



REPORT FOR THE  
**HALF-YEAR ENDED**  
31<sup>ST</sup> DECEMBER 2021

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# COMPANY INFORMATION

AS AT February 24, 2022

## Board of Directors (BOD)

Shan A. Ashary	Chairman
Syed Moonis Abdullah Alvi (CEO)	Chief Executive Officer
Adeeb Ahmad	
Asad Ali Shah	
Ch. Khaqan Saadullah Khan	
Khalid Rafi	
Mubasher H. Sheikh	
Mark Gerard Skelton	
Naveed Ismail	
Ruhail Muhammad	
Sadia Khuram	
Sajid Mehmood Qazi	
Waseem Mukhtar	

## Board Audit Committee (BAC)

Khalid Rafi	Chairman
Asad Ali Shah	Member
Ch. Khaqan Saadullah Khan	Member
Mark Gerard Skelton	Member
Mubasher H. Sheikh	Member

## Board Human Resource & Remuneration Committee (BHR&RC)

Khalid Rafi	Chairman
Ch. Khaqan Saadullah Khan	Member
Shan A. Ashary	Member
Syed Moonis Abdullah Alvi, CEO	Member

## Board Finance Committee (BFC)

Ruhail Muhammad	Chairman
Ch. Khaqan Saadullah Khan	Member
Naveed Ismail	Member
Shan A. Ashary	Member
Sajid Mehmood Qazi	Member

## Board Strategy & Projects Committee (BS&PC)

Ch. Khaqan Saadullah Khan	Chairman
Adeeb Ahmad	Member
Mark Gerard Skelton	Member
Shan A. Ashary	Member
Syed Moonis Abdullah Alvi, CEO	Member
Waseem Mukhtar	Member

## Board Regulatory Affairs Committee (BRAC)

Shan A. Ashary	Chairman
Asad Ali Shah	Member
Ch. Khaqan Saadullah Khan	Member
Syed Moonis Abdullah Alvi, CEO	Member

## Chief Financial Officer

Muhammad Aamir Ghaziani

## Chief Risk Officer & Company Secretary

Rizwan Pesnani

## Chief Internal Auditor

Asif Raza

## Legal Adviser

Messrs. Abid S. Zuberi & Co.

## External Auditors for FY 2022

Messrs. A.F. Ferguson & Co. Chartered Accountants

## Share Registrar

Messrs. CDC Share Registrar Services Limited (CDCSRL)  
CDC House, 99-B, Block "B", SMCHS, Main Shahrah-e-Faisal, Karachi.  
Telephone: 111-111-500

## Bankers

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Bank of Punjab  
Bank of China Limited, Shanghai Branch  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
First Women Bank Limited  
Habib Bank Limited  
Industrial & Commercial Bank of China  
JS Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Pak Kuwait Investment Company Limited  
Samba Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Standard Chartered Bank (UK)  
Summit Bank Limited  
United Bank Limited

## Registered Office

KE House, 39-B, Sunset Boulevard, Phase-II,  
Defence Housing Authority, Karachi, Pakistan

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www.ke.com.pk  
UAN: 021-111-537-211



# DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Director's report together with the unaudited Condensed Interim Financial Statements for the six months period ended December 31, 2021.

Key operational and financial results are summarized below:

	JUL-DEC 2021	JUL-DEC 2020
<b>OPERATIONAL</b>		
	<b>(UNITS - GWh)</b>	
Units generated (net of auxiliary)	4,047	5,376
Units purchased	5,995	4,432
Total units available for distribution (sent out)	10,042	9,808
Units billed	8,732	8,344
Transmission & Distribution Losses %	13.0%	14.9%
<b>FINANCIAL</b>		
	<b>(PKR - MILLIONS)</b>	
<b>Revenue</b>	217,354	153,358
Gross profit	33,182	29,855
Profit before finance cost	11,519	14,248
Profit before taxation	5,199	8,668
Taxation – net	(1,885)	(1,796)
<b>Net Profit for the period</b>	<b>3,314</b>	<b>6,872</b>
<b>Earnings per share-BASIC/DILUTED</b>	<b>0.12</b>	<b>0.25</b>
	<b>[Rupees]</b>	
<b>Earnings before Interest, Tax, Depreciation and Amortization [EBITDA]</b>	<b>21,258</b>	<b>24,464</b>

## Financial Review

During the period under review, key operational indicators showed positive growth over comparative period with decrease in T&D losses by 1.9% points and increase in units sent out by 2.4%. As a result, Company's gross profit increased by 11% over the same period last year.

However, the corresponding increase in net profit of the Company could not be witnessed mainly due to increase in impairment loss against trade debts amounting to PKR 2.7 billion and exchange loss of PKR 2.6 billion owing to devaluation of Pak Rupee. The increase in impairment loss against trade debts occurred as higher electricity prices coupled with general inflation adversely affected the customers' propensity to pay resulting in increase in Exposure at Default and deterioration of future recovery projections.

