



NISHAT POWER LIMITED
HALF YEARLY REPORT
FOR THE PERIOD ENDED 31 December
2024



**Enlighten the Future
Through Excellence,
Commitment, Integrity
and Honesty**



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CORPORATE PROFILE

BOARD OF DIRECTORS

Mian Hassan Mansha.....Chairman
Mr. Ghazanfar Hussain Mirza.....Chief Executive Officer
Mr. Humayun Maqbool
Ms. Maleeha Humayun Bangash
Mr. Mahmood Akthar
Mr. Shahzad Ahmad Malik
Mr. Muhammad Aqib Zulfiqar

AUDIT COMMITTEE

Mr. Humayun Maqbool.....Member / Chairman
Ms. Maleeha Humayun Bangash.....Member
Mr. Muhammad Aqib Zulfiqar..... Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mian Hassan Mansha.....Member
Ms. Maleeha Humayun Bangash...Member / Chairperson
Mr. Ghazanfar Hussain Mirza.....Member

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 half year ended 31 December 2024.

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:

On 4 December 2024, the Board of Directors of the Company approved the execution of the Amendment Agreement with the Government of Pakistan ('GoP') and the Power Purchaser to implement the amendments in the existing tariff, after several rounds of discussions with the Task Force constituted by the Prime Minister of Pakistan (alongwith other IPPs). These amendments resulted in conversion of existing tariff to 'Hybrid Take and Pay' model, with effect from 1 November 2024, as proposed by the Task Force. Subsequent to the reporting period, the Amendment Agreement has been formally executed. Please refer to Note 1.3 of the annexed condensed interim financial statements for further details.

During the period the Company had turnover of Rs 3,519 million (December 2023: Rs 12,221 million) against operating cost of Rs 1,851 million (December 2023: Rs 10,008 million) resulting in a gross profit of Rs 1,669 million (December 2023: Rs 2,213 million). Although the company earned an operating profit of Rs.2,189 million during the current period (December 2023: Rs. 2,379 million), however, due to adjustment in prior year earnings as per Amendment Agreement signed with Power Purchaser and GOP, there is a net loss after tax of Rs. 2,762 million resulting in loss per share of Rs 7.80 compared to previous period's profit after tax of Rs 2,316 million and earnings per share of Rs 6.54.

Pursuant to the Amendment Agreement, the Power Purchaser has agreed to pay overdue receivables within 90 days of Federal Cabinet's approval and the outstanding dues as at 31 October 2024, are to be received by 14 April 2025, which shall be full and final settlement of past payables and claims of the company.

Total billed receivables from Power Purchaser on 31 December 2024 stand at Rs 9,216 million (June 30, 2024: Rs. 14,425 million), out of which overdue receivables are Rs.8,853 million (June 30, 2024: Rs 9,984 million).

OPERATIONAL RESULTS:

During the period, the plant operated at an optimal efficiency with 3.51% (December 2023: 29.511%) average capacity factor and dispatched 30 GWh (December 2023: 255 GWh) of electricity to the Power Purchaser.

COMPOSITION OF BOARD:

Total number of Directors:	
(a) Male	6
(b) Female:	1
Composition:	
(i) Independent Directors	2
(ii) Other Non - Executive Directors	3
(iii) Executive Directors	2

COMMITTEES OF THE BOARD:

Audit Committee of the Board:

Sr. #	Name of Directors
1	Mr. Humayun Maqbool (Independent Director) - Chairman
2	Ms. Maleeha Humayun Bangash (Independent Director)
3	Mr. Muhammad Aqib Zulfiqar (Non-Executive Director)

Human Resource and Remuneration Committee:

Sr. #	Name of Directors
1	Ms. Maleeha Humayun Bangash (Independent Director)- Chairperson
2	Mian Hassan Mansha (Non-Executive Director)
3	Mr. Ghazanfar Hussain 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 12 of the annexed condensed interim financial statements.

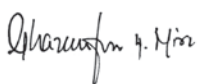
DIVIDEND:

The Board of Directors have approved an interim cash dividend of 20% i.e. Rupees 2.0 per share amounting to Rs 708.177 million for the period ended 31 December 2024.

