liabilities as at June 30, 2017:

	Carrying amount	Less than one year (Rupees in thousand)	One to five years	More than five years
Finances under mark up arrangements	3,578,671	3,578,671	-	-
Trade and other payables	27,071	27,071	-	-
Accrued finance cost	33,361	33,361	-	-
Unclaimed dividend	14,302	14,302	-	-
	<u>3,653,405</u>	<u>3,653,405</u>	<u>-</u>	<u>-</u>

31.2 Fair values of financial assets and liabilities

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

31.3 Financial instruments by categories

	At fair value through profit and loss		Loans and receivables		Total	
	2018	2017	2018	2017	2018	2017
			(Rupees in thousand)			
Long term loans and deposits	-	-	7,703	10,935	7,703	10,935
Trade debts	-	-	6,645,211	4,910,059	6,645,211	4,910,059
Loans, advances, deposits, prepayments and other receivables	-	-	369,500	412,189	369,500	412,189
Cash and bank balances	-	-	153,277	143,682	153,277	143,682
	<u>-</u>	<u>-</u>	<u>7,175,691</u>	<u>5,476,865</u>	<u>7,175,691</u>	<u>5,476,865</u>

Assets as per statement of financial position

Financial liabilities at amortized cost
2018 **2017**
(Rupees in thousand)

Financial liabilities as per statement of financial position

Short term finances	5,285,780	3,578,671
Trade and other payables	47,246	27,071
Accrued finance cost	48,878	33,361
Unclaimed dividend	10,305	14,302
	5,392,209	3,653,405

31.4 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, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders through repurchase of shares, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings including current and non-current borrowings, less cash and bank balances as disclosed in note 19. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. The gearing ratio as at June 30, 2018 and June 30, 2017 is as follows:

	2017	2016
	(Rupees in thousand)	
Short term borrowings - note 8	5,285,780	3,578,671
Less: Cash and bank balances - note 19	(154,573)	(144,919)
Net debt	5,131,207	3,433,752
Total equity	6,005,463	6,056,909
Total capital	11,136,670	9,490,661
Gearing ratio %	46.1%	36.2%

32. Earnings per share

32.1 Basic earnings per share

		2018	2017
Net profit for the year	Rupees in thousand	729,898	804,167
Weighted average number of ordinary shares	Number in thousands	169,459	169,459
Earnings per share	Rupees	4.31	4.75

33.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2018 and June 30, 2017 which would have any effect on the earnings per share if the option to convert is exercised.

33. Date of authorization for issue

These financial statements were authorized for issue on September 11, 2018 by the Board of Directors of the Company.

34. Subsequent events

The Board of Directors have proposed a final dividend for the year ended June 30, 2018 of Rs. 1 (2017: Rs. 2) per share, amounting to Rs. 169.459 million (2017: Rs. 338.92 million) at their meeting held on September 11, 2018 for approval of the members at the Annual General Meeting to be held on October 23, 2018. These financial statements do not reflect this dividend payable.

35. Corresponding figures

Corresponding figures have been reclassified or arranged, wherever necessary, to comply with the requirements of the fourth schedule of the Companies Act, 2017 and for better and fair presentation. However, no significant reclassifications / rearrangement have been made during the year, except for the following as per requirement of the fourth schedule of the Companies Act, 2017 :

2017
(Rupees in
thousand)

- 'Unclaimed dividend' previously presented under 'Trade and other payables' now separately presented on the face of the statement of financial position.

