

# پیر جگ میرا چمکنے والا جہاں

second quarterly report 2024

**energizing Pakistan**



engro powergen qadirpur

# company information

## board of directors

**Nadir Salar Qureshi**  
Chairman

**Semeen Akhter**  
Chief Executive Officer

Nausheen Ahmad | Maryam Aziz | Kaiser Bengali | Mohammad Yasir Khan  
Shabbir Hussain Hashmi | Vaqar Zakaria

**Chief Financial Officer**  
Usman Hassan

**Head of Internal Audit**  
Jaseem Ahmed Khan

**Company Secretary**  
Saqib Rafique

## bankers / development finance institute

Al Baraka Bank (Pakistan) Ltd.

Allied Bank Ltd.

Bank Alfalah Ltd.

Faysal Bank Ltd.

National Bank of Pakistan

MCB Bank Ltd.

Pak Kuwait Investment Company (Pvt) Ltd.

Pak Brunei Investment Company Ltd.

Soneri Bank Ltd.

Bank of Punjab

Habib Metropolitan Bank Ltd.

Standard Chartered Bank (Pakistan) Ltd.

## plant

Engro Powergen Qadirpur Plant Site  
Deh Belo Sanghari, Taluka, District Ghotki

## shares registrar

M/s. FAMCO Share Registration Services (Pvt) Ltd.  
8-F, Next to Hotel Faran, Nursery, Block-6  
PECHS, Shahrah-e-Faisal, Karachi  
Tel: +92-21-34380101-5 | Fax: +92-21-34380106

## registered office

16<sup>th</sup> Floor, The Harbour Front Building,  
HC # 3, Marine Drive, Block 4, Clifton,  
Karachi-75600, Pakistan  
UAN: +92 (21) 111 211 211  
PABX: +92 (21) 35297501-10

## auditors

A.F. Ferguson & Co Chartered Accountants  
State Life Building No. 1-C, I.I. Chundrigar  
Road Karachi-74000, Pakistan  
Tel: +92(21) 32426682-6 / 32426711-5  
Fax +92(21) 32415007 / 32427938

## website

[www.engroenergy.com/engro-powergen-qadirpur-limited/](http://www.engroenergy.com/engro-powergen-qadirpur-limited/)

## ceo message (video link)

<https://www.engroenergy.com/media-gallery/>



engro powergen qadirpur

**directors' review and condensed interim financial statements  
(unaudited) for the half year ended June 30, 2024**

**Engro Powergen Qadirpur Limited  
Directors' Review to the Shareholders  
Half Year Ended June 30, 2024**

The Directors of Engro Powergen Qadirpur Limited (EPQL) are pleased to present the unaudited financial information and a review of the Company's performance for the half year ended June 30, 2024.

**Operating Performance**

The EPQL Plant demonstrated a billable availability factor of 100% in 1H 2024. It dispatched a total Net Electrical Output (NEO) of 437 GWh to the national grid with a load factor of 46% as compared to 53% in 1H 2023. The decline in load factor was partly on account of lower offtake from the Power Purchaser. EPQL currently holds 11th position in the merit order.

The Company continued to maintain its high level of commitment towards Health, Safety & Environment (HSE) standards.

**Financial Performance**

Sales revenue for the period was PKR 6,592 Mn compared to PKR 7,080 Mn in the same period last year. The decline in sales revenue is mainly attributable to lower dispatch. Gross profit for the period was PKR 1,333 Mn as compared to PKR 1,372 Mn in the same period last year.

The Company earned a higher net profit of PKR 1,610 Mn in 1H 2024 as compared to PKR 1,221 Mn in 1H 2023 mainly due to higher net finance income backed by better recoveries from the government. Earnings per share were higher at PKR 4.97 as compared to PKR 3.77 for the same period last year.

Going forward, the Company remains committed to managing its finances effectively.

**Near term Outlook**

In view of the declining trend of production from Qadirpur gas field, EPQL continues to actively engage with regulators and other stakeholders to finalize an alternate fuel option for the plant. The Company had secured supply of 8–13 mmscfd low BTU gas from Badar gas field operated by Petroleum Exploration Limited (PEL). NEPRA Authority had approved the modification in Generation License and in February 2024, it had announced the decision on Fuel Cost component on gas to be supplied by PEL. The Company had also completed the testing of PEL gas supply system to ensure readiness of operations.


Moreover, the Company has also finalized the Gas Supply Agreement (GSA) with PEL. Onwards, the Company is working towards obtaining the remaining required regulatory approvals and implementing essential amendments in the existing key agreements. Simultaneously, the Company is also exploring other local fuel options.

The power demand in the country is expected to decline due to economic slowdown and higher electricity tariffs. Despite that, given that EPQL generates cheaper electricity in comparison to its peers and has a high ranking on the merit order, the company anticipates that the plant will continue to receive reasonable dispatch from the power purchaser.



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**Chief Executive Officer**  
**August 01, 2024**



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**Chairman**



**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of Engro Powergen Qadirpur Limited**

**Report on review of Condensed Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Engro Powergen Qadirpur Limited as at June 30, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and notes thereto for the quarters ended June 30, 2024 and June 30, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2024.