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 all the employees 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: 27 February 2025



DIRECTOR

مجلس نظماًء کی رپورٹ

نشاط پاور لمیٹڈ (کمپنی) کی مجلس نظماًء 31 دسمبر 2024 کو ختم ہونے والی ششماہی کے لئے کمپنی کے منجمد عبوری مالی معلومات معرپتی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہے۔

بنیادی سرگرمی:

کمپنی کی بنیادی سرگرمی جمہر 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:

4 دسمبر 2024 کو کمپنی کے بورڈ آف ڈائریکٹرز نے وزیراعظم پاکستان (دیگر آئی پی بیز کے ساتھ) کی تشکیل کردہ ٹاسک فورس کے ساتھ کئی دور کی بات چیت کے بعد، موجودہ ٹریف میں ترامیم کو لاگو کرنے کے لیے حکومت پاکستان ('GoP') اور پاور پراجیکٹ کے ساتھ ترمیمی معاہدے پر عمل درآمد کی منظوری دی۔ ان ترامیم کے نتیجے میں موجودہ ٹریف کو 'ہائبرڈ ٹیک اینڈ پے' ماڈل میں تبدیل کیا گیا، جس کا اطلاق 1 نومبر 2024 سے ہوا، جیسا کہ ٹاسک فورس نے تجویز کیا۔ رپورٹنگ کی مدت کے بعد، ترمیمی معاہدے کو باضابطہ طور پر عمل میں لایا گیا ہے۔ مزید تفصیلات کے لیے براہ کرم منسلک منجمد عبوری مالی بیانات کا نوٹ 1.3 دیکھیں۔

اس مدت کے دوران کمپنی کا ٹرن اوور 3,519 ملین روپے (دسمبر 2023: 12,221 ملین روپے) تھا جبکہ آپریٹنگ لاگت 1,851 ملین روپے (دسمبر 2023: 10,008 ملین روپے)۔ جس کے نتیجے میں 1,669 ملین روپے کا مجموعی منافع ہوا (دسمبر 2023: 2213 ملین روپے)۔ اگرچہ کمپنی نے موجودہ مدت کے دوران 2,189 ملین روپے (دسمبر 2023: 2,379 ملین روپے) کا آپریٹنگ منافع کمایا، تاہم، پاور پراجیکٹ اور GOP کے ساتھ دستخط شدہ ترمیمی معاہدے کے مطابق پچھلے سال کی آمدنی میں ایڈجسٹمنٹ کی وجہ سے موجودہ مدت کا بعد از ٹیکس خالص نقصان گزشتہ سال کی اسی مدت کے بعد از ٹیکس منافع 2,316 ملین روپے اور 6.54 روپے فی حصص کے مقابلے میں 2,762 ملین روپے اور 7.80 روپے فی حصص کا نقصان ہوا۔

ترمیمی معاہدے کے مطابق، پاور پراجیکٹز نے وفاقی کابینہ کی منظوری کے 90 دنوں کے اندر 31 اکتوبر 2024 تک کے زائد المعیاد واجب الادا بقایا واجبات کی ادائیگی پر اتفاق کیا ہے، جو 14 اپریل 2025 تک وصول کیے جائیں گے، جو کہ کمپنی کے ماضی کے واجب الادا دعویوں کا مکمل اور حتمی تصفیہ ہوگا۔

31 دسمبر 2024 کو پاور پراجیکٹز سے کل واجب وصولی بلز 9,216 ملین روپے ہیں (30 جون 2024: 14,425 ملین روپے)۔ جن میں سے 8,853 ملین روپے (30 جون 2024: 4 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 پراجیکٹز کو اوسط کپیسٹی عنصر 3.51 فیصد (دسمبر 2023: 29.51 فیصد) صلاحیت کے ساتھ 30 GWh (دسمبر 2023: 255GWh) بجلی ترسیل کی گئی۔

بورڈ کی ترتیب:

ڈائریکٹرز کی کل تعداد

6	(a) مرد
1	(b) عورت

ترتیب

- | | |
|---|----------------------------------|
| 2 | (i) آزاد ڈائریکٹرز |
| 3 | (ii) دیگر نان ایگزیکٹو ڈائریکٹرز |
| 2 | (iii) ایگزیکٹو ڈائریکٹرز |