14,302

36. General

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



Chief Executive Officer



Director



Chief Financial Officer

PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2018

NO. OF SHAREHOLDERS	FROM	SHAREHOLDING TO	TOTAL SHARES HELD
142	1	100	3,646
223	101	500	91,163
203	501	1,000	188,076
382	1,001	5,000	1,195,805
179	5,001	10,000	1,463,713
59	10,001	15,000	781,148
29	15,001	20,000	537,750
30	20,001	25,000	689,050
23	25,001	30,000	653,928
11	30,001	35,000	355,650
14	35,001	40,000	542,094
3	40,001	45,000	130,700
19	45,001	50,000	940,000
9	50,001	55,000	474,140
6	55,001	60,000	348,250
8	60,001	65,000	510,500
4	65,001	70,000	269,500
3	70,001	75,000	217,900
2	75,001	80,000	156,000
3	80,001	85,000	248,625
1	85,001	90,000	90,000
2	90,001	95,000	186,500
12	95,001	100,000	1,196,000
1	100,001	105,000	103,382
1	115,001	120,000	120,000
1	125,001	130,000	127,000
1	135,001	140,000	136,000
3	145,001	150,000	446,500
2	155,001	160,000	320,000
1	185,001	190,000	187,820
3	195,001	200,000	600,000
1	205,001	210,000	208,000
1	210,001	215,000	214,000
1	215,001	220,000	216,500
1	230,001	235,000	231,500
2	250,001	255,000	510,000
1	260,001	265,000	264,000
2	275,001	280,000	556,269
1	290,001	295,000	295,000
2	295,001	300,000	600,000
1	305,001	310,000	308,000
1	345,001	350,000	350,000
1	385,001	390,000	388,500
1	495,001	500,000	500,000
1	630,001	635,000	632,500
1	650,001	655,000	655,000
1	755,001	760,000	757,000
1	805,001	810,000	805,500
1	875,001	880,000	876,257
1	995,001	1,000,000	1,000,000
1	1,175,001	1,180,000	1,175,895



1	1,240,001	1,245,000	1,244,500
1	1,495,001	1,500,000	1,500,000
1	1,800,001	1,805,000	1,800,392
1	2,265,001	2,270,000	2,267,500
1	2,495,001	2,500,000	2,500,000
1	3,385,001	3,390,000	3,389,171
1	3,995,001	4,000,000	4,000,000
1	4,995,001	5,000,000	5,000,000
2	7,900,001	7,905,000	15,805,998
1	8,700,001	8,705,000	8,702,600
1	10,135,001	10,140,000	10,135,351
2	14,125,001	14,130,000	28,253,241
1	27,110,001	27,115,000	27,113,378
1	33,890,001	33,895,000	33,891,722

1,419

169,458,614

Categories of shareholders

Share held

Percentage

Directors, Chief Executive Officers, and their spouse and minor children	22,032,770	13.0019
Associated Companies, undertakings and related parties	61,393,600	36.2293
NIT and ICP	-	-
Banks Development Financial Institutions, Non Banking Financial Institutions.	10,148,758	5.9889
Insurance Companies	353,269	0.2085
Modarabas and Mutual Funds	925,257	0.5460
Share holders holding 10% or more	61,005,100	36.0000
General Public		
a. Local	64,101,896	37.8275
b. Foreign	10,020	0.0059
Others (to be specified)		
1- Investment Companies	1,000,187	0.5902
2- Pension Funds	24,282	0.0143
3- Others Companies	3,315,322	1.9564
4- Joint Stock Companies	2,723,702	1.6073
5- Foreign Companies	3,429,551	2.0238

www.jamapunji.pk



سرمایہ کاری سمجھداری کی دنیا

Key features:

- 📄 Licensed Entities Verification
- 🚫 Scam meter*
- 🎮 Jamapunji games*
- 📄 Tax credit calculator*
- 🔍 Company Verification
- 📄 Insurance & Investment Checklist
- 🗨️ FAQs Answered
- 📈 Stock trading simulator (based on live feed from KSE)
- 📚 Knowledge center
- 📊 Risk profiler*
- 📊 Financial calculator
- 📧 Subscription to Alerts (event notifications, corporate and regulatory actions)
- 📱 Jamapunji application for mobile device
- 📖 Online Quizzes