**Scope of Review**

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

**Conclusion**

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

The engagement partner on the audit resulting in this independent auditor's report is Azhar Hussain.



**A. F. Ferguson & Co.**  
**Chartered Accountants**  
**Karachi**

**Date: August 23, 2024**

**UDIN: RR202410290bM2ZV83PI**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

(Amounts in thousand)

|                                      | Note | Unaudited<br>June 30,<br>2024 | Audited<br>December 31,<br>2023 |
|--------------------------------------|------|-------------------------------|---------------------------------|
|                                      |      | ----- Rupees -----            |                                 |
| <b>ASSETS</b>                        |      |                               |                                 |
| <b>Non-current assets</b>            |      |                               |                                 |
| Property, plant and equipment        | 4    | 10,275,242                    | 10,609,432                      |
| Intangible assets                    |      | 169,348                       | 184,184                         |
| Long-term loans and advances         |      | 8,546                         | 12,473                          |
| Long-term deposits                   |      | 2,574                         | 2,574                           |
|                                      |      | <u>10,455,710</u>             | <u>10,808,663</u>               |
| <b>Current assets</b>                |      |                               |                                 |
| Inventories                          | 5    | 964,327                       | 943,250                         |
| Trade debts                          | 6    | 9,002,538                     | 8,767,848                       |
| Short-term investments               | 7    | 49,997                        | 49,993                          |
| Loans, advances and prepayments      |      | 118,311                       | 155,283                         |
| Other receivables                    | 8    | 1,905,326                     | 2,053,003                       |
| Taxes recoverable                    |      | 28,625                        | 29,257                          |
| Balances with banks                  | 9    | 547,816                       | 270,181                         |
|                                      |      | <u>12,616,940</u>             | <u>12,268,815</u>               |
| <b>TOTAL ASSETS</b>                  |      | <u><b>23,072,650</b></u>      | <u><b>23,077,478</b></u>        |
| <b>EQUITY AND LIABILITIES</b>        |      |                               |                                 |
| <b>Equity</b>                        |      |                               |                                 |
| Share capital                        |      | 3,238,000                     | 3,238,000                       |
| Share premium                        |      | 80,777                        | 80,777                          |
| Maintenance reserve                  | 10   | 1,123,858                     | 948,156                         |
| Unappropriated profit                |      | 11,163,997                    | 10,215,675                      |
| <b>Total equity</b>                  |      | <u>15,606,632</u>             | <u>14,482,608</u>               |
| <b>LIABILITIES</b>                   |      |                               |                                 |
| <b>Current liabilities</b>           |      |                               |                                 |
| Trade and other payables             | 11   | 4,516,762                     | 4,475,785                       |
| Unclaimed dividend                   |      | 20,149                        | 20,233                          |
| Accrued interest / mark-up           |      | 205,735                       | 235,030                         |
| Short-term borrowings                | 12   | 2,723,372                     | 3,863,822                       |
| <b>Total liabilities</b>             |      | <u>7,466,018</u>              | <u>8,594,870</u>                |
| <b>Contingencies and commitments</b> | 13   |                               |                                 |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <u><b>23,072,650</b></u>      | <u><b>23,077,478</b></u>        |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

(Amounts in thousand except for earnings per share)

|  | Note | Quarter ended    |                  | Half Year Ended  |                  |
|--|------|------------------|------------------|------------------|------------------|
|  |      | June 30,<br>2024 | June 30,<br>2023 | June 30,<br>2024 | June 30,<br>2023 |
|  |      | Rupees           |                  | Rupees           |                  |
| Revenue  | 14   | 3,503,638        | 3,700,190        | 6,591,824        | 7,080,476        |
| Cost of revenue  |      | (2,627,252)      | (2,811,292)      | (5,258,923)      | (5,708,151)      |
| <b>Gross profit</b>  |      | <b>876,386</b>   | <b>888,898</b>   | <b>1,332,901</b> | <b>1,372,325</b> |
| Administrative expenses  |      | (68,955)         | (110,947)        | (171,517)        | (182,091)        |
| Other expenses   |      | (18,974)         | (3,884)          | (22,883)         | (6,621)          |
| Other income   |      | 1,290            | 8,932            | 1,507            | 11,009           |
| <b>Profit from operations</b>  |      | <b>789,747</b>   | <b>782,999</b>   | <b>1,140,008</b> | <b>1,194,622</b> |
| Finance income - net   |      | 236,625          | 2,583            | 474,235          | 31,074           |
| Sindh Workers' Profits Participation Fund<br>and Sindh Workers' Welfare Fund | 15   | -                | -                | -                | -                |
| <b>Profit before taxation</b>  |      | <b>1,026,372</b> | <b>785,582</b>   | <b>1,614,243</b> | <b>1,225,696</b> |
| Taxation   |      | (1,291)          | (2,768)          | (4,519)          | (4,574)          |
| <b>Profit for the period</b>   |      | <b>1,025,081</b> | <b>782,814</b>   | <b>1,609,724</b> | <b>1,221,122</b> |
| <b>Earnings per share - basic and diluted</b>                                | 16   | <b>3.17</b>      | <b>2.42</b>      | <b>4.97</b>      | <b>3.77</b>      |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director



