

KOHINOOR

POWER COMPANY LIMITED

ANNUAL REPORT 2024

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. M. Naseem Saigol	Chairman
Mr. Muhammad Zeid Yousuf Saigol	Chief Executive Officer
Mr. Muhammad Murad Saigol	
Mr. Muhammad Omer Farooq	
Mr. Muhammad Athar Rafiq	
Syed Haroon Rashid	
Mrs. Sadaf Kashif	

AUDIT COMMITTEE

Mrs. Sadaf Kashif	Chairperson /Member
Mr. Muhammad Omer Farooq	Member
Mr. Muhammad Athar Rafiq	Member

HR & REMUNERATION COMMITTEE

Mrs. Sadaf Kashif	Chairperson
Mr. M. Naseem Saigol	Member
Mr. Muhammad Zeid Yousuf Saigol	Member

COMPANY SECRETARY

Mr. Liaquat Ali

CHIEF FINANCIAL OFFICER

Mr. Zahoor Ahmed

AUDITORS

M/s Rahman Sarfaraz Rahim Iqbal Rafiq & Co.
Chartered Accountants

REGISTRATION NUMBER

0025880

NTN

1351003-7

WEBSITE

www.kpcl.com.pk

BANKERS

Askari Bank Limited
MCB Bank Limited
National Bank of Pakistan
United Bank Limited
Sindh Bank Limited

REGISTERED OFFICE

10-G, Mushtaq Ahmed Gurmani Road,
Gulberg-II, Lahore
Tel: 042-35920151-59 (Pabx) & 042-35920133 (Direct)
E-mail: shares@saigols.com

WORKS

Kohinoor Nagar, Faisalabad.
51-KM, Multan Road, Lahore.

SHARE REGISTRAR

M/s Corplink (Pvt.) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel: 35916714 -19, 35839182 Fax: 35869037
E-mail: shares@corplink.com.pk

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of Shareholders of **KOHINOOR POWER COMPANY LIMITED** will be held on **Monday, October 28, 2024 at 10:30 A.M.**, at 06-Egerton Road, Opposite LDA Plaza, Lahore to transact the following business: -

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2023.
2. To receive and adopt the Annual Audited Accounts for the year ended June 30, 2024 along with Directors' and Auditors' Reports thereon.
3. To appoint Auditors of the Company to hold office till the conclusion of next Annual General Meeting and to fix their remuneration.
4. Any other business with the permission of the Chair.

By Order of the Board

Lahore : September 30, 2024

Company Secretary

Notes:

1. Share Transfer Books of the Company will remain closed from **October 22, 2024 to October 28, 2024 (both days inclusive)**. Physical transfers/CDS transactions ID's received in order at "Company Registrar office M/s Corplink (Pvt.) Limited", Wings Arcade, 1-K, Commercial Model Town, Lahore on or before **October 21, 2024** will be treated in time.
2. A member entitled to attend and vote at this Meeting may appoint another Member as his/her proxy. Proxies in order to be effective, must be received at 10-G, Mushtaq Ahmed Gurmani Road, Gulberg-II, Lahore, the Registered Office of the Company not later than forty-eight hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
3. Members whose shares are deposited with Central Depository System are requested to bring their original National Identity Cards or original Passports along with their Account Numbers in Central Depository System for attending the meeting.
4. Members are requested to notify the Company change in their addresses, if any.
5. **Transmission Of Annual Report**

In terms of approval of the shareholders of the Company in their Annual General Meeting held on October 27, 2023 and pursuant to SECP's Notification No. SRO 389(1)/2023 dated 21st March, 2023. The Annual Report for the financial year ended on 30th June, 2024 of the Company containing inter alia the audited financial statements, auditors' report, directors, and chairman's reports thereon may be viewed and downloaded by following QR code and weblink:

Weblink	QR Code
https://www.kpcl.com.pk/kp/annual_reports.php	

The Annual Report has been emailed to those shareholders who have provided their valid email address to the Company.

The shareholders who wish to receive a hard copy of the Annual Report may send to the Company Secretary/Share Registrar, the Standard Request Form available on the website of the Company www.kpcl.com.pk. The Company then will provide a free of Cost hard copy of Annual Report to the shareholders within one week of the request.

6. Replacement Of Physical Shares Into CDC Account

Members, who hold physical shares, are advised to convert their shares into electronic form in terms of section 72 of the Companies Act, 2017.

10. Participation in the AGM through Video link Facility

The SECP through its Circular No. 4 dated February 15, 2021 & Circular No. 6 dated March 03, 2021 has directed listed companies to arrange participation of shareholders in Annual General Meeting through Video Link Facility in addition to allowing physical attendance by the members. The members who are willing to attend and participate in the AGM can do so through video-link via smartphones, computers, tablets, etc. To attend the AGM through video-link, members are requested to get their following particulars registered by sending an email or WhatsApp at the number/address given below, at least 48 hours before the time of the AGM, and download video-link from <https://zoom.us/download>.

Name	Folio/CDS Account No.	CNIC No	Cell phone	Email

Signature of Member

WhatsApp	Email
0321-8561366	umer.islam@saigols.com

Upon receipt of requests, the video-link login credentials will be shared with the interested shareholders on their email addresses or WhatsApp messages. The members can send their comments/suggestions related to the agenda items of the meeting through the above-mentioned means.

اطلاع برائے سالانہ اجلاس عام

- بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ کوہ نور پاور کمپنی لمیٹڈ کے حصص داران کا تینتیسواں (33rd) سالانہ اجلاس عام 28 اکتوبر 2024 بروز سوموار 10:30 بجے صبح 06-اکیٹون روڈ، بلقنابل LDA Plaza، لاہور میں درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔
- 1- 27 اکتوبر 2023 کو منعقد ہونے والے سالانہ اجلاس عام کی کارروائی کی تصدیق۔
 - 2- مالی سال ختم 30 جون 2024 کی بابت کمپنی کے سالانہ آڈٹ شدہ حسابات بھراہ آن پرنڈائزیکٹران و آڈیٹران کی رپورٹس کی وصولی اور ان کی قبولیت۔
 - 3- اگلے سالانہ اجلاس عام کے اختتام تک عہدہ پر رہنے کیلئے کمپنی کے آڈیٹران کا تقرر اور ان کے صلہ خدمت کا تعین۔
 - 4- صاحب صدر کی اجازت سے کسی دیگر امر پر کارروائی۔

بجٹم بورڈ
کمپنی سیکرٹری

لاہور: 30 ستمبر 2024

نوٹس:

- 1- کمپنی کی حصص کی منتقلی کی کتابیں 22 اکتوبر 2024 تا 28 اکتوبر 2024 (بشمول دونوں ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار آفس ایم ایس کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل، ماڈل ٹاؤن، لاہور میں وصول ہونے والی منتقلیاں (بشمول CDS/Physical) 21 اکتوبر 2024 کو کاروبار بند ہونے تک قابل قبول ہوں گی۔
- 2- اجلاس میں شرکت اور ووٹ دینے کا اہل ممبر پر کسی مقرر کر سکتا ہے۔ پراکسیاں تا آنکہ موثر ہو سکیں، اجلاس کے وقت سے 48 گھنٹے قبل کمپنی کے رجسٹرار آفس (10-جی، مشتاق احمد گرمانی روڈ، گلبرگ-II، لاہور) میں لازماً وصول ہونی چاہئیں اور باقاعدہ ہرزادہ، دستخط شدہ اور گواہ شدہ ہونی چاہئیں۔
- 3- وہ ممبران جن کے نام حصص سنٹرل ڈیپازٹری سسٹم میں ہیں التماس ہے کہ وہ اپنے اصلی شناختی کارڈ یا پاسپورٹ اور سنٹرل ڈیپازٹری سسٹم میں اپنے اکاؤنٹ نمبر اجلاس میں شرکت کیلئے ہمراہ لائیں۔
- 4- ممبران سے التماس ہے کہ اپنے پتہ میں کسی بھی تبدیلی کی صورت میں کمپنی کو مطلع فرمادیں۔
- 5- سالانہ رپورٹ کی تریل

27 اکتوبر 2023 کو منعقدہ ان کی سالانہ جنرل میٹنگ میں کمپنی کے شیئر ہولڈرز کی منظوری کے لحاظ سے اور ایس ای سی پی کے نوٹیفکیشن نمبر SRO 3899(1)/2023 مورخہ 21 مارچ 2023 کے مطابق۔ مالی سال کی سالانہ رپورٹ 30 جون 2024 کو کمپنی کا آڈٹ شدہ مالیاتی بیانات، آڈیٹرز کی رپورٹ، ڈائریکٹرز، اور چیئرمین کی رپورٹس کو درج ذیل QR کوڈ اور ویب لنک کے ذریعے دیکھا اور ڈاؤن لوڈ کیا جاسکتا ہے:

کیو آر کوڈ	ویب لنک
	https://www.kpcl.com.pk/kp/annual_reports.php

سالانہ رپورٹ ان شیئر ہولڈرز کو ای میل کر دی گئی ہے جنہوں نے کمپنی کو اپنا درست ای میل ایڈریس فراہم کیا ہے۔

جو شیئر ہولڈرز سالانہ رپورٹ کی ہارڈ کاپی حاصل کرنا چاہتے ہیں وہ کمپنی سیکرٹری/شیئر رجسٹرار کو معیاری درخواست فارم جو کمپنی کی ویب سائٹ www.kpcl.com.pk پر دستیاب ہے، بھیج سکتے ہیں، اس کے بعد کمپنی درخواست کے ایک ہفتے کے اندر شیئر ہولڈرز کو سالانہ رپورٹ کی مفت ہارڈ کاپی فراہم کرے گی۔

6- فیزیکل حصص کی سی ڈی سی اکاؤنٹ میں تبدیلی

فیزیکل حصص رکھنے والے حصہ داران کو ہدایت کی جاتی ہے کہ کمپنیاں ایکٹ 2017 کے سیکشن 72 کے تحت الیکٹرونک شکل میں تبدیل کروالیں۔

7- ویڈیولنک سہولت کے ذریعے سالانہ اجلاس عام میں شرکت

ایس ای سی پی نے اپنے سرکلر نمبر 4 مورخہ 15 فروری 2021 اور سرکلر نمبر 6 مورخہ 03 مارچ 2021 کے ذریعے لسنڈ کمپنیوں کو ہدایت کی ہے کہ وہ ممبران کی جسمانی حاضری کی اجازت دینے کے علاوہ ویڈیو لنک کی سہولت کے ذریعے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی شرکت کا اہتمام کریں۔ جو ممبران AGM میں شرکت اور حصہ لینے کے خواہشمند ہیں وہ ویڈیولنک کے ذریعے سمارٹ فونز، کمپیوٹرز، ٹیبلٹ

وغیرہ کے ذریعے ایسا کر سکتے ہیں۔ ویڈیولنک کے ذریعے AGM میں شرکت کے لیے ممبران سے درخواست کی جاتی ہے کہ وہ ای میل بھیج کر اپنی درج ذیل تفصیلات رجسٹر کروالیں۔ یا AGM کے وقت سے کم از کم 48 گھنٹے پہلے نیچے دیئے گئے نمبر/پتے پر واٹس ایپ کریں اور <https://zoom.us/download> سے ویڈیولنک ڈاؤن لوڈ کریں۔

نام	فولیو/سی ڈی ایس اکاؤنٹ نمبر	سی این آئی سی نمبر	موبائل نمبر	ای میل

ممبر کے دستخط

ای میل	واٹس ایپ
umer.islam@saigols.com	0321-8561366

درخواستوں کی وصولی پر، ویڈیولنک لاگ ان کی اسناد دلچسپی رکھنے والے شیئر ہولڈرز کے ساتھ ان کے ای میل پتوں یا واٹس ایپ پیغامات پر شیئر کی جائیں گی۔ ممبران میٹنگ کے ایجنڈا آن لائن سے متعلق اپنے تبصرے/مشورے مذکورہ ذرائع سے بھیج سکتے ہیں۔

DIRECTORS' REPORT

The Directors of the Company presented before the shareholders the 33rd Annual Report along with audited Financial Statements of the Company for the year ended June 30, 2024.

