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(UN-AUDITED)
FOR THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

ALTERN ENERGY LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

(UN-AUDITED)

FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

ALTERN ENERGY LIMITED

BOARD OF DIRECTORS

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

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

CHIEF FINANCIAL OFFICER
Ms. Noor Shuja

COMPANY SECRETARY
Mr. Salman Ali

HEAD INTERNAL AUDIT
Ms. Rabia Shoaib

EXTERNAL AUDITORS
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

We, the undersigned, on behalf of the Board of Directors of Altern Energy Limited ('the Company') present the un-audited (limited reviewed) consolidated and unconsolidated condensed interim financial statements of the Company for the six-month period ended December 31, 2023.

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').

The Company's shares are listed on Pakistan Stock Exchange. 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. The principle activity of RPPL is sale of electricity, ownership, and the operation and maintenance of a 450 Mega Watts gas based combined cycle thermal power plant located near Sidhnai Barrage, Abdul Hakeem, District Khanewal, Punjab.

The Company has a Power Purchase Agreement ('PPA') with its sole customer, CPPA for thirty years which commenced from June 6, 2001, ending on June 5, 2031.

The Company's Generation License expired on September 21, 2021 and it had applied for its renewal/extension from the National Electric Power Regulatory Authority ('NEPRA'), in line with the term of its PPA and Implementation Agreement ('IA') on August 31, 2021. On September 12, 2023, NEPRA in its Regulatory Meeting approved the extension in the term of the Generation License for ten (10) years from the expiry of the previous term till June 05, 2031, making it consistent with the term of the PPA and the IA. Currently, NEPRA is in the process of further internal evaluation on the application for renewal, and will issue its official decision in due course. Subsequently, the Company will continue to make its power plant available as per the requirements of the PPA until the expiry of PPA as stated above. Therefore, the power generation operations shall continue to be operated in the normal course of business.

Furthermore, although the power generation operations are in losses for many years, the Company's viability is unaffected as the main source of income is the dividend income that it earns on its long term investment in subsidiary stated in note 7 of these condensed interim unconsolidated financial statements.

FINANCE

Revenue for the period under review was nil due to no dispatch to the off-taker because of pending renewal of the Generation License. Revenue for the corresponding period of the last year represents delayed payment mark-up. The Company incurred gross loss of Rs. 44 million as compared to gross loss of Rs. 42 million in corresponding period of 2022. The Company posted net profit of Rs. 3,419 million resulting in earnings per share ('EPS') of Rs. 9.41, as compared to net loss of Rs. 51 million and loss per share of Rs. 0.14 in corresponding period of 2022. Net profit for the current period includes dividend income amounting to Rs. 3,429 million (2022: Rs. Nil) 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. 1,404 million resulting in EPS of Rs. 3.86 per share, as compared to consolidated earnings of Rs.1,872 million and EPS of Rs. 5.15 in the corresponding period of the last year.

In view of the foregoing and based on the Company's income from its subsidiary Rousch, your Board contends that the Company will continue as a Going Concern in the foreseeable future.

DIVIDEND DISTRIBUTION

- On August 15, 2023, the Board of Directors of the Company declared and subsequently distributed first interim cash dividend @47% (Rs. 4.70 per ordinary share) amounting to Rs. 1,707.89 million to the shareholders of the Company.

- On November 07, 2023, the Board of Directors of the Company declared and subsequently distributed second interim cash dividend @47.5% (Rs. 4.75 per ordinary share) amounting to Rs. 1,726.06 million to the shareholders of the Company.

OPERATIONS

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 pending renewal of Generation License from NEPRA. Furthermore, the Company is facing diminishing dispatch demand from the off-taker in the past few years on account of 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.

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 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') has posted turnover of Rs. 4,758 million (corresponding period in 2022: Rs. 6,362 million) and the cost of sales was Rs. 1,693 million (2022: Rs. 2,570 million). Net profit for the period was Rs. 3,249 million (2022: Rs. 3,452 million) delivering earnings per share ('EPS') of Rs. 3.77 per share of Rs 10 each (2022: Rs. 4.00).

Delay in payments from RPPL's sole customer, CPPA continues. At the end of the reporting period, out of the total receivable of Rs. 12,719 million (June 30, 2023: Rs. 15,248 million), Rs. 10,384 million were overdue as compared to overdue receivables of Rs. 12,951 million at the end of June 30, 2023, including disputed amount of Rs 6,815 million (June 30, 2023: Rs. 6,300 million) on account of Other Force Majeure Event ('OFME') dispute with CPPA.

During the period under review, net generation delivered to the off-taker was zero GWh against 40 GWh delivered to the off-taker during the same period last year. RPPL’s plant dispatch factor during the period remained 0% due to its position in the Merit Order of CPPA, as compared to 3.95 % during the corresponding period of last year. Zero generation is mainly due to curtailment of RLNG as well as reduced demand from the off taker.

RPPL's issue of OFME with CPPA continues. In a meeting heldin July 2023 between the counter parties on this matter, it was agreed that RPPL Plant will only be dispatched if it is required under the Economic Merit Order (EMO) as per the terms of the PPA. However, the plant will be considered on OFME if required to be dispatched as per EMO and RLNG is not available. It is hoped that this will help in mitigating the negative impact of OFME days. During the period under review, there were 66.5 OFME days in accordance with its PPA.

RISK MANAGEMENT

There has been no change in the risk management profile and risk manager policies of the Company as disclosed in Note 31 of the last annual financial statements of the Company for the year ended June 30, 2023.

MATERIAL INFORMATION

There have been no material changes since 1st July 2023 and the Company has not entered into any commitment which would affect its financial position at the reporting date, except for those mentioned in annual audited financial statements of the Company for the year ended June 30, 2023.

FUTURE OUTLOOK

Your Company and the power sector are expected to face challenges in near future. Some of these continue to be macro-economic challenges such as shortage and extremely high prices of imported RLNG due to supply chain issues and Pak Rupee devaluation. Other challenges are Company specific such as low despatch demand from the off-taker, and its loss of capacity revenue due to the Company being on take and-pay arrangement under the PPA with CPPA. However, it is managing its operational costs from receipt of overdue receivables from CPPA. We expect that the Company will be able to generate some income from dispatch of power following renewal of its power generation license by NEPRA. Furthermore, the Company will continue to be a Going Concern due to income from its investment in its subsidiary.

CORPORATE GOVERNANCE

Composition of the Board of Directors

The total numbers of directors are eight including Chief Executive (Deemed Director) including two female directors. The composition of the Board is as follows:

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, the nominee directors are not entitled to receive Board / Committee meetings fee or any other remuneration. Only the Independent Directors are paid for the meeting participation.

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.

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 conducting 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 our strategy of employing more staff at our plant site from surrounding areas.

ACKNOWLEDGEMENT

The Company remains grateful to its shareholders, employees, Government functionaries and all other stakeholders 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

Shah Muhammad Chaudhry
Director

Date: February 26, 2024
Place: Lahore.

