



(UN-AUDITED)
FOR THREE-MONTH
PERIOD ENDED
SEPTEMBER 30, 2024

ALTERN ENERGY LIMITED



**CONDENSED INTERIM
UNCONSOLIDATED
FINANCIAL STATEMENTS**

**(UN-AUDITED)
FOR THREE-MONTH PERIOD ENDED
SEPTEMBER 30, 2024**

ALTERN ENERGY LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Faisal Dawood	Chairman
Mrs. Mehreen Dawood	Director
Mr. Farooq Nazir	Director
Mr. Salih Merghani	Director
Mr. Shah Muhammad Chaudhry	Director
Mrs. Aliya Saeeda Khan	Independent Director
Syed Rizwan Ali Shah	Independent Director
Mr. Umer Shehzad Sheikh	Chief Executive (Deemed Director)

AUDIT COMMITTEE

Syed Rizwan Ali Shah	Independent Director - Chairman
Mr. Farooq Nazir	
Mr. Shah Muhammad Chaudhry	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Farooq Nazir	Chairman
Mr. Shah Muhammad Chaudhry	
Mr. Syed Rizwan Ali Shah	

CHIEF FINANCIAL OFFICER

Mrs. Noor Shuja

COMPANY SECRETARY

Mr. Salman Ali

HEAD INTERNAL AUDIT

Mrs. Rabia Shoaib

EXTERNAL AUDITORS

M/s. Grant Thornton Anjum Rahman Chartered Accountants

BANKERS

MCB Bank Limited
The Bank of Punjab
Habib Bank Limited
Habib Metropolitan Bank Limited

REGISTERED OFFICE

DESCON HEADQUARTERS, 18-km Ferozpur Road, Lahore.

REGISTRAR SHARES

M/s. Corplink (Pvt.) Limited
Wings Arcade, 1-k Commercial Model Town, Lahore.
Tel: (92-42) 35839182 Fax: (92-42) 35869037

ALTERN ENERGY LIMITED

DIRECTORS' REVIEW

We, the undersigned, on behalf of the Board of Directors of Altern Energy Limited ('the Company') present the un-audited consolidated and unconsolidated condensed interim financial statements of the Company for the three-month period ended September 30, 2024.

GENERAL

The principal activities of the Company continue to be sale of electricity, ownership, operation, and maintenance of a 32 Mega Watts gas-fired thermal power plant located near Fateh Jang, District Attock, Punjab. The electricity produced is sold to its sole customer Central Power Purchasing Agency (Guarantee) Limited ('CPPA') through the transmission network of National Transmission and Dispatch Company ('NTDC').

After grant of Generation License renewal by National Electric Power regulatory Authority ('NEPRA') in April 2024, the Company has applied for the Licensee Proposed Modification ('LPM') with NEPRA to match the installed capacity in the Generation License with the capacity mentioned in the PPA and the IA, which is still in process.

The Company owns 100% shares of Power Management Company (Private) Limited ('PMCL') (a special purpose vehicle) which in turn holds 59.98% shares of Rousch (Pakistan) Power Limited ('RPPL'). RPPL is an unlisted public company and an independent power producer having a gross capacity of 450 Mega Watts.

FINANCE

Revenue for the period under review was nil due to no dispatch to the off-taker because of reduced dispatch demand from National Power Control Centre ('NPCC') and unavailability of RLNG. The Company incurred gross loss of Rs. 24 million as compared to gross loss of Rs. 29 million in corresponding period of 2023. The Company posted net profit of Rs. 2,119 million resulting in earnings per share ('EPS') of Rs. 5.83, as compared to net profit of Rs. 1,699 million and earnings per share of Rs. 4.67 in corresponding period of 2023. Net profit for the current period included dividend income amounting to Rs. 2,147 million (2023: Rs. 1,714 million) from the subsidiary, PMCL.

Your Company's consolidated earnings attributable to the equity holders of Altern Energy Limited for the period under review were Rs. 1,276 million resulting in EPS of Rs. 3.51 per share, as compared to consolidated earnings of Rs. 326 million and EPS of Rs. 0.90 in the corresponding period of the last year.

OPERATIONS AND MAINTENANCE

During the period under review, the plant did not dispatch electric power to the off-taker similar to no dispatch during the corresponding period of the previous financial year, on account of reduced dispatch demand from NPCC. The dispatch demand of the Company has been curtailed by the off-taker in the past few years due to its plant being low on economic dispatch merit order of CPPA. The new power generation plants added into the national grid during the last few years being more efficient rank above your plant in CPPA's economic dispatch merit order. On occasions when NPCC issued dispatch instructions, RLNG was not available from SNGPL.

During the period under review, all other scheduled and preventive maintenance activities were conducted in accordance with the Original Equipment Manufacturer ('OEM')'s recommendations. We are pleased to report that all the engines and their auxiliary equipment are in sound mechanical condition and are available for smooth and reliable operations.

QUALITY, ENVIRONMENT, HEALTH & SAFETY ('QEHS')

The Company adheres to a set of QEHS Principles implemented to achieve optimal standards of health and safety for its employees. Overall, the health, safety and environment performance of the plant remained satisfactory during the period under review.

SUBSIDIARY'S REVIEW

During the period under review, your Company's subsidiary Rousch (Pakistan) Power Limited ('RPPL') posted turnover of Rs. 5,128 million (corresponding period in 2023: Rs. 1,733 million) and the cost of sales was Rs. 2,889 million (2023: Rs. 803 million). Net profit for the period was Rs. 2,318 million (2023: Rs. 978 million) delivering earnings per share ('EPS') of Rs. 2.69 per share of Rs 10 each (2023: Rs. 1.13).

At the end of the reporting period, out of the total receivable of Rs. 14,380 million (June 30, 2024: Rs. 14,221 million), Rs. 12,704 million were overdue as compared to overdue receivables of Rs. 12,728 million at the end of June 30, 2024. As at 30th September, the Company does not have any long-term debt obligation, whereas working capital utilization is Rs 2,497 million (June 30, 2024: nil).

During the period under review, net generation delivered to the off-taker was 62 GWh against 0 GWh delivered during the same period of the last year. The plant dispatch factor during the period remained at 7.30 % as compared to zero during the corresponding period of last year. Reduced generation is mainly due to reduced demand from the off-taker.

During the period under review, RPPL experienced zero OFME days as compared to 56 OFME days experienced in the corresponding period of last year.

RPPL's NEGOTIATIONS WITH THE GOVERNMENT

On the request of the Government, RPPL has been engaged with the Task Force for Power Sector Reforms formed by the Government of Pakistan in recent months, to explore the possibility of early termination of its PPA, the Implementation Agreement ('IA') and the Guarantee from the Government of Pakistan ('the Agreements').

Subsequent to the reporting period, RPPL has received a proposal from the Task Force on accelerated termination of the Agreements before the end of their term in 2032. Under the terms being contemplated, RPPL will be paid its receivables by CPPA, and the plant will be handed over to the Government as per terms of the PPA. RPPL's Board of Directors have referred the proposal to the Shareholders of RPPL for consideration and approval in the Shareholders' Meeting.

RISK MANAGEMENT

There has been no change in the risk management profile and risk policies of the Company as disclosed in Note 32 of the last annual financial statements of the Company for the year ended June 30, 2024.

CORPORATE GOVERNANCE

Composition of the Board of Directors

The total numbers of directors are eight including Chief Executive (Deemed Director) with the following composition:

Sr. No.	Category	Names
1	Non-Executive Directors	Mr. Faisal Dawood (Chairman)
2		Mr. Farooq Nazir
3		Mrs. Mehreen Dawood
4		Mr. Salih Merghani
5		Mr. Shah Muhammad Chaudhary
6	Independent Directors	Mrs. Aliya Saeeda Khan
7		Syed Rizwan Ali Shah
8	Chief Executive (Deemed Director)	Mr. Umer Shehzad Sheikh

Committees of the Board

The Board has established two committees which are chaired by Independent or non-executive directors. These committees are as follows:

Audit Committee

The Audit Committee comprises of three (3) members as follows:

Syed Rizwan Ali Shah	(Independent Director) – Chairman
Mr. Farooq Nazir	(Non-executive Director)
Mr. Shah Muhammad Chaudhary	(Non-executive Director)

Human Resource & Remuneration Committee

The Committee comprises of three (3) members as follows:

Mr. Farooq Nazir	(Non-executive Director) – Chairman
Mr. Shah Muhammad Chaudhary	(Non-executive Director)
Syed Rizwan Ali Shah	(Independent Director)

Internal Audit and Control

The Board of Directors has set up an independent audit function headed by a qualified person reporting to the Audit Committee. The scope of the internal audit function within the Company is clearly defined by the Audit Committee which involves regular review of internal financial controls.