## Update on Significant matters

### Generation:

During the period under review, 900 MW RLNG project (BQPS-III) made significant progress and construction and installation works of Unit-1 Power Train was completed and Unit was prepared for testing and commissioning works. With the start of RLNG supply, the commissioning of gas infrastructure is at advanced stage. Further, Unit 1 has been put on turning gear and commissioning for next milestone of first fire is in progress. Simultaneously, construction work of Unit 2 is also progressing well. Furthermore, BQPS RLNG system was made ready for hot commissioning while associated Landhi Grid has been energized successfully. Another KTPS Grid is planned to be energized in Q3 FY 22.

Further, KE continued to invest in its existing generation fleet to ensure reliable power supply. In addition to maintenance activities carried out across all power plants to enhance their performance, key initiatives include successful rehabilitation and energization of the 220 kV ICI Bay at BQPS-1 GIS (carried out in-house by KE teams consisting of GSMP and BQPS-1), successful commissioning of Black Start Capability at Korangi Power Complex (KCCP), which has enabled KE to become independent from IPPs and the National Grid, with lesser restoration time, thus enhancing KE's technical readiness to export power to the network in case of black outs.

**Transmission:**

To manage the projected growth in power demand and considering the surplus capacity scenario in the National Grid, KE is in the process of setting up of new grids and interconnection works which would enable drawl of additional power from the National Grid in addition to 1100 MW currently being evacuated. In this regard, the process for setting up of new grid at 500kV level is in progress whereas the construction of new 220 kV Dhabeji Interconnection is in full swing. For 500kV KKI grid and its associated Transmission line, land has been acquired and evaluation of bid is in process. Upon completion of these grids and interconnection works, KE will be able to import a total of up to 2,050 MW power from the National Grid which will enable KE to manage the demand in upcoming years alongside enhancing system reliability.

Further, to provide reliable and sustainable power supply to its consumers, in addition to works for setting up of new grids and enhancing capacity of interconnection points, during the period under review, KE enhanced its transmission capacity through the addition of 6 new power transformers. Addition and replacement of power transformers resulted in net addition of 227 MVAs, taking the total transformation capacity to 6,763 MVAs. Also, overall system reliability has been enhanced by making 220kV NPQ grid LILO through 220kV KDA – Pipri circuit I & II and energization of new 132kV Queens Road-Old Town circuit-II.

Further, the Company has undertaken significant investments in the rural segments of its service territory for upgrading its infrastructure to meet the increasing load profile which will also facilitate economic activities in these areas. In this respect, in parallel to rehabilitation, enhancement of grids in Winder, Uthal & Bela is also planned to include upgradation from 66 kV to 132 kV level along with commissioning of new lines to increase transformation capacity and reliability alongside creating provision of N-1 contingency.

Alongside aforementioned projects, enhancement in both, HIS and GIS grid stations through addition of Power Transformers, 132kV bays and allied MV switchgears is being carried out. The project will cater to the upcoming load growth alongside managing the organic demand and industrial growth. Moreover, rehabilitation of transmission lines is underway to ensure reliable power evacuation in 220kV ring, especially after the addition of 900MW plant in the network. Furthermore, projects such as reconductoring of transmission lines and RTV coating of insulators with aims to improve system reliability, are being initiated.

**Distribution:**

To achieve the goal of loss reduction, safety and improving network health, the Company has continued to make strides across various distribution projects.

The company's flagship project - Sarbulandi, that was launched in FY 2020 has gone further with the introduction of 3rd phase, furthering the goal of curbing losses and uplifting communities. During the first half of FY 2022, around 125,000 KG Kunda has been removed, and a total of 476 PMTs (Pole Mounted Transformers) have been converted to ABC. Simultaneously in first half of FY 2022 around 127,000 New Connections have been installed.

Additionally, with a focus on customer centricity and to enhance customer facilitation, 4 more Customer Facilitation Centers (CFCs) have been operationalized in the first half of FY 2022. Further, to encourage timely bill payments and improve customer facilitation, Ehaad Scheme was launched in December 2021, and it has engaged around 8,000 consumers in 2 weeks with realized cash of more than PKR 100 million for FY 2022. Moreover, selected pockets have been identified in various localities of the city, faced with chronic law and order problems. Tailor made Area Specific Rebate Schemes have been introduced as recovery solutions for these areas under which more than 15,000 consumers have registered with recovery of more than PKR 550 million.