During the period under review the company continued to lease its engine to Saritow Spinning Mills Limited. In addition to this, the Company also invested in the equity market and rented its building. As a result, Company earned revenue of Rs. 11.118 million as compared to 17.552 million in the corresponding period last year. The Company suffered loss after taxation of Rs. 15.728 million as compared to loss of Rs. 1.699 million with an EPS of Rs. (1.25) in comparison to Rs. (0.13) in the corresponding period last year. The said increase in loss due to doubtful recovery of sales tax refund.

The management is confident that recovery of stock market would have more positive impact in future on the viability of the Company. The business (renting) of the company have not any impact on the environment and there is no trend and factor affect the future development, performance and position of the company business.

The Boards of Directors of Kohinoor Power Company Limited (KPCL) wish to inform stakeholders that, during Board of Directors' meeting held on September 30, 2024, they have decided to retract the previously granted approval for the proposed amalgamation of KPCL into SSML. This decision follows a thorough review of the current economic conditions and the financial status of SSML, which has ceased production as of February 2024. Given these circumstances, it has been concluded that the anticipated benefits of the merger are no longer achievable. We appreciate the ongoing support of our shareholders and will continue to evaluate strategic options moving forward.

These accounts are prepared on going concern basis as Company's resources are sufficient to meet its obligations. Further, the Company is almost debt free and its assets are available to meet its obligation if any.

The Directors of the company do not recommend any cash dividend/bonus shares to the shareholders as the Company has incurred loss and also has accumulated loss.

The Board of Directors has approved a formal policy for remuneration of Executive and Non-executive Directors, as recommended by the Human Resource and Remuneration Committee. As per policy, the Company will not pay any remuneration to directors except fees for attending the meetings of the Board and its committees.

We are pleased to inform you that as a member of business community, we are in touch with social bodies and authorities to find ways and means to help them in their social programs and projects.

A system of sound internal control is established and prevailing in the Company. The system of internal control is designed in a manner to ensure achievement of Company's business objectives and operational efficiency, reliable financial reporting and compliance with various statutory laws.

COMPOSITION OF BOARD

Composition of the Board of Directors is as under.

TOTAL NUMBER OF DIRECTORS	
Male	6
Female	1
COMPOSITION	
Independent Directors/ Female Director	Syed Haroon Rashid Mrs. Sadaf Kashif
Non-Executive Directors	Mr. M. Naseem Saigol
	Mr. Muhammad Murad Saigol
	Mr. Muhammad Omer Farooq
	Mr. Muhammad Athar Rafiq
Executive Directors	Mr. Muhammad Zeid Yousuf Saigol

COMMITTEE'S

Detail of Committee's of Board is as under.

AUDIT COMMITTEE

Mrs. Sadaf Kashif	Chairperson/Member
Mr. Muhammad Omer Farooq	Member
Mr. Muhammad Athar Rafiq	Member

HR & REMUNERATION COMMITTEE

Mrs. Sadaf Kashif	Chairperson/Member
Mr. M. Naseem Saigol	Member
Mr. Muhammad Zeid Yousuf Saigol	Member

We wish to thank to the shareholders for their support. We are pleased to record our appreciation of the services rendered by the employees of the company and hope that the same spirit of devotion will continue in future.

For and on behalf of the Board

Lahore
September 30, 2024

M. ZEID YOUSUF SAIGOL
Chief Executive

M. MURAD SAIGOL
Director

FORM 20

**THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING**

1.1 Name of the Company

KOHINOOR POWER COMPANY LIMITED

2.1. Pattern of holding of the shares held by the shareholders as at

30-06-2024

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
331	1	100	8,185
260	101	500	83,420
252	501	1,000	207,206
311	1,001	5,000	798,055
73	5,001	10,000	589,721
26	10,001	15,000	341,714
17	15,001	20,000	318,960
16	20,001	25,000	376,269
8	25,001	30,000	230,819
6	30,001	35,000	197,276
2	35,001	40,000	77,000
3	40,001	45,000	127,004
5	45,001	50,000	242,405
1	50,001	55,000	53,500
2	55,001	60,000	113,000
1	60,001	65,000	62,837
2	65,001	70,000	136,000
1	70,001	75,000	75,000
1	75,001	80,000	80,000
2	80,001	85,000	161,500
2	85,001	90,000	177,163
1	130,001	135,000	132,500
1	155,001	160,000	159,519
1	160,001	165,000	160,109
1	275,001	280,000	276,010
1	295,001	300,000	300,000
1	350,001	355,000	352,500
1	420,001	425,000	424,717
1	590,001	595,000	592,011
1	2,830,001	2,835,000	2,835,000
1	2,910,001	2,915,000	2,910,600
1332			12,600,000

KOHINOOR POWER COMPANY LIMITED

Catagories of Shareholding required under Listed Companies (Code of Coprorate Governance) Regulations, 2019
As on June 30, 2024

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties:			
1	KOHINOOR INDUSTRIES LIMITED (CDC)	2,835,000	22.5000
2	PAK ELEKTRON LIMITED (CDC)	2,910,600	23.1000
Mutual Funds:			
1	SAFEWAY MUTUAL FUND LIMITED	945	0.0075
Directors and their Spouse and Minor Chidren:			
1	MR. M. NASEEM SAIGOL	1,312	0.0104
2	MR. MUHAMMED OMER FAROOQUE	525	0.0042
3	MR. MUHAMMAD ZEID YOUSUF SAIGOL	500	0.0040
4	MR. MUHAMMAD MURAD SAIGOL	500	0.0040
5	MRS. SADAF KASHIF	500	0.0040
6	MR. MUHAMMAD ATHAR RAFIQ	500	0.0040
7	SYED HAROON RASHID	500	0.0040
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Institutions, Insurance Companies, Modarabas and Pension Funds:		632,265	5.0180
Shareholders holding five percent or more voting interest in the listed company			
1	KOHINOOR INDUSTRIES LIMITED (CDC)	2,835,000	22.5000
2	PAK ELEKTRON LIMITED (CDC)	2,910,600	23.1000
All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:			

S. No.	NAME	NIL	SALE	PURCHASE
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Categories of Shareholders	No. of Shareholders	Share held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	7	4,337	0.0344
Associated Companies, undertakings and related party	2	5,745,600	45.6000
NIT and ICP	1	200	0.0016
Banks Development Financial Institutions Non Banking Financial Institution	5	13,726	0.1089
Insurance Companies	1	592,011	4.6985
Modarabas and Mutual Funds	1	945	0.0075
General Public	1,296	6,070,153	48.1758
Others (to be specified)			
Pension Funds	1	26,528	0.2105
Other Companies	1	931	0.0074
Joint Stock Companies	13	137,517	1.0914
Foreign Companies	4	8,052	0.0639
	<u>1,332</u>	<u>12,600,000</u>	<u>100.0000</u>

ڈائریکٹرز رپورٹ:

کمپنی کے ڈائریکٹرز نے حصہ داران کے سامنے کمپنی کے (33rd) تینتیسویں سالانہ آڈٹ شدہ مالیاتی نتائج برائے دورانیہ 30 جون 2024 پیش کیے۔

زیر نظر مدت کے دوران کمپنی نے اپنا انجمن ساریٹیو پیسنگ مل لمیٹڈ کو کرائے پر دینا جاری رکھا۔ اس کے علاوہ کمپنی نے Equity مارکیٹ میں سرمایہ لگایا ہے اور اپنی عمارت کرائے پر دی ہے۔ اس کے نتیجے میں کمپنی نے 11.118 ملین کا سرمایہ کمایا ہے جو گزشتہ سال 17.552 ملین روپے تھا۔ کمپنی ٹیکس کی کوئی رقم بعد 15.728 ملین روپے نقصان میں رہی جو گزشتہ سال 1.699 روپے تھا، کے ساتھ فی حصص آمدنی (1.25) کے موازنہ میں (0.13) تھی۔ نقصان میں مذکورہ اضافہ بیلنگس ریفرنڈ کی مشکوک وصولی کی وجہ سے ہوا ہے۔

انتظامیہ پُر امید ہے کہ مستقبل میں اسٹاک مارکیٹ کی بحالی سے کمپنی کے استحکام میں مثبت اثر پڑے گا۔ کمپنی کے کاروبار (کرائے پر دینا) کی وجہ سے ماحول پر کوئی برا اثر نہیں پڑا اور کمپنی کے کاروبار کی مستقبل کی ترقی، کارکردگی اور پوزیشن پر کوئی رجحان اور عنصر متاثر نہیں ہو رہا۔

کوہنور پاور کمپنی لمیٹڈ (KPCL) کے بورڈ آف ڈائریکٹرز اسٹیک ہولڈرز کو مطلع کرنا چاہتے ہیں کہ 30 ستمبر، 2024 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس کے دوران کے پی سی ایل اور ایس ایم ایل کے مجوزہ انضمام / Amalgamation کے لیے پہلے سے دی گئی منظوری کو واپس لینے کا فیصلہ کیا ہے۔ یہ فیصلہ موجودہ معاشی حالات اور ایس ایم ایل کے مالی حالت کا مکمل جائزہ لینے کے بعد کیا گیا ہے جس کی بیدار فروری 2024 کو بندگی جا چکی ہے۔ ان حالات کے پیش نظر یہ نتیجہ اخذ کیا گیا ہے کہ انضمام کے متوقع فوائد اب حاصل نہیں ہو سکتے۔ ہم تمام حصہ داران کے جاری تعاون کو سراہتے ہیں اور آگے بڑھتے ہوئے اسٹریٹجک آپشنز کا جائزہ لیتے رہیں گے۔

یہ حسابات (Going Concern) کی بنیاد پر تیار کیے گئے ہیں۔ کمپنی کے وسائل اپنی ضروریات پوری کرنے کے لیے کافی ہیں۔ مزید برآں کمپنی تقریباً قرض سے پاک ہے اور (اگر ضرورت پڑی تو) اس کے اثاثہ جات اپنی ضروریات پورا کرنے کے لیے کافی ہیں۔

کمپنی کے ڈائریکٹرز نے حصہ داران کو کسی بھی نقد پوزیشن / پوزیشن کی تفصیل کی سفارش نہیں کی کیونکہ کمپنی کو نقصان ہوا ہے اور جمع شدہ نقصان بھی ہے۔