DIRECTORS' REMUNERATION

The remuneration of Board members is fixed by the Board itself. A formal directors' remuneration policy approved by the Board is in place. The policy states procedure for remuneration to Directors in accordance with requirements of the Act and the Regulations. As per the Policy, only the Independent Directors are paid for the meeting participation. The nominee directors are not entitled to receive Board / Committee meetings fee or any other remuneration.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to act responsibly towards the community and environment for mutual benefit. The Company recognizes the importance of being a good corporate citizen in steering its business as well as delivering its obligations in social welfare of its staff and community in general. Particular attention is given to protect environment of the local community by planting trees. Additionally, local community benefits from the strategy of employing more staff at our plant site from surrounding areas.

RELATED PARTY TRANSACTIONS

All transactions with related parties are conducted in ordinary course of business on an arm's length basis. Further, in accordance with the requirements of the Act and the Regulations, the Board of Directors have approved the policy for related party transactions. The Company has made appropriate disclosure of the related party transactions in the financial statements annexed with this report.

FUTURE OUTLOOK

In view of the ongoing negotiations of the Task Force formed by the Government for power sector reforms, substantial uncertainty looms over the IPPs in the power sector as whole and your company in particular. Subject to the approval of proposal for early termination of the Agreements by the Shareholders of the Company's subsidiary RPPL, we foresee significant impact on the future earnings of the Company.

ACKNOWLEDGEMENT

The Board remains grateful to its employees and management for their continued dedication and commitment and for placing their confidence and trust to steer the Company in these challenging times.

For and on behalf of the Board



Umer Shehzad Sheikh

Chief Executive

Date: October 28, 2024

Place: Lahore.



Shah Muhammad Chaudhry

Director

ڈائریکٹرز کی جائزہ رپورٹ

ہم زیرِ ملاحظہ، آلٹرن انرجی لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، 30 ستمبر، 2024 کو ختم ہونے والی سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ کنسولیڈیٹڈ اور غیر متفقہ کنڈینسڈ انشیرم مالیاتی بیانات پیش کرتے ہیں۔

عام سرگرمیاں:

کمپنی کی بنیادی سرگرمیاں فتح جنگ، ڈسٹرکٹ انک، پنجاب کے قریب واقع 32 میگا واٹ گیس سے چلنے والے تھرمل پاور پلانٹ کی بجلی، ملکیت، آپریشن اور دیکھ بھال کے لئے جاری ہیں۔ پیدا ہونے والی بجلی اس کے واحد صارف سینٹرل پاور پراجیکٹ ایجنسی (گارنٹی) لمیٹڈ (CPPA) کو نیشنل ٹرانسمیشن اینڈ ڈسٹریکشن کمپنی (NTDC) کے ٹرانسمیشن نیٹ ورک کے ذریعے فروخت کی جاتی ہے۔

اپریل، 2024 میں نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (NEPRA) کی طرف سے جزییشن لائسنس کی تجدید کی منظوری کے بعد، کمپنی نے NEPRA کے پاس لائسنس یافتہ مجوزہ ترمیم (LPM) کے لئے درخواست دی ہے تاکہ جزییشن لائسنس میں نسب صلاحیت کو IPPA اور IA میں، مزکورہ صلاحیت کے ساتھ ملا یا جاسکے، جو ابھی تک جاری ہے۔

کمپنی پاور مینجمنٹ کمپنی (پرائیویٹ) لمیٹڈ (PMCL) ایک خاص مقصد کی گاڑی کے 100% حصص کی مالک ہے جس کے نتیجے میں ROUSCH پاکستان پاور پلانٹ (RPPL) کے 59.98% حصص ہیں، RPPL ایک غیر فہرست شدہ پبلک کمپنی ہے اور ایک خود مختار پاور پروڈیوسر ہے جس کی مجموعی صلاحیت 450 میگا واٹ ہے۔

فنانس

نیشنل پاور کنٹرول سنٹر (NPCC) کی جانب سے ڈسٹریکٹ ڈیمانڈ میں کمی اور RLNG کی عدم دستیابی کی وجہ سے اور آف ڈیکر کوڈ ڈسٹریکٹ نہ ہونے کی وجہ سے زیر جائزہ مدت کے لئے ریویو صفر تھا۔ کمپنی کو 24 ملین روپے کا نقصان ہوا جو گزشتہ سال 2023 میں اسی مدت میں 29 ملین روپے تھا۔ کمپنی نے فی حصص آمدنی 5.83 روپے کے نتیجے میں 2119 ملین روپے کا خالص منافع کمایا، جو گزشتہ سال اسی میں فی حصص آمدنی 4.67 روپے کے نتیجے میں 1699 ملین روپے تھا۔ موجودہ مدت کے لئے خالص منافع میں ذیلی ادارے PMCL کی ڈیوڈنڈ آمدنی 2147 ملین روپے شامل ہے (2023: 1714 ملین روپے)۔

زیر جائزہ مدت میں، آلٹرن انرجی لمیٹڈ کے ایکویٹی ہولڈرز سے منسوب آپ کی کمپنی کی مجموعی آمدنی فی حصص آمدنی 3.51 فی شیئر کے نتیجے میں 1276 ملین روپے تھی جو گزشتہ سال فی حصص آمدنی 0.90 فی شیئر کے نتیجے میں 326 ملین روپے تھی۔

کارجز اور دیکھ بھال:

زیر جائزہ مدت کے دوران، پلانٹ نے NPCC کی طرف سے کم ڈسٹریکٹ ڈیمانڈ کی وجہ سے، پچھلے مالی سال کی اسی مدت کے دوران کوئی ڈسٹریکٹ نہ ہونے کی وجہ سے آف ٹیکر زون کی بجلی نہیں بھیجی۔ کمپنی کو پچھلے کچھ سالوں میں آف ٹیکر زون کی طرف سے کم ہوتی ہوئی ڈسٹریکٹ ڈیمانڈ کا سامنا ہے کیونکہ اس کا نمبر CPPA کے اکٹاکس ڈسٹریکٹ آرڈر کم ہیں۔ گزشتہ چند سالوں کے دوران نیشنل گریڈ میں شامل کئے گئے نئے پاور جزییشن پلانٹ CPPA کے اقتصادی ترسیل کے مہرٹ آرڈر میں آپ کے پلانٹ سے زیادہ کارآمد رینک ہیں۔ ایسے مواقع پر جب NPPC نے ڈسٹریکٹ ہدایات جاری کیں، تو SNGPL سے RLNG دستیاب نہیں تھی۔

زیر جائزہ مدت کے دوران، دیگر تمام طے شدہ اور احتیاطی دیکھ بھال کی سرگرمیاں اور پمپنگ ایکویپمنٹ میینٹیننس (OEM) کی سفارشات کے مطابق کی گئیں۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ تمام انجن اور ان کے معاون آلات ہموار اور قابل اعتماد آپریشنز کے لئے مکافہم حالت میں ہیں۔

معیار، ماحول، صحت اور حفاظت: QEHS

کمپنی اپنے ملازمین کے لئے صحت اور حفاظت کے بہترین معیارات حاصل کرنے کے لئے لاگو کئے گئے QEHS اصولوں کے سیٹ پر عمل پیرا ہے۔ مجموعی طور پر زیر جائزہ مدت کے دوران پلانٹ کی صحت حفاظت اور ماحولیات کی کارکردگی تسلی بخش رہی۔

ذیلی ادارے کا جائزہ:

زیر جائزہ مدت کے دوران آپ کی کمپنی کی ذیلی کمپنی ریش پاکستان پاور لیڈنگ (RPPL) نے 5128 ملین روپے کا کاروبار کیا (2023: 1733 ملین روپے) جبکہ فروخت کی لاگت 2889 ملین روپے تھی (2023: 803 ملین روپے) فی حصص آمدنی 2.69 فی شیئر 10 روپے (2023: 1.13 روپے) کے نتیجے میں اسی مدت کا خالص منافع 2318 ملین روپے تھا (2023: 978 ملین روپے)۔

رپورٹنگ کے مدت کے اختتام پر کل قابل وصول 14380 ملین روپے (30 جون، 2024: 14221 ملین روپے) 30 جون، 2024 کے آخر میں 12704 ملین روپے کے واجب الادا وصولیوں کے مقابلے میں 12728 ملین روپے واجب الادا تھے۔ 30 ستمبر، 2024 تک کمپنی پر کوئی طویل مدتی قرض کی مدد داری نہیں ہے جبکہ ورکنگ کپٹل کا استعمال 2497 ملین روپے تھا (30 جون، 2024: صفر)۔

زیر جائزہ مدت کے دوران، آف ٹیکر کو ڈیلیوری کرنے والی خالص پیداوار 62 GWh تھی جو پچھلے سال کی اسی مدت کے دوران 60 GWh فراہم کی گئی تھی۔ اس مدت کے دوران پلانٹ ڈیلیوری 7.30 فیصد رہا جو پچھلے سال کی اسی مدت کے دوران 0% تھا۔ پیداوار میں کمی بنیادی طور پر آف ٹیکر کی طرف سے کم مانگ کی وجہ سے ہے۔