ڈائریکٹرز کی جائزہ رپورٹ

ہم، زیرِ دستخطی، آلٹرن انرجی لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2023 کو ختم ہونے والی ششماہی کی غیر نظر ثانی شدہ (محدود جائزہ شدہ) مجموعی اور غیر مجموعی کنڈینسڈ عبوری مالی حسابات بخوشی پیش کرتے ہیں۔

عمومی

کمپنی کی اہم ترین سرگرمیوں میں 32 میگاواٹ کے گیس تھرمل پاور پلانٹ واقع نزد فتح جنگ ضلع اٹک پنجاب کی ملکیت، آپریشن، دیکھ بھال اور اپنے واحد صارف سنٹرل پاور پرچیزنگ ایجنسی (گارنٹی) لمیٹڈ ('CPPA') کو نیشنل ٹرانسمیشن اینڈ ڈسپیچ کمپنی ('NTDC') کے ٹرانسمیشن نیٹ ورک کے ذریعے بجلی کی فروخت شامل ہے۔

کمپنی کے حصص پاکستان سٹاک ایکسچینج میں درج ہیں۔ کمپنی پاور مینجمنٹ کمپنی (پرائیویٹ) لمیٹڈ (خصوصی مقصد کی کمپنی) کے 100 فیصد حصص کی مالک ہے، جو بدلے میں Rousch (پاکستان) پاور لمیٹڈ (RPPL) کے 59.98 فیصد حصص رکھتی ہے۔ (RPPL) ایک غیر مندرج پبلک کمپنی اور 450 میگاواٹ کی مجموعی صلاحیت رکھنے والا خودمختار پاور پروڈیوسر ہے۔ (RPPL) کی اصل سرگرمی میں گیس فائرڈ کمبائنڈ سائیکل تھرمل پاور پلانٹ 450 میگاواٹ بواقع سدھنائی بیراج، عبدالحکیم، ضلع خانیوال، پنجاب کی ملکیت، آپریشن، دیکھ بھال اور بجلی کی فروخت شامل ہے۔

کمپنی کا اپنے واحد صارف، CPPA کے ساتھ تیس سال کا پاور پرچیز ایگریمنٹ ('PPA') ہے جو 6 جون 2001 سے شروع ہوا اور 5 جون 2031 کو ختم ہوگا۔

کمپنی کے جنریشن لائسنس کی میعاد 21 ستمبر 2021 کو ختم ہوگئی اور اس نے 31 اگست 2021 کو اپنے PPA اور امپلی مینٹیشن ایگریمنٹ ('IA') کی شرائط کے مطابق نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی ('NEPRA') سے اپنی تجدید/توسیع کے لیے درخواست دی تھی۔ 12 ستمبر 2023 کو، نیپرا نے اپنے ریگولیٹری اجلاس میں جنریشن لائسنس کی مدت میں گزشتہ مدت کی میعاد ختم ہونے سے 05 جون 2031 تک، اسے PPA اور IA کی شرائط کے ساتھ ہم آہنگ بناتے ہوئے دس (10) سال کی توسیع کی منظوری دی۔ فی الحال، نیپرا تجدید کی درخواست پر مزید داخلی جانچ پڑتال کر رہا ہے، اور مناسب وقت پر اپنا باضابطہ فیصلہ جاری کرے گا۔ فی الوقت، کمپنی PPA کے تقاضوں کے مطابق اپنے پاور پلانٹ کو PPA کی میعاد ختم ہونے تک دستیاب رکھے گی جیسا کہ اوپر بتایا گیا ہے۔ لہٰذا، بجلی کی پیداوار کے کام معمول کے مطابق چلتے رہیں گے۔

مزید برآں، اگرچہ پاور جنریشن آپریشنز کئی سالوں سے خسارہ میں ہیں، لیکن کمپنی مستحکم ہے کیونکہ آمدنی کا بنیادی ذریعہ منافع منقسمہ کی آمدنی ہے جو اسے ذیلی ادارہ میں طویل مدتی سرمایہ کاری سے حاصل ہوتی ہے جو ان کنڈینسڈ عبوری غیر مجموعی مالیاتی گوشواروں کے نوٹ 7 میں بیان کی گئی ہے۔

فنانس

جنریشن لائسنس کے تجدید کے التواء کی وجہ سے خریدار کو ترسیل نہ ہونے کے باعث زیر جائزہ مدت کے لیے آمدنی صفر رہی۔ پچھلے سال کی اسی مدت کی آمدنی تاخیر سے ادائیگی کے مارک اپ پر مشتمل ہے۔ کمپنی کو 2022 کی اسی مدت میں مجموعی نقصان 42 ملین روپے کے مقابلے موجودہ مدت میں مجموعی نقصان 44 ملین روپے ہوا۔ کمپنی نے 3,419 ملین روپے کا خالص منافع درج کیا جس کے نتیجے میں 9.41 روپے فی شیئر آمدنی ('EPS') ہوئی جبکہ 2022 کی اسی مدت میں 51 ملین روپے کا خالص نقصان اور 0.14 روپے کا فی شیئر نقصان ہوا تھا۔ موجودہ مدت کے خالص منافع میں ذیلی کمپنی PMCL سے 3,429 ملین روپے (2022:Nil روپے) ڈیویڈینڈ آمدنی کی رقم شامل ہے۔

آپ کی کمپنی کی کنسولیڈیٹڈ آمدنی الٹرن انرجی لمیٹڈ کے ایکوئٹی ہولڈرز سے منسوب ہے جو کہ زیر جائزہ مدت کے لئے 1,404 ملین روپے جس کے نتیجے میں فی شیئر آمدنی (EPS) 3.86 روپے فی شیئر جبکہ گزشتہ سال کی اسی مدت میں 1,872 ملین روپے اور فی شیئر آمدنی (EPS) 5.15 روپے فی شیئر تھی۔

مذکورہ بالا امور کے پیش نظر اور کمپنی کے ماتحت ادارہ Rousch سے ہونے والی آمدنی کی بنیاد پر، آپ کا بورڈ پُر اعتماد ہے کہ کمپنی مستقبل قریب میں گوئنگ کنسرن کے طور پر جاری رہے گی۔

منافع منقسمہ کی تقسیم

• 15 اگست 2023 کو، کمپنی کے بورڈ آف ڈائریکٹرز نے پہلے عبوری نقد منافع منقسمہ بشرح 47% (4.70 روپے فی عام شیئر) کا اعلان کیا اور اس کے بعد کمپنی کے شیئر ہولڈرز کو 1,707.89 ملین روپے کی رقم تقسیم کی۔

• 07 نومبر 2023 کو، کمپنی کے بورڈ آف ڈائریکٹرز نے دوسرا عبوری نقد منافع منقسمہ بشرح 47.5% (4.75 روپے فی عام شیئر) کا اعلان کیا اور اس کے بعد کمپنی کے شیئر ہولڈرز کو 1,726.06 ملین روپے کی رقم تقسیم کی۔

آپریشنز

زیرِ جائزہ مدت کے دوران، پلانٹ نے نیپرا سے جنریشن لائسنس کی تجدید کے التواء کی وجہ سے، گزشتہ مالی سال کی اسی مدت کی طرح خریدار کو بجلی کی کوئی ترسیل نہیں کی۔ مزید برآں، کمپنی کو CPPA کے اقتصادی ڈسپیچ میرٹ آرڈر پر پلانٹ کے کم ہونے کی وجہ سے پچھلے کچھ سالوں میں خریدار کی طرف سے کم ڈسپیچ طلب کا سامنا ہے۔ گزشتہ چند سالوں کے دوران نیشنل گرڈ میں شامل کیے گئے نئے پاور جنریشن پلانٹس CPPA کے اقتصادی ڈسپیچ میرٹ آرڈر میں آپ کے پلانٹ سے زیادہ مؤثر درجہ رکھتے ہیں۔

زیرِ جائزہ مدت کے دوران، تمام دیگر مقررہ اور حفاظتی مینٹی نینس سرگرمیاں اصل ایکوپمنٹ مینوفیکچرر's('OEM') سفارشات کے مطابق سرانجام دی گئیں۔ ہم بخوشی بیان کرتے ہیں کہ تمام انجن اور ان کے معاون آلات ہموار اور قابل بھروسہ آپریشنز کے لئے مستحکم میکینیکل حالت میں ہیں۔

معیار، ماحول، صحت اور حفاظت (QEHS)

