



N I S H A T

NISHAT POWER LIMITED

FIRST QUARTER REPORT

FOR THE PERIOD ENDED SEPTEMBER 30

2022



DELIVERING GROWTH AND EXCELLENCE



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Nishat Power Limited

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CORPORATE PROFILE

BOARD OF DIRECTORS

Mian Hassan ManshaChairman
Mr. Ghazanfar Hussain Mirza Chief Executive
Mr. Ahmad Aqeel
Ms. Maleeha Humayun Bangash
Mr. Mahmood Akthar
Mr. Shahzad Ahmad Malik
Mr. Norez Abdullah

AUDIT COMMITTEE

Mr. Ahmad Aqeel.....Member / Chairman
Ms. Maleeha Humayun BangashMember
Mr. Shahzad Ahmad MalikMember

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mian Hassan ManshaMember
Mr. Ahmad Aqeel.....Member / Chairman
Mr. Ghazanfar Hussain MirzaMember

CHIEF FINANCIAL OFFICER

Mr. Tanvir Khalid

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

BANKERS OF THE COMPANY

Habib Bank Limited
United Bank Limited
Allied Bank Limited
National Bank of Pakistan
Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Soneri Bank Limited
Silk Bank Limited
Bank Islami Pakistan Limited
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited
Albaraka Bank Pakistan Limited
The Bank of Punjab
MCB Bank Limited
MCB Islamic Bank Limited
Pak Brunei Investment Co. Limited
Bank Al-Habib Ltd

AUDITORS

Riaz Ahmad & Co.
Chartered Accountants

LEGAL ADVISOR

Cornelius, Lane & Mufti
Advocates & Solicitors

REGISTERED OFFICE

53 - A, Lawrence Road, Lahore - Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Canal Bank,
Gulberg-V, Lahore - Pakistan
Tel: +92-42-35717090-96, 35717159-63
Fax: +92-42-35717239
Website: www.nishatpower.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.
Financial & Management Consultants
H.M. House, 7-Bank Square, Lahore - Pakistan.
Tel: 042-37235081-2

PLANT

66-K.M, Multan Road, Jambar Kalan,
Tehsil Pattoki, District Kasur, Punjab - Pakistan.

DIRECTORS' REPORT

The Board of Directors of Nishat Power Limited (The Company) is pleased to present their report together with the Condensed Interim Financial Information for the quarter ended September 30, 2022.

PRINCIPAL ACTIVITY:

The principal activity of the Company is to build, own, operate and maintain a fuel fired power plant based on Reciprocating Engine Technology having gross capacity of 200MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan.

FINANCIAL RESULTS:

During the period the Company had turnover of Rs 11,448 million (September 2021: Rs 5,729 million) against operating cost of Rs 10,333 million (September 2021: Rs 4,729 million) resulting in a gross profit of Rs 1,114 million (September 2021: Rs 1,001 million). The current period's net profit after tax amounts to Rs 943 million resulting earnings per share of Rs 2.66 compared to previous period's profit after tax of Rs 915 million and earnings per share of Rs 2.58.

The Power Purchaser continues to default on its payment obligations. The Company took up the matter with the Power Purchaser and Private Power & Infrastructure Board ('PPIB') by giving notices of default pursuant to provisions of Power Purchase Agreement and Implementation Agreement.

Total receivables from Power Purchaser on September 30, 2022 stand at Rs 17,915 million (June 30, 2022: Rs 12,067 million), out of which overdue receivables are Rs 13,798 million (June 30, 2022: Rs 8,013 million).

OPERATIONS RESULTS:

The plant operated at an optimal efficiency with 68.47% (September 2021: 58.26%) average capacity factor and dispatched 295 GWh (September 2021: 251 GWh) of electricity to the Power Purchaser during the period.