زیر جائزہ مدت کے دوران، RPPL نے گزشتہ سال کی اسی مدت میں تجربہ کئے گئے 56 دنوں کے مقابلے میں صفر دن کا تجربہ کیا۔

RPPL کے حکومت کے ساتھ مذاکرات:

حکومت کی درخواست پر RPPL حالیہ مہینوں میں حکومت پاکستان کی طرف سے بنائی گئی پاور سیکٹرز ریفارمرز، نفاذ کا معاہدہ (IA) اور حکومت پاکستان کی طرف سے ضمانت (معاہدے) کے لئے اور PPA کے جلد ختم ہونے کے امکان کو تلاش کرنے کے لئے ٹاسک فورس کے ساتھ مصروف عمل ہے۔

رپورٹنگ کی مدت کے بعد، RPPL کو 2032 میں ان کی معیاد ختم ہونے سے پہلے معاہدوں کو تیزی سے ختم کرنے کے بارے میں ٹاسک فورس سے ایک تجویز موصول ہوئی ہے۔ زیر فور شرائط کے تحت RPPL کو CPPA کے ذریعے اس کی وصولی کی ادائیگی کی جائے گی اور پلانٹ کو PPA کی شرائط کے مطابق حکومت کے حوالے کر دیا جائیگا۔ RPPL کے بورڈ آف ڈائریکٹرز نے اس تجویز کو RPPL کے شیئر ہولڈرز کو شیئر ہولڈرز میٹنگ میں غور اور منظوری کے لئے بھیج دیا ہے۔

رسک منیجمنٹ:

کمپنی کے رسک منیجمنٹ پروفائل اور رسک مینیجر کی پالیسیوں میں کوئی تبدیلی نہیں ہوئی جیسا کہ 30 جون، 2024 کو ختم ہونے والے مالی سال کے لئے کمپنی کے آخری سالانہ مالیاتی بیانات کے نوٹ نمبر 32 میں انکشاف کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کی تشکیل:

ڈائریکٹرز کی کل تعداد 8 ہیں، جن میں چیف ایگزیکٹو (ڈیپٹی ڈائریکٹر) شامل ہیں جن میں مندرجہ ذیل تشکیل ہے:

- 1- جناب فیصل داؤد
 - 2- جناب فاروق نزیر
 - 3- محترمہ مرین داؤد
 - 4- صالح مرغانی
 - 5- جناب شاہ محمد چوہدری
 - 6- محترمہ عالیہ سعیدہ خان
 - 7- سید رضوان علی شاہ
 - 8- جناب عمر شہزاد شیخ
- نان ایگزیکٹو ڈائریکٹر
- آزاد ڈائریکٹر
- آزاد ڈائریکٹر
- چیف ایگزیکٹو (ڈیپٹی ڈائریکٹر)

آڈٹ کمیٹی:

آڈٹ کمیٹی مندرجہ ذیل 3 ارکان پر مشتمل ہے:

- سید رضوان علی شاہ
- آزاد ڈائریکٹر - صدر
- جناب فاروق نزیر
- نان ایگزیکٹو ڈائریکٹر
- جناب شاہ محمد چوہدری
- نان ایگزیکٹو ڈائریکٹر

انسانی وسائل اور معاوضہ کمیٹی:

کمیٹی مندرجہ ذیل 3 ارکان پر مشتمل ہے:

- جناب فاروق نزیر
- نان ایگزیکٹو ڈائریکٹر - صدر
- جناب شاہ محمد چوہدری
- نان ایگزیکٹو ڈائریکٹر
- سید رضوان علی شاہ
- آزاد ڈائریکٹر

اندرونی آڈٹ اور کنٹرول:

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کو رپورٹ کرنے والے ایک اہل شخص کی سربراہی میں ایک آزاد آڈٹ فنکشن قائم کیا ہے۔ کمیٹی کے اندر اندرونی آڈٹ فنکشن کے دائرہ کار کو آڈٹ کمیٹی واضح طور پر بیان کرتی ہے جس میں اندرونی مالیاتی کنٹرول کا باقاعدہ جائزہ شامل ہے۔

ڈائریکٹرز کا معاوضہ:

بورڈ ممبران کا معاوضہ، بورڈ خود طے کرتا ہے۔ بورڈ کی طرف سے منظور شدہ ڈائریکٹرز کے معاوضے کی باقاعدہ پالیسی موجود ہے۔ پالیسی ایکٹ، ضوابط کے تقاضوں کے مطابق ڈائریکٹرز کو معاوضہ دینے کا طریقہ کار بیان کرتا ہے۔ پالیسی کے مطابق، میٹنگ میں شرکت کے لئے صرف آزاد ڈائریکٹرز کو ادائیگی کی جاتی ہے۔ نامزد ڈائریکٹرز بورڈ / کمیٹی میٹنگ کی فیس یا کوئی اور معاوضہ وصول کرنے کے حقدار نہیں ہیں۔

کارپوریٹ سماجی ذمہ داری:

کمپنی باہمی فائدے کے لئے کمیونٹی اور ماحول کے لئے ذمہ داری سے کام کرنے کے لئے پرعزم ہے۔ کمپنی اپنے کاروبار کو چلانے کے ساتھ ساتھ عام طور پر اپنے عملے اور کمیونٹی کی سماجی بہبود میں اپنی ذمہ داریوں کو نبھانے میں ایک اچھے کارپوریٹ شہری ہونے کی اہمیت کو تسلیم کرتی ہے۔ درخت لگا کر مقامی کمیونٹی کے ماحول کے تحفظ پر خصوصی توجہ دی جاتی ہے۔ مزید برآں، قریبی علاقوں سے ہمارے پلانٹ سائٹ پر مزید عملے کو ملازمت دینے کی حکمت عملی سے مقامی کمیونٹی کو فائدہ ہوتا ہے۔

متعلقہ پارٹی کے ساتھ لین دین:

متعلقہ فریقین کے ساتھ تمام لین دین Arms' Length کی بنیاد پر کاروبار کے عام کورس میں کئے جاتے ہیں۔ مزید ایکٹ اور ضوابط کے تقاضوں کے مطابق، بورڈ آف ڈائریکٹرز نے متعلقہ فریق کے لین دین کے لئے پالیسی کی منظوری دے دی ہے۔ کمپنی نے اس رپورٹ کے ساتھ منسلک مالی بیانات میں متعلقہ فریق کے لین دین کا مناسب انکشاف کیا ہے۔

مستقبل کا نقطہ نظر:

پاؤریٹھ میں اصلاحات کے لئے حکومت کی جانب سے تشکیل دی گئی ناسک فورس کے جاری مزاکرات کے پیش نظر، مجموعی طور پر پاؤریٹھ میں آئی پی بیٹز اور خاص طور پر آپ کی کمپنی میں کافی غیر یقینی صورتحال پیدا ہوگئی ہے۔ کمپنی کے ذیلی ادارے RPPL کے حصص یافتگان کی جانب سے معاہدوں کو تیزی سے ختم کرنے کی تجویز کی منظوری کے بعد، ہم کمپنی کے مستقبل کی آمدنی پر اہم اثرات کی پیش گوئی کرتے ہیں۔

اعتراف:

بورڈ اپنے ملازمین اور انتظامیہ کا ان کی مسلسل لگن اور عزم کے لئے شکر گزار ہے اور اس مشکل وقت میں کمپنی کو آگے بڑھانے کے لئے اپنا اعتماد اور بھرپور مدد فراہم کرتا ہے۔

بجلم بورڈ

عمر شہزاد شیخ
چیف ایگزیکٹو

شاہ محمد چوہدری
ڈائریکٹر

مورخہ: 28 اکتوبر، 2024

مقام: لاہور

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024 (Rupees in thousand)
EQUITY AND LIABILITIES	Note		
SHARE CAPITAL AND RESERVES			
Authorized share capital 400,000,000 (June 30, 2024: 400,000,000) ordinary shares of Rs. 10 each		4,000,000	4,000,000
Issued, subscribed and paid up share capital 363,380,000 (June 30, 2024: 363,380,000) ordinary shares of Rs. 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Un-appropriated profits		2,192,994	73,828
Total equity		5,868,454	3,749,288
NON-CURRENT LIABILITIES			
Employee benefit obligations		10,045	9,554
CURRENT LIABILITIES			
Trade and other payables		25,111	22,304
Dividend payable		-	88,306
Unclaimed dividend		5,264	6,264
Provision for taxation		11,679	11,293
		42,054	128,167
CONTINGENCIES AND COMMITMENTS	5		
		5,920,553	3,887,009

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive



Chief Financial Officer


Director

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	6	347,134	352,356
Intangible assets	7	247	298
Long term investment	8	3,204,510	3,204,510
Long term security deposits		175	175
		3,552,066	3,557,339
CURRENT ASSETS			
Stores and spares		39,293	39,892
Trade debts - secured		1,137	8,533
Loans, advances, prepayments and other receivables		85,029	83,041
Short term investments	9	81,820	187,823
Dividend receivable	10	2,147,022	-
Bank balances		14,186	10,381
		2,368,487	329,670
		5,920,553	3,887,009


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024 (Rupees in thousand)	September 30, 2023
Revenue	-	-	-
Direct costs	11	(24,086)	(29,071)
Gross Loss		(24,086)	(29,071)
Administrative expenses	12	(8,406)	(8,595)
Other income	13	2,154,633	1,741,256
Finance cost		(1,070)	(967)
Profit before income tax and final tax		2,121,070	1,702,623
Taxation - final tax		(1,901)	(4,025)
Profit before income tax for the period		2,119,169	1,698,598
Taxation - income tax		(3)	(2)
Profit after taxation		2,119,166	1,698,595
Earnings per share - basic and diluted - Rupees		5.83	4.67

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



Chief Executive



Chief Financial Officer



Director

ALTERN ENERGY LIMITED
 CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024 (Rupees in thousand)	September 30, 2023
Profit for the period	2,119,166	1,698,595
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Total comprehensive income for the period	2,119,166	1,698,595

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.