کمپنی اپنے ملازمین کے لئے صحت اور حفاظت کے بہتر سے بہتر معیار کے حصول کے لئے لاگو EHS اصولوں پر عمل کرتی ہے۔ مجموعی طور پر، پلانٹ کی صحت، حفاظت اور ماحولیاتی کارکردگی زیرِ جائزہ عرصہ کے دوران تسلی بخش رہی۔

ماتحت ادارے کا جائزہ

زیرِ جائزہ مدت کے دوران، کمپنی کے ذیلی ادارہ روش (پاکستان) پاور لمیٹڈ ('RPPL') نے ٹرن اوور 4,758 ملین روپے (2022 کی اسی مدت میں 6,362 ملین روپے) اور فروخت کی لاگت 1,693 ملین روپے (2022 کی اسی مدت میں 2,570 ملین روپے) درج کی۔ موجودہ مدت کا خالص منافع 3,249 ملین روپے (2022 کی اسی مدت میں 3,452 ملین روپے) ہر ایک -/10 روپے کی فی حصص آمدنی (EPS) 3.77 روپے (2022 کی اسی مدت میں 4.00 روپے) تھی۔

RPPL کے واحد صارف، CPPA سے عدم ادائیگی جاری رہی ہے۔ رپورٹنگ مدت کے اختتام پر CPPA سے کل قابل وصولی رقوم 12,719 ملین روپے (30 جون 2023: 15,248 ملین روپے)، جس میں سے 10,384 ملین روپے زائد المیعاد، جبکہ جون 2023 کے اختتام پر قابل وصولی 12,951 ملین روپے زائد المیعاد تھے جس میں دیگر فورس میجور ایونٹ ('OFME') تنازعہ کی مد میں 6,815 ملین روپے (30 جون 2023: 6,300 ملین روپے) کی متنازعہ رقم شامل ہے۔

زیرِ جائزہ مدت کے دوران، خریدار کو RPPL کی اصل خالص جنریشن گزشتہ سال کی اسی مدت کے دوران GWh 40 کے برعکس صفر GWh تھی۔ پلانٹ کی ترسیل کا عنصر صفر فیصد جبکہ گزشتہ سال کی اسی مدت میں 3.95 فیصد تھا۔ صفر جنریشن کی بنیادی وجہ RLNG کی قلت اور خریدار سے کم طلب ہے۔ CPPA کے ساتھ RPPL کا OFME ایشو جاری رہا۔ اس معاملہ پر فریقین کے درمیان جولائی 2023 میں اجلاس ہوا، اس بات پر اتفاق کیا گیا کہ RPPL پلانٹ صرف اس صورت ترسیل کرے گا اگر PPA کی شرائط کے مطابق اقتصادی میرٹ آرڈر (EMO) کے تحت ضرورت ہوئی۔ تاہم، پلانٹ کو OFME تصور کیا جائے گا اگر EMO کے مطابق ترسیل کی ضرورت ہو اور RLNG دستیاب نہ ہو۔ امید ہے کہ اس سے OFME دنوں کے منفی اثرات کو کم کرنے میں مدد ملے گی۔ زیرِ جائزہ مدت کے دوران، CPPA اور کمپنی کے درمیان اتفاق کے مطابق OFME 66.5 دن تھے۔

رسک مینجمنٹ

کمپنی کی رسک مینجمنٹ پروفائل اور رسک مینیجر پالیسیوں میں کوئی تبدیلی نہیں ہوئی جیسا کہ 30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی کے گزشتہ سالانہ مالیاتی گوشواروں کے نوٹ 31 میں بیان کیا گیا ہے۔

اہم معلومات

یکم جولائی 2023 کے بعد سے کوئی اہم تبدیلیاں نہیں ہوئی ہیں اور کمپنی نے کوئی ایسا معاہدہ نہیں کیا ہے جس سے رپورٹنگ کی تاریخ پر اس کی مالی پوزیشن متاثر ہوتی ہو، سوائے ان کے جو 30 جون 2023 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں میں مذکور ہیں۔

مستقبل کا نقطہ نظر

آپ کی کمپنی اور پاور سیکٹر کو مستقبل قریب میں مشکلات درپیش ہوسکتی ہیں۔ ان میں سے کچھ بین الاقوامی مشکلات ہیں جیسے سپلائی چین کے مسائل اور پاکستانی روپیہ کی قدر میں کمی کی وجہ سے درآمدی RLNG کی قلت اور انتہائی زیادہ قیمتیں۔ دیگر مشکلات کمپنی کی مخصوص ہیں جیسے کہ خریدار سے کم ڈسپیچ طلب، اور کمپنی کے CPPA کے ساتھ پی پی اے کے تحت ٹیک اینڈ پے کے انتظامات پر ہونے کی وجہ سے اس کی

کپیسٹی آمدنی کا نقصان۔ تاہم، یہ CPPA سے واجب الادا رقوم کی وصولی سے اپنے آپریشنل اخراجات کا انتظام کر رہی ہے۔ ہم توقع کرتے ہیں کہ کمپنی اپنے پاور جنریشن لائسنس نیپرا کی تجدید کے بعد بجلی کی ترسیل سے کچھ آمدنی حاصل کرنے کے قابل ہو جائے گی۔ مزید برآں، کمپنی اپنی ذیلی کمپنی میں سرمایہ کاری سے حاصل ہونے والی آمدنی کی بدولت ایک مستحکم ادارہ بنی رہے گی۔

کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز کی ترتیب

چیف ایگزیکٹو (جو ڈائریکٹر تصور کئے جاتے ہیں) سمیت ڈائریکٹرز کی کل تعداد آٹھ (8) جس میں دو خاتون ڈائریکٹرز شامل ہیں۔ تشکیل درج ذیل ہے:

نمبر شمار	کیٹگری	نام
1	نان ایگزیکٹو ڈائریکٹر	جناب فیصل داؤد (چیئرمین)
2	نان ایگزیکٹو ڈائریکٹر	جناب فاروق نذیر
3	نان ایگزیکٹو ڈائریکٹر	محترمہ مہرین داؤد
4	نان ایگزیکٹو ڈائریکٹر	جناب صالح مرغانی
5	نان ایگزیکٹو ڈائریکٹر	جناب شاہ محمد چودھری
6	آزاد ڈائریکٹر	محترمہ عالیہ سعیدہ خان
7	آزاد ڈائریکٹر	سید رضوان علی شاہ
8	چیف ایگزیکٹو (جو ڈائریکٹر تصور کئے جاتے ہیں)	جناب عمر شہزاد شیخ

بورڈ کی کمیٹیاں

بورڈ نے آزاد یا نان ایگزیکٹو ڈائریکٹرز کی سربراہی میں دو کمیٹیاں قائم کی ہیں ۔ یہ کمیٹیاں حسبِ ذیل ہیں:

آڈٹ کمیٹی

آڈٹ کمیٹی مندرجہ ذیل تین (3) ارکان پر مشتمل ہے:

سید رضوان علی شاہ (آزاد ڈائریکٹر) چیئرمین

فاروق نذیر (نان ایگزیکٹو ڈائریکٹر)

شاہ محمد چوہدری (نان ایگزیکٹو ڈائریکٹر)

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

ہیومن ریسورس اینڈ ریمنریشن کمیٹی درج ذیل تین (3) ارکان پر مشتمل ہے:

فاروق نذیر (نان ایگزیکٹو ڈائریکٹر) چیئرمین

شاہ محمد چوہدری (نان ایگزیکٹو ڈائریکٹر)

سید رضوان علی شاہ (آزاد ڈائریکٹر)

داخلی آڈٹ اور کنٹرول

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کو رپورٹنگ کے لئے اہل افراد کی سربراہی میں ایک خودمختار آڈٹ فنکشن قائم کیا ہے۔ کمپنی کے اندر داخلی آڈٹ فنکشن کا دائرہ اختیار آڈٹ کمیٹی کی طرف سے واضح بیان کیا گیا ہے جو داخلی مالیاتی کنٹرولز کا باقاعدگی سے جائزہ لیتا ہے۔