COMPOSITION OF BOARD:

Total number of Directors:		
(a)	Male	6
(a)	Female:	1
Composition:		
(i)	Independent Directors	2
(i)	Other Non-executive Directors	4
(ii)	Executive Directors	1

COMMITTEES OF THE BOARD:

Audit Committee of the Board:

Sr. #	Name of Directors
1	Mr. Ahmad Aqeel (Independent Director) – Chairman
2	Maleeha Humayun Bangash (Independent Director)
3	Mr. Shahzad Ahmad Malik (Non-Executive Director)

Human Resource and Remuneration Committee:

Sr. #	Name of Directors
1	Mr. Ahmad Aqeel – (Independent Director) - Chairman
2	Mian Hassan Mansha (Non-Executive Director)
3	Mr. Ghazanfar Husain Mirza (Executive Director)

DIRECTORS' REMUNERATION:

The company does not pay remuneration to its non-executive directors including independent directors except for meeting fee. Aggregate amount of remuneration paid to executive and non-executive directors have been disclosed in note 13 of the annexed condensed interim financial statements.

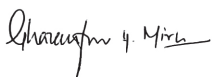
DIVIDEND:

The Board of Directors have approved an interim cash dividend of 20% i.e. Rupees 2 per share amounting to Rs 708.177 million for the quarter ended September 30, 2022.

ACKNOWLEDGEMENT:

The Board of Directors appreciates all its stakeholders for their trust and continued support to the Company. The Board also recognizes the contribution made by a very dedicated team of professionals and engineers who served the Company with enthusiasm, and hope that the same spirit of devotion shall remain intact in the future ahead to the Company.

For and on behalf of Board of Directors



Chief Executive Officer
Lahore: October 21, 2022



Director

مجلس نظماء کی رپورٹ:

نشاط پاور لمیٹڈ (کمپنی) کی مجلس نظماء 30 ستمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے منہج عبوری مالی معلومات مع اپنی رپورٹ پیش کرتے ہوئے خوش محسوس کرتی ہے۔

بنیادی سرگرمی:

کمپنی کی بنیادی سرگرمی جبر کلاں تحصیل پتوکی، ضلع قصور، پنجاب، پاکستان میں 200 میگا واٹ کی مجموعی صلاحیت کا حامل انجن ٹیکنالوجی پر مبنی ایندھن سے چلنے والا پرائیویٹ پاور پلانٹ کی تعمیر، چلانا اور برقرار رکھنا ہے۔

مالیاتی نتائج:

کمپنی کو سہ ماہی کے دوران 10,333 ملین روپے (ستمبر 2021: 4,729 ملین روپے) کی آپریٹنگ لاگت کے عوض 11,448 ملین روپے (ستمبر 2021: 5,729 ملین روپے) وصولیاں ہوئیں تھیں، جس کے نتیجے میں 1,114 ملین روپے (ستمبر 2021: 1,001 ملین روپے) کا مجموعی منافع ہوا ہے۔ موجودہ مدت کا بعد از ٹیکس خالص منافع گزشتہ سال کی اسی مدت کے بعد از ٹیکس منافع 915 ملین روپے اور 2.58 روپے فی شیئر آمدنی کے مقابلہ میں 943 ملین روپے اور 2.66 روپے فی شیئر آمدنی رہا ہے۔ پاور پریچر اپنی ادائیگی کی ذمہ داریوں پر مسلسل نادرہنگی پر کار بند ہے۔ کمپنی نے بجلی کی خریداری کے معاہدے اور Implementation Agreement کے تحت پاور پریچر راور پرائیویٹ پاور اینڈ انفراسٹرکچر بورڈ ('پی پی آئی بی') کے ہاں معاملہ اجاگر کیا ہے۔

30 ستمبر 2022 کو بجلی کے خریدار سے کل واجب وصولی 17,915 ملین روپے (30 جون 2022: 12,067 ملین روپے) ہے، جن میں سے 13,798 ملین روپے (30 جون 2022: 8,013 ملین روپے) کی واجب الوصول رقم زائد المعیاد ہے۔

کاروباری نتائج:

موجودہ مدت کے دوران پلانٹ زیادہ سے زیادہ باکفایت کارکردگی پر چلایا گیا اور پاور پریچر کو اوسط کپکسٹی عنصر 68.47 فیصد (ستمبر 2021: 58.26 فیصد) صلاحیت کے ساتھ 295 GWh (ستمبر 2021: 251 GWh) بجلی ترسیل کی گئی۔

بورڈ کی ترکیب:

ڈائریکٹرز کی کل تعداد

(a) مرد 6

(b) عورت 1

ترتیب

(i) آزاد ڈائریکٹرز 2

(ii) دیگر نان ایگزیکٹو ڈائریکٹرز 4

(iii) ایگزیکٹو ڈائریکٹرز 1

بورڈ کی کمیٹیاں

بورڈ کی آڈٹ کمیٹی

نمبر شمار	نام ڈائریکٹر
1	جناب احمد عقیل (آزاد ڈائریکٹر) چیئر مین
2	ملیحہ ہمایوں نگلش (آزاد ڈائریکٹر)
3	جناب شہزاد احمد ملک (نان ایگزیکٹو ڈائریکٹر)

بیومن ریسورس اینڈ ریمزیشن کمیٹی:

نمبر شمار	نام ڈائریکٹر
1	جناب احمد عقیل (آزاد ڈائریکٹر) چیئر مین
2	میاں حسن منشا (نان ایگزیکٹو ڈائریکٹر)
3	جناب غففر حسین مرزا (ایگزیکٹو ڈائریکٹر)

ڈائریکٹر کا مشاہرہ:


کمپنی ز آزاد ڈائریکٹر ز سمیت اپنے نان ایگزیکٹو ڈائریکٹر کو اجلاس فیس کے علاوہ مشاہرہ ادا نہیں کرتی ہے۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹر ز کو ادا کئے گئے مشاہرہ کی مجموعی رقم منسلکہ غیر منقولہ بحمد عبوری مالی حسابات کے نوٹ 13 میں منکشف کی گئی ہے۔

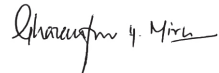
منافع منقسمہ

مجلس نظاماء نے 20 فیصد عبوری نقد منافع منقسمہ یعنی کہ 2 روپے فی عام حصص 708.177 ملین روپے رقم کی منظوری کی ہے۔

اظہار تشکر:

بورڈ آف ڈائریکٹر ز کمپنی کے تمام اسٹیک ہولڈرز کے اعتماد اور مسلسل حمایت کا شکریہ ادا کرتا ہے، بورڈ ماہرین اور انجینئرز کی ایک بہت ہی سرشار ٹیم کے حصہ کو تسلیم کرتا ہے جس نے جوش و خروش سے کمپنی کی خدمت کی، اور امید کرتا ہے کہ مستقبل میں کمپنی کے لئے یہی جذبہ برقرار رکھیں گے۔


ڈائریکٹر


چیف ایگزیکٹو

لاہور: 21 اکتوبر 2022ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited) AS AT SEPTEMBER 30, 2022

	Note	Un-audited September 30, 2022 (Rupees in thousand)	Audited June 30, 2022
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EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorised share capital 500,000,000 (June 30, 2022: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital 354,088,500 (June 30, 2022: 354,088,500) ordinary shares of Rs 10 each		3,540,885	3,540,885
Capital reserve		3,153,633	3,153,633
Revenue reserve: Un-appropriated profits		22,342,178	21,399,042
		29,036,696	28,093,560

NON-CURRENT LIABILITY

Long term financing - secured	6	-	-
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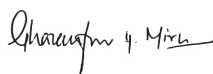
CURRENT LIABILITIES

Current portion of long term financing - secured	6	18,452	36,903
Short term borrowings - secured		477,769	4,487,946
Trade and other payables		747,297	648,853
Unclaimed dividend		20,140	20,144
Accrued mark-up		26,975	82,884