 Chief Executive



 Chief Financial Officer



 Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	Capital reserve	Revenue reserve		
	Share capital	Share premium	Un-appropriated profit	Total
	(Rupees in thousand)			
Balance as on July 01, 2023 (Audited)	3,633,800	41,660	261,597	3,937,057
Profit for the period	-	-	1,698,595	1,698,595
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	1,698,595	1,698,595
Total contributions by and distributions to owners of the Company recognized directly in equity:				
Interim cash dividend for the year ending June 30, 2024				
@ Rs. 4.70 per ordinary share	-	-	(1,707,886)	(1,707,886)
Balance as on September 30, 2024 (Un-audited)	3,633,800	41,660	252,306	3,927,766
Balance as on July 01, 2024 (Audited)	3,633,800	41,660	73,828	3,749,288
Profit for the period	-	-	2,119,166	2,119,166
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	2,119,166	2,119,166
Total contributions by and distributions to owners of the Company recognized directly in equity:				
Balance as on September 30, 2024 (Un-audited)	3,633,800	41,660	2,192,994	5,868,454

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive



Chief Financial Officer

Judith
Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024 (Rupees in thousand)	September 30, 2023
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	14	(17,914)	(17,398)
Finance costs paid		(1,070)	(977)
Income tax and final tax paid		(1,519)	(4,251)
		(2,589)	(5,228)
Net cash outflow from operating activities		(20,503)	(22,626)
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit on short term investments received		7,602	26,835
Dividend received from PMCL (wholly owned subsidiary)		-	1,714,413
Profit on bank deposits received		9	7
Net cash inflow from investing activities		7,611	1,741,255
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(89,306)	(1,431,062)
Net cash outflow from financing activities		(89,306)	(1,431,062)
Net (decrease) / increase in cash and cash equivalents		(102,198)	287,567
Cash and cash equivalents at beginning of the period		198,204	217,442
Cash and cash equivalents at the end of the period	15	<u>96,006</u>	<u>505,009</u>

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

1. LEGAL STATUS & NATURE OF BUSINESS

- 1.1** Altern Energy Limited (the 'Company') was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017 and hereinafter referred to as the 'Act') on January 17, 1995. It is a subsidiary of DEL Power (Private) Limited ('the Holding Company'). The Ultimate Parent of the Company is DEL Processing (Private) Limited. The Company's ordinary shares are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Descon Headquarters, 18 km, Ferozepur Road, Lahore and the Company's thermal power plant is located near Fateh Jang, District Attock, Punjab.
- 1.2** The principal activity of the Company is to build, own, operate and maintain a gas fired power plant having gross capacity of 32 Mega Watts (June 30, 2024: 32 Mega Watts). The Company achieved Commercial Operations Date ('COD') on June 6, 2001. The Company has a Power Purchase Agreement ('PPA') with its sole customer, Central Power Purchasing Agency (Guarantee) Limited ('CPPA') for thirty years which commenced from the COD. The Company also holds direct and indirect investments in other companies engaged in power generation as detailed in note 8 to these condensed interim unconsolidated financial statements.
- 1.3** The Company's Gas Supply Agreement ('GSA') with Sui Northern Gas Pipelines Limited ('SNGPL') expired on June 30, 2013. Thereafter, the Company signed a Supplemental Deed dated March 17, 2014 with SNGPL, whereby SNGPL agreed to supply gas to the Company on as-and-when available basis till the expiry of PPA on June 5, 2031. The Ministry of Petroleum and Natural Resources (now Ministry of Energy, Petroleum Division), empowered for Re-liquefied Natural Gas ('RLNG') allocation by the Economic Coordination Committee ('ECC') of the Federal Cabinet, issued an allocation of 6 MMSCFD of RLNG to the Company on April 28, 2017 and advised the Company and SNGPL to negotiate a new GSA. While the long term GSA is yet to be negotiated, in July 2019, the ECC of the Cabinet approved the summary of interim tri-partite GSA. Currently, the Company, SNGPL and CPPA are in the process of executing an interim GSA for supply of RLNG. Under the interim GSA, RLNG is being supplied on as-and-when available basis till the execution of a long term GSA between the parties.
- 1.4** The Company's Generation License issued by the National Electric Power Regulatory Authority ('NEPRA') expired on September 21, 2021. On August 31, 2021, it applied for its renewal/extension from NEPRA, in line with the term of its PPA and Implementation Agreement ('IA'). On April 01, 2024, NEPRA granted the renewal of the Generation License to the Company for another term of ten (10) years from the date of expiry. Now, the term of the Generation License is extended till June 05, 2031, making it consistent with the terms of the PPA and the IA. As directed by NEPRA in its Determination, on May 10, 2024 the Company has applied for the Licensee Proposed Modification ('LPM') with NEPRA to match the installed capacity in the Generation License with the capacity mentioned in the PPA and the IA, which is still in process.
- 1.5** The Company received a recommendation from Islamabad Electric Supply Company ('IESCO') with respect to the upgradation of 66 kV switchyard of the Company in order to synchronize the existing network with the IESCO system. This will allow the Company to fully transmit the generated power. National Transmission and Despatch Company Limited ('NTDC') has upgraded one transmission line of Jand-Bassaal network from 66 kV to 132 kV. Resultantly, the Company can only transmit electricity generated by its complex through transmission network of Fateh Jang 66 kV grid station of IESCO. Whenever NTDC upgrades the Fateh Jang grid station in future, the Company will be required to upgrade its own 66 kV switchyard to 132 kV.
- 1.6** Subsequent to the reporting period, the subsidiary Company Rousch (Pakistan) Power Limited ('RPPL') has received a proposal from the Task Force formed by the Government of Pakistan for power sector reforms, on accelerated termination of its PPA, IA and the GoP Guarantee (the Agreements) before the end of term of these Agreements in 2032. Under the terms being contemplated, RPPL will be paid its receivables by CPPA, and the plant will be handed over to the Government as per terms of the PPA. RPPL's Board of Directors have referred the proposal to the Shareholders of RPPL for consideration and approval in the Shareholders' Meeting.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim unconsolidated 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:

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

These condensed interim unconsolidated financial statements are un-audited and are being submitted to the members as required by section 237 of the Act.

- 2.2** These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The Company is required to issue condensed interim consolidated financial statements along with its condensed interim separate financial statements in accordance with the requirements of accounting and reporting standards as applicable in Pakistan. Condensed interim consolidated financial statements are prepared separately.

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2024.

3.2 Standards, amendments to published standards and interpretations that are effective in the current period

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting period beginning on July 1, 2024, 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 unconsolidated financial statements.

3.3 Standards, amendments and interpretations to existing standards that are not yet effective and 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, 2024 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 unconsolidated financial statements.

3.3.1 Exemption from applicability of certain standards

In respect of companies holding financial assets due from the Government of Pakistan ('GoP') in respect of circular debt, SECP through SRO 67(I)/2023 dated January 20, 2023 partially modified its previous SRO 1177(I)/2021 dated September 13, 2021 and notified that the requirements contained in IFRS 9 with respect to application of Expected Credit Losses ('ECL') method shall not be applicable on such financials assets for the financial years ending on or before December 31, 2024 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the Company has not followed the requirements of IFRS 9 with respect to application of ECL in respect of trade debts and other receivables due from CPPA.

4. ACCOUNTING ESTIMATES

The preparation of these condensed interim unconsolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended June 30, 2024.

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There are no material changes in contingencies and commitments as disclosed in the notes to the financial statements for the year ended June 30, 2024, except for the following:

5.1.1 In respect of tax year 2019, the Additional Commissioner Inland Revenue ('ACIR') passed an Order under section 122(5) of the Income Tax Ordinance, 2001, creating income tax demand amounting to Rs. 30.99 million which mainly relates to chargeability of Super Tax under section 4(b) of the Income Tax Ordinance, 2001. Aggrieved with the said Order, the Company has filed an appeal before the Commissioner Inland Revenue ('Appeals') [CIR (A)], where the relief was not granted. Aggrieved with the Order of CIR(A), the Company preferred an Appeal before the Appellate Tribunal Inland Revenue (ATIR). On August 24, 2024, the ATIR has passed an Order thereby deciding the case in favour of the Company.