ہیومن ریسورس اینڈ ریمونیشن کمیٹی کی سفارش کے مطابق بورڈ آف ڈائریکٹرز نے ایگزیکٹو اور نائٹ ایگزیکٹو ڈائریکٹرز کے معاوضے کے لیے ایک باضابطہ پالیسی کی منظوری دے دی ہے۔ پالیسی کے مطابق کمپنی ڈائریکٹرز کو بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے فیس کے علاوہ کوئی معاوضہ ادا نہیں کرے گی۔

ہمیں آپ کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ کاروباری برادری کے ایک رکن کے طور پر، ہم سماجی اداروں اور حکام کے ساتھ رابطے میں ہیں تاکہ ان کے سماجی پروگراموں اور منصوبوں میں ان کی مدد کرنے کے طریقے اور ذرائع تلاش کریں۔

کمپنی میں مضبوط اندرونی کنٹرول کا ایک نظام قائم اور غالب ہے۔ اندرونی کنٹرول کا نظام کمپنی کے کاروباری مقاصد کے حصول اور آپریشنل کارکردگی، قابل اعتماد مالیاتی رپورٹنگ اور مختلف قانونی قوانین کی تعمیل کو یقینی بنانے کے لیے ڈیزائن کیا گیا ہے۔

بورڈ کی ساخت

بورڈ آف ڈائریکٹرز کی ساخت درج ذیل ہے۔

کل ڈائریکٹرز کی تعداد	
مرد	6
عورت	1
ساخت	
آزاد ڈائریکٹر	سید ہارون رشید
آزاد ڈائریکٹر / فیملی ڈائریکٹر	محترمہ مصدقہ کاشف
نان ایگزیکٹو ڈائریکٹرز	جناب محمد نسیم سہگل
	جناب محمد مراد سہگل
	جناب محمد اطہر رفیق
	جناب محمد عمر فاروق
ایگزیکٹو ڈائریکٹرز	جناب محمد زید یوسف سہگل

کمپنی کی

بورڈ کی تشکیل درج ذیل ہے۔

آڈٹ کمیٹی

محترمہ مصدقہ کاشف

جناب محمد عمر فاروق

جناب محمد اطہر رفیق

ایچ آر اینڈ ریسرچ کمیٹی

محترمہ مصدقہ کاشف

جناب محمد نسیم سہگل

جناب محمد زید یوسف سہگل

ہم تمام حصہ داران کے بھرپور تعاون کے تبادلے سے مشکور ہیں۔ ہم یہ اعلان کرتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی اپنے ملازمین کو سراہتے ہوئے یہ امید کرتی ہے کہ وہ اسی انداز میں آئندہ بھی اپنے فرائض سرانجام دیتے رہیں گے۔

مخائبہ و برائے بورڈ:

محمد زید یوسف سہگل

چیف ایگزیکٹو

محمد مراد سہگل

ڈائریکٹر

لاہور

30 ستمبر، 2024

پیٹرن آف شیئر ہولڈنگ

30 جون 2024

نمبر شمار	کیٹگری آف شیئر ہولڈرز	تعداد حصص داران	تعداد حصص	فیصد
1	ڈائریکٹرز، چیف ایگزیکٹو آفیسر، ان کی بیویاں اور چھوٹے بچے۔	7	4,337	0.0344
2	ایسوسی ایٹڈ کمپنیز، انڈر ٹیکرز اور متعلقہ پارٹی۔	2	5,745,600	45.6000
3	این آئی ٹی اور آئی سی پی	1	200	0.0016
4	بینک، ڈیپوٹمنٹ فنانس انسٹی ٹیوشنز، نان بینکنگ فنانس انسٹی ٹیوشنز	5	13,726	0.1089
5	انشورنس کمپنیز	1	592,011	4.6985
6	مدار بہ اور میوچل فنڈز	1	495	0.0075
7	عام عوام	1,296	6,070,153	48.1758
8	دوسرے (مخصوص کیا جائے گا)			
	بینشن فنڈز	1	26,528	0.2105
	دوسری کمپنیز	1	931	0.0074
	جو انٹ سٹاک کمپنیز	13	137,517	1.0914
	غیر ملکی کمپنیز	4	8,052	0.0639
	کل تعداد	1,332	12,600,000	100.0000

تعداد حصص

5,745,600

945

4,337

-

-

632,265

5,745,600

ایسوسی ایٹڈ کمپنیز، انڈر ٹیکرز اور متعلقہ پارٹی۔

میوچل فنڈز

ڈائریکٹرز، چیف ایگزیکٹو آفیسر، ان کی بیویاں اور چھوٹے بچے۔

ایگزیکٹوز

پبلک سیکورٹیز اور کارپوریشنز

بینک، ڈیپوٹمنٹ فنانس انسٹی ٹیوشنز، نان بینکنگ فنانس انسٹی ٹیوشنز، انشورنس کمپنیز، مدار بہ اور بینشن فنڈز

پانچ فیصد یا اس سے زیادہ کے حصص داران

لسٹڈ کمپنیز میں ڈائریکٹرز، سی ای ایف او، کمپنی سیکرٹری، ان کی بیویاں اور چھوٹے بچوں کے حصص کی خرید و فروخت

نمبر شمار	نام	فروخت	خرید
		کوئی نہیں	

CHAIRMAN'S REVIEW

For the year ended June 30, 2024

It gives me great pleasure to present the Annual Report for the year ended June 30, 2024 to our valued members and stakeholders and to apprise them of the overall performance and effectiveness of the Board.

The Board of Directors of Kohinoor Power Company Limited is performing its duties in accordance with law and in the best interest of the Company and its shareholders as required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of the Company is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2024, the Board's overall performance and effectiveness has been assessed as satisfactory. This is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management.

I am grateful to our shareholders who show their trust by investing in us and our customers who recognize us as their business partner. I am also appreciative of the many contributions of my fellow Board members and their dedication to the success of the Company. We remain committed to maintaining this trust in years to come with stellar financial performance.

Chairman of the Board

M. Naseem Saigol

Chairman

September 30, 2024

چیرمین جائزہ رپورٹ:

برائے سال 30 جون، 2024

میں 30 جون، 2024 کو ختم ہونے والے سال کی سالانہ رپورٹ اپنے قابل قدر ممبران اور اسٹیک ہولڈرز کے سامنے پیش کرنے اور بورڈ کی مجموعی کارکردگی اور تاثیر سے آگاہ کرنے میں بڑی خوشی محسوس کر رہا ہوں۔

کوہ نور پاور کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز اپنے فرائض قانون کے مطابق انجام دے رہے ہیں اور کوڈ آف کارپوریٹ گورننس کے تحت کمپنی اور اس کے شیئر ہولڈرز کے بہترین مفاد میں کمپنی کے بورڈ آف ڈائریکٹرز کا سالانہ جائزہ لیا جاتا ہے۔ اس تشخیص کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کو کمپنی کے لیے طے شدہ مقاصد کے تناظر میں توقعات کے خلاف پیمائش اور بیچ مارک کیا جائے۔

30 جون، 2024 کو ختم ہونے والے مالی سال کے لیے، بورڈ کی مجموعی کارکردگی اور تاثیر کا اندازہ اطمینان بخش رہا ہے۔ یہ لازمی اجزاء کی تشخیص پر مبنی ہے بشمول وژن، مشن اور اقدار، اسٹریٹجک منصوبہ بندی میں مشغولیت، پالیسیوں کی تشکیل، کمپنی کی کاروباری سرگرمیوں کی نگرانی، مالی وسائل کے انتظام کی نگرانی۔

میں، ہمارے شیئر ہولڈرز کا شکر گزار ہوں جو ہم میں سرمایہ کاری کر کے اور اپنے صارفین کو جو ہمیں اپنے بزنس پارٹنر کے طور پر، اپنے اعتماد کا اظہار کرتے ہیں۔ میں اپنے ساتھی بورڈ ممبرز کی خدمات اور کمپنی کی کامیابی کے لیے ان کی لگن کا بھی شکر گزار ہوں۔ ہم شاندار مالی کارکردگی کے ساتھ آنے والے سالوں میں اس اعتماد کو برقرار رکھنے کے لیے پُر عزم ہیں۔

ایم نسیم سہگل

چیرمین

30 ستمبر 2024

STATEMENT IN COMPLIANCE OF THE CODE OF CORPORATE GOVERNANCE

The Directors state that: -

- a) The Financial Statements, prepared by the management, present a true and fair state of affairs of the company, the results of its operations, cash flows and changes in equity.
- b) Proper books of accounts have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Pakistan, have been followed in preparation of Financial Statements.
- e) The system of internal control is sound in design and has been effectively implemented and maintained at all levels within the Company.
- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- h) Significant deviation from last year in operating results of the Company and reasons thereof have been explained.
- i) The Key Operating and Financial Data of last six years are annexed.
- j) There are no outstanding statutory payments on account of taxes, duties, levies and charges except as shown in notes to the accounts.
- k) There are no significant plans for corporate restructuring, business expansion and discontinuation of operations except for improvement in the normal business activities to increase the business.
- l) The Company is operating an unfunded Gratuity Fund which was not invested and was retained for business of the Company.
- m) Directors' Meetings of the Board of Directors of the Company during the year under review were held on September 28, 2023, October 27, 2023, February 28, 2024 and April 29, 2024.

Following was the attendance of the Directors: -

<u>NAME OF DIRECTORS</u>	<u>NO. OF MEETINGS ATTENDED</u>
Mr. M. Naseem Saigol	3
Mr. Muhammad Zeid Yousuf Saigol	3
Mr. Muhammad Murad Saigol	4
Mr. Muhammad Omer Farooq	4
Mrs. Sadaf Kashif	4
Syed Haroon Rashid	4
Mr. Muhammad Athar Rafiq	4

- n) During the period under review no Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor children sell, buy or take any position in the shares of the Company except as mentioned in Categories of Shareholding required under Code of Corporate Governance.

Pattern of Shareholding

A statement showing pattern of shareholding as on June 30, 2024 is annexed.

Acknowledgment

The Directors of your company take this opportunity to thank the entire stakeholders for their continued support. Your directors also placed on record their appreciation for the contribution made by the employees at all levels.

For and on behalf of the Board

Lahore
September 30, 2024

M. ZEID YOUSUF SAIGOL
Chief Executive Officer

**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

Name of company: **KOHINOOR POWER COMPANY LIMITED**

Year ending: **JUNE 30, 2024**

The company has complied with the requirements of the Regulations in the following manner: -

1. The total number of directors are Seven as per the following:

- a) Male: **Six**
- b) Female: **One**

2. The composition of board is as follows:

Category	Names
Independent Directors/ Female Director	Syed Haroon Rashid
	Mrs. Sadaf Kashif
Non-Executive Directors	Mr. M. Naseem Saigol
	Mr. Muhammad Murad Saigol
	Mr. Muhammad Athar Rafiq
	Mr. Muhammad Omer Farooq
Executive Directors	Mr. Muhammad Zeid Yousuf Saigol

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
- 4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
- 7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
- 8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- 9. In terms of the requirement of the clause 19 of the CCG Regulations, we confirm that Six directors have completed the Directors Training Program (DTP) and one director is exempt from the DTP;

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below. -
 - a) **Audit Committee:**
 1. Mrs. Sadaf Kashif
 2. Mr. Muhammad Omer Farooq
 3. Mr. Muhammad Athar Rafiq
 - b) **HR and Remuneration Committee:**
 1. Mrs. Sadaf Kashif
 2. Mr. M. Naseem Saigol
 3. Mr. Muhammad Zeid Yousuf Saigol
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following, -
 - a) **Audit Committee:**
 1. September 28, 2023
 2. October 27, 2023
 3. February 28, 2024
 4. April 29, 2024
 - b) **HR and Remuneration Committee:**
 1. September 28, 2023
15. The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than Regulations 3, 6, 7, 8, 27, 32, 33 and 36 are appended below.