ڈائریکٹرز کا مشاہرہ

بورڈ ارکان کا مشاہرہ خود بورڈ کے دائرہ اختیار میں ہے۔ڈائریکٹرز کے مشاہرہ کی رسمی پالیسی بورڈ نے منظور کی ہے۔ پالیسی ایکٹ اور ریگولیشنز کے تقاضوں کے مطابق ڈائریکٹرز کے مشاہرہ کیطریقہ کار کی وضاحت کرتی ہے۔ پالیسی کے مطابق، نامزد ڈائریکٹرز بورڈ/ کمیٹی کے اجلاسوں کی فیس یا کوئی دیگر مشاہرہ وصول کرنے کے اہل نہیں ہیں۔اجلاس میں شرکت کی فیس صرف آزاد ڈائریکٹرز کو ادا کی جاتی ہے۔

متعلقہ پارٹی لین دین

متعلقہ فریقین کے ساتھ تمام لین دین قابل رسائی بنیاد پر کاروبار کے عام معمول میں کیے جاتے ہیں۔مزید برآں، ایکٹ اور ضوابط کے تقاضوں کے مطابق، بورڈ آف ڈائریکٹرز نے متعلقہ فریقین کے لین دین کے لیے پالیسی منظور کی ہے۔کمپنی نے شش ماہی رپورٹ کے ساتھ منسلک مالی حسابات میں متعلقہ فریق کے لین دین کا ذکر بالتفصیل کیا ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی باہمی مفاد کے لئے معاشرتی اور ماحولیات سے متعلق ذمہ داری کا مظاہرہ کرنے کے لئے پُرعزم ہے۔کمپنی اپنی کاروباری سرگرمیوں میں ایک اچھا شہری ہونے اور اپنے عملہ اور معاشرہ کی سماجی بہبود میں اپنی ذمہ داریوں کو پورا کرنے کی اہمیت کو تسلیم کرتی ہے۔شجرکاری کے ذریعے مقامی ماحول کو محفوظ بنانے کو خاص اہمیت دی گئی ہے۔جبکہ مقامی کمیونٹی ہمارے پلانٹ پر اردگرد کی کمیونٹیز سے زیادہ سے زیادہ عملہ کو روزگار دینے کی ہماری حکمت عملی سے مستفید ہوتی ہے۔

اظہار تشکر

کمپنی اپنے شیئر ہولڈرز، ملازمین، حکومتی اہلکاروں اور دیگر تمام اسٹیک ہولڈرز کی شکرگزار ہے جنہوں نے ان مشکل اوقات میں کمپنی پر اپنا اعتماد اور بھروسہ ظاہر کیا۔

بحکم بورڈ

شاہ محمد چوہدری
ڈائریکٹر

عمر شہزاد شیخ
چیف ایگزیکٹو

بتاریخ: 26 فروری 2024ء

مقام: لاہور

Grant Thornton

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF ALTERN ENERGY LIMITED

REPORT ON REVIEW OF INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Altern Energy Limited as at December 31, 2023 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the unconsolidated financial statements for the six-month period then ended (here-in-after referred to as the "interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these interim unconsolidated 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 unconsolidated financial statements based on our review. The figures of the condensed interim unconsolidated financial statements of profit or loss and condensed interim unconsolidated statement of comprehensive income for the three-month period ended December 31, 2022 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2023.

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 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 interim financial statements is 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

Without qualifying our conclusion, we draw attention to note 1.4 to the accompanying interim unconsolidated financial statements, which describes the pending matter relating to the renewal of the power generation license and income from investment in the subsidiary.

Other matter

We also draw attention to the fact that the financial statements for the year ended June 30, 2023, were audited by another firm of auditors, whose report dated October 03, 2023, expressed an unmodified opinion.

The engagement partner on the review resulting in this independent auditor's review report is **Imran Afzal**.

Grant Thornton Anjum Rahman

Chartered Accountants

Lahore

Date: February 26, 2024

UDIN: RR202310212VCEfJc80r

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

	Note	Un-Audited December 31, 2023	Audited June 30, 2023
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
EQUITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital 400,000,000 (June 30, 2023: 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, 2023: 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 profit		246,367	261,597
		3,921,827	3,937,057
LIABILITIES			
NON-CURRENT LIABILITIES			
Employee benefit obligations		8,984	7,813
CURRENT LIABILITIES			
Trade and other payables		23,071	19,510
Accrued markup on short-term borrowings		-	10
Short-term borrowings from banking company - secured		-	1,165
Dividend payable	9	556,326	-
Unclaimed dividends		5,585	5,414
Provision for taxation		10,692	9,324
		595,674	35,423
TOTAL EQUITY AND LIABILITIES		4,526,485	3,980,293
CONTINGENCIES AND COMMITMENTS	10		

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

Chief Executive | Chief Financial Officer | Director

AS AT DECEMBER 31, 2023

	Note	Un-Audited December 31, 2023	Audited June 30, 2023
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	359,990	368,058
Intangible assets	6	541	783
Long-term investment	7	3,204,510	3,204,510
Long-term security deposits		175	175
		3,565,216	3,573,526
CURRENT ASSETS			
Stores and spares		38,321	38,928
Trade debts - secured		47,003	77,003
Loans, advances, prepayments and other receivables		81,638	72,228
Short-term investment	8	216,072	207,886
Bank balances		578,235	10,722
		961,269	406,767
TOTAL ASSETS		4,526,485	3,980,293

Chief Executive | Chief Financial Officer | Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Note	Three-month period ended		Six-month period ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		(Rupees in thousand)			
Revenue		-	17,457	-	17,457
Direct cost	11	(21,481)	(31,527)	(44,463)	(59,458)
Gross loss		(21,481)	(14,070)	(44,463)	(42,001)
Administrative expenses	12	(11,059)	(7,721)	(20,062)	(18,281)
Other income	13	1,757,964	7,518	3,499,220	13,357
Finance cost		(2,580)	(964)	(3,547)	(1,901)
Profit / (loss) before taxation		1,722,844	(15,237)	3,431,148	(48,826)
Taxation		(8,410)	(1,053)	(12,437)	(1,936)
Profit / (loss) after taxation		1,714,434	(16,290)	3,418,711	(50,762)
Earnings / (loss) per share - basic and diluted	**(Rupees)**	4.72	(0.04)	9.41	(0.14)

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 SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Three-month period ended		Six-month period ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(Rupees in thousand)			
Profit / (loss) for the period	1,714,434	(16,290)	3,418,711	(50,762)
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 / (loss) for the period	1,714,434	(16,290)	3,418,711	(50,762)

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 SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Share capital	Capital reserve Share premium	Revenue reserve Un-appropriated profit	Total
		(Rupees in thousand)		
Balance as on July 1, 2022 - (audited)	3,633,800	41,660	334,455	4,009,915
Loss for the period	-	-	(50,762)	(50,762)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(50,762)	(50,762)
Balance as on December 31, 2022 - (un-audited)	3,633,800	41,660	283,693	3,959,153
Balance as on July 1, 2023 - (audited)	**3,633,800**	**41,660**	**261,597**	**3,937,057**
Profit for the period	-	-	3,418,711	3,418,711
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	3,418,711	3,418,711
Total contributions by and distributions to owners of the Company recognized directly in equity:				
First interim cash dividend @ Rs. 4.70 per ordinary share	-	-	(1,707,886)	(1,707,886)
Second interim cash dividend @ Rs. 4.75 per ordinary share	-	-	(1,726,055)	(1,726,055)
Balance as on December 31, 2023 - (un-audited)	**3,633,800**	**41,660**	**246,367**	**3,921,827**