Further, to Enhance customer experience through digitalization and becoming a customer centric power utility, KE has introduced multiple projects, with the aim to reduce environmental impact and also help KE bring operational efficiencies. Feature of paper less billing has been successfully revamped and launched in December 2021. Under this project, consumers can get their KE bills via e-mails and SMS. Other customer facilitation initiative includes empowering Recovery Officers (as a pilot project) to collect KE Bill payment.

KE has partnered with multiple banks to increase branchless banking network to help them pay their bills on time, collaboration with Daraz and Bank Al-Falah to provide incentives in the form of cashbacks and discounts to promote bill payments & digital channels. KE has partnered with NIFT e-PAY to make bill payment via KE's website/app and will enable consumers to Pay their bills using the Bank Transfer facility.

Multiple initiatives have been launched to improve reliability & reduce down-time during the year. One of the key goals of these projects is to decentralize outage management from the grid. In addition, GIS implementation for enhanced network visibility is in final stages.

To ensure its commitment towards safety, KE planned safety initiatives such as Public Accident Prevention Plan (PAPP) to improve network resilience and public safety which stand at 99% completion rate till HY FY 2022.

To ensure compliance with safety guidelines in the Distribution Business, the Training and Competency passport was developed for field staff, which keeps track of trainings and various awareness sessions attended by the staff. Furthermore, Behavior Safety Management sessions have also been

initiated for field staff (MS & NMS) to inculcate a culture of safety in the field. A guideline of Seven Life Saving Rules has been developed to minimize the major risks in distribution. These rules have been communicated to the staff through posters and videos at all major staff locations.

KE is also on the path of ensuring safety of third party employees where Contractor Safety Handbook was developed & implemented which encompasses all the requirements for their safety. Furthermore, a Toolbox talk Risk Identification Card (TRIC) has also been introduced across Distribution which is a simple card-based system for identifying on-site specific risk assessment during pre-job/task toolbox talk.

Safety week was conducted in Distribution in January '22 to inculcate an improved safety culture in the workplace for all employees. The week-long exercise included various themed events and activities at all KE locations. The event highlighted behavioral, electrical, road, fire and safety in public spaces.

Several webinars were conducted by the KE Leadership focused on the themes of Safety Week, along with training sessions for other DISCOs of Pakistan on Risk Management and Work at Height by the HSEQ-D teams. The Safety Week was closed with a session by KE Leadership, NERPA Chairman and the NEPRA HSE consultant.

Regarding the penalty imposed by NEPRA on the alleged public fatalities during the torrential rains in July and August 2020, hearing on review motion filed by KE was conducted by NEPRA on November 17, 2021 and NEPRA's decision on KE's review motion filed in the matter is awaited.

On the technical front, the distribution network has witnessed significant improvement in the current fiscal year (i.e. FY22 Vs FY21), with a 28% reduction in Feeder outages and a 33% reduction in Customer complaints observed in the first half of the year. This improved performance largely owes to aggressive maintenance and governance initiatives taken by the distribution team which includes rehabilitation of 486 feeders, relieving of 770 OL distribution transformers, improved operational efficiency and flexibility through the addition of protection and isolation devices, and efficient network design.

Further, the GIS platform has been upgraded with a smart addons to make the digitization work utility-specific and to further induce electrical intelligence. This new feature brings efficiency and accuracy in designing of new schemes or planning augmentation activities across network. The complete HT network has already been mapped in GIS with complete assets and routing of HT overhead and underground cables. LT network mapping process is under progress in all regions.

KE's first home-grown Workforce Management solution has also been introduced to ensure "mobile-based complaint status and material consumption recording" across distribution's Area Operation Centres. 300 in-dash units are currently installed in CM MTLs which are fully integrated with the mobile application & SAP for real time recording and reflection to AOCs. This technology solution aims to reduce complaints TAT and bring transparency in fault-wise costing by enabling communication of expected time for resolution to customers and on-spot recording of material consumption by corrective maintenance field-forces

Moreover, MDMS (Meter Data Management System) Analytics module was made live in Dec 2021. This has enabled effective data insights for better decision making. This solution now provides detailed analyses of Technical & Commercial Losses, Billing & Revenue, Network health & reliability. This has also enhanced our ability to increase governance via data availability, asset tagging, network hierarchy and consumer mapping. All major KPI reporting is being moved to MDMS Analytics to establish it as single source of data across the organization.

### **Business Development:**

KE, as per its commitment to generate power through green and economical sources, has embarked upon setting up solar power projects of 50 MW each at Winder, Uthal and Bela districts of Baluchistan through competitive bidding. These projects will be set up under IPP structure. Request for Proposal (RFP) of the projects is currently under NEPRA approval stage.