**ENGRO POWERGEN QADIRPUR LIMITED  
CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2024**

(Amounts in thousand)

|  | Quarter ended      |                  | Half year ended  |                  |
|--|--------------------|------------------|------------------|------------------|
|  | June 30,<br>2024   | June 30,<br>2023 | June 30,<br>2024 | June 30,<br>2023 |
|  | ----- Rupees ----- |                  |                  |                  |
| <b>Profit for the period</b>                     | 1,025,081          | 782,814          | 1,609,724        | 1,221,122        |
| <b>Other comprehensive income</b>                | -                  | -                | -                | -                |
| <b>Total comprehensive income for the period</b> | <u>1,025,081</u>   | <u>782,814</u>   | <u>1,609,724</u> | <u>1,221,122</u> |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



**Chief Financial Officer**



**Chief Executive Officer**



**Director**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

(Amounts in thousand)

|   | Reserves      |               |                     |                       | Total       |
|---|---------------|---------------|---------------------|-----------------------|-------------|
|   | Share capital | Capital       |                     | Revenue               |             |
|   |               | Share premium | Maintenance reserve | Unappropriated profit |             |
| ----- Rupees -----  |               |               |                     |                       |             |
| <b>Balance as at January 1, 2023 (Audited)</b>                                | 3,238,000     | 80,777        | 227,182             | 9,558,830             | 13,104,789  |
| Total comprehensive income for the half year ended June 30, 2023              | -             | -             | -                   | 1,221,122             | 1,221,122   |
| <b>Balance as at June 30, 2023 (Unaudited)</b>                                | 3,238,000     | 80,777        | 227,182             | 10,779,952            | 14,325,911  |
| Total comprehensive income for the six months ended December 31, 2023         | -             | -             | -                   | 1,289,997             | 1,289,997   |
| Transactions with owners:   |               |               |                     |                       |             |
| 1st Interim dividend for the year ended December 31, 2023 @ Rs. 1.5 per share | -             | -             | -                   | (485,700)             | (485,700)   |
| 2nd Interim dividend for the year ended December 31, 2023 @ Rs.2 per share    | -             | -             | -                   | (647,600)             | (647,600)   |
|   | -             | -             | -                   | (1,133,300)           | (1,133,300) |
| Transfer from unappropriated profit (note 10)                                 | -             | -             | 720,974             | (720,974)             | -           |
| <b>Balance as at December 31, 2023 (Audited)</b>                              | 3,238,000     | 80,777        | 948,156             | 10,215,675            | 14,482,608  |
| Total comprehensive income for the half year ended June 30, 2024              | -             | -             | -                   | 1,609,724             | 1,609,724   |
| Transactions with owners:   |               |               |                     |                       |             |
| Final dividend for the year ended December 31, 2023 @ Rs. 1.5 per share       | -             | -             | -                   | (485,700)             | (485,700)   |
| Transfer from unappropriated profit (note 10)                                 | -             | -             | 175,702             | (175,702)             | -           |
| <b>Balance as at June 30, 2024 (Unaudited)</b>                                | 3,238,000     | 80,777        | 1,123,858           | 11,163,997            | 15,606,632  |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



**Chief Financial Officer**



**Chief Executive Officer**



**Director**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

(Amounts in thousand)

|  | Note | Half year ended  |                  |
|--|------|------------------|------------------|
|  |      | June 30,<br>2024 | June 30,<br>2023 |
|  |      | Rupees           |                  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                  |      |                  |                  |
| Cash generated from operations                               | 17   | 2,395,298        | 2,282,676        |
| Taxes paid   |      | (3,887)          | (1,466)          |
| Interest received  |      | 16,546           | 14,036           |
| Long-term loans and advances -net                            |      | 3,927            | 1,332            |
| Net cash generated from operating activities                 |      | 2,411,884        | 2,296,578        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                  |      |                  |                  |
| Purchase of property, plant and equipment - net              |      | (83,089)         | (111,312)        |
| Purchase of intangible assets                                |      | -                | (205)            |
| Proceeds from disposal of property, plant and equipment      |      | 9,635            | 8,621            |
| Investments made during the year                             |      | (99,988)         | (97,871)         |
| Investments encashed / matured during the year               |      | 99,984           | 499,517          |
| Net cash (utilised in) / generated from investing activities |      | (73,458)         | 298,750          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                  |      |                  |                  |
| Finance cost paid  |      | (434,557)        | (457,092)        |
| Dividends paid   |      | (485,784)        | (76)             |
| Net cash utilised in financing activities                    |      | (920,341)        | (457,168)        |
| Net increase in cash and cash equivalents                    |      | 1,418,085        | 2,138,160        |
| Cash and cash equivalents at the beginning of the period     |      | (3,593,641)      | (5,934,338)      |
| Cash and cash equivalents at the end of the period           | 18   | (2,175,556)      | (3,796,178)      |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



**Chief Financial Officer**



**Chief Executive Officer**



**Director**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2024**

(Amounts in thousand)

**1. LEGAL STATUS AND OPERATIONS**

**1.1** Engro Powergen Qadirpur Limited (the Company), is a public listed company, incorporated in Pakistan, and its shares are quoted on the Pakistan Stock Exchange Limited. The Company is a subsidiary of Engro Energy Limited, which is a wholly owned subsidiary of Engro Corporation Limited. Engro Corporation Limited is a subsidiary of Dawood Hercules Corporation Limited (the Ultimate Parent Company).