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 CASH FLOWS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Note	December 31, 2023	December 31, 2022
		(Rupees in thousand)	
Cash flows from operating activities			
Cash (used in) / generated from operations	14	(28,346)	57,571
Finance cost paid		(2,070)	(1,901)
Income tax paid		(11,391)	(1,928)
Net cash (used in) / generated from operating activities		(41,807)	53,742
Cash flows from investing activities			
Payments for property, plant and equipment and intangible assets	5.1	(1,940)	(494)
Proceeds from disposal of property, plant and equipment		-	8
Profit on short-term investment received		58,056	12,821
Dividends received from PMCL (wholly owned subsidiary)		3,428,826	-
Profit on bank deposits received		12,338	45
Net cash from investing activities		3,497,280	12,380
Cash flows from financing activities			
Dividends paid		(2,877,444)	-
Repayment of short-term borrowings		(1,165)	-
Net cash used in financing activities		(2,878,609)	-
Net increase in cash and cash equivalents		576,864	66,122
Cash and cash equivalents at the beginning of the period		217,443	175,815
Cash and cash equivalents at the end of the period	15	794,307	241,937

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

Chief Executive | **Chief Financial Officer** | **Director**

1. LEGAL STATUS AND 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, 2023: 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 7 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 expired on September 21, 2021 and it had applied for its renewal/extension from the National Electric Power Regulatory Authority (‘NEPRA’), in line with the term of its PPA and Implementation Agreement ('IA') on August 31, 2021. On September 12, 2023, NEPRA in its Regulatory Meeting principally approved the extension in the term of the Generation License for ten (10) years from the expiry of the previous term till June 05, 2031, making it consistent with the term of the PPA and IA. Currently, NEPRA is in the process of internal formalities, and will issue the duly signed extended license in due course. Simultaneously, the Company will continue to make its power plant available as per the requirements of the PPA until the expiry of PPA as stated above. The power generation operations shall continue to operate in the normal course of business.

Furthermore, although the power generation operations are in losses for many years, the Company's viability is unaffected as the main source of income is the dividend income that it earns on its long term investment in subsidiary stated in note 7 of these condensed interim unconsolidated financial statements.

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.

2. BASIS OF PREPERATION

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 ('lAS') 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, 2023. 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. MATERIAL ACCOUNTING POLICY INFORMATION

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, 2023.

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, 2023, 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, 2023 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.

3.4 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 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, 2023.

		Note	Un-Audited December 31, 2023	Audited June 30, 2023
			(Rupees in thousand)	
5	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	5.1	357,298	365,366
	Major spare parts and stand-by equipment		2,692	2,692
			359,990	368,058
5.1	**Operating fixed assets**			
	Net book value at the beginning of the period / year		365,366	387,346
	Additions during the period / year		1,940	-
	Depreciation charged for the period / year		(10,008)	(21,980)
	Net book value at the end of the period / year		357,298	365,366

6 INTANGIBLE ASSETS

This includes ERP system that has been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship.

Net book value at the beginning of the period / year	783	571
Additions during the period / year	-	644
Amortisation charged for the period / year	(242)	(432)
Net book value at the end of the period / year	541	783

7 LONG-TERM INVESTMENT

Subsidiary - Unquoted:

Power Management Company (Private) Limited ('PMCL'): 320,451,000 (June 30, 2023: 320,451,000) fully paid ordinary shares of Rs 10 each [Equity held 100% (June 30, 2023: 100%)] - Cost	7.1	3,204,510	3,204,510

7.1 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, 2023: 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.

8. SHORT-TERM INVESTMENT

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

9. DIVIDEND PAYABLE

This represents interim cash dividends payable to Saudi Arabian Construction & Repair Company Limited, a foreign shareholder, pending approval of the State Bank of Pakistan.

10. CONTINGENCIES AND COMMITMENTS

There are no material changes in contingencies as disclosed in the notes to the financial statements for the year ended June 30, 2023, except for the following:

		Un-Audited December 31, 2023	Audited June 30, 2023
		(Rupees in thousand)	
10.1	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. 30,989,789 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)], and the case is pending adjudication. The Company has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Company, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	30,990	-
10.2	In respect of tax year 2017, the Deputy Commissioner Inland Revenue ('DCIR') passed an Order under section 161(1) of the Income Tax Ordinance, creating a demand of Rs. 10,215,623 which pertains to non-withholding of income tax while making payments. Aggrieved with the said Order, the Company has preferred an Appeal before the CIR(A), and the case is pending adjudication. The Company has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Company, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	10,216	-
10.3	In respect of tax year 2022, the Deputy Commissioner Inland Revenue ('DCIR') passed an Order under section 4C of the Income Tax Ordinance, creating a demand of Rs. 293,173,720/-. Aggrieved with the said Order, the Company preferred an Appeal before the CIR(A), where the relief was not granted on January 8, 2024. The Company is in the process of filing an Appeal with ATIR within legal timelines. The Company has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Company, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	293,174	-

	Un-Audited		Un-Audited	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(Rupees in thousand)		(Rupees in thousand)	
11 DIRECT COST				
RLNG cost	116	115	222	221
Salaries, benefits and other allowances	298	243	652	550
Depreciation on operating fixed assets	4,934	13,412	9,868	27,112
Stores and spares consumed	565	1,163	2,471	1,424
Purchase of energy	1,168	958	3,129	2,358
Lube oil consumed	248	135	671	329
Operation and maintenance costs	9,351	7,101	18,702	15,911
Security	3,169	1,922	5,585	4,077
Insurance	882	680	1,562	1,360
Travelling and conveyance	107	53	283	146
Licensing fee	624	5,718	1,266	5,920
Miscellaneous	19	27	52	50
	21,481	31,527	44,463	59,458
12 ADMINISTRATIVE EXPENSES				
Salaries, benefits and other allowances	3,156	2,499	6,164	6,433
Directors' meeting fee	625	250	875	500
Information technology and ERP related cost	389	398	814	650
Traveling and conveyance	782	620	1,556	1,229
Utilities	379	306	834	611
Postage and telephone	184	95	349	326
Printing, stationery and advertisement	1,983	511	2,239	1,457
Auditors' remuneration	-	445	407	624
Legal and professional	2,524	1,320	4,764	3,407
Fee and subscription	600	186	1,188	1,431
Entertainment	87	37	167	69
Amortisation on intangible assets	121	134	242	207
Depreciation on operating fixed assets	68	64	140	256
Rent, rates and taxes	161	214	323	431
Provision for doubtful debts	-	642	-	642
Miscellaneous	-	-	-	8
	11,059	7,721	20,062	18,281
13 OTHER INCOME				
Profit on bank deposits	12,331	-	12,338	45
Profit on short-term investment - mutual funds	31,220	7,035	58,056	12,821
Fair value gain on short-term investment	-	483	-	483
Gain on sale of operating fixed assets	-	-	-	8
Dividend income from PMCL (wholly owned subsidiary)	1,714,413	-	3,428,826	-
	1,757,964	7,518	3,499,220	13,357

	Un-Audited	
	December 31, 2023	December 31, 2022
	(Rupees in thousand)	
14 CASH (USED IN) / FROM OPERATIONS		
Profit / (loss) before taxation	3,431,148	(48,826)
Adjustment for non-cash charges and other items:		
-Depreciation on operating fixed assets	10,008	27,368
-Dividend income from PMCL (wholly owned subsidiary)	(3,428,826)	-
-Amortisation on intangible assets	242	206
-Provision for employee benefit obligations	1,171	966
-Profit on short-term investment	(58,056)	(12,821)
-Profit on bank deposits	(12,338)	(45)
-Gain on disposal of fixed assets	-	(8)
-Finance cost	3,547	1,901
	(3,484,252)	17,567
Loss before working capital changes	(53,104)	(31,259)
Effect on cashflows due to working capital changes:		
Decrease / (Increase) in current assets:		
Stores and spares	607	(445)
Loans, advances, prepayments, and other receivables	(9,410)	(3,452)
Trade debts - secured	30,000	93,186
	21,197	89,289
Increase / (Decrease) in current liabilities:		
Trade & other payables	3,561	(459)
Cash (used in) / generated from operations	(28,346)	57,571
15 CASH AND CASH EQUIVALENTS		
Bank balances	578,235	11,605
Short-term investment	216,072	230,332
	794,307	241,937