بورڈ کی کمیٹیاں بورڈ کی آڈٹ کمیٹی

نمبر شمار	نام ڈائریکٹر
1	جناب ہمایوں مقبول (آزاد ڈائریکٹر) چیئر مین
2	محترمہ ملیحہ ہمایوں نگلش (آزاد ڈائریکٹر)
3	جناب محمد عاقب ذوالفقار (نان ایگزیکٹو ڈائریکٹر)

ہیومن ریسورس اینڈ ریمیزیشن کمیٹی:

نمبر شمار	نام ڈائریکٹر
1	محترمہ ملیحہ ہمایوں نگلش (آزاد ڈائریکٹر) چیئر پرسن
2	میاں حسن منشا (نان ایگزیکٹو ڈائریکٹر)
3	جناب غضنفر حسین مرزا (ایگزیکٹو ڈائریکٹر)

ڈائریکٹرز کا مشاہرہ:

کمپنی نے آزاد ڈائریکٹرز سمیت اپنے نان ایگزیکٹو ڈائریکٹر کو اجلاس فیس کے علاوہ مشاہرہ ادا نہیں کرتی ہے۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو ادا کئے گئے مشاہرہ کی مجموعی رقم منسلکہ غیر منقولہ محمد عبوری مالی حسابات کے نوٹ 12 میں منکشف کی گئی ہے۔

منافع منقسمہ

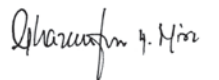
مجلس نظماء نے 20 فیصد عبوری نقد منافع منقسمہ یعنی کہ 2.0 روپے فی عام حصص 708.177 بلین روپے رقم کی منظوری کی ہے۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز کمپنی کے تمام اسٹیک ہولڈرز کے اعتماد اور مسلسل حمایت کا شکریہ ادا کرتا ہے۔ بورڈ ان تمام ملازمین کے تعاون کو تسلیم کرتا ہے جنہوں نے جوش و خروش سے کمپنی کی خدمت کی، اور امید کرتا ہے کہ مستقبل میں بھی وہ کمپنی کے لئے یہی عقیدت کا جذبہ برقرار رکھیں گے۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

لاہور: 27 فروری 2025ء

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Nishat Power Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of NISHAT POWER LIMITED as at 31 December 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2024 and 31 December 2023 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2024.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

We draw attention to note 1.3 to the condensed interim financial statements which highlights the signing of Amendment Agreement to alter certain contractual arrangements for sale and purchase of electricity and to amicably resolve the disputes between the Parties. Our conclusion is not qualified in respect of this matter.

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



RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 27 February 2025

UDIN: RR202410132XJx9jilGb

**CONDENSED INTERIM
STATEMENT OF FINANCIAL POSITION (Un-audited)**
AS AT 31 DECEMBER 2024

	Un-audited 31 December 2024	Audited 30 June 2024
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 500,000,000 (30 June 2024: 500,000,000) ordinary shares of Rupees 10 each	5,000,000	5,000,000
Issued, subscribed and paid-up share capital 354,088,500 (30 June 2024: 354,088,500) ordinary shares of Rupees 10 each	3,540,885	3,540,885
Capital reserve - maintenance reserve	-	2,113,957
Capital reserve - overhauling reserve	3,396,474	-
Revenue reserve - un-appropriated profit	20,438,553	26,962,082
TOTAL EQUITY	27,375,912	32,616,924
LIABILITIES		
NON-CURRENT LIABILITY		
	-	-
CURRENT LIABILITIES		
Trade and other payables	416,350	2,179,673
Short term borrowings - secured	1,649,976	2,959,948
Accrued mark-up / profit	34,724	11,842
Unclaimed dividend	29,596	26,262
Provision for taxation and levy - net	98,227	102,156
	2,228,873	5,279,881
TOTAL LIABILITIES	2,228,873	5,279,881
CONTINGENCIES AND COMMITMENTS	5	
TOTAL EQUITY AND LIABILITIES	29,604,785	37,896,805