During the period, the Company has also signed a Memorandum of Understanding (MoU) with Sindh Energy Department (SED) and the World Bank for the establishment of solar projects with a capacity of 350 MW. This initiative is part of the Sindh Solar Energy Project (SSEP), which is a collaboration between SED, Government of Sindh, and the World Bank. The objective of SSEP is to increase solar power generation and access to electricity in Sindh Province. This tri-partite collaboration is expected to result in additional 700 GWh of clean energy to KE's total supply, while off-setting carbon emissions by 300-350 kilotons per annum. The Project is currently under internal land assessment phase to finalize site areas for these projects, subsequent to which parties will commence feasibility studies.

### **Corporate Social Responsibility:**

As part of KE's community development initiatives under Project Sarbulandi, a water purification plant was inaugurated at Abdullah Shah Noorani Basti in Korangi with the capacity to serve 8,000 persons. Additionally, to contribute to educational upliftment, 2 schools were renovated in Landhi and Baldia, including the development of an IT lab specifically for girls. Cumulatively these interventions will directly benefit 600 students, and indirectly 1,200 students. Sarbulandi camps also included the provision of free healthcare to 2,800 persons and engagement of 90 youth through a football tournament.

The second cohort of the Roshni Baji Neighborhood Women Ambassador Programme was launched in November 2021. The event was inaugurated by the first lady of Sindh, Mrs. Reema Imran. The second cohort expands the programme to include 60 women who will be on field for nine months in six high resistance areas. By the end of December, the Roshni Bajis successfully reached out to 109,500 households on safety awareness and the importance of legal connections. As an addition to the diversity initiative at KE, 11 women from the first Roshni Baji cohort were hired as KE female Meter Data Maintenance Officers (MDMO).

The Roshni Baji programme was internationally recognized for its achievements through the prestigious S&P Global Platts, Global Energy Award for CSR in the diversified programme category. This is the first time an energy company in Pakistan has won this coveted award. KE's community efforts were recognized by United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) through an award for its campaign on facilitating Covid-19 vaccination for 5,000 persons in inaccessible areas of Karachi and Balochistan.

KE's Sustainability Report for FY 2021 was published in accordance with core GRI Standards, the UN Sustainable Development Goals, and Pakistan Stock Exchange sustainability reporting requirements. KE also collaborated with the UN Global Compact Pakistan and SDGme to create awareness on UN SDGs through a webinar.

Following the success of the inaugural KHI Awards, the second cycle for the KHI Awards was launched on December 15th. External communication on outreach included the development of videos of KHI Awards 2021 winners, newspaper advertisements, public notice, and social media posts. Applications for the KHI Awards 2022 closed on January 25th, 2022 with 160 entries.

### **Other Significant Matters**

#### **Growing Receivables from Government Entities and Departments**

As of December 31, 2021, KE's net receivables from various Federal and Provincial entities, stood at around PKR 73 billion on principal basis. The backlog of receivables continues to have a consequential impact on the Company's cashflow position and resultantly its ability to enhance the pace of investment in power infrastructure. Therefore, for sustainability of KE as well as the sector at large, it is imperative that all parties including the GoP, come together for an amicable solution to resolve this long-standing issue.

In this regard, discussions around finalization of Arbitration Agreement to resolve historic disputes via arbitration involving relevant parties are ongoing and the Company remains in continuous engagement with relevant stakeholders for a fair resolution to the issue in accordance with the law.

Further, Power Purchase Agency Agreement (PPAA), Inter Connection Agreement and Tariff Differential Subsidy Agreement for the off take of additional supply from National Grid and release of subsidy has been agreed with relevant stakeholders and submitted for GoP approval and decision on open points.

#### **Multi-Year Tariff (MYT)**

The Mid Term Review petition filed under MYT is currently under determination. The Company, however, remains in continuous engagement with NEPRA and expects that necessary adjustments should be allowed in the tariff, which are critical to ensure Company's viability and sustainability, while also enabling the Company to make the required investments across the power value chain in the greater consumer interest.

The Company remains in continuous engagement with NEPRA to expedite the determination of pending quarterly tariff variations including costs in lieu of recovery loss for the period FY 2017 to FY 2021 (in relation to actual write-off of bad debts, allowed under KE's MYT) claimed as per the mechanism provided by NEPRA.

Timely approval of these requests remains critical for Company's sustainability and execution of planned investment.

#### **Competitive Trading Bilateral Contracts Market (CTBCM)**

The regulatory landscape in Pakistan is set to change with implementation of CTBCM model which aims to introduce a competitive wholesale electricity market across the country. NEPRA through its determination dated November 12, 2020 approved the detailed design of CTBCM, however, NEPRA did not approve the proposed integration of KE and directed KE to evaluate and develop its plan for transition towards CTBCM in consultation with relevant stakeholders.