**1.2** The Company was established with the primary objective to undertake the business of power generation and sale of electricity. The Company owns a 217.3 MW combined cycle power plant and commenced commercial operations on March 27, 2010. The electricity generated is transmitted to the National Transmission and Despatch Company (NTDC) under the Power Purchase Agreement (PPA) dated October 26, 2007. This PPA is for a period of 25 years. The Company signed a novation agreement on February 11, 2021 with NTDC and Central Power Purchasing Agency (Guarantee) Limited (CPPA), whereby NTDC has novated its rights and obligations under the PPA to CPPA.

**1.3** The business units of the Company are as follows:

| <b>Business unit</b>            | <b>Geographical location</b>  |
|---------------------------------|---|
| Head office (registered office) | 16th Floor, Harbour Front Building, Plot Number HC-3, Marine Drive, Block 4, Scheme No. 5, Clifton, Karachi, Sindh. |
| Power plant                     | Deh Belo Sanghari, Ghotki, Sindh.   |

**1.4** The gas supply from Qadirpur gas field is depleting and based on profile shared by the Sui Northern Gas Pipelines Limited (SNGPL), the Company has declared gas depletion phase and made its plant available in mixed fuel mode, i.e. on both permeate gas and High-Speed Diesel (HSD). Meanwhile, the Company is actively pursuing relevant stakeholders to finalize an alternate fuel plan for the plant. The Company is engaged with Petroleum Exploration Limited (PEL) for supply of 8–13 mmscfd low BTU gas from Badar gas field. The National Electric Power Regulatory Authority (NEPRA) has approved the modification in Generation License for the Company to include gas to be supplied by PEL. The tariff in respect of the gas to be supplied under the aforementioned arrangement has been finalised.

**2. BASIS OF PREPARATION**

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

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

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

**2.2** The cumulative figures for the half year ended June 30, 2024 presented in these condensed interim financial statements have been subjected to limited scope review by the auditors of the Company, as required under section 237 of the Act. These condensed interim financial statements do not include all the information required for annual financial statements and, therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2023.

**(Amounts in thousand)****3. MATERIAL ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT**

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements for the year ended December 31, 2023.

The financial risk management objectives and policies of the Company are also consistent with those disclosed in the audited annual financial statements of the Company for the year ended December 31, 2023.

- 3.2 The preparation of these condensed interim financial statements in conformity with the approved accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. These estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in the preparation of these condensed interim financial statements are the same as those that were applied in the audited annual financial statements of the Company for the year ended December 31, 2023.

- 3.3 There are certain amendments to published International Financial Reporting Standards that are mandatory for the financial year beginning on January 1, 2024. These are considered not to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these condensed interim financial statements.
- 3.4 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected other income.

| <b>Unaudited<br/>June 30,<br/>2024</b> | <b>Audited<br/>December 31,<br/>2023</b> |
|--|--|
| ----- Rupees -----                     |  |

**4. PROPERTY, PLANT AND EQUIPMENT**

|   |                   |                   |
|---|-------------------|-------------------|
| Operating assets, at net book value (notes 4.1 and 4.2) | 9,718,791         | 10,133,522        |
| Capital work-in-progress (notes 4.3)                    | 356,143           | 275,441           |
| Capital spares  | 200,308           | 200,469           |
|   | <u>10,275,242</u> | <u>10,609,432</u> |

**4.1 Additions to operating assets during the period / year were as follows:**

|                                   |              |               |
|-----------------------------------|--------------|---------------|
| Plant and machinery               | -            | 10,216        |
| Furniture, fixtures and equipment | 2,548        | 10,893        |
| Vehicles                          | -            | 42,302        |
|                                   | <u>2,548</u> | <u>63,411</u> |

- 4.2 Operating assets costing Rs. 9,885 (December 31, 2023: Rs. 20,786) having a net book value of Rs. 8,974 (December 31, 2023: Rs. 11,967), were disposed off during the period / year for Rs. 9,635 (December 31, 2023: Rs. 19,838).