CONTINGENCIES AND COMMITMENTS

	7	1,290,633	5,276,730
		30,327,329	33,370,290

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE

Note	Un-audited September 30, 2022	Audited June 30, 2022
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(Rupees in thousand)

ASSETS

NON-CURRENT ASSETS

Fixed assets	8	8,290,143	8,503,711
Long term investments	9	-	-
Long term loans and advances		4,367	1,228
		8,294,510	8,504,939

CURRENT ASSETS

Stores, spares and loose tools	736,620	891,851
Inventories	1,987,422	4,172,155
Trade debts	17,315,708	11,533,456
Advances, deposits, prepayments and other receivables	1,705,471	1,976,426
Income tax receivable	52,353	50,624
Short term investments	31,610	5,733,711
Cash and bank balances	203,635	507,128
	22,032,819	24,865,351
	30,327,329	33,370,290


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Note	Quarter ended	
		September 30, 2022	September 30, 2021
		(Rupees in thousand)	
Revenue		11,447,598	5,729,416
Cost of sales	10	(10,333,385)	(4,728,829)
Gross profit		1,114,213	1,000,587
Administrative expenses		(92,084)	(74,139)
Other expenses		(72,629)	(591)
Other income		23,535	45,121
Finance costs		(29,899)	(55,931)
Profit before taxation		943,136	915,047
Taxation		-	-
Profit for the period		943,136	915,047
Earnings per share - basic and diluted (in Rupees)		2.664	2.584

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in thousand)	
Profit for the period	943,136	915,047
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-
	-	-
Total comprehensive income for the period	943,136	915,047

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

		Quarter ended	
	Note	September 30, 2022	September 30, 2021
		(Rupees in thousand)	
Cash flows from operating activities			
Cash generated from / (used in) operations	11	(1,808,691)	294,822
Finance cost paid		(85,807)	(80,094)
Income tax paid		(1,729)	(907)
Long term loans and advances - net		(3,139)	849
Retirement benefits paid		(7,826)	(7,173)
Net cash generated from/(used in) operating activities		(1,907,192)	207,497
Cash flows from investing activities			
Purchase of fixed assets		(8,374)	(8,418)
Investment in subsidiary		-	(1,750)
Proceeds from sale of short term investments		5,631,631	-
Proceeds from disposal of operating fixed assets		288	40,778
Profit on bank deposits received		8,786	15
Net cash generated from investing activities		5,632,331	30,625
Cash flows from financing activities			
Repayment of long term finances		(18,451)	(18,451)
Dividend paid		(4)	(24)
Net cash used in financing activities		(18,455)	(18,475)
Net increase in cash and cash equivalents		3,706,684	219,647
Cash and cash equivalents at the beginning of the period		(3,980,818)	(3,239,461)
Cash and cash equivalents at the end of the period	12	(274,134)	(3,019,814)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Share capital	Capital reserve: Maintenance reserve (Rupees in thousand)	Revenue reserve: Un-appropriated profits	Total
Balance as at June 30, 2021 - audited	3,540,885	3,153,633	19,315,746	26,010,264
Profit for the period	-	-	915,047	915,047
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	915,047	915,047
Transactions with owners in their capacity as owners:	-	-	-	-
Balance as on September 30, 2021 (un-audited)	<u>3,540,885</u>	<u>3,153,633</u>	<u>20,230,793</u>	<u>26,925,311</u>
Balance as on June 30, 2022 - audited	3,540,885	3,153,633	21,399,042	28,093,560
Profit for the period	-	-	943,136	943,136
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	943,136	943,136
Transactions with owners in their capacity as owners:	-	-	-	-
Balance as on September 30, 2022 (un-audited)	<u>3,540,885</u>	<u>3,153,633</u>	<u>22,342,178</u>	<u>29,036,696</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1. THE COMPANY AND ITS ACTIVITIES

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

The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the Company is 53-A, Lawrence Road, Lahore. The address of the head office of the Company is 1-B, Aziz Avenue, Canal Road, Gulberg V, Lahore. The Company has a Power Purchase Agreement ('PPA') with Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereas the existing term of the PPA Agreement is ending on August 15, 2035.