Accordingly, in compliance with NEPRA's directives, KE submitted its Evaluation and Integration Plan after detailed consultation with relevant stakeholders, wherein KE has recommended that for successful implementation of CTBCM, it is important to ensure a sustainable and orderly transition in line with the National Electricity Policy 2021 and the CCoE approved principles for establishing competitive wholesale electricity markets in Pakistan. In this regard, a public hearing was held on December 28, 2021 on KE's Evaluation & Integration Plan for CTBCM and NEPRA's decision with respect to Evaluation and Integration Plan submitted by KE is awaited.

## Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

- i) Total number of Directors 13
- i. Female 01
  - ii. Male 12
- ii) Composition
- i. Independent Director 01
  - ii. Non-Executive Directors 12
  - iii. Executive Directors 01
- iii) The names of members of the Board Committees are mentioned in “Company Information” section of this Report.
- iv) The Board has approved a remuneration policy for Non-Executive Directors in its 1216th meeting which is in line with the applicable corporate regulatory framework. Salient features of the approved remuneration policy of Non-Executive Directors are as under:
- A. Fee shall be reviewed after every three years;
  - B. The review shall invariably comply with applicable corporate regulatory framework and shall be carried out in an objective manner;
  - C. The level of remuneration shall be appropriate and commensurate with the level of responsibility and professional expertise needed to govern the company to successfully achieve its corporate and social objectives as well as encourage value addition.

## Board of Directors (BOD)

During the period under review, Mr Muhammad Abid Lakhani resigned from the position of Non-Executive Director and Mr Naveed Ismail was appointed in his place effective from 6 August 2021. Dr Ahmed Mujtaba Memon has resigned from KE Board and Mr Sajid Mehmood Qazi has been appointed in his place on 28 October 2021. Pursuant to half year end, on January 25, 2022, Mr. Jamil Akbar resigned from his position as a Non-Executive Director and Mr. Mark Skelton joined in his place.

## Auditors' Observation

With respect to the ‘Emphasis of Matter’ in the Independent Auditors’ Report to the members, it is informed that:

As explained in note 6.1 to the condensed interim financial statements, the matter in respect of claims for write-off of trade debts is pending for determination with National Electric Power Regulatory Authority (NEPRA);

As explained in note 12.1.1 to the condensed interim financial statements, the mark-up / financial charges on outstanding liabilities due to government-controlled entities will be payable by the Company only when it will receive mark-up on outstanding receivable balances on account of tariff differential claims and energy dues of the Company’s public sector consumers;

As explained in Note 12.1.2 to the condensed interim financial statements, the Supreme Court of Pakistan vide its decision dated August 13, 2020 has declared the Gas Infrastructure Development Cess (GIDC) Act, 2015 to be valid. In this respect the Company’s suit is pending before the High Court of Sindh on the grounds amongst others that the Company falls within the category of gas consumers who have not accrued the GIDC in their books and have neither recovered nor passed it on to their consumers.

## Acknowledgements

The Board wishes to extend its gratitude to the shareholders and customers of the Company for their cooperation and support and extends its appreciation to the employees of the Company.



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Shan A. Ashary**  
Chairman

**Karachi, February 24, 2022**

B. جائزہ ہمیشہ قابل اطلاق کارپوریٹ ریگولیٹری فریم ورک سے ہم آہنگ ہوگا اور اسے معروضی انداز میں انجام دیا جائے گا۔  
C. معاوضے کی سطح موزوں ذمہ داری اور پیشہ ورانہ مہارت کی سطح کے مطابق ہوگی جو کمپنی کے امور کی انجام دہی کے لئے اس کے کارپوریٹ اور سماجی مقاصد کو کامیابی سے حاصل کرنے کے ساتھ قدر افزودگی کی حوصلہ افزائی کرے۔

## بورڈ آف ڈائریکٹرز (BOD)

زیر جائزہ مدت کے دوران، جناب محمد عبدالکھانی نے نان ایگزیکٹو ڈائریکٹر کے عہدے سے استعفیٰ دے دیا اور ان کی جگہ جناب نوید اسماعیل کو 16 اگست 2021 سے مقرر کیا گیا۔ ڈاکٹر احمد مجتبیٰ مین نے KE بورڈ سے استعفیٰ دے دیا ہے اور جناب ساجد محمود قاضی کو ان کی جگہ 28 اکتوبر 2021 کو مقرر کیا گیا ہے۔ ششماہی کے اختتام کے بعد، 25 جنوری 2022 کو جناب جمیل اکبر نے بطور نان ایگزیکٹو ڈائریکٹر اپنے عہدے سے استعفیٰ دے دیا اور ان کی جگہ جناب مارک سکیلین نے شمولیت اختیار کی۔