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

Sharwan K. Mishra

CHIEF EXECUTIVE OFFICER



		Un-audited 31 December 2024	Audited 30 June 2024
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	7,960,727	8,281,097
Intangible asset		-	-
Long term investment	7	-	-
Long term loans to employees		9,854	7,029
		<u>7,970,581</u>	<u>8,288,126</u>
CURRENT LIABILITIES			
Stores, spares and loose tools		822,444	828,353
Inventories		1,658,176	2,558,609
Trade debts	8	8,011,456	14,425,555
Loans, advances, deposits, prepayments and other receivables		1,477,014	1,234,669
Short term investments		9,585,361	4,264,954
Cash and bank balances		79,754	6,296,539
		<u>21,634,205</u>	<u>29,608,679</u>
TOTAL ASSETS		<u><u>29,604,785</u></u>	<u><u>37,896,805</u></u>



DIRECTOR

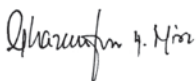


CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM
STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Note	(Rupees in thousand)			
REVENUE FROM CONTRACT WITH CUSTOMER	3,519,482	12,221,347	788,184	2,433,428
COST OF SALES	(1,850,886)	(10,008,473)	(530,460)	(1,617,846)
GROSS PROFIT	1,668,596	2,212,874	257,724	815,582
ADMINISTRATIVE EXPENSES	(249,705)	(215,854)	(126,200)	(108,744)
OTHER EXPENSES	-	-	-	-
	(249,705)	(215,854)	(126,200)	(108,744)
	1,418,891	1,997,020	131,524	706,838
OTHER INCOME	769,765	382,419	325,498	213,405
PROFIT FROM OPERATIONS	2,188,656	2,379,439	457,022	920,243
FINANCE COST	(42,093)	(10,157)	(36,682)	(8,422)
	2,146,563	2,369,282	420,340	911,821
ADJUSTMENTS TO BALANCE PAYABLE BY CPPA-G	(4,793,674)	-	(4,793,674)	-
(LOSS) / PROFIT BEFORE LEVY AND TAXATION	(2,647,111)	2,369,282	(4,373,334)	911,821
LEVY	(101,548)	(17,733)	(41,089)	(117)
(LOSS) / PROFIT BEFORE TAXATION	(2,748,659)	2,351,549	(4,414,423)	911,704
TAXATION	(13,733)	(35,778)	-	(53,277)
(LOSS) / PROFIT AFTER TAXATION	(2,762,392)	2,315,771	(4,414,423)	858,427
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	(7.80)	6.54	(12.47)	2.42

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



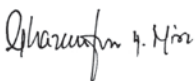
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	(Rupees in thousand)			
(LOSS) / PROFIT AFTER TAXATION	(2,762,392)	2,315,771	(4,414,423)	858,427
OTHER COMPREHENSIVE INCOME:				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(2,762,392)	2,315,771	(4,414,423)	858,427

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	CAPITAL RESERVE			REVENUE RESERVE - UN-APPROPRIATED PROFIT	TOTAL EQUITY
	SHARE CAPITAL	MAINTENANCE RESERVE	OVERHAULING RESERVE		
	(Rupees in thousand)				
Balance as at 30 June 2023 - audited	3,540,885	2,636,469	-	23,705,660	29,883,014
Transaction with owners:					
Final dividend for the year ended 30 June 2023 @ Rupees 3.0 per share	-	-	-	(1,062,266)	(1,062,266)
Profit for the period	-	-	-	2,315,771	2,315,771
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,315,771	2,315,771
Transfer of maintenance reserve	-	(370,821)	-	370,821	-
Balance as at 31 December 2023 - un-audited	3,540,885	2,265,648	-	25,329,986	31,136,519
Transactions with owners:					
First interim dividend for the half year ended 31 December 2023 @ Rupees 2.5 per share	-	-	-	(885,221)	(885,221)
Second interim dividend for the nine months period ended 31 March 2024 @ Rupees 2 per share	-	-	-	(708,177)	(708,177)
	-	-	-	(1,593,398.00)	(1,593,398.00)
Profit for the period	-	-	-	3,073,803	3,073,803
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,073,803	3,073,803
Transfer of maintenance reserve	-	(151,691)	-	151,691	-
Balance as at 30 June 2024 - audited	3,540,885	2,113,957	-	26,962,082	32,616,924
Transactions with owners:					
Final dividend for the year ended 30 June 2024 @ Rupees 5.0 per share	-	-	-	(1,770,443)	(1,770,443)
Interim dividend for the three months period ended 30 September 2024 @ Rupees 2.0 per share	-	-	-	(708,177)	(708,177)
	-	-	-	(2,478,620)	(2,478,620)
Loss for the period	-	-	-	(2,762,392)	(2,762,392)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(2,762,392)	(2,762,392)
Transfer of maintenance reserve	-	(25,591)	-	25,591	-
Extinguishment of maintenance reserve for the purpose of creating the overhauling reserve pursuant to the Amendment Agreement	-	(2,088,366)	-	2,088,366	-
Transfer to overhauling reserve (note 4)	-	-	3,396,474	(3,396,474)	-
Balance as at 31 December 2024 - un-audited	3,540,885	-	3,396,474	20,438,553	27,375,912