2. STATEMENT OF COMPLIANCE

These condensed interim 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 Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of (IAS) 34, the provisions and directives issued under the Companies Act, 2017 have been followed.

3. BASIS OF PRESENTATION AND MEASUREMENT

These condensed interim financial statements are un-audited. These condensed interim financial statements do not include all the information and disclosures required in an audited financial statements and therefore should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2022.

These condensed interim financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest thousand rupee unless otherwise specified.

4. STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING STANDARDS

4.1 Initial application of standards, amendments or interpretations to existing standards

The following amendments to existing standards have been published that are applicable to the Company's condensed interim financial statements covering annual periods, beginning on or after the following dates:

4.1.1 Standards, amendments and interpretations to existing standards that are effective in current year

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on July 1, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

4.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and/or have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2022, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5. Significant accounting policies, estimates, judgements and financial risk management

The preparation of these condensed interim financial statements is in conformity with the approved accounting and reporting standards as applicable in Pakistan. Interim reporting requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

Accounting policies, judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to the audited financial statements as at and for the year ended June 30, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as at and for the year ended June 30, 2022.

	Un-audited September 30, 2022 (Rupees in thousand)	Audited June 30, 2022
6. LONG TERM FINANCING - SECURED		
Opening balance	36,903	110,708
Loan disbursements during the period/year	-	-
Less: Repayments during the period/year	(18,451)	(73,805)
	18,452	36,903
Less: Current portion shown under current liabilities	(18,452)	(36,903)
	-	-

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There is no significant change in contingencies i.e. (contingent liabilities) from the preceding annual published financial statements of the Company for the year ended June 30, 2022.

7.2 Commitments

- Letters of credit and contracts for other than capital expenditure aggregating to Rs 481.54 million (June 2022: Rs. 135.41 million).
- Post dated cheques ('PDC') amounting to Rs 14.69 million (June 2022: 13.43 million) issued in favour of Collector of Customs, Lahore on orders of Lahore High Court with respect to differential custom duties case. These PDCs may become encashable if Lahore High Court decides against the Company. Based upon the advice of Company's legal counsel, the management is confident that Lahore High Court will decide in favour of the Company.

		Un-audited September 30, 2022 (Rupees in thousand)	Audited June 30, 2022
8. FIXED ASSETS			
Property, plant and equipment:			
Operating fixed assets	note 8.1	8,124,560	8,087,216
Capital work-in-progress		5,636	6,686
Major spare parts and standby equipment		159,947	409,809
		<u>8,290,143</u>	<u>8,503,711</u>
8.1 Operating fixed assets			
Opening net book value		8,087,216	8,732,332
Additions during the period / year	note 8.1.1	259,286	130,692
Net book value of deletions during the period / year		(288)	(5,694)
Depreciation charged for the period / year		(221,654)	(770,114)
		<u>8,124,560</u>	<u>8,087,216</u>
8.1.1 Additions during the period / year			
Freehold land		-	98,146
Buildings and roads on freehold land		-	525
Plant and machinery		250,516	9,395
Computer equipment		2,771	2,864
Furniture and fixtures		387	320
Office equipment		210	1,027
Vehicles		5,402	18,415
		<u>259,286</u>	<u>130,692</u>
9. LONG TERM INVESTMENTS			
9.1 Investment in Nishat Energy Limited			

The Company directly holds 250,000 fully paid ordinary shares of Rs 10 each, in its associate, Nishat Energy Limited ('NEL'), representing its 25% equity. NEL is an unquoted public company limited by shares incorporated in Pakistan to build, own, operate and maintain a coal fired power station. The address of the registered office of NEL is 1-B, Aziz Avenue, Canal Bank, Gulberg V, Lahore. NEL is no longer considered a going concern by its management and hence, the investment is fully impaired.