## آڈیٹرز کے مشاہدات

ممبران کو آڈر آڈیٹرز کی رپورٹ میں "توجہ طلب امور" کے حوالے سے مطلع کیا جاتا ہے کہ:  
مختصر عبوری مالی گوشواروں کے ملاحظہ نمبر 6.1 میں وضاحت کی گئی ہے، تجارتی قرضوں کے معافی کے دعووں کے سلسلے میں معاملہ نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (نپرا) کے پاس تعین کے لئے زیر التوا ہے۔

مختصر عبوری مالی گوشواروں کے ملاحظہ نمبر 12.1.1 میں وضاحت کی گئی ہے، حکومت کے زیر کنٹرول اداروں کی وجہ سے بقایا واجبات پر مارک اپ/فنانشل چارجز صرف اس صورت میں ادا کرے گی جب اسے کمپنی کے پبلک سیلر صارفین کی طرف سے ٹریف ڈیفرنیشنل کلیمز اور توانائی کے واجبات کی مد میں بقایا قابل وصول بیلنس پر مارک اپ ملے گا۔

مختصر عبوری مالی گوشواروں کے ملاحظہ نمبر 12.1.2 میں وضاحت کی گئی ہے، سپریم کورٹ آف پاکستان نے 13 اگست 2020 کے اپنے فیصلے کے ذریعے انفراسٹرکچر ڈویلپمنٹ سیس (GIDC) ایکٹ، 2015 کو درست قرار دیا ہے۔ اس سلسلے میں کمپنی کا مقدمہ سندھ ہائی کورٹ میں اس بنیاد پر زیر التوا ہے کہ کمپنی گیس صارفین کے زمرے میں آتی ہے جنہوں نے اپنی کتب میں GIDC جمع نہیں کیا اور نہ ہی اسے وصول کیا اور نہ ہی اسے اپنے صارفین تک پہنچایا۔

## اعترافات

بورڈ شیئرز ہولڈرز اور کمپنی کے صارفین کے تعاون اور حمایت پر شکر گزار ہے اور کمپنی کے ملازمین کو خراج تحسین پیش کرتا ہے۔



شان اے. اشعری

چیئر مین



سید منوں عبداللہ علوی

چیف ایگزیکٹو آفیسر

کراچی، 24 فروری 2022

(ازراہ کرم اس بات کا خیال رکھیں کہ اس ڈائریکٹرز رپورٹ کا اردو متبادل صرف معلومات فراہم کرنے کی غرض سے شامل کیا گیا ہے۔ لہذا انگریزی میں دی گئی اصل عبارت ہی مستند ہے۔ کسی بھی نوعیت کی تشریح کے لئے انگریزی میں دی گئی ڈائریکٹرز رپورٹ ہی سے رجوع کریں اور اسی پر انحصار کیا جائے)



مزید یہ کہ، پاور پراجیکٹس ایگریگیشن (PPAA)، انٹرکنکشن ایگریگیشن اور نیشنل گرڈ سے اضافی سپلائی آف ٹیک اور سبسڈی کے اجراء کے لئے ٹریف ڈفرنشل سبسڈی کے معاہدے پر متعلقہ اسٹیک ہولڈرز کے ساتھ اتفاق کیا گیا ہے اور اسے حکومت پاکستان کی منظوری اور کھلے نکات پر فیصلے کے لئے جمع کرایا گیا ہے۔

## ملٹی ایئر ٹریف (MYT)

MYT کے تحت دائرہ کار میں ریویو پیشکش فی الحال زیر غور ہے۔ تاہم، کمپنی نیچر کے ساتھ مسلسل رابطے میں ہے اور توقع کرتی ہے کہ ٹریف میں ضروری ایڈجسٹمنٹ کی اجازت دی جائے، جو کہ کمپنی کی عملداری اور پائیداری کو یقینی بنانے کے لئے اہم ہیں۔ جبکہ یہی عمل کمپنی کو زیادہ سے زیادہ صارفین کے مفاد میں پاور ویلیو چین میں مطلوبہ سرمایہ کاری کرنے کے قابل بھی بناتی ہے۔

کمپنی زیر التواء سرمایہ ٹریف کی تبدیلیوں کے تعین کو تیز کرنے کے لئے نیچر کے ساتھ مسلسل رابطے میں ہے۔ اس میں نیچر کے فراہم کردہ طریقہ کار کے مطابق دعویٰ کردہ مالی سال 2017 سے مالی سال 2021 کی مدت کے لئے ریکوری نقصان کے بدلے لاگت، KE کے MYT کے تحت اجازت کردہ بھرنے قرضوں کی اصل منسوخی سے متعلق شامل ہے۔

ان درخواستوں کی بروقت منظوری کمپنی کی پائیداری اور منصوبہ بند سرمایہ کاری کے نفاذ کے لئے اہم ہے۔