(Amounts in thousand)

|  | Unaudited<br>June 30,<br>2024 | Audited<br>December 31,<br>2023 |
|--|-------------------------------|---------------------------------|
|  | ----- Rupees -----            |                                 |
| <b>4.3 Capital work-in-progress</b>              |                               |                                 |
| Balance at the beginning of the period / year    | 275,441                       | 15,215                          |
| Add: Additions during the period / year          | 83,089                        | 330,102                         |
| Add: Transferred from capital spares             | 161                           | -                               |
| Less: Transferred to operating assets (note 4.1) | (2,548)                       | (63,411)                        |
| Less: Transferred to intangible assets           | -                             | (6,465)                         |
| Balance at the end of the period / year          | <u>356,143</u>                | <u>275,441</u>                  |

**5. INVENTORIES**

During the period, the Company has recognised provision for slow moving stores and spares amounting to Rs. 31,656 aggregating to Rs.123,858 as at June 30, 2024 (December 31, 2023: Rs. 92,202).

|                                 | Unaudited<br>June 30,<br>2024 | Audited<br>December 31,<br>2023 |
|---------------------------------|-------------------------------|---------------------------------|
|                                 | ----- Rupees -----            |                                 |
| <b>6. TRADE DEBTS - SECURED</b> |                               |                                 |
| Considered good                 | <u>9,002,538</u>              | <u>8,767,848</u>                |

**6.1** Trade debts, including delayed payment charges are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

**6.2 Trade debts include:**

- Rs. 1,533,802 (December 31, 2023: Rs 1,347,814) which is neither past due nor impaired;
- Rs. 1,370,979 (December 31, 2023: Rs 988,035) which is unbilled; and
- Rs. 6,097,757 (December 31, 2023: Rs. 6,431,999) which is overdue but not impaired. Consequent to payment under Master Agreement and PPA Amendment Agreement dated February 11, 2021, 'Delayed Payment Rate' has been reduced for the first 60 days from KIBOR + 4.5% per annum to KIBOR+2% per annum except for energy purchase price invoices on which delayed payment rate has not been changed. The ageing of overdue receivables is as follows:

|                    | Unaudited<br>June 30,<br>2024 | Audited<br>December 31,<br>2023 |
|--------------------|-------------------------------|---------------------------------|
|                    | ----- Rupees -----            |                                 |
| Upto 3 months      | 3,455,998                     | 3,589,191                       |
| 3 to 6 months      | 2,390,297                     | 2,591,332                       |
| More than 6 months | 251,462                       | 251,476                         |
|                    | <u>6,097,757</u>              | <u>6,431,999</u>                |

**(Amounts in thousand)**

|  | <b>Unaudited<br/>June 30,<br/>2024</b> | <b>Audited<br/>December 31,<br/>2023</b> |
|--|--|--|
|  | ----- Rupees -----                     |  |
| <b>7. SHORT-TERM INVESTMENTS - amortised cost</b>  |  |  |
| Treasury Bills   | <u>49,997</u>                          | <u>49,993</u>                            |
| <b>8. OTHER RECEIVABLES</b>  |  |  |
| <b>8.1</b> These include delayed payment charges on account of mark-up on overdue trade debts amounting to Rs. 1,538,684 (December 31, 2023: Rs. 1,759,382) of which Rs. 374,093 (December 31, 2023: Rs.1,180,938) is overdue.   |  |  |
|  | <b>Unaudited<br/>June 30,<br/>2024</b> | <b>Audited<br/>December 31,<br/>2023</b> |
|  | ----- Rupees -----                     |  |
| <b>9. BALANCES WITH BANKS</b>  |  |  |
| Current accounts:  |  |  |
| - Local currency   | 511,661                                | 7,565                                    |
| Deposit accounts:  |  |  |
| - Foreign currency   | 1,759                                  | 2,742                                    |
| - Local currency   | <u>34,396</u>                          | <u>259,874</u>                           |
|  | <u>547,816</u>                         | <u>270,181</u>                           |
| <b>10. MAINTENANCE RESERVE</b>   |  |  |
| Balance at the beginning of the period   | 948,156                                | 227,182                                  |
| Transfer from unappropriated profit (note 10.1)  | <u>175,702</u>                         | <u>720,974</u>                           |
| Balance at the end of the period   | <u>1,123,858</u>                       | <u>948,156</u>                           |
| <b>10.1</b> This represents amount transferred from unappropriated profit to the fund because the operations and maintenance regime of the plant involves expenditure on equipment and overhaul of the complex on certain intervals that are based on plant operations. An amount covering these cost, calculated based on factored fired hours has been appropriated to maintenance reserve.  |  |  |
| <b>11. TRADE AND OTHER PAYABLES</b>  |  |  |
| <b>11.1</b> This includes creditors and accrued liabilities amounting to Rs. 3,039,180 (December 31, 2023: Rs. 3,913,218).   |  |  |
| <b>11.2</b> These include amounts payable to related parties amounting to Rs. 48,755 (December 31, 2023: Rs. 57,864).  |  |  |
| <b>12. SHORT-TERM BORROWINGS</b>   |  |  |
| <b>12.1</b> The Working Capital / Running Finance Facility Agreements with Allied Bank Limited, MCB Bank Limited, The Bank of Punjab, Soneri Bank Limited, Bank Alfalah Limited, Pak Kuwait Investment Company (Private) Limited and Habib Metropolitan Bank Limited under which Rs. 2,723,372 (December 31, 2023: Rs. 1,863,822) have been utilised as at June 30, 2024. In addition, the Company also utilised a money market loan facility with Allied Bank Limited amounting to Nil (December 31, 2023: Rs. 2,000,000) for a period of one month which matured on January 27, 2024. The available facilities under these mark-up arrangements aggregate to Rs. 6,280,000 (December 31, 2023: Rs. 7,230,000). The facilities carry mark-up at the rate of 1 - 3 months KIBOR plus 0.5% - 0.75% (December 31, 2023: 1 - 3 months KIBOR plus 0.5% - 0.75%). |  |  |