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
6	PROPERTY, PLANT AND EQUIPMENT	Note	
	Operating fixed assets	6.1	344,442
	Major spare parts and stand-by equipment		2,692
			347,134
6.1	Operating fixed assets		
	Net book value at the beginning of the period / year		349,664
	Additions during the period / year	6.2	-
	Depreciation charged during the period / year		(5,222)
	Net book value at the end of the period / year		344,442

	Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
Electric equipment	-	1,345
Vehicles	-	1,994
Office equipments	-	1,110
	-	4,449

6.2 Additions during the period / year

7. INTANGIBLE ASSETS

This include upgradation of ERP system that has been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship, under a Service Level Agreement with the Company.

Net book value at the beginning of the period / year	298	783
Amortisation charged during the period / year	(51)	(485)
Net book value at the end of the period / year	247	298

8 LONG TERM INVESTMENT

Subsidiary - Unquoted:

Note

Power Management Company (Private) Limited ('PMCL'):

320,451,000 (June 30, 2024: 320,451,000) fully paid ordinary shares

of Rs 10 each [Equity held 100% (June 30, 2024: 100%)] - Cost	8.1	3,204,510	3,204,510
---------------------------------------------------------------	-----	-----------	-----------

8.1 The Company directly holds 100% shares in its wholly owned subsidiary, PMCL. PMCL is a private company limited by shares incorporated in Pakistan to invest, manage, operate, run, own and build power projects. The investment in PMCL is accounted for using cost method in the condensed interim unconsolidated financial statements of the Company. PMCL, in turn, directly holds 59.98% (June 30, 2024: 59.98%) shares in Rousch (Pakistan) Power Limited ('RPPL'). RPPL is an unlisted public company limited by shares incorporated in Pakistan to generate and supply electricity to CPPA from its combined cycle thermal power plant having a gross (ISO) capacity of 450 Mega Watts, located near Sidhnai Barrage, Abdul Hakim, District Khanewal, Punjab.

Subsequent to the reporting period, as disclosed in note 1.6, the RPPL's Board of Directors has recommended to its shareholders, a proposal for early termination of its Agreements which will be considered in the next General Meeting of RPPL for approval.

9. SHORT TERM INVESTMENTS

This represents investment in units of mutual funds of NBP Fund Management Limited that is classified as fair value through profit or loss.

10. DIVIDEND RECEIVABLE

This represents interim cash dividend declared by the wholly owned subsidiary - PMCL.

Un-Audited	
September 30, 2024	September 30, 2023
(Rupees in thousand)	

11 DIRECT COSTS

RLNG cost	112	106
Depreciation on operating fixed assets	4,935	11,023
Stores and spares consumed	91	84
Repairs and maintenance	969	1,822
Purchase of energy	1,681	1,961
Lube oil consumed	-	423
Operation and maintenance costs	10,754	9,351
Security expense	2,853	2,416
Salaries, benefits and other allowances	349	354
Insurance	978	680
Travelling & conveyance	112	176
Licensing fee	1,182	642
Miscellaneous expenses	70	33
	<u>24,086</u>	<u>29,071</u>

12 ADMINISTRATIVE EXPENSES

Salaries, benefits and other allowances	3,537	3,008
Directors' meeting fee	125	250
Information technology and ERP related costs	250	425
Traveling and conveyance	771	774
Utilities	452	455
Postage and telephone	257	165
Printing, stationery and advertisement	35	256
Auditors' remuneration	-	273
Legal and professional expenses	1,847	1,967
Fee and subscription	481	588
Entertainment	57	80
Amortization on intangible assets	51	121
Depreciation on operating fixed assets	286	71
Rent, rates and taxes	245	162
Miscellaneous expenses	12	-
	<u>8,406</u>	<u>8,595</u>

13 OTHER INCOME

Profit on bank deposits	9	7
Profit on short term investment	7,602	26,836
Dividend income from PMCL (wholly owned subsidiary)	2,147,022	1,714,413
	<u>2,154,633</u>	<u>1,741,256</u>

Un-Audited
September 30, 2024 **September 30, 2023**
(Rupees in thousand)

14 CASH USED IN OPERATIONS

Profit before income tax and final tax	2,121,070	1,702,623
Adjustment for non cash charges and other items:		
-Depreciation on operating fixed assets	5,221	11,095
-Dividend income from PMCL (wholly owned subsidiary)	(2,147,022)	(1,714,413)
-Amortization of intangible assets	51	121
-Provision for employee retirement benefits	491	293
-Profit on short term investments	(7,602)	(26,836)
-Profit on bank deposits	(9)	(7)
-Finance cost	1,070	967
	(2,147,800)	(1,728,780)
Loss before working capital changes	(26,730)	(26,157)
Effect on cashflow due to working capital changes:		
Decrease / (Increase) in current assets		
Stores and spares	600	775
Loans, advances, prepayments, and other receivables	(1,988)	(6,674)
Trade debts - secured	7,395	15,000
	6,007	9,101
Increase/(Decrease) in current liabilities		
Trade & other payables	2,809	(342)
Cash used in operations	(17,914)	(17,398)

15 CASH AND CASH EQUIVALENTS

Bank balances	14,186	286,634
Short term investments	81,820	218,375
	96,006	505,009

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties include the Holding Company and subsidiaries of the Holding Company, group companies, related parties on the basis of common directorship and key management personnel of the Company and its Holding Company. 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 the Company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions and balances with related parties not disclosed elsewhere are as follows:

		Un-Audited September 30, 2024 September 30, 2023 (Rupees in thousand)	
Relationship with the Company	Nature of transaction		
i) Holding company			
DEL Power (Private) Limited	Dividend paid	-	993,566
ii) Subsidiary company			
Rousch (Pakistan) Power Limited	Common cost charged to the Company	250	226
iii) Entities on the basis of common directorship			
Descon Engineering Limited	Common cost charged to the Company	1,608	1,394
Descon Power Solutions (Private) Limited	Operation & maintenance contractor's fee	10,754	9,351
	Common cost charged to the Company	361	297
Descon Corporation (Private) Limited	ERP implementation fee and running cost	250	425
	Building rent	245	161
iv) Other related parties			
Descon Holdings (Private) Limited	Dividend paid	-	141
Crescent Steel and Allied Products Limited	Dividend paid	-	285,120
v) Key management personnel			
	Short term employee benefits	1,898	1,729
	Post employment benefits	491	292
	Director's meeting fee	125	250
	Dividend paid	-	118

All transactions with related parties have been carried out on mutually agreed terms and conditions and in compliance with applicable laws and regulations.

There are no transactions with key management personnel other than under the terms of employment.

Period end balances are as follows:

Payable to related parties

Subsidiaries:

Rousch (Pakistan) Power Limited	452	201
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Other related parties:

Descon Engineering Limited	3,461	1,853
Descon Corporation (Private) Limited	662	715
Inspectest (Private) Limited	173	258
Descon Power Solutions (Private) Limited	10,323	5,259
	15,071	8,286

17 FINANCIAL RISK MANAGEMENT

17.1 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.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors ('BOD'). The Company's finance department evaluates and hedges financial risks based on 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, provided by the BOD. All treasury related transactions are carried out within the parameters of these policies.

These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

17.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels for fair value estimation used by the Company have been defined as follows:

- 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. These instruments are included in level 1.
- The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to assess fair value of an instrument are observable, the instrument is included in level 2.
- 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.

To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed above. The following table presents the Company's financial assets measured and recognised at fair value at September 30, 2024 and June 30, 2024 on a recurring basis:

	Level 1	Level 2	Level 3	Total
As at September 30, 2024	(Rupees in thousand)			
<i>Recurring fair value measurements</i>				
Assets				
Short term investments	81,820	-	-	81,820
Liabilities	-	-	-	-
As at June 30, 2024				
<i>Recurring fair value measurements</i>				
Assets				
Short term investments	187,823	-	-	187,823
Liabilities	-	-	-	-

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the investment advisor.

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

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.

18 CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the 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 have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-arrangements have been made.

19 ROUNDING OF AMOUNTS

All amounts disclosed in the unconsolidated condensed interim financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on October 28, 2024 by the Board of Directors of the Company.