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 are as follows:

Relationship with the Company	Nature of transaction	Un-Audited December 31, 2023	Un-Audited December 31, 2022
		(Rupees in thousand)	
i) Holding company			
DEL Power (Private) Limited	Dividends paid	1,847,875	-
ii) Subsidiary companies			
Power Management Company Limited	Dividends received	3,428,826	-
Rousch (Pakistan) Power Limited	Common cost charged to the Company	527	347
iii) Entities on the basis of common directorship			
Descon Engineering Limited	Common costs charged to the Company	2,712	1,962
Descon Power Solutions	Operation and maintenance contractor's fee	18,702	16,262
(Private) Limited	Common costs charged to the Company	469	379
Descon Corporation (Private) Limited	ERP implementation fee and running costs	814	586
	Common costs charged to the Company	382	-
	Building rent	323	430
Inspectest (Private) Limited	Inspection testing services	-	798
iv) Other related party			
Crescent Steel and Allied Products Limited	Dividends paid	530,277	-
v) Key management personnel	Short-term employee benefits	3,553	3,713
	Director's meeting fee	875	500

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

	Un-Audited December 31, 2023	Audited June 30, 2023
Period end balances are as follows:	(Rupees in thousand)	
Payable to related parties		
Subsidiaries:		
Rousch (Pakistan) Power Limited	703	176
Other related parties:		
Descon Engineering Limited	4,126	1,414
Descon Corporation (Private) Limited	497	115
Inspectest (Private) Limited	88	88
Descon Power Solutions (Private) Limited	955	486
	6,369	2,279

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, interest rate risk, and other price 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, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

17.2 Fair value estimation

a) Fair value hierarchy

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 equity securities) is based on quoted (unadjusted) 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.

- 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 maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine 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 instruments.

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 December 31, 2023 and June 30, 2023 on a recurring basis:

	Level 1	Level 2	Level 3	Total
		(Rupees in thousand)		
As at December 31, 2023				
Recurring fair value measurements				
Assets				
Short-term investment - mutual fund	**216,072**	**-**	**-**	**216,072**
As at June 30, 2023				
Recurring fair value measurements				
Assets				
Short-term investment - mutual fund	207,886	-	-	207,886

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the period and there were no changes in valuation techniques during the period. 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.

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.

19 ROUNDING OF AMOUNTS

All amounts disclosed in the condensed interim unconsolidated 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 February 26, 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)

	Note	Un-Audited December 31, 2023	Audited June 30, 2023
EQUITY AND LIABILITIES		(Rupees in thousand)	
SHARE CAPITAL AND RESERVES			
Authorized share capital			
400,000,000 (June 30, 2023: 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, 2023: 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		12,325,535	14,355,636
Attributable to owners of the Parent Company		16,000,995	18,031,096
Non-controlling interests		10,967,028	12,426,921
Total equity		26,968,023	30,458,017
NON-CURRENT LIABILITIES			
Employees' benefit obligations		17,397	16,171
Deferred taxation		998,241	1,162,357
		1,015,638	1,178,528
CURRENT LIABILITIES			
Trade and other payables		652,762	1,838,069
Short term borrowings from banking companies- secured		-	1,165
Accrued markup on short term borrowings - secured		25	34,998
Unclaimed dividends		5,585	5,414
Dividends Payable	6	2,691,270	-
Provision for taxation		625,390	108,822
		3,975,032	1,988,468
CONTINGENCIES AND COMMITMENTS	7		
		31,958,693	33,625,013

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

AS AT DECEMBER 31, 2023

ASSETS	Note	Un-Audited December 31, 2023	Audited June 30, 2023
		(Rupees in thousand)	
NON-CURRENT ASSETS			
Property, plant and equipment	8	11,229,110	11,967,896
Intangible assets		11,562	13,248
Long term deposits		607	707
Long term loan to employees - secured		2,529	1,134
		11,243,808	11,982,985
CURRENT ASSETS			
Store, spares & loose tools		709,093	690,335
Inventory of fuel oil		443,278	444,916
Trade debts - secured	9	12,765,706	15,324,789
Loans, advances, prepayments and other receivables		2,239,721	1,983,825
Short term investments	10	676,296	291,811
Bank balances		3,880,791	2,906,352
		20,714,885	21,642,028
		31,958,693	33,625,013

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 AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

		Three-month period ended		Six-month period ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	Note	(Rupees in thousand)		(Rupees in thousand)	
Revenue	11	3,024,467	2,674,019	4,757,805	6,379,712
Direct costs	12	(905,087)	(806,583)	(1,737,116)	(2,629,499)
Gross profit		2,119,380	1,867,436	3,020,689	3,750,213
Administrative expenses	13	(70,783)	(60,890)	(141,665)	(112,496)
Other expenses	14	20,717	(52,543)	(1,106)	(55,359)
Other income		292,191	12,345	523,318	31,327
Finance cost		(14,391)	(76,135)	(26,867)	(201,205)
Profit before taxation		2,347,114	1,690,213	3,374,369	3,412,480
Taxation	15	(360,173)	(77,787)	(670,414)	(159,562)
Profit for the period		1,986,941	1,612,426	2,703,955	3,252,918
Attributable to:					
Equity holders of the Parent Company		1,078,025	931,750	1,403,840	1,871,720
Non-controlling interest		908,916	680,676	1,300,115	1,381,198
		1,986,941	1,612,426	2,703,955	3,252,918
Earnings per share attributable to equity holders of the Parent Company during the period - basic and diluted	**Rupees**	2.97	2.56	3.86	5.15

The annexed notes 1 to 21 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 AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Three-month period ended		Six-month period ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(Rupees in thousand)		(Rupees in thousand)	
Profit for the period	1,986,941	1,612,426	2,703,955	3,252,918
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
	-	-	-	-
Total comprehensive income for the period	1,986,941	1,612,426	2,703,955	3,252,918
Attributable to:				
Equity holders of the Parent Company	1,078,025	931,750	1,403,840	1,871,720
Non-controlling interest	908,916	680,676	1,300,115	1,381,198
	1,986,941	1,612,426	2,703,955	3,252,918

The annexed notes 1 to 21 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 AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	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, 2022 (Audited)	3,633,800	41,660	10,074,768	9,463,773	23,214,001
Profit for the period	-	-	1,871,720	1,381,198	3,252,918
Other comprehensive income for the period	-	-			-
Total comprehensive income for the period	-	-	1,871,720	1,381,198	3,252,918
Transactions with owners in their capacity as owners:	-	-	-	-	-
Balance as on December 31, 2022 (Un-Audited)	3,633,800	41,660	11,946,488	10,844,971	26,466,919
Balance as on July 01, 2023 (Audited)	3,633,800	41,660	14,355,636	12,426,921	30,458,017
Profit for the period	-	-	1,403,840	1,300,115	2,703,955
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,403,840	1,300,115	2,703,955
Transactions with owners in their capacity as owners:					
1st Interim cash dividend @ Rs 4.70 per ordinary share by Parent Company			(1,707,886)		(1,707,886)
2nd Interim cash dividend @ Rs 4.75 per ordinary share by Parent Company	-	-	(1,726,055)	-	(1,726,055)
1st Interim cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,380,004)	(1,380,004)
2nd Interim cash dividend paid to non-controlling interest by Rousch				(1,380,004)	(1,380,004)
Balance as on December 31, 2023 (Un-Audited)	**3,633,800**	**41,660**	**12,325,535**	**10,967,028**	**26,968,023**