(Amounts in thousand)

|   |  |                  | <b>Unaudited<br/>June 30,<br/>2024</b> | <b>Audited<br/>December 31,<br/>2023</b> |
|---|--|------------------|--|--|
|   |  |                  | ----- Rupees -----                     |  |
| <b>13. CONTINGENCIES AND COMMITMENTS</b>  |  |                  |  |  |
| <b>13.1</b>   | Contingent liabilities - Guarantee in favour of Sui Northern Gas Pipelines Limited in accordance with the terms of Gas Supply Agreement (GSA)  |                  | <u>2,496,126</u>                       | <u>2,496,126</u>                         |
| <b>13.2</b>   | Commitments in respect of :  |                  |  |  |
|   | - letters of credit  |                  | 398,487                                | 110,454                                  |
|   | - others   |                  | <u>452,311</u>                         | <u>417,664</u>                           |
|   |  |                  | <u>850,798</u>                         | <u>528,118</u>                           |
| <b>13.3</b>   | There are no material ongoing legal proceedings / litigation involving the Company as at reporting date.   |                  |  |  |
|   |  |                  | <b>Unaudited</b>                       | <b>Unaudited</b>                         |
|   |  |                  | <b>Quarter ended</b>                   | <b>Half year ended</b>                   |
|   |  |                  | <b>June 30,</b>                        | <b>June 30,</b>                          |
|   |  |                  | <b>2024</b>                            | <b>2023</b>                              |
|   |  |                  | ----- Rupees -----                     |  |
| <b>14. REVENUE</b>  |  |                  |  |  |
|   | Capacity purchase price  | 1,090,361        | 1,145,054                              | 1,748,900                                |
|   | Energy purchase price  | <u>2,845,621</u> | <u>3,043,331</u>                       | <u>5,712,605</u>                         |
|   |  | 3,935,982        | 4,188,385                              | 7,461,505                                |
|   | Sales tax  | <u>(432,344)</u> | <u>(488,195)</u>                       | <u>(869,681)</u>                         |
|   |  | <u>3,503,638</u> | <u>3,700,190</u>                       | <u>6,591,824</u>                         |
| <b>15. SINDH WORKERS' PROFIT PARTICIPATION FUND AND SINDH WORKERS' WELFARE FUND</b> |  |                  |  |  |
|   | Provision for Workers' Profits Participation Fund  | 51,318           | 39,279                                 | 80,712                                   |
|   | Provision for Sindh Workers' Welfare Fund  | <u>18,327</u>    | <u>-</u>                               | <u>32,285</u>                            |
|   |  | 69,645           | 39,279                                 | 112,997                                  |
|   | Less: Recoverable from CPPA  | <u>(69,645)</u>  | <u>(39,279)</u>                        | <u>(112,997)</u>                         |
|   |  | <u>-</u>         | <u>-</u>                               | <u>-</u>                                 |
| <b>15.1</b>   | The Company is required to pay 5% and 2% of its profit to the Sindh Workers' Profits Participation Fund and Sindh Workers' Welfare Fund respectively. However, such payment will not effect the Company's overall profitability as this is recoverable from CPPA as a pass through item under Schedule I Part IV of the PPA. |                  |  |  |

(Amounts in thousand)

**16. EARNINGS PER SHARE**

There is no dilutive effect on the basic earnings per share of the Company which is based on:

|  | <b>Unaudited</b>                  |                 | <b>Unaudited</b>                  |                  |
|--|-----------------------------------|-----------------|-----------------------------------|------------------|
|  | <b>Quarter ended</b>              |                 | <b>Half year ended</b>            |                  |
|  | <b>June 30,</b>                   | <b>June 30,</b> | <b>June 30,</b>                   | <b>June 30,</b>  |
|  | <b>2024</b>                       | <b>2023</b>     | <b>2024</b>                       | <b>2023</b>      |
|  | <b>----- Rupees -----</b>         |                 | <b>----- Rupees -----</b>         |                  |
| Profit for the period                                    | <u>1,025,081</u>                  | <u>782,814</u>  | <u>1,609,724</u>                  | <u>1,221,122</u> |
|  | <b>-----Number of shares-----</b> |                 | <b>-----Number of shares-----</b> |                  |
| Weighted average number of ordinary shares (in thousand) | <u>323,800</u>                    | <u>323,800</u>  | <u>323,800</u>                    | <u>323,800</u>   |
|  | <b>----- Rupees -----</b>         |                 | <b>----- Rupees -----</b>         |                  |
| Earnings per share - basic and diluted                   | <u>3.17</u>                       | <u>2.42</u>     | <u>4.97</u>                       | <u>3.77</u>      |