Chief Executive

Director

EXPLANATION FOR NON-COMPLIANCE OF NON-MANDATORY Requirements of the Code of Corporate Governance, 2019 (“CCG”)

Sr.#	Requirement	Explanation of Non-Compliance	Regulation Number
1	Disclosure of significant policies on website The company may post key elements of its significant policies, brief synopsis of reference of the Board Committees on its website and key elements of the directors’ remuneration policy	The requirement to disclose significant policies on the website is non-mandatory in regulation No. 35(1), and thus the Company has uploaded limited information in this respect on its website. The Company is, however, considering placing key elements and synopsis of other policies on its website.	35
2	The Board constitute the anti-harassment policy to safeguard the rights and well-being of employees	Currently, the Board has not constituted an anti-harassment policy and the functions are being performed by the Human Resource department according to the company’s Grievance Policy.	10
3	As per CCG 2019 "10A.- Role of the Board and its members to address Sustainability Risks and Opportunities	The board will take appropriate measures to proactively understand and address the principal as well as emerging sustainability risks and opportunities relevant to the company and its business, including climate-related risks and opportunities, assess their potential financial and operational impacts and implement strategies for management and mitigation thereof	10

SIX YEARS AT A GLANCE

(Rupees in '000)

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19
<u>Financial Position</u>						
Paid up capital	126,000	126,000	126,000	126,000	126,000	126,000
Reserves	269,500	269,500	269,500	269,500	269,500	269,500
Fixed asset at cost	324,326	324,326	324,326	324,326	324,326	324,326
Accumulated Depericiation	249,763	244,734	239,723	234,923	230,025	223,117
Investment Property	2,642	2,935	3,261	3,624	4,026	4,474
Current Assets	37,700	47,231	42,014	40,221	38,665	43,804
Current Liabilities	3,713	2,804	1,260	1,391	1,264	1,634
<u>Income</u>						
Sales / Revenue	11,118	17,552	17,453	17,114	16,605	15,430
Other Income	1,558	1,154	236	1,229	286	862
Other Operating Expenses	3,038	4,724	2,417	4,472	4,836	8,121
Gross Profit	3,271	2,241	2,724	2,275	709	(1,485)
Pre tax profit / (Loss)	(15,628)	(1,874)	(3,453)	(2,001)	(12,289)	(13,908)
Taxation	39	174	215	(169)	(80)	(253)
Profit / (Loss) after taxation	1,401	(1,664)	(3,238)	(2,170)	(12,369)	(14,161)
Unappropriated profit / (Loss)	(284,309)	(268,546)	(266,881)	(263,643)	(261,487)	(249,092)
<u>STATISTICS AND RATIOS</u>						
Gross profit to sales %	29.42%	12.77%	15.61%	13.29%	4.27%	(9.62)%
Pre tax profit / (Loss) to capital %	2.60%	(1.32)%	(2.74)%	(1.58)%	(9.75)%	(11.04)%
Current ratio	10.14	16.58	33.35	28.92	30.59	26.81
Paid up value per share (Rs.)	10	10	10	10	10	10
Earning after tax per share (Rs.)	(1.25)	(0.13)	(0.26)	(0.17)	(0.98)	(1.12)
Cash dividend %	-	-	-	-	-	-

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of KOHINOOR POWER COMPANY LIMITED

**Review Report on the Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 [‘the Regulations’] prepared by the Board of Directors of **KOHINOOR POWER COMPANY LIMITED** [‘the Company’] for the year ended **30 June 2024** in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company’s compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company’s personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors’ statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company’s corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company’s compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended **30 June 2024**.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ

Chartered Accountants

Lahore | 30 September 2024

UDIN: CR202410704JS7RdGwhf

INDEPENDENT AUDITOR'S REPORT

To the members of KOHINOOR POWER COMPANY LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **KOHINOOR POWER COMPANY LIMITED** ['the Company'], which comprise the statement of financial position as at **30 June 2024**, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ['ISAs'] as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan ['the Code'] and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to note 2.2 to these interim financial statements which explains that the Company derives majority of its revenue from leasing out of its machinery to Saritow Spinning Mills Limited ['SSML'], a related party. SSML is grappling with considerable losses amid depressed yarn prices, which have led to a challenging liquidity situation. As a result, SSML is unable to fully leverage its production capacity, resulting in only partial utilization of its production capacity during the reporting period. The Board of Directors of SSML in its meeting held on 28 February 2024 resolved to close its production facility which remained closed as at the reporting date. Given the Company's reliance on leasing of machinery to SSML for revenue, its financial situation may also be impacted by SSML's challenges and consequently, the Company may not be able to operate profitably. These factors indicate existence of a material uncertainty that raises doubts about the Company's ability to continue as a going concern and that the Company may not be able to discharge its liabilities and realize its assets in normal course of business. However, the annexed financial statements have been prepared on going concern basis for reasons explained in note 2.2. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to report.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **ALI RAZA JAFFERY**.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Lahore | 30 September 2024

UDIN: AR202410704XjFoaOPsk

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
<i>Authorized share capital</i>	7	200,000,000	200,000,000
Issued share capital	8	126,000,000	126,000,000
Share premium	9	34,000,000	34,000,000
General reserve	10	235,500,000	235,500,000
Accumulated losses		(284,309,387)	(268,581,241)
TOTAL EQUITY		111,190,613	126,918,759
NON-CURRENT LIABILITIES		-	-
CURRENT LIABILITIES			
Creditors, accrued and other liabilities	11	3,181,565	2,277,809
Unclaimed dividend	12	527,881	527,881
Current taxation		3,912	42,552
		3,713,358	2,848,242
TOTAL LIABILITIES		3,713,358	2,848,242
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		114,903,971	129,767,001

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	14	74,562,257	79,591,835
Investment property	15	2,641,780	2,935,311
		77,204,037	82,527,146
CURRENT ASSETS			
Stores and spares	16	899,995	950,077
Lease rentals receivable	17	15,023,925	12,090,198
Advances, prepayments and other receivables	18	6,804,591	22,415,125
Short term investments	19	362,805	327,055
Income tax refundable		4,961,599	4,963,099
Cash and bank balances	20	9,647,019	6,494,301
		37,699,934	47,239,855
TOTAL ASSETS		114,903,971	129,767,001

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2024**

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
Rental income	21	11,118,458	17,552,496
Direct cost	22	(7,847,025)	(15,311,287)
Gross profit		3,271,433	2,241,209
Administrative expenses	23	(3,038,494)	(4,724,468)
Other expenses	24	(17,418,617)	(543,753)
		(20,457,111)	(5,268,221)
Other income	25	1,557,873	1,154,132
Operating loss		(15,627,805)	(1,872,880)
Finance cost		-	(1,230)
Loss before statutory levies and taxation		(15,627,805)	(1,874,110)
Provision for statutory levies	26	(138,981)	216,665
Loss before taxation		(15,766,786)	(1,657,445)
Provision for income taxes	27	38,640	(42,552)
Loss after taxation		(15,728,146)	(1,699,997)
Loss per share - basic and diluted	28	(1.25)	(0.13)

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Loss after taxation	(15,728,146)	(1,699,997)
Other comprehensive income	-	-
Total comprehensive loss	(15,728,146)	(1,699,997)

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	Share capital		Capital reserves		Accumulated losses	Total equity
	Issued share capital	Share premium	General reserve			
	Rupees	Rupees	Rupees	Rupees		
As at 01 July 2022	126,000,000	34,000,000	235,500,000	(266,881,244)		128,618,756
Comprehensive loss						
Loss after taxation	-	-	-	(1,699,997)		(1,699,997)
Other comprehensive income	-	-	-	-		-
Total comprehensive loss	-	-	-	(1,699,997)		(1,699,997)
Transaction with owners	-	-	-	-		-
As at 30 June 2023	126,000,000	34,000,000	235,500,000	(268,581,241)		126,918,759
As at 01 July 2023	126,000,000	34,000,000	235,500,000	(268,581,241)		126,918,759
Comprehensive loss						
Loss after taxation	-	-	-	(15,728,146)		(15,728,146)
Other comprehensive income	-	-	-	-		-
Total comprehensive loss	-	-	-	(15,728,146)		(15,728,146)
Transaction with owners	-	-	-	-		-
As at 30 June 2024	126,000,000	34,000,000	235,500,000	(284,309,387)		111,190,613

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	29	4,427,896	1,122,709
Payments for:			
Taxes under Income Tax Ordinance, 2001		(1,301,258)	(982,896)
Employees retirement benefits		-	-
Net cash generated from operating activities		3,126,638	139,813
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of short term investments		(1,781,960)	(15,917,222)
Proceeds from disposal of short term investments		1,808,040	17,746,395
Net cash used in investing activities		26,080	1,829,173
CASH FLOW FROM FINANCING ACTIVITIES			
		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		3,152,718	1,968,986
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR		6,494,301	4,525,315
CASH AND CASH EQUIVALENTS AS AT END OF THE YEAR	<i>30</i>	9,647,019	6,494,301

The annexed notes from 1 to 44 form an integral part of these financial statements.

Director

Chief Financial Officer

Chief Executive

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

1 LEGAL STATUS AND OPERATIONS

Kohinoor Power Company Limited [‘the Company’] was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on 08 December 1991. The Company is a Public Limited Company listed on Pakistan Stock Exchange Limited. Its shares are listed on the Pakistan Stock Exchange Limited. The Company was initially engaged in generation and sale of electric power. Subsequently, the Company amended its memorandum of association to include in its objects, leasing out of its machinery and buildings under operating lease arrangements, as and when considered fit.

1.1 Location of business units

Registered Office	17 Aziz Avenue, Canal Bank, Gulberg V, Lahore, Pakistan
Properties leased out	College Road, Madina Town, Faisalabad, Pakistan

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards [‘IFRS’] issued by the International Accounting Standards Board [‘IASB’] as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards [‘IFAS’] issued by Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Appropriateness of the going concern assumption

The Company derives majority of its revenue from leasing out of its machinery to Saritow Spinning Mills Limited [‘SSML’], a related party. SSML is grappling with considerable losses amid depressed yarn prices, which have led to a challenging liquidity situation. As a result, SSML is unable to fully leverage its production capacity, resulting in only partial utilization of its production capacity during the reporting period. The Board of Directors of SSML in its meeting held on 28 February 2024 resolved to close its production facility which remained closed as at the reporting date. Given the Company’s reliance on leasing of machinery to SSML for revenue, its financial situation may also be impacted by SSML’s challenges and consequently, the Company may not be able to operate profitably. These factors indicate existence of a material uncertainty that raises doubts about the Company’s ability to continue as a going concern and that the Company may not be able to discharge its liabilities and realize its assets in normal course of business. However, these financial statements have been prepared on going concern basis based on the following:

- The bulk of the cost of sales stems from maintaining and operating machinery leased out to SSML. Following the halting of SSML’s operations, the cost of sales has notably decreased, as expenses for maintaining and operating the leased machinery have substantially ceased. The revenue stream from other sources is expected to cover the company’s administrative expenses, ensuring profitability in the event that SSML is unable to continue as a going concern.
- The Company has no significant liabilities that might necessitate forced liquidation of its assets. The company has positive equity and has Cash to Total Liabilities ratio of 2.6 times as at the reporting date.