## مسابقتی تجارتی دو طرفہ تجارتی معاہدات مارکیٹ (CTBCM)

CTBCM ماڈل کے نفاذ کے ساتھ پاکستان میں ریگولیٹری منظر میں تبدیل وقوع پذیر ہونے والی ہے جس کا مقصد پورے ملک میں بجلی کی ایک مسابقتی ہول سیل مارکیٹ متعارف کرانا ہے۔ نیچر نے 12 نومبر 2020 کے اپنے ایک فیصلے کے ذریعے CTBCM کے تفصیلی ڈیزائن کی منظوری دی، تاہم، نیچر نے KE کے مجوزہ انضمام کی منظوری نہیں دی اور KE کو ہدایت کی کہ وہ متعلقہ اسٹیک ہولڈرز کی مشاورت سے CTBCM کی طرف منتقلی کے لئے اپنے منصوبے کا جائزہ لے اور اسے تیار کرے۔

اس کے مطابق، نیچر کی ہدایات کی تعمیل میں KE نے متعلقہ اسٹیک ہولڈرز کے ساتھ تفصیلی مشاورت کے بعد اپنا Evaluation & Integration Plan پیش کیا۔ جس میں KE نے سفارش کی ہے کہ CTBCM کے کامیاب نفاذ کے لئے قومی بجلی کی پالیسی 2021 کے مطابق ایک پائیدار اور منظم منتقلی اور CCOE نے پاکستان میں مسابقتی ہول سیل بجلی کی منڈیوں کے قیام کے لئے اصولوں کی منظوری دی ہے اسے یقینی بنانا ضروری ہے۔ اس سلسلے میں، 28 دسمبر 2021 کو CTBCM کے لئے KE کے Evaluation & Integration Plan پر ایک عوامی سماعت ہوئی اور KE کی جانب سے پیش کردہ تشفی اور انڈیکریشن پلان کے حوالے سے نیچر کے فیصلے کا انتظار ہے۔

## لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ریگولیشنز، 2019 کی تعمیل

13	(i) ڈائریکٹرز کی کل تعداد
01	(i) عورت
12	(ii) مرد
	(b) کمپوزیشن
01	(i) آزاد ڈائریکٹر
12	(ii) غیر ایگزیکٹو ڈائریکٹر
01	(iii) ایگزیکٹو ڈائریکٹر

(iii) بورڈ کمیٹی کے ارکان کے نام اس رپورٹ کے "کمپنی کی معلومات" سیکشن میں درج ہیں۔

(iv) بورڈ نے اپنی 1216 ویں میٹنگ میں نان ایگزیکٹو ڈائریکٹرز کے لئے معاوضے کی پالیسی کی منظوری دی ہے جو قابل اطلاق کارپوریٹ ریگولیٹری فریم ورک کے مطابق ہے۔ غیر ایگزیکٹو ڈائریکٹرز کی منظور شدہ معاوضے کی پالیسی کی نمایاں خصوصیات حسب ذیل ہیں:

A. فیس کا ہر تین سال بعد جائزہ لیا جائے گا۔

بھی دستخط کیے ہیں۔ یہ اقدام سندھ سولر انرجی پروجیکٹ (SSEP) کا حصہ ہے، جو SED، حکومت سندھ اور ورلڈ بینک کے مابین تعاون پر مبنی ہے۔ SSEP کا مقصد صوبہ سندھ میں شمسی توانائی کی پیداوار اور بجلی تک رسائی کو بڑھانا ہے۔ اس سہ فریقی تعاون کے نتیجے میں کے الیکٹرک کی کل سپلائی میں 700 گیگا واٹ اضافی صاف توانائی حاصل ہونے کی امید ہے، جبکہ کاربن کے اخراج میں 300-350 کلوٹن سالانہ کمی ہوگی۔ فی الحال ان پروجیکٹس کے لئے سائٹ ایریا کو حتمی شکل دینے کے لئے انٹرنل لینڈ اسسمنٹ کے مرحلے میں ہے، جس کے بعد فریقین فریہیلٹی اسٹڈیز شروع کریں گے۔

## ادارہ جاتی سماجی ذمہ داری (سی ایس آر)

پروجیکٹ سر بلندی کے تحت KE کے کمیونٹی ڈیولپمنٹ اقدامات کے ایک حصے کے طور پر، کورنگی میں عبداللہ شاہ نورانی بستی میں پانی صاف کرنے والے پلانٹ کا افتتاح کیا گیا جس میں 8,000 افراد کو پانی میسر آنے کی گنجائش ہے۔ مزید یہ کہ، تعلیمی بہتری میں حصہ ڈالنے کے لئے، لاندھی اور بلدیہ میں 2 اسکولوں کی تزئین و آرائش کی گئی۔ جس میں خاص طور پر لڑکیوں کی ایک آئی ٹی لیب کی ڈیولپمنٹ بھی شامل ہے۔ مجموعی طور پر ان سرگرمیوں سے 600 طلباء کو براہ راست اور بالواسطہ طور پر 1,200 طلباء کو فائدہ پہنچے گا۔ سر بلندی کمیونٹی میں 2,800 افراد کی فری، ہیلتھ کیئر اور فٹ بال ٹورنامنٹ کے ذریعے 90 نوجوانوں کی شمولیت بھی شامل تھی۔