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

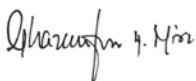
CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM
STATEMENT OF CASH FLOWS (Un-audited)
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Note	HALF YEAR ENDED	
		31 December 2024	31 December 2023
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
CASH GENERATED FROM OPERATIONS	11	2,331,538	1,639,146
Finance cost paid		(19,210)	(7,205)
Income tax paid		(119,210)	(30,891)
Net (increase) / decrease in long term loans to employees		(2,825)	2,367
Net cash generated from operating activities		2,190,293	1,603,417
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets		(19,140)	(374,453)
Short term investments made		(19,736,349)	(156,452,874)
Proceeds from sale of short term investments		15,092,244	151,507,427
Interest received		40,155	142,012
Proceeds from disposal of operating fixed assets		1,270	4,351
Net cash used in investing activities		(4,621,821)	(5,173,537)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(2,475,286)	(1,061,049)
Net cash used in financing activities		(2,475,286)	(1,061,049)
Net decrease in cash and cash equivalents		(4,906,813)	(4,631,169)
Cash and cash equivalents at the beginning of the period		3,336,591	4,760,713
Cash and cash equivalents at the end of the period		(1,570,222)	129,544
CASH AND CASH EQUIVALENTS			
Bank balances		79,754	3,299,497
Short term borrowings		(1,649,976)	(3,169,953)
		(1,570,222)	129,544

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1 THE COMPANY AND ITS ACTIVITIES

- 1.1. Nishat Power Limited (the 'Company') is a public Company limited by shares incorporated in Pakistan on 23 February 2007 under the repealed Companies Ordinance, 1984 (now, 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.
- 1.2. The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW 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 Company had a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from 09 June 2010. On 12 February 2021, the Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Company entered into the PPA Amendment Agreement, whereby the Agreement Year that was ending on 08 June 2021 was extended by sixty eight (68) days to 15 August 2021.
- 1.3. During the half year ended 31 December 2024, Prime Minister of Pakistan constituted a Task Force to amend the Power Purchase Agreement, Implementation Agreement and to revise tariff of the Company. After several rounds of discussions with the Task Force, the Company consented to amend the Power Purchase Agreement, Implementation Agreement and to convert the existing tariff to 'Hybrid Take and Pay' model as proposed by the Task Force. On 04 December 2024, Board of Directors of the Company approved the execution of the Amendment Agreement with the Government of Pakistan ('GoP') and the Power Purchaser to implement the proposed amendments with effect from 01 November 2024. As a result, following significant amendments in Power Purchase Agreement and Implementation Agreement have been agreed and taken place:
- Quarterly indexation for local fixed O&M and local variable O&M has been revised which shall be lower of 5% per annum or actual average National Consumer Price Index ('NCPI') for the preceding twelve months. Whereas, existing indexation mechanism for foreign fixed O&M and foreign variable O&M shall continue provided that PKR/USD depreciation will be allowed for up to 70% of the actual annual depreciation. Whereas the benefit of appreciation in PKR/USD, shall be passed on to the Power Purchaser on 100% basis;
 - The cost of the working capital component has been rebased and revised working capital components shall be indexed at KIBOR + 1% in future;
 - Return on Equity and Return on Equity during construction, tariff component has been revised to be paid in a 'Hybrid Take and Pay' model;
 - Insurance component of CPP has been capped at 0.9% of allowed EPC cost as per existing mechanism;