2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis as at the reporting date.

Items	Measurement basis
Financial liabilities	Amortized cost
Financial assets	Fair value/amortized cost
Machinery	Revalued amounts

2.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.4.1 Critical accounting judgements

Judgments made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follows:

(a) Business model assessment (see note 34.1)

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company determines the business model at a level that reflects how financial assets are managed to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the year.

(b) Significant increase in credit risk (see note 35.1.1)

As explained in note 35.1.1, expected credit losses ['ECL'] are measured, based on the Company's risk grading framework, as an allowance equal to 12-month/lifetime ECL for 'performing' assets, or lifetime ECL for assets categorized as 'doubtful' or 'in default'. An asset is categorized as 'doubtful' when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

2.4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

(a) Deferred tax on temporary differences in non-tax/levy regime

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The Company is subject to non-tax/levy regime whereby taxes under Income Tax Ordinance, 2001 are levied on turnover or other basis and are not based on taxable profits. Significant management judgement is required to determine whether the Company is expected to be assessed in non-tax/levy regime for the foreseeable future, and the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Company has net deferred tax asset of Rs. 14.52 million (30-Jun-23: Rs. 10.25 million) as at the reporting date. However, the Company has not recognised deferred tax as the Company is subject to and expects to remain in non-tax/levy regime for the foreseeable future.

If the Company was able to recognize all unrecognized deferred tax, deferred tax asset and equity as at the reporting date would have decreased by Rs. 4.27 million (30-Jun-23: Rs. 0.285 million) and Rs. 14.516 million (30-Jun-23: Rs. 10.246 million) respectively.

(b) Calculation of impairment allowance for expected credit losses on financial assets (see note 35.1.3)

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset. Estimating expected credit losses and changes there in requires taking into account qualitative and quantitative forward looking information. When measuring expected credit losses on financial assets the Company uses reasonable and supportable forward looking information as well as historical data to calculate the difference between the contractual cash flows due and those that the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements, if any. Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. If the ECL rates on financial assets carried at amortized cost were higher (lower) by 10%, the loss allowance on those assets would have been higher (lower) by Rs. 1.498 million (30-Jun-23: Rs. 1.224 million).

(c) Provisions for levies and income taxes under Income Tax Ordinance, 2001 (see note 26 and 27)

The Company takes into account the current income tax law and decisions taken by appellate and other relevant legal forums while estimating its provisions for income taxes, levies and tax contingencies under the Income Tax Ordinance, 2001 [the Ordinance].

The provision for current tax and levies under the Ordinance are estimated at Rs. 3,912 (30-Jun-23: Rs. 42,552) and Rs. 138,981 (30-Jun-23: Rs. 216,665) respectively. The management believes that the provision for current tax and levies made in the financial statements is sufficient to discharge related liabilities under the Ordinance.

(d) Revaluation of machinery (see note 14)

Revaluation of machinery is carried out by independent professional valuers, Medallion Services (Private) Limited. Revalued amounts are determined by using cost approach that reflects the cost to the market participants to construct or acquire machinery of comparable utility and age, adjusted for obsolescence and depreciation. Significant inputs include estimated construction/acquisition costs and other ancillary expenditure.

A 5% increase in estimated construction/acquisition cost of machinery and other ancillary expenditure would result in a significant increase in fair value of land and building by Rs. 3.7 million (30-Jun-23: Rs. 3.945 million).

(e) Fair value of investment property (see note 15).

Fair value of investment property has been determined by independent professional valuers, Medallion Services (Private) Limited, by reference to local market values taking into account prevailing fair market prices under the position and circumstances present on the date of valuation and current market scenario for properties of similar nature in the immediate neighbourhood and adjoining areas. Building is valued using cost approach that reflects the cost to the market participants to construct assets of comparable utility and age, adjusted for obsolescence and depreciation. Significant inputs include estimated construction costs and other ancillary expenditure.

A 5% increase in estimated construction cost of buildings and other ancillary expenditure would result in a significant increase in fair value of land and building by Rs. 0.827 million (30-Jun-23: Rs. 0.827 million).

(f) Valuation of stores and spares (see note 16).

Valuation of stores and spares has been carried out by independent professional valuers, Medallion Services (Private) Limited. Fair values are determined by using cost approach that reflects the cost to the market participants to acquire stores and spares of comparable utility and age, adjusted for obsolescence and impairment. Significant inputs include estimated acquisition costs and other ancillary expenditure.

A 5% increase in estimated construction/acquisition cost and other ancillary expenditure would result in a significant increase in fair value of land and building by Rs. 45,000 (30-Jun-23: Rs. 47,504).

2.5 Functional currency

These financial statements have been prepared in Pak Rupees which is the Company's functional currency. The amounts reported in these financial statements have been rounded to the nearest Rupees unless specified otherwise.

2.6 Date of authorization for issue

These financial statements were authorized for issue on 30 September 2024 by the Board of Directors of the Company.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR.

The following new and revised standards, interpretations and amendments are effective in the current period but are either not relevant to the Company or their application does not have any material impact on the interim financial statements of the Company other than presentation and disclosures, except as stated otherwise.

3.1 Disclosure of Accounting Policies (Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2 - Making Materiality Judgements)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

3.2 Definition of Accounting Estimates (Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

3.3 International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12 - Income Taxes)

The amendments align the standard's requirements with similar amendments to IAS 12 Income Taxes issued in May 2023

3.4 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information	01 January 2024
IFRS S2 - Climate-related Disclosures	01 January 2024
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 - Presentation of Financial Statements).	01 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 - Leases)	01 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1 - Presentation of Financial Statements)	01 January 2024
Supplier Finance Arrangements (Amendments to IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments : Disclosures)	01 January 2024
IFRS 17 - Insurance Contracts	01 January 2026

Other than afore-mentioned standards, interpretations and amendments, IASB has also issued IFRS 1 - First Time Adoption of International Financial Reporting Standards which has not been notified by the Securities and Exchange Commission of Pakistan.

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will not have a material impact on the Company's financial statements other than in presentation/disclosures.

5 CHANGE IN ACCOUNTING POLICY

The Institute of Chartered Accountants of Pakistan vide Circular 07 of 2024 dated 15 May 2024 has issued Application Guidance on Accounting of Minimum Taxes and Final Taxes [‘the Application Guidance’] under IAS 12, IAS 37 and IFRIC21. The Application Guidance provides guidance on accounting of minimum and final taxes, charged under various provision of the Income Tax Ordinance, 2001 [‘the Ordinance’] and provides appropriate approaches to account for minimum taxes and final taxes in compliance with the requirements of under the requirements of relevant accounting and reporting standards.

The Application guidance addresses scenarios where an entity is subject to non-tax/levy regime whereby taxes under Ordinance are levied on turnover or other basis and are not based on taxable profits. The Application Guidance provides that since minimum taxes and final taxes are computed on basis other than taxable profits, these fall under the definition of levy within the scope of IFRIC21/IAS 37 and thus shall be recognized as ‘levies’ against the previous practice of recognition as ‘current tax’ under IAS 12.

In order to implement the Application Guidance, the Company has changed its accounting policy for ‘income taxes’, following the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in respect of restatements arising as a result thereof. Following the change in accounting policy:

- Any component of taxes assessed under the Ordinance which are computed on basis other than taxable profits are recognized as ‘levies’ while taxes based on taxable profits continue to be recognized as ‘current tax’.
- Previously recognized/unrecognized deferred taxes have been reassessed and necessary adjustments have been made to align with the effective rate of current tax under the new accounting policy.
- Assets/liabilities related to levies and previously included in current tax assets/liabilities have been reclassified.

The amount of adjustment for each financial statement line item affected and on earnings per share of the Company is as follows:

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Income tax payable	(138,981)	(1,500)
Statutory levies payable	138,981	1,500
Advance income tax	(1,301,258)	-
Prepaid statutory levies	1,301,258	-
	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Provision for current taxation	138,981	1,500
Provision for statutory levies	(138,981)	(1,500)
Earnings per share	-	-

6 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

6.1 Financial instruments

6.1.1 Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the instrument.

6.1.2 Classification

The Company classifies its financial assets on the basis of the Company’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial liabilities are classified in accordance with the substance of contractual provisions. The Company determines the classification of its financial instruments at initial recognition as follows:

(a) Financial assets at amortized cost

These are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income

These are:

- (i) financial assets held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- (ii) investments in equity instruments, that are not held for trading nor contingent consideration recognized by the Company as acquirer in a business combination, for which the Company makes an irrevocable election at initial recognition to present changes in fair value on subsequent measurement in other comprehensive income.

(c) Financial assets at fair value through profit or loss

These are financial assets which have not been classified as 'financial assets at amortized cost' or as 'financial assets at fair value through other comprehensive income', are mandatorily measured at fair value through profit or loss or for which the Company makes an irrevocable election at initial recognition to designate as 'financial asset at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

(d) Financial liabilities at amortized cost

These are financial liabilities which are not derivatives, financial guarantee contracts, commitments to provide loans at below-market interest rate, contingent consideration payable to an acquirer in a business combination or financial liabilities that arise when transfer of a financial asset does not qualify for derecognition.

(e) Financial liabilities at fair value through profit or loss

These are financial liabilities which have not been classified as 'financial liabilities at amortized cost' or for which the Company makes an irrevocable election at initial recognition to designate as 'financial liabilities at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

6.1.3 Measurement

The particular measurement methods adopted are disclosed in individual policy statements associated with each financial instrument.

6.1.4 Derecognition

A financial asset is derecognized when the Company's contractual rights to the cash flows from the financial assets expire or when the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the financial asset. A financial liability is derecognized when the Company's obligations specified in the contract expire or are discharged or cancelled.

6.1.5 Off-setting

A financial asset and financial liability is offset and the net amount reported in the statement of financial position if the Company has legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.1.6 Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

6.2 Ordinary share capital

Ordinary share capital is recognized as equity. Transaction costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

6.3 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in the profit or loss over the period of the borrowings on an effective interest basis.

6.4 Trade and other payables

6.4.1 Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

6.4.2 Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

6.5 Provisions and contingencies

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where outflow of resources embodying economic benefits is not probable, or where a reliable estimate of the amount of obligation cannot be made, a contingent liability is disclosed, unless the possibility of outflow is remote.

6.6 Plant and equipment

Machinery held for use in the production or supply of goods or services or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such machinery is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized as an expense in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land, buildings and plant and machinery is recognized as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

All other items of property, plant and equipment (furniture and fixtures, office equipment and vehicles) are stated in the statement of financial position at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized in profit or loss, using rates specified in note 14, so as to write off the cost of assets (other than freehold land and assets under construction) over their useful lives, using the reducing balance method. Depreciation commences from the month in which the item is ready for intended use and is discontinued from the month in which the asset is disposed or classified as held for disposal.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Incremental depreciation being the difference between depreciation based on the revalued amounts recognized in profit or loss and depreciation based on the historical cost, net of tax, is reclassified from the revaluation reserve to retained earnings. On the subsequent disposal or retirement of a revalued asset, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of such items is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

6.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction to earn rentals and/or for capital appreciation are carried at cost, less any recognized impairment loss. Cost includes the cost of material, labour and appropriate overheads directly relating to the construction of the property and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Depreciation of these properties, determined on the same basis as other properties of the same class, commences when the properties are ready for their intended use.