**17. CASH GENERATED FROM OPERATIONS**

|   | <b>Unaudited</b>          |                  |
|---|---------------------------|------------------|
|   | <b>June 30,</b>           | <b>June 30,</b>  |
|   | <b>2024</b>               | <b>2023</b>      |
|   | <b>----- Rupees -----</b> |                  |
| Profit before taxation                              | 1,614,243                 | 1,225,696        |
| Adjustment for non-cash charges and other items     |                           |                  |
| - Depreciation                                      | 408,305                   | 406,719          |
| - Amortisation                                      | 14,836                    | 13,849           |
| - Gain on sale of treasury bill                     | -                         | (1,640)          |
| - Gain on disposal of property, plant and equipment | (661)                     | (7,413)          |
| - Interest income on bank deposits                  | (16,546)                  | (14,036)         |
| - Interest / mark-up on short-term borrowings       | 405,262                   | 564,000          |
| - Provision for stores and spares                   | 31,656                    | 86,808           |
| Working capital changes (note 17.1)                 | (61,797)                  | 8,693            |
|   | <u>2,395,298</u>          | <u>2,282,676</u> |

**17.1 Working capital changes**

Decrease / (Increase) in current assets:

|                                  |                  |                    |
|----------------------------------|------------------|--------------------|
| Inventories                      | (52,733)         | (86,529)           |
| Trade debts                      | (234,690)        | (785,727)          |
| Loans, advances and prepayments  | 36,972           | 98,538             |
| Other receivables                | 147,677          | (410,094)          |
|                                  | <u>(102,774)</u> | <u>(1,183,812)</u> |
| Decrease in current liabilities: |                  |                    |
| Trade and other payables         | 40,977           | 1,192,505          |
|                                  | <u>(61,797)</u>  | <u>8,693</u>       |

(Amounts in thousand)

|                                      | <b>Unaudited</b>         |                          |
|--------------------------------------|--------------------------|--------------------------|
|                                      | <b>Half year ended</b>   |                          |
|                                      | <b>June 30,<br/>2024</b> | <b>June 30,<br/>2023</b> |
|                                      | ----- Rupees -----       |                          |
| <b>18. CASH AND CASH EQUIVALENTS</b> |                          |                          |
| Balances with banks (note 9)         | 547,816                  | 1,029,962                |
| Short-term borrowings                | <u>(2,723,372)</u>       | <u>(4,826,140)</u>       |
|                                      | <u>(2,175,556)</u>       | <u>(3,796,178)</u>       |

**19. FAIR VALUE MEASUREMENT**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As at June 30, 2024 and December 31, 2023, the fair values of all assets and liabilities reflected in the financial statements approximate the fair values.

**20. TRANSACTIONS WITH RELATED PARTIES**

**20.1** Details of transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

|                                  |   | <b>Unaudited</b>         |                          |
|----------------------------------|---|--------------------------|--------------------------|
|                                  |   | <b>Half year ended</b>   |                          |
|                                  |   | <b>June 30,<br/>2024</b> | <b>June 30,<br/>2023</b> |
|                                  |   | ----- Rupees -----       |                          |
| <b>Nature of relationship</b>    | <b>Nature of transactions</b>                                 |                          |                          |
| <b>Holding companies</b>         | Reimbursement of expenses:                                    |                          |                          |
|                                  | - incurred for the Company                                    | 296,459                  | 168,182                  |
|                                  | - incurred by the Company                                     | 2,130                    | 13,926                   |
|                                  | Responsibility (CSR) activities                               | 571                      | 480                      |
|                                  | Loan received   | -                        | 450,000                  |
|                                  | Loan repaid   | -                        | 450,000                  |
|                                  | Finance cost  | -                        | 2,418                    |
|                                  | Dividend  | 334,599                  | -                        |
| <b>Associated companies</b>      | Reimbursement of expenses:                                    |                          |                          |
|                                  | - incurred for the Company                                    | 6,770                    | 49                       |
|                                  | - incurred by the Company                                     | 12,631                   | 8,628                    |
| <b>Key management personnel</b>  | Managerial remuneration, including bonuses and other benefits | 29,123                   | 33,501                   |
|                                  | Contribution / charge for retirement benefit schemes          | 2,581                    | 1,847                    |
|                                  | Directors fee   | 4,725                    | 2,800                    |
| <b>Staff retirement benefits</b> | Managed and operated by Engro Corporation Limited             |                          |                          |
|                                  | Contribution to:  |                          |                          |
|                                  | - Gratuity fund   | 7,343                    | 9,508                    |
|                                  | - Provident fund  | 23,057                   | 30,396                   |



(Amounts in thousand)

**21. CORRESPONDING FIGURES**

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

**22. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on August 01, 2024 by the Board of Directors of the Company.

**23. GENERAL**

**23.1** Figures have been rounded off to the nearest thousand rupees in these condensed interim financial statement unless otherwise stated.

**23.2 Non adjusting event after reporting date**

The Board of Directors in its meeting held on August 01, 2024 has approved first interim cash dividend of Rs.3.5 per share for the half year ended June 30, 2024, amounting to Rs.1,133,300. These condensed interim financial statements do not include the effect of the said dividend.