- The Company has agreed to waive off delayed payment mark-up invoices and delayed payment markup accrued with respect to payments that have been made by the Power Purchaser upto 31 October 2024; (Note 10.1)
- Rate of markup on delayed payments by the Power Purchaser has been reduced to 3 months KIBOR + 1%;
- Power Purchaser shall pay Rupees 9,632.682 million payable as on 31 October 2024 to the Company as full and final settlement of all past payables and claims within 90 days from the date of approval by the Cabinet;
- Annual estimated O&M costs for reserve established for all overhauls shall be recognized in the financial statements;
- GoP shall unconditionally and irrevocably withdraw and extinguish all claims against the Company under the Arbitration Submission Agreement as more fully explained in note 5.1(ii) to these condensed interim financial statements;
- LCIA Arbitration clause in PPA has been substituted with the Arbitration under local laws with the venue of Arbitration to be Islamabad;
- Fuel savings and O&M savings as mutually agreed, shall be shared with the Power Purchaser under the Amendment Agreement.

During the half year ended 31 December 2024, the Parties have started complying with the conditions stipulated in the above-mentioned Amendment Agreement. Subsequent to the reporting period, the Amendment Agreement has formally been executed.

The management has also assessed the accounting implications of the abovementioned developments in relation to the impairment of Cash Generating Unit (“CGU”) comprising of tangible assets under IAS 36 ‘Impairment of Assets’. However, according to management’s assessment, there is no impact on these condensed interim financial statements.

2. BASIS OF PREPARATION

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

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

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

2.2. These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial

statements of the Company for the year ended 30 June 2024. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

3.1. Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

4. CAPITAL RESERVE - Overhauling reserve

Pursuant to the amendments in Amendment Agreement as more fully explained in note 1.3 to these condensed interim financial statements, capital reserve amounting to Rupees 3,396.474 million has been recognized in these condensed interim financial statements. This capital reserve is set aside from retained earnings for the purpose of repair and maintenance costs associated with overhauling of the plant based on annual estimated O&M costs.

5. CONTINGENCIES AND COMMITMENTS

5.1. Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding annual audited financial statements of the Company for the year ended 30 June 2024 except for the following:

- i) On 27 November 2024, Additional Commissioner Inland Revenue ('ACIR') passed an order for tax year 2023 under section 122(5A) of the Income Tax Ordinance, 2001 raising a tax demand of Rupees 32.527 million. On 20 December 2024, being aggrieved with the order, the Company has filed an appeal before Appellate Tribunal Inland Revenue ('ATIR') which is pending for adjudication. Based on the advice of tax advisor, the management expects favorable outcome of the matter. Accordingly, no provision has been recognized in these condensed interim financial statements.
- ii) On 16 March 2020, Government of Pakistan ('GoP') issued a report through which it was alleged that savings were made by the Independent Power Producers ('IPPs'), including the Company, in the tariff

components in violation of applicable GoP Policies, tariff determined by National Electric Power Regulatory Authority ('NEPRA') and the relevant Project Agreements. The Company rejected such claims, and discussions were made with the GoP to resolve the dispute. On 12 February 2021, the Company under the 'Master Agreement', agreed that the abovementioned dispute will be resolved through arbitration under the 'Arbitration Submission Agreement' between the Company and GoP. On 15 June 2022, the Company and the GoP signed the 'Arbitration Submission Agreement'. During the year ended 30 June 2023, Arbitration Tribunal has been constituted under the terms of 'Arbitration Submission Agreement'. On 29 September 2023, mutually agreed Terms of Reference has been formally adapted and proceedings under these terms of Reference have been initiated. During the half year ended 31 December 2024, the Government of Pakistan ('GoP') through Amendment Agreement has unconditionally and irrevocably agreed to withdraw and extinguish all claims against the Company under the 'Arbitration Submission Agreement' after its formal approval from the Cabinet. Subsequent to the reporting period, the Amendment Agreement has formally been executed. After the execution of the Amendment Agreement, the 'Arbitration Submission Agreement' shall be deemed terminated and both parties shall issue a joint communication to the tribunal established under the 'Arbitration Submission Agreement' requesting its termination and the relinquishment of arbitration. Based on the facts stated above, no provision in respect of this matter has been made in these condensed interim financial statements.

5.2. Commitments

- i) Letters of credit and contracts for other than capital expenditure aggregating to Rupees 40.796 million (30 June 2024: Rupees 14.857 million).