Depreciation is recognized in profit or loss, using rates specified in note 15, so as to write off the cost of properties (other than freehold land and properties under construction) over their useful lives, using the reducing balance method. Depreciation commences from the month in which the property is ready for intended use and is discontinued from the month in which the property is disposed or classified as held for disposal.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss in the period in which the property is derecognised.

6.8 Stores and spares

These are generally held for internal use and are valued at cost. Cost is determined on the basis of moving average except for items in transit, which are valued at invoice price plus related cost incurred up to the reporting date. For items which are considered obsolete, the carrying amount is written down to nil. Spare parts held exclusively for capitalization are classified as plant and equipment.

6.9 Receivables**6.9.1 Financial assets**

These are classified as 'financial assets at amortized cost'. On initial recognition, these are measured at fair value at the date of transaction, plus attributable transaction costs, except for lease rentals receivable that do not have a significant financing component, which are measured at undiscounted invoice price. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

6.9.2 Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

6.10 Investments in listed equity securities

Investments in listed equity securities held for trading are classified as 'financial assets at fair value through profit or loss'. On initial recognition, these are measured at fair value on the date of acquisition. Subsequent to initial recognition, these are measured at fair value. Changes in fair value are recognized in profit or loss. Gains and losses on de-recognition are recognized in profit or loss. Dividend income is recognized in profit or loss when right to receive payment is established.

6.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at banks. Interest income on cash and cash equivalents is recognized using effective interest method.

6.12 Leases as 'lessor'

The Company enters into operating lease agreements as a lessor with respect to its machinery and investment property. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

6.13 Employee benefits

6.13.1 Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the accounting and reporting standards as applicable in Pakistan. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

6.13.2 Post-employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its employees who have completed the minimum qualifying service period. Liability is adjusted on each reporting date to cover the obligation and the adjustment is charged to income statement with the exception of remeasurements which are recognized in other comprehensive income. The amount recognized on statement of financial position represents the present value of defined benefit obligation.

6.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as incurred.

6.15 Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in other comprehensive income.

6.15.1 Current taxation

Current tax is the amount of tax payable on taxable income for the year and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

6.15.2 Deferred taxation

Deferred tax is accounted for by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized.

6.16 Impairment

6.16.1 Financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset.

Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to twelve months' expected credit losses, with the exception of lease rentals receivable, for which the Company recognizes lifetime expected credit losses estimated using internal credit risk grading based on the Company's historical credit loss experience, adjusted for factors that are specific to receivables, general economic conditions, and an assessment for both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in profit or

6.16.2 Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used in determining the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

6.17 Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the Company using exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at exchange rate prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at exchange rate prevailing at the date the fair value is determined. Non-monetary assets and liabilities denominated in foreign currency that are measured at historical cost are translated to functional currency at exchange rate prevailing at the date of initial recognition. Any gain or loss arising on translation of foreign currency transactions and balances is recognized in profit or loss.

6.18 Earnings per share ['EPS']

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

6.19 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income ['OCI']. OCI comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by accounting and reporting standards as applicable in Pakistan, and is presented in 'statement of comprehensive income'.

6.20 Segment reporting

Segment reporting is based on the operating segments that are reported in the manner consistent with internal reporting of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Company is a single operating segment based on internal reporting to the Chief Executive Officer of the Company.

6.21 Fair value measurements

'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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

6.22 Dividend distribution to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability, to the extent it is unclaimed/unpaid, in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

7 AUTHORIZED SHARE CAPITAL

30-Jun-24	30-Jun-23		30-Jun-24	30-Jun-23
No. of shares	No. of shares		Rupees	Rupees
20,000,000	20,000,000	Ordinary shares of Rs. 10 each	200,000,000	200,000,000
20,000,000	20,000,000		200,000,000	200,000,000

8 ISSUED SHARE CAPITAL

30-Jun-24	30-Jun-23		30-Jun-24	30-Jun-23
<i>No. of shares</i>	<i>No. of shares</i>		<i>Rupees</i>	<i>Rupees</i>
		Ordinary shares of Rs. 10 each		
8,000,000	8,000,000	Issued for cash	80,000,000	80,000,000
4,600,000	4,600,000	Issued as bonus shares	46,000,000	46,000,000
12,600,000	12,600,000		126,000,000	126,000,000

9 SHARE PREMIUM

This represents premium on issue of right ordinary shares recognized under section 81 of the Companies Act, 2017.

10 GENERAL RESERVE

General reserve is primarily being maintained to have adequate resources for future requirements and business operations.

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
11 CREDITORS, ACCRUED AND OTHER LIABILITIES		
Creditors	1,265,590	1,365,103
Accrued liabilities	780,663	822,500
Statutory levies payable	138,981	1,500
Advances from customers	908,112	-
Other payables	88,219	88,706
	3,181,565	2,277,809

12 UNCLAIMED DIVIDEND

This represent dividend on ordinary shares declared in the previous years but not claimed by the shareholders.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There are no known contingencies other than those related to tax matters as referred to in note 27 to the financial

13.2 Commitments

There are no known commitments as at the reporting date.

14 PLANT AND EQUIPMENT

	30-Jun-24				DEPRECIATION/IMPAIRMENT				Net book value as at 30-Jun-24 Rupees
	COST/REVALUED AMOUNT		For the year		Adjustment		Impairment		
	As at 01-Jul-23 Rupees	As at 30-Jun-24 Rupees	Rate %	As at 01-Jul-23 Rupees	As at 30-Jun-24 Rupees	As at 30-Jun-24 Rupees	As at 30-Jun-24 Rupees		
Machinery	312,660,853	-	5	233,760,853	3,945,000	-	955,000	238,660,853	74,000,000
Furniture and fixtures	55,792	-	10	51,385	441	-	-	51,826	3,966
Office equipment	725,014	-	10	641,524	8,349	-	-	649,873	75,141
Vehicles	10,883,935	-	20	10,279,997	120,788	-	-	10,400,785	483,150
	324,325,594	-		244,733,759	4,074,578	-	955,000	249,763,337	74,562,257

	30-Jun-23				DEPRECIATION/IMPAIRMENT				Net book value as at 30-Jun-23 Rupees
	COST/REVALUED AMOUNT		For the year		Adjustment		Impairment		
	As at 01-Jul-22 Rupees	As at 30-Jun-23 Rupees	Rate %	As at 01-Jul-22 Rupees	As at 30-Jun-23 Rupees	As at 30-Jun-23 Rupees	As at 30-Jun-23 Rupees		
Machinery	312,660,853	-	5	228,910,853	4,187,500	-	662,500	233,760,853	78,900,000
Furniture and fixtures	55,792	-	10	50,895	490	-	-	51,385	4,407
Office equipment	725,014	-	10	632,247	9,277	-	-	641,524	83,490
Vehicles	10,883,935	-	20	10,129,013	150,984	-	-	10,279,997	603,938
	324,325,594	-		239,723,008	4,348,251	-	662,500	244,733,759	79,591,835

14.1 The depreciation charge for the year has been allocated as follows:

	Note	30-Jun-24 Rupees	30-Jun-23 Rupees
Cost of sales	22	3,945,000	4,187,500
Administrative expenses	23	129,578	160,751
		4,074,578	4,348,251

14.2 The Company has leased out machinery amounting to Rs. 74 million (30-Jun-23: Rs. 78.9 million) to a related party.

14.3 Revaluation of plant and equipment

Most recent valuation of machinery was carried out by an independent valuer, MedallionServices (Private) Limited, on 01 July 2024 and was incorporated in the financial statements for the year ended 30 June 2024. For basis of valuation and other fair value measurement disclosures refer to note 36.3.1.

Had there been no revaluation, the cost, accumulated depreciation and net book value of revalued items would have been as follows:

	30-Jun-24		
	Cost <i>Rupees</i>	Accumulated depreciation <i>Rupees</i>	Net book value <i>Rupees</i>
Machinery	312,660,853	228,819,092	83,841,761
	30-Jun-23		
	Cost <i>Rupees</i>	Accumulated depreciation <i>Rupees</i>	Net book value <i>Rupees</i>
Machinery	312,660,853	224,406,368	88,254,485

14.4 As per most recent valuation, forced sale value of machinery amounts to Rs. 62.9 million (30-Jun-23: Rs. 67.065 million).

15 INVESTMENT PROPERTY

		30-Jun-24				
		NET BOOK VALUE		DEPRECIATION		Net book value as at 30-Jun-24
As at 01-Jul-23	As at 30-Jun-24	Additions	Disposals	Rate	For the year	Rupees
Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees
2,935,311	2,935,311	-	-	10	293,531	2,641,780
2,935,311	2,935,311	-	-		293,531	2,641,780

		30-Jun-23				
		NET BOOK VALUE		DEPRECIATION		Net book value as at 30-Jun-23
As at 01-Jul-22	As at 30-Jun-23	Additions	Disposals	Rate	For the year	Rupees
Rupees	Rupees	Rupees	Rupees	%	Rupees	Rupees
3,261,457	3,261,457	-	-	10	326,146	2,935,311
3,261,457	3,261,457	-	-		326,146	2,935,311

15.1 This represents Company building transferred from operating fixed assets at net book value. The fair value of the building valued by an independent valuer, Medallion Services (Private) Limited as at 30 June 2024 amounts to Rs. 16,531,250 (30-Jun-23: Rs. 16,531,250) and the forced sale value as at 30 June 2024 amounts to Rs. 14,051,563 (30-Jun-23: Rs. 14,051,563). The Company has leased out this investment property under operating lease arrangement to a related party.

15.2 Building of the Company is located at College Road, Madina Town, Faisalabad with a covered area of 14,375 Sq.ft (30-Jun-23: 14,375 Sq.ft).

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
16 STORES AND SPARES			
Stores and spares		2,830,285	2,830,285
Impairment allowance	16.2	(1,930,290)	(1,880,208)
		899,995	950,077

16.1 There are no spare parts held exclusively for capitalization as at the reporting date.

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
16.2 Movement in impairment allowance			
As at the beginning of the year		1,880,208	1,680,575
Recognized during the year	24	50,082	199,633
As the end of the year		1,930,290	1,880,208

17 LEASE RENTALS RECEIVABLE

This represents rent receivable from the following related parties:

Pak Elektron Limited	17.1	-	412,779
Saritow Spinning Mills Limited	17.2	15,023,925	11,677,419
		15,023,925	12,090,198

17.1 Maximum balance due from related party at any time during the year amounted to Rs. 412,779 (30-Jun-23: Rs. 750,651).

17.2 Maximum balance due from related party at any time during the year amounted to Rs. 15,023,925 (30-Jun-23: Rs. 12,580,894).