**Chief Financial Officer**



**Chief Executive Officer**



**Director**

## اینٹروپاورجن قادر پور لمیٹڈ ڈائریکٹرز کا جائزہ برائے شیئر ہولڈرز ششماہی ختم شدہ 30 جون 2024

اینٹروپاورجن قادر پور لمیٹڈ (EPQL) کے ڈائریکٹرز 30 جون 2024 کو ختم ہونے والی ششماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشواروں اور کمپنی کی کارکردگی کا جائزہ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

### انتظامی کارکردگی

2024 کی پہلی ششماہی میں کمپنی پلانٹ 100% قابل فروخت بجلی کی موجودگی کے قابل رہا اور پلانٹ سے نیشنل گرڈ کو 46% لوڈ فیکٹر کے ساتھ 437GWH کا ٹوٹل نیٹ الیکٹریکل آؤٹ پٹ (NEO) فراہم کیا جبکہ 2023 کی پہلی ششماہی کے دوران لوڈ فیکٹر 53% تھا۔ لوڈ فیکٹر میں کمی کی وجہ سے بجلی خریداروں کی جانب سے کم خرید رہی۔ اینٹروپاورجن قادر پور لمیٹڈ اس وقت میرٹ آرڈر میں گیارہویں پوزیشن پر ہے۔

کمپنی نے ہیلتھ، سیفٹی اور انوائسمنٹ (HSE) کے اعلیٰ معیاروں پر عمل درآمد کو یقینی بنایا ہوا ہے۔

### مالیاتی کارکردگی

زیر جائزہ مدت کے دوران سیلز کی آمدنی گزشتہ سال کی اسی مدت کے 7,080 ملین روپے کے مقابلے میں 6,592 ملین روپے رہی۔ سیلز کی آمدنی میں کمی کی بڑی وجہ کم خریداری ہے۔ نتیجتاً زیر جائزہ مدت کے لیے مجموعی منافع 1,333 ملین روپے کے ساتھ گزشتہ سال کی اسی مدت کے 1,372 ملین روپے کے مقابلے میں کم رہا۔

کمپنی نے 2024 کی پہلی ششماہی کے دوران 1,610 ملین روپے کا خالص منافع کمایا جو کہ 2023 کی پہلی ششماہی میں 1,221 ملین روپے تھا کیونکہ حکومت کی جانب سے بہتر ریکوری کے سبب خالص فنانس کی آمدنی زیادہ رہی۔ اس طرح گزشتہ سال کی اسی مدت کے 3.77 روپے فی شیئر کے مقابلے میں ہر ایک شیئر پر منافع 4.97 روپے بنتا ہے۔

مزید برآں، کمپنی اپنے فنانسز کو بہتر انداز میں منظم رکھنے کے لیے پرعزم رہی۔

## مستقبل قریب کا جائزہ

قادر پور گیس فیلڈ سے پیداواری کمی کو مد نظر رکھتے ہوئے، اینگرو پاور جن قادر پور لمیٹڈ نے پلانٹ کے لیے متبادل فیول کو حتمی شکل دینے کے لیے ریگولیشنز اور دیگر اسٹیک ہولڈرز سے بھرپور تبادلہ خیال جاری ہے۔ کمپنی نے پیٹرولیم ایکسپلوریشن لمیٹڈ (PEL) کی جانب سے چلائی جانے والی بدرگیس فیلڈ سے کم BTU والی 8-13mmscfd گیس کی سپلائی حاصل کر لی ہے۔ میجرانے جزییشن لائنس میں ترمیم والی درخواست فروری 2024 میں منظور کر دی ہے، اور PEL کی جانب سے فراہم ہونے والی گیس پر فیول کاسٹ کمپوٹ کے فیصلے کا اعلان کیا ہے۔ کمپنی نے آپریشن کی تیاری کو یقینی بنانے کے لیے PEL گیس سپلائی سسٹم کے ٹیسٹنگ کو بھی مکمل کر لیا ہے۔

مزید برآں، کمپنی نے PEL کے ساتھ گیس سپلائی ایگریمنٹ (GAS) کو حتمی شکل دے دی ہے۔ اس کے بعد، کمپنی باقی مطلوبہ ریگولیشنز منظور یا حاصل کرنے اور موجودہ اہم معاہدوں میں ضروری ترامیم کو نافذ کرنے پر کام کر رہی ہے۔ اس کے ساتھ ساتھ، کمپنی فیول کے دیگر مقامی آپشنز کو بھی تلاش کر رہی ہے۔

معاشی ست روی اور بجلی کی قیمتوں میں اضافے کی وجہ سے ملک میں بجلی کی طلب میں کمی متوقع ہے۔ اس کے باوجود EPQL اپنے حریفوں کے مقابلے میں سستی بجلی پیدا کرنے اور میرٹ آرڈر پر بہتر درجہ رکھنے کی بدولت، کمپنی کو توقع ہے کہ پلانٹ بجلی خریداروں سے مناسب آرڈر حاصل کرنے میں کامیاب ہوگی۔

چیئرمین

چیف ایگزیکٹو آفیسر

کیم اگست 2024

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