	Note	Un-audited 31 December 2024 (Rupees in thousand)	Audited 30 June 2024
6. FIXED ASSETS			
Operating fixed assets	6.1	7,890,970	8,078,596
Capital work-in-progress	6.2	-	132,744
Major spare parts and standby equipment		69,757	69,757
		<u>7,960,727</u>	<u>8,281,097</u>
6.1. Operating fixed assets			
Opening book value		8,078,596	8,090,979
Add: Cost of additions during the period / year	6.1.1	151,883	802,634
Less: Book value of disposals / derecognitions during the period / year	6.1.2	(1,231)	(28,535)
Less: Book value of fixed assets written off during the period / year	6.1.3	-	-
Less: Depreciation charged during the period / year		(338,279)	(786,482)
		<u>7,890,970</u>	<u>8,078,596</u>

Un-audited
31 December
2024
(Rupees in thousand)

Audited
30 June
2024

6.1.1 Cost of additions during the period / year

Building	-	1,878
Plant and machinery	-	697,635
Computer equipment	2,347	6,011
Furniture and fixtures	365	85
Office equipment	289	341
Vehicles	148,882	96,684
	<u>151,883</u>	<u>802,634</u>

6.1.2 Book value of disposals / derecognitions during the period / year

Computer equipment	5	176
Furniture and fixture	-	8
Vehicles	1,226	28,351
	<u>1,231</u>	<u>28,535</u>

6.1.3 Book value of fixed assets written off during the period / year

Computer equipments		
Cost	270	-
Accumulated depreciation	(270)	-
	<u>-</u>	<u>-</u>

6.2. Capital work-in-progress

Advances for purchase of vehicles	-	132,744
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7. LONG TERM INVESTMENT

7.1 Investment in Nishat Energy Limited

250,000 (30 June 2024: 250,000) fully paid ordinary shares
of Rupees 10 each [Equity held 25% (30 June 2024: 25%)] - Cost

-	-
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The Company directly holds 250,000 fully paid ordinary shares of Rupees 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 Audited
31 December 30 June
2024 2024
(Rupees in thousand)

8. TRADE DEBTS

Other than related parties - considered good	8,011,456	14,425,555
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- 8.1. These represent trade receivables from CPPA-G and are considered good. These are secured by a guarantee from the Government of Pakistan (GOP) under the Implementation Agreement and are in the normal course of business and interest free. Pursuant to the Amendment Agreement as more fully explained in note 1.3 to these condensed interim financial statements, rate of delayed payment mark-up has been reduced to three months KIBOR plus 1.00% per annum without compounding in case amounts are not paid within due dates. Further, delayed payment markup invoices and delayed payment mark-up accrued with respect to payments that have been made by the Power Purchaser upto 31 October 2024 have been waived off by the Company and written off in these condensed interim financial statements (Note 10). The rate of delayed payment mark-up charged during the period on outstanding amounts ranged from 13.25% to 22.99% (30 June 2024: 20.31% to 27.98%) per annum.

(Un-audited)		(Un-audited)	
HALF YEAR ENDED		QUARTER ENDED	
31 December 2024	31 December 2023	31 December 2024	31 December 2023
(Rupees in thousand)			

9. COST OF SALES

Raw materials consumed	917,560	8,513,733	71,838	954,075
Salaries and other benefits	193,604	183,110	95,253	90,443
Repairs and maintenance	21,153	24,674	16,658	21,315
Stores, spares and loose tools consumed	51,578	552,672	23,023	192,846
Electricity consumed in-house	52,965	36,097	22,539	25,444
Insurance	232,734	228,111	116,304	113,822
Travelling and conveyance	22,355	36,265	11,151	24,629
Printing and stationery	229	532	97	204
Postage and telephone	415	466	200	324
Vehicle running expenses	6,131	5,762	3,201	2,767
Entertainment	1,303	527	618	76
Depreciation on operating fixed assets	300,018	374,076	146,579	164,545
Fee and subscription	4,864	3,786	2,229	1,967
Miscellaneous	45,977	48,662	20,770	25,389
	1,850,886	10,008,473	530,460	1,617,846

(Un-audited)		(Un-audited)	
HALF YEAR ENDED		QUARTER ENDED	
31 December 2024	31 December 2023	31 December 2024	31 December 2023
(Rupees in thousand)			