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
18 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Due from stock broker	18.1	5,503,333	5,477,253
Prepaid statutory levies		1,301,258	-
Sales tax refundable		-	16,937,872
		6,804,591	22,415,125

18.1 This represents amounts due from stock broker of the Company against trading in listed equity securities.

18.2 Sales tax refundable is considered irrecoverable and thus has been written off during the year.

19 SHORT TERM INVESTMENTS

These represent investments in listed equity securities. These, being held for trading, are required to be measured at fair value through profit or loss mandatorily. Accordingly, these have been classified as 'financial assets at fair value through profit or loss'. Particulars of investments are as follows:

	30-Jun-24		30-Jun-23	
	Carrying value	Fair value	Carrying value	Fair value
	Rupees	Rupees	Rupees	Rupees
Nishat Chunion Power Limited 2,000 (30-Jun-23: 2,000) ordinary shares of Rs. 10 each Market value: Rs. 29.95 (30-Jun-23: Rs. 16.70) per share	33,400	59,900	29,820	33,400
First National Equities Limited 500 (30-Jun-23: 500) ordinary shares of Rs. 10 each Market value: Rs. 3.81 (30-Jun-23: Rs. 3.31) per share	1,655	1,905	2,925	1,655
Ghani Global Glass Limited 50,000 (30-Jun-23: 50,000) ordinary shares of Rs. 10 each Market value: Rs. 6.02 (30-Jun-23: Rs. 5.84) per share	292,000	301,000	638,430	292,000
	327,055	362,805	671,175	327,055

	Note	30-Jun-24	30-Jun-23
		Rupees	Rupees
20 CASH AND BANK BALANCES			
Cash in hand		171,647	144,180
Cash at banks			
Current accounts - local currency		77,942	77,942
Deposit/saving accounts - local currency	20.1	9,397,430	6,272,179
		9,475,372	6,350,121
		9,647,019	6,494,301

20.1 Effective interest rate in respect of deposit/saving accounts ranges from 20.50% to 20.50% (30-Jun-23: 12.25% to 19.50%) per annum.

	Note	30-Jun-24	30-Jun-23
		Rupees	Rupees
21 RENTAL INCOME			
Building rent		5,118,458	5,552,496
Machinery rent		6,000,000	12,000,000
		11,118,458	17,552,496

22 DIRECT COST			
Operating costs		2,653,494	10,134,851
Stores and spares consumed		-	290
Depreciation	14.1 & 15	4,238,531	4,513,646
Impairment loss on plant and equipment		955,000	662,500
		7,847,025	15,311,287

23 ADMINISTRATIVE EXPENSES			
Repair and maintenance		450,000	600,000
Stationery		257,880	-
Postage and telegram		-	15,250
Entertainment		39,150	19,649
Fine and penalty		125,000	102,101
Legal and professional		1,605,886	3,227,220
Auditor's remuneration	23.1	350,000	450,000
Advertisement		81,000	86,400
Depreciation	14.1	129,578	160,751
Miscellaneous expenses		-	63,097
		3,038,494	4,724,468

	Note	30-Jun-24 <i>Rupees</i>	30-Jun-23 <i>Rupees</i>
23.1 Auditor's remuneration			
Annual statutory audit		250,000	250,000
Interim audits		-	100,000
Limited scope review		50,000	50,000
Review report on corporate governance		50,000	50,000
		350,000	450,000
24 OTHER EXPENSES			
Loss on financial instruments			
Changes in fair value of short term investments		-	344,120
Others			
Impairment loss on stores and spares	16.2	50,082	199,633
Sales tax refundable written off		16,937,872	-
Miscellaneous		430,663	-
		17,418,617	199,633
		17,418,617	543,753
25 OTHER INCOME			
Gain on financial instruments			
Changes in fair value of short term investments		35,750	-
Gain on disposal of short term investments		26,080	321,603
Return on bank deposits		1,496,043	812,529
Dividend Income		-	20,000
		1,557,873	1,154,132
26 PROVISION FOR STATUTORY LEVIES			
Levies under Income Tax Ordinance, 2001			
for the year		138,981	1,500
for prior years		-	(218,165)
		138,981	(216,665)
27 PROVISION FOR INCOME TAXES			
Current taxation			
for the year	27.1	3,912	42,552
for prior years		(42,552)	-
		(38,640)	42,552
Deferred taxation		-	-
		(38,640)	42,552
27.1	Provision for current tax has been made in accordance with section 37A of the Income Tax Ordinance 2001 [‘the Ordinance’]. There is no relationship between the aggregate tax expense and accounting profit and accordingly, no numerical reconciliation has been presented.		
27.2	Assessments for and up to the tax years 2023 are deemed assessments in terms of Section 120 (1) of the Ordinance, as per returns filled by the Company except as explained in note 27.3.		

27.3 In respect of tax year 2018, the Deputy Commissioner Inland Revenue [‘DCIR’] vide order dated 31 January 2023 passed under section 161(1) whereby the DCIR created a demand of Rs. 1.723 million. The Company vide application dated 28 February 2023 preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] which was disposed by the CIR(A) vide order dated 08 September 2023 setting aside all additions made by the DCIR, except for some minor additions which the Company did not contest, directing DCIR to recalculate the default surcharge originally assessed at Rs. 456,164 under section 205 of the Ordinance. The Company has not received any further communication from the DCIR.

	<i>Unit</i>	30-Jun-24	30-Jun-23
28 LOSS PER SHARE - BASIC AND DILUTED			
Loss attributable to ordinary shareholders	<i>Rupees</i>	(15,728,146)	(1,699,997)
Weighted average number of ordinary shares outstanding during the year	<i>No. of shares</i>	12,600,000	12,600,000
Loss per share - <i>Basic</i>	<i>Rupees</i>	(1.25)	(0.13)

There is no anti-dilutive effect on the basic loss per share of the Company.

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>

29 CASH GENERATED FROM OPERATIONS

Loss before taxation (15,766,786) (1,657,445)

Adjustments for non-cash and other items

Impairment loss on stores and spares	50,082	199,633
Impairment loss on plant and equipment	955,000	662,500
Sales tax refundable written off during the year	16,937,872	-
Changes in fair value of short term investments FVTPL	(35,750)	344,120
Gain on disposal of short term investments	(26,080)	(321,603)
Depreciation	4,368,109	4,674,397
Provision for statutory levies	138,981	(216,665)

22,388,214 5,342,382

Operating profit before changes in working capital **6,621,428** 3,684,937

Changes in working capital

Stores and spares	-	290
Lease rentals receivable	(2,933,727)	(2,277,928)
Advances and other receivables	(26,080)	(1,829,173)
Creditors, accrued and other liabilities	766,275	1,544,583

(2,193,532) (2,562,228)

Cash generated from operations **4,427,896** 1,122,709

30 CASH AND CASH EQUIVALENTS

Cash and bank balances 20 **9,647,019** 6,494,301

9,647,019 6,494,301

31 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise Associated Companies and Key Management Personnel. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the year or has balances outstanding as at the reporting date are as follows:

Name of related party	Nature/basis of relationship	Aggregate %age of shareholding
Pak Elektron Limited	Associated Company [Common Directorship]	23.10%
Saritow Spinning Mills Limited	Associated Company [Common Directorship]	0.00%
Red Communication Arts (Private) Limited	Associated Company [Common Directorship]	0.00%

Key Management Personnel do not draw any compensation from the Company. The Company in the normal course of business carries out various transactions with Associated Companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Details of transactions and balances with related parties is as follows:

		30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
31.1 Transactions with related parties			
Nature of relationship	Nature of transactions		
Associated Companies	Advertising expenses	81,000	86,400
	Rental income	11,118,458	17,552,496
31.2 Balances with related parties			
Nature of relationship	Nature of balances		
Associated Companies	Lease rentals receivable	-	412,779
	Advances from customers	908,112	-

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS, AND EXECUTIVES

No amount was charged to profit or loss in respect of chief executive, directors and executives on account of managerial remuneration, allowances, perquisites and post employment benefits.

33 CAPITAL MANAGEMENT

The objectives of the Company, while managing capital are to ensure that it continues to meet the going concern assumption, enhance shareholders' wealth and meet stakeholders' expectations. The Company's objective is to ensure its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising option of issuing right shares or, where possible, repurchasing shares, selling surplus property, plant and equipment without affecting the optimal production and operating level and regulating dividend payout. The Company is not subject to externally imposed capital requirements.

34 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

	<i>Note</i>	30-Jun-24	30-Jun-23
		<i>Rupees</i>	<i>Rupees</i>
34.1 Financial assets			
<i>Cash in hand</i>	20	171,647	144,180
<i>Financial assets at amortized cost</i>			
Lease rentals receivable	17	-	412,779
Due from stock broker	18	5,503,333	5,477,253
Cash at banks	20	9,475,372	6,350,121
		14,978,705	12,240,153
<i>Financial assets mandatorily measured at fair value through profit or loss</i>			
Short term investments	19	362,805	327,055
		15,513,157	12,711,388
34.2 Financial liabilities			
<i>Financial liabilities at amortized cost</i>			
Trade creditors	11	1,265,590	1,365,103
Accrued liabilities	11	780,663	822,500
		2,046,253	2,187,603

35 FINANCIAL RISK EXPOSURE AND MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). These risks affect revenues, expenses, assets and liabilities of the Company.

The Board of Directors has the overall responsibility for establishment and oversight of risk management framework. The Board of Directors has developed a risk policy that sets out fundamentals of risk management framework. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The management team of the Company is responsible for administering and monitoring the financial and operational financial risk management throughout the Company in accordance with the risk management framework.

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

35.1 Credit risk

Credit risk is the risk of financial loss to the Company, if the counterparty to a financial instrument fails to meet its obligations.

35.1.1 Credit risk management practices

In order to minimize credit risk, the Company has adopted a policy of only dealing with creditworthy counterparties and limiting significant exposure to any single counterparty. The Company only transacts with counterparties that have reasonably high external credit ratings. Where an external rating is not available, the Company uses an internal credit risk grading mechanism. Particularly for customers, a dedicated team responsible for the determination of credit limits uses a credit scoring system to assess the potential as well as existing customers' credit quality and assigns or updates credit limits accordingly. The ageing profile of lease rentals receivable and individually significant balances, along with collection activities are reviewed on a regular basis.

The Company reviews the recoverable amount of each financial asset on an individual basis at each reporting date to ensure that adequate loss allowance is made in accordance with the assessment of credit risk for each financial asset.

The Company considers a financial asset to have low credit risk when the asset has reasonably high external credit rating or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has no past due amounts or otherwise there is no significant increase in credit risk if the amounts are past due in the normal course of business based on history with the counterparty.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. This is usually the case with various customers of the Company where the Company has long standing business relationship with these customers and any amounts that are past due by more than 30 days in the normal course of business are considered 'performing' based on history with the customers. Therefore despite the foregoing, the Company considers some past due lease rentals receivable to have low credit risk where the customer has a good history of meeting its contractual cash flow obligations and is expected to maintain the same in future.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk.

The Company considers 'default' to have occurred when the financial asset is credit-impaired. A financial asset is considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery.