Un-audited
Quarter ended
September 30, September 30,
2022 2021
(Rupees in thousand)

10. COST OF SALES

Raw materials consumed	9,675,922	4,336,235
Salaries and other benefits	80,456	71,582
Repairs and maintenance	5,089	3,526
Stores, spares and loose tools consumed	239,748	34,873
Electricity consumed in-house	4,268	4,960
Insurance	90,142	69,879
Travelling and conveyance	8,117	5,722
Printing and stationery	351	236
Postage and telephone	260	133
Vehicle running expenses	2,336	1,246
Entertainment	559	517
Depreciation on fixed assets	206,261	186,036
Fee and subscription	1,456	1,197
Miscellaneous	18,420	12,687
	10,333,385	4,728,829

11. CASH GENERATED FROM/(USED IN) OPERATIONS

Profit before taxation	943,136	915,047
Adjustment for non-cash charges and other items:		
Depreciation on operating fixed assets	221,654	201,422
Profit on bank deposits	(8,341)	(16)
Interest on short term investment	(1,151)	-
Finance cost	29,898	55,931
Provision for employee retirement benefits	7,826	7,173
Gain on disposal of operating fixed assets	-	(36,247)
Loss on sale of short term investments	70,470	-
	1,263,492	1,143,310
Operating profit before working capital changes		
Effect on cash flow due to working capital changes:		
Decrease/(increase) in current assets		
Stores, spares and loose tools	155,231	4,887
Inventories	2,184,733	(835,237)
Trade debts	(5,782,252)	(518,941)
Advances, deposits, prepayments and other receivables	271,661	57,756
	(3,170,627)	(1,291,535)
(Decrease) / increase in current liabilities		
Trade and other payables	98,444	443,047
	(3,072,183)	(848,488)
	(1,808,691)	294,822

12. CASH AND CASH EQUIVALENTS

	Un-audited Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in thousand)	
Cash and bank balances	203,635	97,053
Short term borrowings - secured	(477,769)	(3,116,867)
	(274,134)	(3,019,814)

13. TRANSACTIONS WITH RELATED PARTIES

The related parties include the holding company, subsidiaries and associates of the holding company, subsidiary and associate of the Company, related parties on the basis of common directorship, key management personnel of the Company and its holding company and post employment benefit plan (Provident Fund). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Significant related party transactions during the period are as below:

		Un-audited Quarter ended	
		September 30, 2022	September 30, 2021
		(Rupees in thousand)	
Relationship with the company	Nature of transactions		
i. Holding company	Dividends paid	-	-
ii. Entities on the basis of common directorship	Purchases of goods and services	27,888	20,141
	Rental expense	864	3,115
	Insurance premium	89,819	71,368
iii. Group entity	Interest on deposit accounts	8,296	13
	Insurance premium	2,184	-
iv. Post employment benefit plan	Expense charged in respect of retirement benefit plan	7,826	7,173
v. Key management personnel	Remuneration	6,006	5,498

	Un-audited September 30, 2022	Audited June 30, 2022
	(Rupees in thousand)	
Period / year end balances		
Payable to related parties		
- Companies on basis of common directorship	4,028	91
- Group entity	2,404	3,133
Bank deposits with related parties		
- Group entity	202,344	505,564
Receivable from related parties		
- Companies on basis of common directorship	5,042	29,322

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 21, 2022 by the Board of Directors of the Company.

14.1 Event after the reporting date

The Board of Directors have approved an interim cash dividend for the quarter ended September 30, 2022 of Rs 2 per share, amounting to Rs 708.177million at their meeting held on October 21, 2022. These condensed interim financial statements do not include the effect of the above dividend which will be accounted for in the period in which it is approved.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position and the condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim statement of profit or loss, the condensed interim statement of comprehensive income and the condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR





N I S H A T

NISHAT POWER LIMITED

53-A, Lawrence Road, Lahore.

Fax: 042-36367414 UAN: 042-111-11-33-33