Chief Executive


Chief Financial Officer


Director

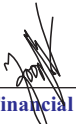
**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS**

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
EQUITY AND LIABILITIES	Note		
SHARE CAPITAL AND RESERVES			
Authorized share capital 400,000,000 (June 30, 2024: 400,000,000) ordinary shares of Rs 10 each		4,000,000	4,000,000
Issued, subscribed and paid up share capital 363,380,000 (June 30, 2024: 363,380,000) ordinary shares of Rs 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Un-appropriated profits		14,194,868	12,918,847
Attributable to owners of the Parent Company		17,870,328	16,594,307
Non-controlling interests		10,575,085	11,200,008
Total equity		28,445,413	27,794,315
NON-CURRENT LIABILITIES			
Employees' benefit obligations		16,482	15,836
Deferred taxation		954,179	1,024,431
		970,661	1,040,267
CURRENT LIABILITIES			
Trade and other payables		987,427	554,289
Short term borrowings from banking companies- secured		2,496,569	-
Accrued markup on short term borrowings - secured		27,866	822
Unclaimed dividends		5,264	6,264
Dividends Payable	5	4,221,185	2,756,986
Provision for taxation		76,812	17,691
		7,815,123	3,336,052
CONTINGENCIES AND COMMITMENTS	6		
		37,231,197	32,170,634

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	7	10,108,872	10,478,373
Intangible assets	8	4,627	9,784
Long term deposits		608	608
Long term loan to employees - secured		1,717	1,988
		10,115,824	10,490,753
CURRENT ASSETS			
Store, spares & loose tools		1,020,926	736,184
Inventory of fuel oil		439,342	441,988
Trade debts - secured	9	14,380,838	14,229,704
Loans, advances, prepayments and other receivables		2,164,399	2,285,925
Short term investments	10	5,999,044	3,434,002
Bank balances		3,110,824	552,078
		27,115,373	21,679,881
		37,231,197	32,170,634


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024 (Rupees in thousand)	September 30, 2023
	Note		
Revenue	11	5,128,701	1,733,338
Direct costs	12	(2,912,968)	(832,029)
Gross profit		2,215,733	901,309
Administrative expenses	13	(78,641)	(70,882)
Other expenses		(14,533)	(21,823)
Other income	14	295,461	231,127
Finance cost		(45,824)	(12,476)
Profit before income tax and final tax		2,372,196	1,027,255
Taxation - final tax	15	(222,980)	(368,232)
Profit before income tax for the period		2,149,216	659,023
Taxation - income tax	15	54,387	57,991
Profit for the period		2,203,603	717,014
Attributable to:			
Equity holders of the Parent Company		1,276,021	325,815
Non-controlling interest		927,582	391,199
		2,203,603	717,014
Earnings per share attributable to equity holders of the Parent Company during the period - basic and	Rupees	3.51	0.90

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024 (Rupees in thousand)	September 30, 2023
Profit for the period	2,203,603	717,014
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	2,203,603	717,014
Attributable to:		
Equity holders of the Parent Company	1,276,021	325,815
Non-controlling interest	927,582	391,199
	2,203,603	717,014

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.



Chief Executive



Chief Financial Officer



Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

Attributable to equity holders of Parent Company

	Share capital	Share premium	Un-appropriated profit	Non-controlling Interests	Total
	(Rupees in thousand)				
Balance as on July 1, 2023 (Audited)	3,633,800	41,660	14,355,636	12,426,921	30,458,017
Profit for the period	-	-	325,815	391,199	717,014
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	325,815	391,199	717,014
Transactions with owners in their capacity as owners:					
Interim cash dividend @ Rs 4.70 per ordinary share by Parent Company			(1,707,886)	-	(1,707,886)
Final cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,380,004)	(1,380,004)
Balance as on September 30, 2024 (Un-audited)	3,633,800	41,660	12,973,565	11,438,116	28,087,141
Balance as on July 01, 2024 (Audited)	3,633,800	41,660	12,918,847	11,200,008	27,794,315
Profit for the period	-	-	1,276,021	927,582	2,203,603
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,276,021	927,582	2,203,603
Transactions with owners in their capacity as owners:					
Final cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,552,505)	(1,552,505)
Balance as on September 30, 2024 (Un-Audited)	3,633,800	41,660	14,194,868	10,575,085	28,445,413

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024 (Rupees in thousand)	September 30, 2023
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	2,684,982	4,599,160
Long term deposits - net		270	168
Finance cost paid		(18,780)	(48,472)
Income tax and final tax paid		(236,124)	(204,997)
Employee benefit obligations paid		(1,683)	(1,629)
		(256,317)	(254,930)
Net cash inflow from operating activities		2,428,665	4,344,230
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment and intangible assets		(2,144)	(2,406)
Profit on short term investment received		282,962	36,385
Profit on bank deposits received		7,042	183,338
Proceeds from disposal of operating fixed assets		-	7,449
Net cash inflow from investing activities		287,860	224,766
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(89,306)	(1,747,729)
Net cash outflow from financing activities		(89,306)	(1,747,729)
Net increase in cash and cash equivalents		2,627,219	2,821,267
Cash and cash equivalents at the beginning of the period		3,986,080	3,196,998
Cash and cash equivalents at the end of the period	17	6,613,299	6,018,265

The annexed notes 1 to 22 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

1.

THE GROUP AND ITS OPERATIONS

Altern Energy Limited (‘the Parent company’) and its subsidiaries, Power Management company (Private) Limited and Rousch (Pakistan) Power Limited (together, ‘the Group’) are engaged in power generation activities. The registered office of AEL and PMCL is situated at Descon Headquarters, 18 km Ferozepur Road, Lahore. The registered office of RPPL is situated at 403-C, 4th Floor, Evacuee Trust Complex, Sector F-5/1, Islamabad.

1.1	The Group is structured as follows:	(Effective holding percentage)	
		Un-audited September 30, 2024	Audited June 30, 2024
	Parent company:		
	- Altern Energy Limited, the Parent Company (hereinafter referred to as AEL)		
	Subsidiary companies:		
	- PMCL (Power Management company (Private) Limited)	100.00%	100.00%
	- RPPL (Rousch (Pakistan) Power Limited)	59.98%	59.98%

The geographical locations of the production facilities of the Group are mentioned below:

Production facility of	Location
- AEL	Fateh Jang, District Attock, Punjab, Pakistan
- RPPL	Sidhnai Barrage, Abdul Hakim town, District Khanewal, Punjab, Pakistan

1.2

AEL - the Parent Company

- 1.2.1

AEL was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 (now, the Companies Act, 2017) on January 17, 1995. AEL's ordinary shares are listed on the Pakistan Stock Exchange Limited.
- 1.2.2

The principal activity of AEL is to generate and supply electricity to its sole customer, Central Power Purchasing Agency (Guarantee) Limited (‘CPPA’) from its gas fired power plant having gross capacity of 32 Mega Watts (June 30, 2024: 32 Mega Watts). AEL achieved Commercial Operations Date (‘COD’) on June 6, 2001. AEL has a Power Purchase Agreement (‘PPA’) with CPPA for thirty years which commenced from the COD.
- 1.2.3

AEL's Gas Supply Agreement (‘GSA’) with Sui Northern Gas Pipelines Limited (‘SNGPL’) expired on June 30, 2013. Thereafter, AEL signed a Supplemental Deed dated March 17, 2014 with SNGPL, whereby SNGPL agreed to supply gas to AEL on as-and-when available basis till the expiry of the PPA on June 5, 2031. The Ministry of Petroleum and Natural Resources (now Ministry of Energy, Petroleum Division), empowered for Re-liquefied Natural Gas (‘RLNG’) allocation by the Economic Coordination Committee (‘ECC’) of the Federal Cabinet, issued an allocation of 6 MMSCFD of RLNG to AEL on April 28, 2017 and advised AEL and SNGPL to negotiate a new GSA. While the long term GSA is yet to be negotiated, in July 2019, the ECC of the Cabinet approved the summary of interim tri-partite GSA. Currently, AEL, SNGPL and CPPA are in the process of executing an interim GSA for supply of RLNG. Under the interim GSA, RLNG is being supplied on as-and-when available basis till the execution of a long term GSA between the parties.
- 1.2.4

AEL's Generation License issued by the National Electric Power Regulatory Authority (‘NEPRA’) expired on September 21, 2021. On August 31, 2021, it applied for its renewal/extension from NEPRA , in line with the term of its PPA and Implementation Agreement (‘IA’) . On April 01, 2024, NEPRA granted the renewal of the Generation License to AEL for another term of ten (10) years from the date

of expiry. Now, the term of the Generation License is extended till June 05, 2031, making it consistent with the terms of the PPA and the IA. As directed by NEPRA in its Determination, on May 10, 2024 AEL has applied for the Licensee Proposed Modification ('LPM') with NEPRA to match the installed capacity in the Generation License with the capacity mentioned in the PPA and the IA, which is still in process.

- 1.2.5** AEL received a recommendation from Islamabad Electric Supply Company ('IESCO') with respect to the upgradation of its 66 KV switchyard of AEL in order to synchronize the existing network with the IESCO system. This will allow AEL to fully transmit the generated power. National Transmission and Despatch Company Limited ('NTDC') has upgraded one transmission line of Jand-Bassaal network from 66 KV to 132 KV. Resultantly, AEL can only transmit electricity generated by its complex through transmission network of Fateh Jang 66 KV grid station of IESCO. Whenever NTDC upgrades the Fateh Jang grid station in future, AEL will be required to upgrade its own 66 KV switchyard to 132 KV.