The Company's credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has low credit risk	Lease rentals receivable: Lifetime ECL Other assets: 12-month ECL
Doubtful	Credit risk has increased significantly since initial recognition	Lifetime ECL
In default	There is evidence indicating the assets is credit-impaired	Lifetime ECL
Write-off	There is no realistic prospect of recovery	Amount is written-off

35.1.2 Exposure to credit risk

Credit risk principally arises from the Company's debt instruments. The maximum exposure to credit risk as at the reporting date is as follows:

	Note	30-Jun-24 Rupees	30-Jun-23 Rupees
Financial assets at amortized cost			
Lease rentals receivable	17	-	412,779
Due from stock broker	18	5,503,333	5,477,253
Cash at banks	20	9,475,372	6,350,121
		14,978,705	12,240,153

35.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to internal credit risk grading. The credit quality of the Company's financial assets exposed to credit risk is as follows:

	<i>Note</i>	External credit rating	Internal credit risk grading	12-month or life-time ECL	Gross carrying amount	Loss allowance
					<i>Rupees</i>	<i>Rupees</i>
Lease rentals receivable	17	N/A	Performing	Lifetime ECL	-	-
Due from stock broker	18	N/A	Performing	12-month ECL	5,503,333	-
Cash at banks	20	A1-A1+	N/A	12-month ECL	9,475,372	-
					14,978,705	-

(a) Lease rentals receivable

For lease rentals receivable, the Company has applied the simplified approach in IFRS9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on lease rentals receivable by using internal credit risk gradings. As at the reporting date, all lease rentals receivable are considered 'performing' including those past due as there is no significant increase in credit risk in respect of these receivable since initial recognition. The ageing analysis of lease rentals receivable as at the reporting date is as follows:

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Neither past due nor impaired	-	509,304
Past due by up to 30 days	-	48,120
Past due by 31 days to 180 days	1,000,000	708,561
Past due by 181 days or more	14,023,925	10,824,213
	15,023,925	12,090,198

(b) Due from stock broker

These are considered to have no credit risk due to strict regulatory oversight by Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited over stock brokers aimed at protecting the interest of brokers' clients. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

(c) Cash at banks

The bankers of the Company have reasonably high credit ratings as determined by various independent credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect any credit loss. Therefore, no credit risk has been associated with these financial assets and accordingly no loss allowance has been made.

35.1.4 Concentration of credit risk

There are no significant concentrations of credit risk, except for lease rentals receivable. All lease rentals receivable as at the reporting date are substantially due from a single customer. This significant customer is a related party and has a good payment record and accordingly non-performance by this customer is not expected.

35.1.5 Collateral held

The Company does not hold any collateral to secure its financial assets.

35.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

35.2.1 Liquidity risk management

The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational cash flows, including servicing of financial obligations. This includes maintenance of balance sheet liquidity ratios, receivables and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer.

35.2.2 Exposure to liquidity risk

The following presents the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The analysis have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	30-Jun-24				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to five years Rupees	More than five years Rupees
Trade creditors	1,265,590	1,265,590	1,265,590	-	-
Accrued liabilities	780,663	780,663	780,663	-	-
	2,046,253	2,046,253	2,046,253	-	-

	30-Jun-23				
	Carrying amount Rupees	Contractual cash flows Rupees	One year or less Rupees	One to five years Rupees	More than five years Rupees
Trade creditors	1,365,103	1,365,103	1,365,103	-	-
Accrued liabilities	822,500	822,500	822,500	-	-
	2,187,603	2,187,603	2,187,603	-	-

35.3 Market risk

35.3.1 Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from transactions and resulting balances that are denominated in a currency other than functional currency. The Company is not exposed to currency risk.

35.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

(a) Interest rate risk management

The Company manages interest rate risk by analyzing its interest rate exposure on a dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.

(b) Interest bearing financial instruments

The effective interest rates for interest bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest bearing financial instruments as at the reporting date are as follows:

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Fixed rate instruments	-	-
Variable rate instruments		
Financial assets	9,397,430	6,272,179
Financial liabilities	-	-

(c) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for fixed rate financial assets and liabilities at fair value through profit or loss.

(d) Cash flow sensitivity analysis for variable rate instruments and cash flow hedges

An increase of 100 basis points in interest rates as at the reporting date would have increased profit for the year by Rs. 93,974 (30-Jun-23: Rs. 62,722). A decrease of 100 basis points would have had an equal but opposite effect on profit for the year. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant and ignores the impact, if any, on provision for taxation for the year.

35.3.3 Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. The Company is exposed to price risk in respect of its investments in equity securities.

(a) Equity price risk management

The Company manages equity price risk by investing a diversified portfolio of securities to reduce the risk of loss from volatility in equity price of an individual security.

(b) Sensitivity analysis

A one percent appreciation in prices of equity securities as at reporting date would have increased profit for the year by Rs. 3,628 (30-Jun-23:Rs. 3,271). A one percent diminution in prices of equity securities as at the reporting date would have had equal but opposite effect on profit and equity. The analysis assumes that all other variables remain constant and ignores the impact, if any, on provision for taxation for the year.

36 FAIR VALUE MEASUREMENTS

36.1 Financial Instruments

36.1.1 Financial instruments measured at fair value

The Company measures some of its assets at fair value. Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy of financial instruments measured at fair value and the information about how the fair values of these financial instruments are determined are as follows:

a) Recurring fair value measurements

Nature of asset	Hierarchy	Valuation techniques/Key inputs	30-Jun-24	30-Jun-23
			<i>Rupees</i>	<i>Rupees</i>
Investments in equity securities	Level 1	Quoted prices in an active	362,805	327,055

b) Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

36.2 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value to approximate their carrying values.

36.3 Assets and liabilities other than financial instruments.

36.3.1 Recurring fair value measurements

For recurring fair value measurements, the fair value hierarchy and information about how the fair values are determined is as follows:

	Level 1	Level 2	Level 3	30-Jun-24 <i>Rupees</i>	30-Jun-23 <i>Rupees</i>
Machinery	-	74,000,000	-	74,000,000	78,900,000
Investment property [Building]	-	16,531,250	-	16,531,250	16,531,250
Stores and spares	-	899,995	-	899,995	950,077

For fair value measurements categorized into Level 2 following information is relevant:

	Valuation technique	Significant inputs	Sensitivity
Machinery	Cost approach that reflects the cost to the market participants to acquire assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique during the year.	Estimated purchase price, including import duties and non-refundable purchase taxes and other costs directly attributable to the acquisition or construction, erection and installation.	A 5% increase in estimated purchase price, including import duties and non-refundable purchase taxes and other directly attributable costs would results in a significant increase in fair value of plant and machinery by Rs. 3.7 million (30-Jun-23: Rs. 3.945 million).
Building	Cost approach that reflects the cost to the market participants to construct assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation	Estimated construction costs and other ancillary expenditure.	A 5% increase in estimated construction and other ancillary expenditure would results in a significant increase in fair value of buildings by Rs. 0.827 (30-Jun-23: Rs. 0.827 million).
Stores and spares	Cost approach that reflects the cost to the market participants to acquire assets of comparable utility and age, adjusted for obsolescence and impairment. There was no change in valuation technique during the year.	Estimated purchase price, including import duties and non-refundable purchase taxes and other costs directly attributable to the acquisition.	A 5% increase in estimated purchase price, including import duties and non-refundable purchase taxes and other directly attributable costs would results in a significant increase in fair value of stores and spares by Rs. 0.045 million). (30-Jun-23: Rs. 0.048 million).

Reconciliation of fair value measurements categorized in Level 2 is presented in note 14, 15 and 16.

There were no transfers between fair value hierarchies during the year.

36.3.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

37 SEGMENT INFORMATION

37.1 The Company is a single reportable segment.

37.2 All non-current assets of the Company are situated in Pakistan.

37.3 Information about major customers

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Revenue derived from Pak Elektron Limited	5,118,458	5,552,496
Revenue derived from Saritow Spinning Mills Limited	6,000,000	12,000,000

38 MINIMUM LEASE PAYMENTS UNDER OPERATING LEASE

The Company has leased out plant and machinery and investment property under operating lease arrangements to related parties. Amounts of minimum lease payments receivable under the lease agreements are as follows:

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
- not later than one year	4,688,750	12,262,500
- later than one year but not later than five years	3,327,500	8,016,250
- later than five years	-	-
	8,016,250	20,278,750

39 NUMBER OF EMPLOYEES

The Company has no employee on its payroll.

40 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

41 SHARES IN THE COMPANY HELD BY RELATED PARTIES

Ordinary shares in the Company held by related parties, other than chief executive and directors, are as follows:

	30-Jun-24	30-Jun-23
	<i>No. of shares</i>	<i>No. of shares</i>
Pak Elektron Limited	2,910,600	2,910,600
Kohinoor Industries Limited	2,835,000	2,835,000
	5,745,600	5,745,600

42 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in its meeting held on 30 September 2024 has retracted its approval for amalgamation of the Company into Saritow Spinning Mills Limited given earlier in its meeting held on 06 October 2018.

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>

43 RECLASSIFICATIONS

The following items have been reclassified for better presentation:

Provision for levies under Income Tax Ordinance, 2001	138,981	(216,665)
<i>Reclassified from Provision for taxation > Current taxation</i>		
<i>Reclassified to Provision for statutory levies > Levies under Income Tax Ordinance, 2001</i>		

	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees</i>
Levies under Income Tax Ordinance, 2001 payable <i>Reclassified from Current taxation > Income tax payable</i> <i>Reclassified to Trade and other payables > Statutory levies payable > ..</i> <i>.. > Levies under Income Tax Ordinance, 2001</i>	138,981	1,500
Prepaid statutory levies <i>Reclassified from Current taxation > Advance income tax</i> <i>Reclassified to Advances, prepayments and other receivables > ..</i> <i>.. > Prepaid statutory levies</i>	1,301,258	-

44 GENERAL

Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison. However, there were no significant reclassifications during the year.

Director

Chief Financial Officer

Chief Executive

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Form of Proxy
33rd Annual General Meeting

LEDGER FOLIO

SHARES HELD

I / We _____
of _____
hereby appoint _____
of _____
(or failing him) _____ of _____

(being a member of the Company) as my / or proxy to attend and vote for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company to be held on Monday, October 28, 2024 at 06-Egerton Road, Opposite LDA Plaza, Lahore at 10:30 A.M. and at every adjournment thereof, if any.

A witness my / our hand (s) this _____ day of _____ 2024.

Signed by the said _____

REVENUE
 STAMP

Witnesses:

1) Name _____	2) Name _____
Address _____	Address _____
_____	_____
CNIC No. _____	CNIC No. _____

Notes:

1. A member entitled to attend and vote at this Meeting may appoint proxy. Proxies in order to be effective, must be received at 10-G, Mushtaq Ahmed Gurmani Road, Gulberg-II, Lahore, the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting and must be duly stamped, signed and witnessed.
2. For CDC Account Holders/ Corporate Entities in addition to the above the following requirements have to be met.
 - (i) Attested copies of CNIC or the passport of the Beneficial Owners and the Proxy shall be provided with the proxy form.
 - (ii) In case of a Corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signatures shall be submitted (unless it has been provided earlier along with proxy form to the Company).
 - (ii) The Proxy shall produce his original CNIC or original passport at the time of the meeting.

KOHINOOR POWER COMPANY LIMITED

10-G, Mushtaq Ahmed Gurmani Road,
Gulberg-II, Lahore.

Tel: 042-35920151-59 (PABX) &
042-35920133 (Direct)