Be aware, Be alert, Be safe
Learn about investing at www.jamapunji.pk

Jamapunji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

*Mobile apps are also available for download for android and ios devices

Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2018

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties:			
1	TOYOTA TSUSHO CORPORATION	33,891,722	20.0000
2	TOMEN POWER (SINGAPORE) (PVT) LIMITED	27,113,378	16.0000
3	TRUSTEE KOHINOOR ENERGY LTD EMPLOYEES GRATUITY FUND (CDC)	388,500	0.2293
4	MR. M. AZAM SAIGOL (CDC)	14,126,620	8.3363
5	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGIL (CDC)	7,902,999	4.6637
Mutual Funds:			
1	CDC - TRUSTEE NATIONAL INVSTMENT (UNIT) TRUST (CDC)	876,257	0.5171
Directors, CEO and their Spouse and Minor Children:			
1	MR. M. NASEEM SAIGOL (CDC)	14,126,621	8.3363
2	MRS. SEHYR SAIGOL W/O MR. M. NASEEM SAIGOL (CDC)	7,902,999	4.6637
3	SHEIKH MUHAMMAD SHAKEEL	650	0.0004
4	MR. MUHAMAMD ASAD KHAN	500	0.0003
5	MR. HIROTOSHI UGAJIN	500	0.0003
6	MR. SHINGO ITO	500	0.0003
7	MISS MARIKO UEDA	500	0.0003
8	MR. ICHIRO KAWANO	500	0.0003
Executives:		36,500	0.0215
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		11,575,496	6.8309
Shareholders holding five percent or more voting interest in the listed company:			
1	TOYOTA TSUSHO CORPORATION	33,891,722	20.0000
2	TOMEN POWER (SINGAPORE) (PVT) LIMITED.	27,113,378	16.0000
3	MR. M. NASEEM SAIGOL (CDC)	14,126,621	8.3363
4	MR. M. AZAM SAIGOL (CDC)	14,126,620	8.3363
5	NATIONAL BANK OF PAKISTAN. (CDC)	10,135,500	5.9811
6	MST. ATIQA BEGUM (CDC)	8,702,600	5.1355

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

S. No.	NAME	SALE	PURCHASE
1	MR. SHINGO ITO	-	500
2	MR. MIKOHURO MORIYA	500	-
3	MISS MARIKO UEDA	-	500
4	MR. TATSUO HISATOMI	500	-
5	MR. ICHIRO KAWANO	-	500
6	MR. SHINICHI USHIJIMA	500	-

PROXY FORM

Ledger Folio/CDC A/C No.

Shares Held

I/We _____

of _____ being member(s) of Kohinoor Energy Limited

hereby appoint _____

of _____ or failing him _____

of _____ as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the twenty fifth Annual General Meeting of the Company to be held on October 23, 2018 at 12:30 P.M. at Hotel Margala Islamabad, M-2 Near Convention Centre, Islamabad and/or at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2018

signed by _____

in the presence of _____

Signed by the said

Witness:
Name _____

CNIC No. _____

Address _____

Witness:
Name _____

CNIC No. _____

Address _____

Revenue
Stamps
Rs.5/-

Notes:

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

For CDC Account Holders/Corporate Entities

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

- (i) Attested copies of NIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
- (ii) In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.
- (iii) The proxy shall produce his original NIC or original passport at the time of attending the meeting.



کوہ نور انرجی لمیٹڈ

سی ڈی سی کا شراکتی آئی ڈی نمبر

پراکسی فارم

عام حصص بمطابق شیئر رجسٹرڈ / فولیو نمبر

میں / ہم

ساکن

بطور کوہ نور انرجی لمیٹڈ کے رکن و حامل

ساکن

یا بصورت دیگر

ساکن

کو اپنی جگہ، بروز منگل 23 اکتوبر 2018 کو دوپہر بارہ بج کر تیس منٹ (12:30) پر مارگلہ ہوٹل، ایم ٹو، نزد کنونینشن سنٹر، اسلام آباد میں منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لیے اپنا ناما ہندہ مقرر کرتا کرتی ہوں۔

دستخط مورخہ 2018

5/- روپے کا
محصول ٹکٹ

گواہی:

1- دستخط..... 2- دستخط.....

نام..... نام.....

پتہ..... پتہ.....

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

دستخط.....

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

قومی شناختی کارڈ نمبر / پاسپورٹ نمبر.....

ضروری:

- پراکسی کے موثر ہونے کے لیے لازم ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کو موصول ہوں۔ پراکسی کا کمپنی کارکن ہونا ضروری نہیں ہے سی ڈی سی کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ کمپنی میں جمع کرائیں۔
- پراکسی کو اجلاس کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔
- کارپوریٹ اینٹیٹی کی صورت میں ڈائریکٹرز کی قرارداد / پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

"SAY NO TO CORRUPTION"

Contribution to Social Welfare

www.kel.com.pk