1.3 PMCL

PMCL was incorporated in Pakistan as a private company limited by shares under the Companies Ordinance, 1984 (now the Act) on February 24, 2006. PMCL is a wholly owned subsidiary of AEL. The principal objective of PMCL is to invest, manage, operate, run, own and build power projects. PMCL directly holds 59.98% shares in RPPL, a company engaged in power generation as detailed in note 1.4 to these condensed interim consolidated financial statements.

1.4 RPPL

- 1.4.1** RPPL is a public company limited by shares, incorporated in Pakistan on August 4, 1994 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017 and hereinafter referred to as the 'Act'). The principal activities of RPPL are to generate and supply electricity to its sole customer, CPPA, from its combined cycle thermal power plant (the 'Complex') having a gross (ISO) capacity of 450 Mega Watts. RPPL achieved its COD on December 11, 1999.

RPPL has a PPA with CPPA for thirty years which commenced from the COD. The plant was initially designed to operate with residual furnace oil and was converted to gas fired facility in 2003 after allocation of gas of 85 MMSCFD by the Government of Pakistan ('GoP') for the period of twelve years under a GSA with SNGPL till August 18, 2015. At that time, under the amended and restated IA, the GoP provided an assurance that RPPL will be provided gas post August 2015, in preference to the new power projects commissioned after RPPL.

The Ministry of Petroleum and Natural Resources (now Ministry of Energy, Petroleum Division), issued an allocation of 85 MMSCFD of RLNG to RPPL on firm basis on September 23, 2015 and advised RPPL and SNGPL to negotiate a long term GSA on firm basis. While negotiations for the long-term GSA are in process, the ECC of Federal Cabinet approved interim GSA for supply of RLNG to RPPL up to June 30, 2018 or signing of a long-term GSA, whichever is earlier. The interim GSA was executed with CPPA and SNGPL which was effective from June 1, 2017. Under the interim GSA, RLNG was supplied on 'as and when available' basis, however, the non-supply of RLNG was treated as 'Other Force Majeure Event' ('OFME') under the PPA. The interim GSA expired in June 2018. On July 21, 2020, RPPL, CPPA and SNGPL signed first Addendum to the Interim RLNG Supply Agreement and Payment Procedure. The terms of this agreement will be effective up to the date of signing of a long-term Gas Supply and Purchase Agreement ('GSPA').

- 1.4.2** In accordance with the terms of Amendment No. 3 to the PPA executed between the RPPL and CPPA on August 21, 2003, RPPL agreed to transfer ownership of the Complex (including land) to CPPA at a token value of US\$ 1 at the expiry of the PPA, if CPPA does not opt for a renewal of the PPA for the additional term pursuant to section 4.1(c) of the PPA. The PPA has been extended by a period of 424 days as of September 30, 2024, owing to non-supply of RLNG under interim GSA. Moreover, the PPA term has also been extended by 112 days as per the terms of a Settlement Agreement signed on 11 February 2021, to settle disputes pertaining to Liquidated Damages related to 2013 and 2017. As a result, the term of PPA will now end in May 2031 and the remaining life of the Complex is approximately 6.67 years.

- 1.4.3** Subsequent to the reporting period, RPPL has received a proposal from the Task Force formed by the GoP for power sector reforms, on accelerated termination of its PPA, IA and the GoP Guarantee (the Agreements) before the end of term of these Agreements in 2032. Under the terms being contemplated, RPPL will be paid its receivables by CPPA, and the Complex will be handed over to the Government as per terms of the PPA. RPPL's Board of Directors have referred the proposal to the Shareholders of RPPL for consideration and approval in the Shareholders' Meeting.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim consolidated 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:

- i)** International Accounting Standard ('IAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Act, and
- ii)** Provisions of and directives issued under the Act.

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

- 2.2** These condensed interim consolidated financial statements are un-audited and are being submitted to the members as required by section 237 of the Act.

These condensed interim consolidated financial statements do not include all of the information required for the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Group's financial position and performance since the last audited financial statements.

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Group for the year ended June 30, 2024, except for the adoption of new and amended standards as set out below.

3.2 Standards, amendments to published standards and interpretations that are effective in the current period

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting period beginning on July 1, 2024, but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim consolidated financial statements.

3.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

3.4 Exemption from applicability of certain standards

In respect of companies holding financial assets due from the Government of Pakistan ('GoP') in respect of circular debt, SECP through SRO 67(I)/2023 dated January 20, 2023 partially modified its previous SRO 1177(I)/2021 dated September 13, 2021 and notified that the requirements contained in IFRS 9 with respect to application of Expected Credit Losses ('ECL') method shall not be applicable on such financial assets for the financial years ending on or before December 31, 2024 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the Group has not followed the requirements of IFRS 9 with respect to application of ECL in respect of trade debts and other receivables due from CPPA.

4. ACCOUNTING ESTIMATES

The preparation of these condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of Group for the year ended June 30, 2024.

5. DIVIDEND PAYABLE

This represents cash dividend payable to the foreign shareholders pending approval of the State Bank of Pakistan.

6. CONTINGENCIES & COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceding annual financial statements of the Group for the year ended June 30, 2024, except for the following:

6.1 Contingencies

- (a) In respect of tax year 2019, the Additional Commissioner Inland Revenue ('ACIR') passed an Order under section 122(5) of the Income Tax Ordinance, 2001, creating income tax demand amounting to Rs. 30.99 million which mainly relates to chargeability of Super Tax under section 4(b) of the Income Tax Ordinance, 2001. Aggrieved with the said Order, the Group filed an appeal before the Commissioner Inland Revenue ('Appeals') [CIR (A)], where the relief was not granted. Aggrieved with the Order of CIR(A), the Group preferred an Appeal before the Appellate Tribunal Inland Revenue (ATIR). On August 24, 2024, the ATIR has passed an Order thereby deciding the case in favour of the Group.
- (b) The tax authorities amended the assessments for the tax years 2012, 2013, 2015 and 2016 in the same manner as for tax year 2014, thereby subjecting bank interest income and supplemental charges to tax and disallowing set-off against depreciation losses. An aggregate tax demand of Rs 1,382 million was raised for these years. The Group filed an appeal against the above demand with CIR(A). In appeal, the CIR(A) through order dated May 18, 2018 for tax years 2013 and 2015, accepted the Group's claim of exemption on supplemental charges but upheld disallowance of set-off against unabsorbed tax depreciation. Both the Group and the tax authorities filed appeals to the ATIR on July 18, 2018 and July 19, 2018 respectively on this matter. The ATIR upheld CIR(A)'s position on this matter through order dated March 2, 2021. The taxation officer giving appeal effect to the ATIR orders dated April 27, 2021, worked out tax liability of Rs 292.07 million on interest income and raised tax demand (net of tax paid) amounting to Rs 82.5 million.

Aggrieved with the decision of the ATIR, the Group filed an Appeal before the Islamabad High Court on May 4, 2021 and obtained stay against recovery of tax demand raised through appeal effect orders. On September 24, 2024, the Islamabad High Court decided the matter of set off of business losses against Income from other sources for the tax years 2012, 2013, 2014 and 2015 in favor of the Group.

- (c) National Bank of Pakistan has issued standby letter of credit ('SBLC') for Rs. 4,981 million (June 30, 2024 : Rs 4,981 million) in favor of SNGPL as a security to cover gas supply for which payments are made in arrears. The SBLC will expire on July 13, 2025, which is renewable.

	Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
6.2 Commitments - Nil		
7 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	10,105,534	10,475,681
Major spare parts and stand-by equipment	2,692	2,692
	<u>10,108,872</u>	<u>10,478,373</u>

8. This includes upgradation of ERP system that has been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship, under a Service Level Agreement with the Group.

		Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
9 TRADE DEBTS - SECURED	Note		
Considered good	9.1	14,380,838	14,229,704
Considered doubtful		193,255	952,557
		<u>14,574,093</u>	<u>15,182,261</u>
Provision for impairment		(193,255)	(952,557)
		<u>14,380,838</u>	<u>14,229,704</u>

- 9.1 Included in trade debts is an aggregate amount of Rs 5,549.28 million (June 30, 2024: Rs 5,549.28 million) not acknowledged by CPPA.

Of this disputed capacity revenue:

- the amount of Rs 247.695 million (June 30, 2024: Rs 247.695 million) has not been acknowledged by CPPA on the pretext that no gas was available during the period from December 19, 2019 to January 31, 2020 and hence, this period should be treated as an OFME by RPPL. The management is of the view that CPPA's contention is not justified as the plant could not be operated during this period due to technical start-up limits under the PPA being exceeded and as such this has no relevance with gas availability.