The annexed notes 1 to 21 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 SIX-MONTH PERIOD ENDED DECEMBER 31, 2023

	Note	December 31, 2023	December 31, 2022
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	4,882,799	1,960,659
Long term deposits - net		(1,295)	339
Finance cost paid		(61,353)	(303,329)
Income tax paid		(465,806)	(8,565)
Employee benefit obligations paid		(3,312)	(2,866)
		(531,766)	(314,421)
Net cash inflow from operating activities		4,351,033	1,646,238
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment and intangible assets		(5,539)	(571,368)
Purchase of short term investments		-	(83,275)
Profit on short term investment received		268,010	21,182
Profit on bank deposits received		243,109	3,842
Proceeds from disposal of operating fixed assets		7,471	8
Net cash inflow / (outflow) from investing activities		513,051	(629,611)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(3,502,830)	-
Proceeds from short term finance		(1,165)	
Net cash outflow from financing activities		(3,503,995)	-
Net increase in cash and cash equivalents		1,360,089	1,016,627
Cash and cash equivalents at the beginning of the period		3,196,998	(2,190,091)
Cash and cash equivalents at the end of the period	17	4,557,087	(1,173,464)

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.

Chief Executive	**Chief Financial Officer**	**Director**

1. THE GROUP AND ITS OPERATIONS

1.1 The Group is structured as follows:

	Un-Audited December 31, 2023	Audited June 30, 2023
Parent company:		
- Altern Energy Limited, the Parent Company (hereinafter referred to as AEL)		
Subsidiary companies:		
- PMCL	100.00%	100.00%
- RPPL	59.98%	59.98%

The Group is mainly 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.

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, 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. It is a subsidiary of DEL Power (Private) Limited ('the Holding Company'). The Ultimate Parent of AEL is DEL Processing (Private) Limited. 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, 2023: 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 The Company's Generation License expired on September 21, 2021 and it had applied for its renewal/extension from the National Electric Power Regulatory Authority (‘NEPRA’), in line with the term of its PPA and Implementation Agreement ('IA') on August 31, 2021. On September 12, 2023, NEPRA in its Regulatory Meeting principally approved the extension in the term of the Generation License for ten (10) years from the expiry of the previous term till June 05, 2031, making it consistent with the term of the PPA and IA. Currently, NEPRA is in the process of internal formalities, and will issue the duly signed extended license in due course. Simultaneously, the Company will continue to make its power plant available as per the requirements of the PPA until the expiry of PPA as stated above. The power generation operations shall continue to operate in the normal course of business.

Therefore, the power generation operations shall continue to be operated in the normal course of business.

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), empowered for RLNG allocation by the ECC of the Federal Cabinet, 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 the 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 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 389 days as of December 31, 2023, 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 the PPA will now end in April 2031 and the remaining life of the Complex is approximately 7.32 years.

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 ('lAS') 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, 2023. 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, 2023, 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, 2023, 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, 2023 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.

1.4 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 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 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, 2023.

5. FINANCIAL RISK MANAGEMENT

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, 2023.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2023.

5.2 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 equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

- 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 maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine 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 instruments.

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 December 31, 2023 and June 30, 2023 on a recurring basis:

	Level 1	Level 2	Level 3	Total
	------------------------(Rupee in thousands)------------------------			
As at December 31, 2023				
Recurring fair value measurements				
Assets				
Short term investments	676,296	-	-	676,296
As at June 30, 2023				
Recurring fair value measurements				
Assets				
Short term investments	291,811			291,811

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 period. 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.

6. DIVIDEND PAYABLE

This includes interim cash dividend payable to the following related parties pending approval of the State Bank of Pakistan.

	Un-Audited December 31, 2023	Audited June 30, 2023
	(Rupees in thousand)	
Siemens Project Ventures GmbH	1,659,050	-
Saudi Arabian Construction and Repairs Company Limited	556,326	-

7. 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, 2023, except for the following:

		Un-Audited December 31, 2023	Audited June 30, 2023
7.1	**Contingencies**	(Rupees in thousand)	
(a)	In respect of tax year 2017, the Deputy Commissioner Inland Revenue ('DCIR') passed an Order under section 161(1) of the Income Tax Ordinance, creating a demand of Rs. 10.22 million which pertains to non-withholding of income tax while making payments. Aggrieved with the said Order, the Group has preferred an Appeal before the Commissioner Inland Revenue Appeals [CIR(A)], and the case is pending adjudication. The Group has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	10,216	-
(b)	In respect of the tax year 2018, the DCIR had issued a show cause notice under section 4B of the Income Tax Ordinance, 2001 for alleged non-payment of Super Tax by the Group mainly on account of dividend income. The Group explained its position in various hearings before the taxation authorities, however, the tax authorities issued a Demand Notice requiring the Group to pay Super Tax amounting to Rs 93.184 million. Aggrieved with the Order, the Group filed an appeal before the CIR(A) where the relief was not granted. Aggrieved with the Order of CIR(A), the Group preferred an Appeal with Appellate Tribunal Inland Revenue (ATIR), who granted the Stay to the Group subject to payment of 50% of the Demand, in light of a judgement passed by the Honorable Supreme Court of Pakistan in similar cases. The Group has deposited Rs. 46.6 million as directed by the ATIR, and the case is pending for adjudication. The Group has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant, relevant laws and facts and recent judgment of Honorable Islamabad High Court.	93,184	-
(c)	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 has filed an appeal before the CIR (A), and the case is pending adjudication. The Group has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	30,990	-
(d)	In respect of tax year 2022, the DCIR passed an Order under section 4C of the Income Tax Ordinance, 2001 creating a demand of Rs. 293.17 million. Aggrieved with the said Order, the Group preferred an Appeal before the CIR(A), where the relief was not granted. The Group is in the process of filing an Appeal with ATIR within legal timelines. The Group has not made any provisions against the said tax demand as the management is confident that the ultimate outcome of the Appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	293,174	-
(e)	National Bank of Pakistan has issued standby letter of credit ('SBLC') amounting to 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, 2024, which is renewable.	4,981,000	4,981,000

7.2 Commitments - Nil

	Note	Un-Audited December 31, 2023	Audited June 30, 2023
		(Rupees in thousand)	
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		11,226,418	11,965,204
Major spare parts and stand-by equipment		2,692	2,692
		11,229,110	11,967,896
9 TRADE DEBTS - SECURED			
Considered good	9.1	12,765,706	15,324,789
Considered doubtful		193,255	201,686
		12,958,961	15,526,475
Provision of doubtful debts		(193,255)	(201,686)
		12,765,706	15,324,789

9.1 Included in trade debts is an aggregate amount of Rs 5,549.279 million (June 30, 2023: Rs 5,549.279 million) and Rs 1,513.293 million (June 30, 2023: Rs 750.871 million) relating to capacity revenue and delayed payment markup accrued thereon respectively not acknowledged by CPPA.

Of this disputed capacity revenue:

- the amount of Rs 247.695 million (June 30, 2023: 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 the Group. 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 5,301.584 million (June 30, 2023: Rs 5,301.584 million) and Rs 1,513.293 million (June 30, 2023: Rs 750.871 million) relating to capacity invoices (from April 2022 to June 2023) and delayed interest (from April 2022 to December 2023) computed thereon respectively 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 the Group. 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 the Group 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, under the amended IA, the Group has been provided an assurance by the GoP that the Group will be provided gas post August 2015, in preference to the new power projects commissioned after the Group. This obligation has also not been fulfilled by the GoP.

Based on the legal opinions obtained by the Group including an opinion from English Law Counsels, the management believes that the Group 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 the Group's favour and these amounts will be recovered by the Group.