10. ADJUSTMENTS TO BALANCE PAYABLE BY CPPA-G

Delayed payment interest written off	1,804,097	-	1,804,097	-
Sharing of prior years earning (fuel and O&M)	2,989,577	-	2,989,577	-
	4,793,674	-	4,793,674	-

- 10.1. Pursuant to the amendments in PPA through Amendment Agreement as more fully explained in note 1.3 to these condensed interim financial statements, the Company has agreed to waive off delayed payment mark-up invoices and delayed payment mark-up accrued with respect to payments that have been made by the Power Purchaser upto 31 October 2024. Further, the Company has also agreed on sharing of prior years' earnings relating to fuel and O&M upto 30 June 2023, with the power purchaser.

(Un-audited)	
HALF YEAR ENDED	
31 December 2024	31 December 2023
(Rupees in thousand)	

11. CASH GENERATED FROM OPERATIONS

(Loss) / profit before levy and taxation	(2,647,111)	2,369,282
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	338,279	409,093
Profit on bank deposits	(88,447)	(132,607)
Delayed payment interest written off	1,804,097	-
Sharing of prior years earning (fuel and O&M)	2,989,577	-
Finance cost	42,093	10,157
Gain on sale of short term investments	(676,302)	(219,375)
Exchange gain	(1,465)	(5,153)
Gain on disposal of operating fixed assets	(39)	-
Cash flows from operating activities before working capital changes	1,760,684	2,431,397
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	5,909	84,540
Inventories	900,433	(493,092)
Trade debts	1,620,425	(207,616)
Loans, advances, deposits, prepayments and other receivables	(194,054)	122,542
	2,332,713	(493,626)
Decrease in trade and other payables	(1,761,858)	(298,625)
	2,331,538	1,639,146

12. TRANSACTIONS WITH RELATED PARTIES

The related parties include the holding company, associates of the holding 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. Details of transactions with related parties are as follows:

Nature of relationship	Nature of transactions	(Un-audited)		(Un-audited)	
		HALF YEAR ENDED		QUARTER ENDED	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
(Rupees in thousand)					
i) Holding company	Dividends paid	1,264,431	541,899	1,264,431	541,899
ii) Entities on the basis of common directorship	Purchases of goods and services	88,581	84,346	38,065	47,563
	Insurance premium paid	158,675	226,953	79,679	112,949
iii) Group entity	Profit on deposit accounts	56,034	100,954	19,894	67,437
	Profit on term deposit receipts	22,887	70,092	-	26,061
	Insurance premium paid	78,367	5,253	38,997	2,810
	Dividend Income received	1,657	-	-	-
	Capital gain on mutual fund received	673,931	-	301,947	-
iv) Post employment benefit plan	Expense charged in respect of retirement benefit plan	20,862	18,350	10,656	9,126
v) Key management personnel	Remuneration	18,966	14,262	11,568	6,639

Un-audited
31 December
2024
(Rupees in thousand)

Audited
30 June
2024

Period end balances:

Payable to related parties

- Entities on the basis of common directorship 2,490 366

Bank deposits with related parties

- Group entity 9,647,950 9,944,572

Receivable from related parties

- Entities on the basis of common directorship 158,579 -

- Group Entity 133,347 7,763

13. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

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

Recurring fair value measurements at 31 December 2024	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

(Rupees in thousand)

Financial asset

Financial asset at fair value through profit or loss	9,585,361	-	-	9,585,361
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Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial asset

Financial asset at fair value through profit or loss	4,264,954	-	-	4,264,954
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The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

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

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

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

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

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

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments is the use of Net Assets Value (NAV) of respective Asset Management Company.

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2024.

15. EVENT AFTER THE REPORTING PERIOD

The Board of Directors has approved an interim cash dividend for the period ended 31 December 2024 of Rupees 2.00 per share at their meeting held on 27 February 2025. 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.

16. 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 condensed interim statement of changes in equity have been compared with balances of audited annual published financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

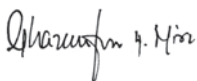
Corresponding figures have been re-arranged and reclassified, wherever necessary for the purpose of comparison, however, no significant re-arrangements and reclassifications have been made in these condensed interim financial statements.

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 27 February 2025.

18. GENERAL

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



N I S H A T

NISHAT POWER LIMITED

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