- the amount of Rs 5,301.58 million (June 30, 2024: Rs 5,301.58 million) relating to capacity invoices (from April 2022 to June 2023) is disputed by CPPA on a similar pretext that gas was not available and hence, this period should also be treated as an OFME by RPPL. However, the management is of the view that CPPA's claim is not justified as the plant was technically available and RLNG was not allocated to it by SNGPL due to intervention of National Power Control Centre ('NPCC') which is not a party to the Interim RLNG Supply Agreement and Payment Procedure. The GoP is under an obligation to ensure that its entities act in good faith and prevent a situation where a party to the Agreement is treated unfairly. Whereas, in this case, the Governmental Entities issued dispatch instructions but then did not allocate RLNG to RPPL and deprived it of its rightful entitlement to Capacity Payments under the PPA which is against the spirit of the Agreements as well as a non-compliance with the GoP's obligation to act in good faith. Furthermore, as stated in note 1.4.1, under the amended IA, RPPL has been provided an assurance by the GoP that it will be provided gas post August 2015, in preference to the new power projects commissioned after RPPL. This obligation has also not been fulfilled by the GoP.

Currently, RPPL is in discussions with the Government Entities on this matter. Based on the legal opinions obtained by RPPL including an opinion from English Law Counsels, the management believes that RPPL has meritorious grounds to succeed if it were to invoke the Arbitration proceedings under the IGSA and/or under the PPA as well as the IA. Consequently, no provision for the disputed amounts has been recognised in these condensed interim consolidated financial statements as the management believes that these matters will eventually be resolved in RPPL's favour and these amounts will be recovered by RPPL.

9.2 There has been no movement in the provision for impairment in the current period.

10 SHORT TERM INVESTMENTS

This represents investment in units of mutual funds of NBP Fund Management Limited that is classified as fair value through profit or loss.

	Un-Audited September 30, 2024 (Rupees in thousand)	September 30, 2023
11 REVENUE		
Energy purchase price - gross	2,208,897	-
Sales tax	(320,951)	-
Energy purchase price - net	1,887,946	-
Capacity purchase price	2,841,376	1,094,186
Delayed payment markup	399,379	639,152
	5,128,701	1,733,338
12 DIRECT COSTS		
RLNG cost	1,988,368	1,170
Operation and maintenance costs	303,047	211,601
Depreciation on operating fixed assets	370,469	381,910
Stores, spares and loose tools consumed	44,947	16,818
Lube oil consumed	-	423
Repairs & maintenance	-	14,337
Insurance	61,581	51,213
Purchase of energy	111,777	124,547
Salaries, benefits and other allowances	8,556	8,223
Licensing fee & electricity duty	13,051	11,473
Colony maintenance	3,653	3,990
Communication	1,968	2,087
Vehicle maintenance	672	473
Security expenses	2,853	2,416
Miscellaneous expenses	2,026	1,348
	2,912,968	832,029

	Un-Audited September 30, 2024 (Rupees in thousand)	September 30, 2023
13 ADMINISTRATIVE EXPENSES		
Salaries, benefits and other allowances	30,468	25,084
Directors' meeting fee	125	250
Information technology and ERP related costs	7,108	6,592
Traveling & conveyance	9,711	9,087
Utilities	452	455
Postage and telephone	505	314
Printing, stationery and advertisement	259	335
Auditors' remuneration	189	468
Rent, rates and taxes	4,844	3,899
Repairs and maintenance	-	54
Legal and professional expenses	15,129	17,254
Fees and subscription	481	587
Entertainment	622	495
Amortization on intangible assets	5,159	954
Depreciation on operating fixed assets	1,179	2,348
Vehicle maintenance	443	349
Insurance	1,513	1,674
Professional tax	200	-
Miscellaneous expenses	254	683
	<u>78,641</u>	<u>70,882</u>
14 OTHER INCOME		
Profit on bank deposit	7,042	183,338
Income from short term investment	282,962	36,386
Gain on disposal of operating fixed assets	-	7,449
Scrap sales	4	12
Provisions and unclaimed balances written back	5,453	-
Other income	-	3,942
	<u>295,461</u>	<u>231,127</u>
15 TAXATION		
Final tax	(222,980)	(368,232)
Income tax		
Current - for the period	(15,865)	(53,168)
Deferred	70,252	111,159
	<u>(168,593)</u>	<u>(310,241)</u>

	Un-Audited September 30, 2024 (Rupees in thousand)	September 30, 2023
16 CASH GENERATED FROM OPERATIONS		
Profit before income tax and final tax	2,372,196	1,027,255
Adjustment for non cash charges and other items:		
-Depreciation on operating fixed assets	371,648	384,258
-Profit on short term investments	(282,962)	(36,386)
-Gain on disposal of operating fixed assets	-	(7,449)
-Provision for employee retirement benefits	2,329	1,977
-Liabilities no longer payable written back	(5,453)	-
-Amortization on intangible assets	5,159	954
-Exchange loss	14,533	21,823
-Finance cost	45,824	12,476
-Profit on bank deposits	(7,042)	(183,338)
Profit before working capital changes	2,516,232	1,221,570
Effect on cash flow due to working capital changes:		
Decrease / (Increase) in current assets		
-Stores, spares and loose tools	(282,095)	(4,880)
-Trade debts	(151,134)	4,406,663
-Advances, prepayments and other receivables	177,925	(86,797)
	(255,304)	4,314,986
Decrease in current liabilities		
-Trade and other payables	424,054	(937,396)
	168,750	3,377,590
Cash generated from operations	2,684,982	4,599,160
17 CASH AND CASH EQUIVALENTS		
Bank balances	3,110,824	5,510,734
Short term investments	5,999,044	507,531
Short term borrowings from banking companies - secured	(2,496,569)	-
	6,613,299	6,018,265

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise the holding company, ultimate parent, subsidiaries and associates of holding company and ultimate parent, group companies, related parties on the basis of common directorship, key management personnel of the Group and its holding company and post-employment benefit plans (Gratuity Fund and Provident Fund). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AEL, directly or indirectly, including any director (whether executive or otherwise) of AEL. The Group in the normal course of business carries out transactions with various related parties. Significant related party transactions not disclosed elsewhere in these condensed interim consolidated financial statements are as follows:

		Un-Audited September 30, 2024	September 30, 2023
		(Rupees in thousand)	
Relationship with the Group	Nature of transactions		
i) Holding company			
DEL Power (Private) Limited	Dividends paid	-	993,566
ii) Group companies			
Siemens Pakistan Engineering Company Limited	Purchase of long term maintenance services	25,559	1,970
	Purchase of goods and services	253,069	-
iii) Other related parties			
<i>On the basis of common directorship</i>			
Descon Engineering Limited:	Common costs charged to the Group	7,613	6,437
	Purchase of goods and services	13,930	-
Descon Power Solutions (Private) Limited:	Operations & maintenance contractor's fee	208,188	161,317
	Common costs charged to the Group	688	631
Descon Corporation (Private) Limited:	ERP implementation fee & running costs	17,177	21,215
	Common costs charged to the Group	245	161
iv) Other related parties			
Crescent Steel and Allied Products Limited	Dividend paid	-	285,120
Descon Holdings (Private) Limited	Dividend paid	-	141
v) Key Management Personnel			
	Short-term employment benefits	28,105	24,821
	Post employment benefits	4,059	3,456
	Director's meeting fee	125	250
	Dividend paid	-	118

All transactions with related parties have been carried out on mutually agreed terms and conditions. There are no transactions with key management personnel other than under the terms of employment.

	Un-Audited September 30, 2024 (Rupees in thousand)	Audited June 30, 2024
Period end balances are as follows:		
Payable to related parties		
Descon Engineering Limited (Associated company)	21,676	1,654
Descon Corporation (Private) Limited (Associated company)	7,279	5,691
Descon Power Solutions (Private) Limited (Associated company)	76,758	62,791
Siemens Pakistan Engineering Company Limited (Group company)	9,256	-
Inspectest (Private) Limited (Associated company)	173	173
	115,142	70,309

19. FINANCIAL RISK MANAGEMENT

19.1 Financial risk factors

The Group'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 Group's overall risk management Programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Group's finance department under policies approved by the Board of Directors ('BOD'). The Group's finance department evaluates and hedges financial risks based on principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity, provided by the BOD. All treasury related transactions are carried out within the parameters of these policies.

These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

19.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels for fair value estimation used by the Group have been defined as follows:

- 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. These instruments are included in level 1.
- The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to assess fair value of an instrument are observable, the instrument is included in level 2.

- 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.

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed above. The following table presents the Group's financial assets measured and recognised at fair value at September 30, 2024 and June 30, 2024 on a recurring basis:

	Level 1	Level 2	Level 3	Total
------(Rupee in thousands)-----				
As at September 30, 2024				
<i>Recurring fair value measurements</i>				
Assets				
Short term investments	5,999,044	-	-	5,999,044
As at June 30, 2024				
<i>Recurring fair value measurements</i>				
Assets				
Short term investments	3,434,002			3,434,002

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year. The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

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.

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on October 28, 2024 by the Board of Directors of the Parent company.

21 CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34 - ‘Interim Financial Reporting’, the condensed interim consolidated statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated 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 purposes of comparison. However, no significant reclassifications have been.

22 GENERAL

22.1 All amounts disclosed in these condensed interim consolidated financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.



Chief Executive



Chief Financial Officer



Director

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