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

10. SHORT TERM INVESTMENT

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

	Note	Un-Audited Three-month period ended December 31, 2023	Un-Audited Three-month period ended December 31, 2022	Un-Audited Six-month period ended December 31, 2023	Un-Audited Six-month period ended December 31, 2022
		(Rupees in thousand)		(Rupees in thousand)	
11 REVENUE					
Energy purchase price - gross		-	30,126	-	1,355,253
Sales tax		-	(4,377)	-	(196,917)
Energy purchase price - net		-	25,749	-	1,158,336
Capacity purchase price	11.1	2,466,738	2,123,331	3,560,924	4,246,661
Delayed payment markup		557,729	524,939	1,196,881	974,715
		3,024,467	2,674,019	4,757,805	6,379,712

11.1 Included in this is disputed revenue of Rs nil (2022: Rs 2,914.54 million) and Rs 762.42 million (2022: Rs 216.92 million) associated with capacity purchase price and the corresponding delayed mark-up, as explained in note 9.

	Un-Audited Three-month period ended December 31, 2023	Un-Audited Three-month period ended December 31, 2022	Un-Audited Six-month period ended December 31, 2023	Un-Audited Six-month period ended December 31, 2022
	(Rupees in thousand)		(Rupees in thousand)	
12 DIRECT COSTS				
RLNG cost	862	50,393	2,032	1,141,722
Operation and maintenance costs	210,003	197,713	421,604	392,458
Depreciation on operating fixed assets	357,788	375,914	739,698	752,135
Stores, spares and loose tools consumed	98,691	56,424	130,269	75,164
Insurance cost	51,417	33,380	102,630	66,395
Purchase of energy	79,949	59,809	204,496	142,547
Salaries, benefits and other allowances	10,433	8,181	18,656	14,130
Licensing fee	10,878	13,817	22,351	25,456
Colony maintenance	5,453	4,745	9,443	7,737
Communication	2,068	1,762	4,155	3,483
Vehicle maintenance	720	646	1,193	1,077
Security expenses	3,169	1,922	5,585	4,077
Insurance deductible	71,463	-	71,463	-
Miscellaneous expenses	2,193	1,877	3,541	3,118
	905,087	806,583	1,737,116	2,629,499

	Un-Audited Three-month period ended December 31, 2023	December 31, 2022	Un-Audited Six-month period ended December 31, 2023	December 31, 2022
	(Rupees in thousand)		(Rupees in thousand)	

13 ADMINISTRATIVE EXPENSES

Salaries, benefits and other allowances	26,341	20,049	51,425	43,774
Directors' meeting fee	625	250	875	500
Information technology and ERP related costs	6,674	3,817	13,266	7,411
Traveling & conveyance	2,500	1,821	11,587	2,929
Utilities	379	307	834	612
Postage and telephone	316	363	630	809
Printing, stationery and advertisement	2,954	566	3,289	1,532
Auditors' remuneration	134	569	602	630
Rent, rates and taxes	3,992	2,965	7,891	5,831
Legal and professional expenses	19,135	23,304	36,389	35,655
Fees and subscription	601	718	1,188	1,431
Entertainment	1,565	84	2,060	310
Amortization on intangible assets	909	827	1,863	1,566
Depreciation on operating fixed assets	2,080	1,884	4,428	3,878
Vehicle maintenance	495	404	844	731
Insurance	1,576	1,491	3,250	2,817
Professional tax	-	-	200	100
Provision for doubtful debts	-	642	-	642
Miscellaneous expenses	507	829	1,044	1,338
	70,783	60,890	141,665	112,496

14 OTHER EXPENSES

Donations	3,709	2,558	3,709	2,558
Exchange (gain) / loss	(24,426)	49,985	(2,603)	52,801
	(20,717)	52,543	1,106	55,359

14.1 This includes the following donations exceeding Rs. 0.5 million:

- National Outreach program of Lahore University of Management Sciences for one scholarship for an undergraduate course amounting to Rs. 1.5 million.

- Supply of computers to Government Vocational Training Institute Abdul Hakim - Rs. 0.96 million.

- Construction of a classroom for Government Boys & Girls School Abdul Hakim – Rs. 0.92 million.

15 TAXATION

Current period	(413,131)	(1,724)	(834,531)	(4,291)
Deferred	52,958	(76,063)	164,117	(155,271)
	(360,173)	(77,787)	(670,414)	(159,562)

	Un-Audited Six-month period ended	
	December 31, 2023	December 31, 2022
	(Rupees in thousand)	
16 CASH GENERATED FROM OPERATIONS		
Profit before taxation	3,374,369	3,412,480
Adjustment for non cash charges and other items:		
-Depreciation on operating fixed assets	744,126	757,373
-Profit on short term investments	(268,009)	(21,182)
-Gain on disposal of operating fixed assets	(7,449)	(8)
-Provision for employee benefit obligations	4,538	4,003
-Amortization on intangible assets	1,863	206
-Exchange loss	(2,603)	52,801
-Fair value gain on short term investments	-	(483)
-Finance cost	26,867	201,205
-Profit on bank deposits	(243,109)	(3,842)
Profit before working capital changes	3,630,593	4,402,553
Effect on cash flow due to working capital changes:		
Decrease / (Increase) in current assets		
-Stores, spares and loose tools	(17,120)	(10,669)
-Trade debts secured	2,559,083	(1,333,324)
-Advances, prepayments and other receivables	(108,054)	(197,825)
	2,433,909	(1,541,818)
Decrease in current liabilities		
-Trade and other payables	(1,181,703)	(900,076)
	1,252,206	(2,441,894)
Cash generated from operations	4,882,799	1,960,659

17 CASH AND CASH EQUIVALENTS		
Bank balances	3,880,791	28,634
Short term investments	676,296	-
Short term borrowings from banking companies - secured	-	(220,449)
Islamic commercial papers - unsecured	-	(981,649)
	4,557,087	(1,173,464)

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	
		Six-month period ended	
		December 31, 2023	December 31, 2022
		(Rupees in thousand)	
Relationship with the Group	**Nature of transactions**		
i) Holding company			
DEL Power (Private) Limited	Dividends paid	1,847,875	-
ii) Group companies			
Siemens Pakistan Engineering	Purchase of long term maintenance services	3,424	9,816
Company Limited	Purchase of spare parts	20,694	-
iii) Other related parties			
On the basis of common directorship			
Descon Engineering Limited:	Common costs charged to the Group	12,696	8,961
Descon Power Solutions (Private)	Operations & maintenance contractor's fee	371,263	331,049
Limited:	Common costs charged to the Group	925	2,303
Descon Corporation (Private) Limited:	ERP implementation fee & running costs	36,533	24,190
	Common costs charged to the Group	323	430
	Services Rendered	382	-
Inspectest (Private) Limited	Inspection testing services	-	798
iv) Other related parties			
Crescent Steel and Allied Products Limited	Dividend paid	530,277	-
v) Key Management Personnel	Short-term employment benefits	43,186	32,627
	Director's meeting fee	875	500

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.

Period end balances are as follows:	Un-Audited December 31, 2023	Audited June 30, 2023
	(Rupees in thousand)	
Payable to related parties		
Descon Engineering Limited (Associated company)	5,785	2,540
Descon Corporation (Private) Limited (Associated company)	5,474	3,783
Descon Power Solutions (Private) Limited (Associated company)	59,858	59,109
Siemens Pakistan Engineering Company Limited (Group company)	1,203	20,685
Inspectest (Private) Limited (Associated company)	88	173
	72,408	86,290

19. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on February 26, 2024 by the Board of Directors of the Parent company.

20. 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.

21. GENERAL

21.1 Figures have been rounded off to the nearest thousand of Rupees.

Chief Executive	Chief Financial Officer	Director

NOTE

NOTE