روشنی باجی نہر ڈیمین ایسیسیڈر پروگرام کا دوسرا گروپ نومبر 2021 میں شروع کیا گیا تھا۔ تقریب کا افتتاح سندھ کی خاتون اول مسز بیامعمران نے کیا۔ دوسرا گروپ 60 خواتین کو شامل کر کے پروگرام کو وسعت دیتا ہے۔ یہ خواتین چھ ماہی گیری علاقوں میں نو ماہ کے لئے فیلڈ میں ہوں گی۔ دسمبر کے آخر تک، روشنی باجی نے کامیابی کے ساتھ 109,500 گھرانوں کو حفاظت سے متعلق آگاہی اور قانونی رابطوں کی اہمیت کے بارے میں بتایا۔ KE نے Diversity Initiative کے علاوہ روشنی باجی کے پہلے گروپ کی 11 خواتین کو KE کی خواتین میٹرو ڈیٹا مینٹیننس آفیسرز (MDMO) کے طور پر رکھا گیا ہے۔

روشنی باجی پروگرام کو بین الاقوامی سطح پر اس کی کامیابیوں کے لئے ممتاز S&P گلوبل پلیٹس، گلوبل انرجی ایوارڈ برائے CSR کے ذریعے متنوع پروگرام کی کیئر کی تسلیم کیا گیا۔ یہ پہلا موقع ہے جب پاکستان میں کسی توانائی کمپنی نے یہ اعزاز حاصل کیا ہے۔ KE کی کمیونٹی کاوشوں کو اقوام متحدہ کے دفتر برائے رابطہ برائے انسانی امور (UNOCHA) نے کراچی اور بلوچستان کے ناقابل رسائی علاقوں میں 5,000 افراد کو کووڈ 19 سے بچاؤ کے قطرے پلانے میں سہولت فراہم کرنے کی مہم کے لئے ایک ایوارڈ کے ذریعے تسلیم کیا۔

مالی سال 2021 کے لئے، KE کی سسٹین ایبلٹی رپورٹ BDO کے ذریعے شائع کی گئی اور جس میں معیارات، اقوام متحدہ کے پائیدار ترقی کے اہداف، اور پاکستان اسٹاک ایکسچینج کی سسٹین ایبلٹی رپورٹنگ ضروریات کے مطابق کی گئی۔ KE نے ایک ویبنار کے ذریعے اقوام متحدہ کے SDGs کے بارے میں آگاہی پیدا کرنے کے لیے UN Global Compact اور Pakistan اور SDG کے ساتھ بھی تعاون کیا۔

افتتاحی KHI ایوارڈ کی کامیابی کے بعد، KHI ایوارڈ کا دوسرا مرحلہ 15 دسمبر کو شروع کیا گیا تھا۔ اس کی آؤٹ ریچ پر بیرونی مواصلات میں KHI ایوارڈز 2021 کے ایوارڈ یافتگان کی ویڈیوز، اخباری اشتہارات، عوامی نوٹس، اور سوشل میڈیا پوسٹس شامل ہیں۔ KHI ایوارڈز 2022 کے لئے 25 جنوری 2022 تک 160 انٹریز موصول ہوئیں۔

## دیگر اہم معاملات

### سرکاری اداروں اور شعبوں کی طرف بڑھتے واجبات

31 دسمبر 2021 تک، مختلف وفاقی اور صوبائی اداروں سے KE کی خالص وصولی، اصل کی بنیاد پر تقریباً 73 ارب روپے تھی۔ وصولیوں کا مجموعہ کمپنی کی کیش فلو پوزیشن پر نتیجہ خیز اثر ڈالتا ہے اور اس کے نتیجے میں پاور انفراسٹرکچر میں سرمایہ کاری میں اضافہ کرنے کی صلاحیت پر منفی اثرات مرتب ہوتے ہیں۔

اس سلسلے میں، متعلقہ فریقین پر مشتمل ثالثی کے ذریعے تاریخی تنازعات کو حل کرنے کو حتمی شکل دینے کے بارے میں بات چیت جاری ہے اور کمپنی قانون کے مطابق اس مسئلے کے منصفانہ حل کے لئے متعلقہ اسٹیک ہولڈرز کے ساتھ مسلسل رابطے میں ہے۔

کی شناخت کے لئے کارڈ پر مبنی ایک سادہ نظام ہے۔

تمام ملازمین کے لئے کام کی جگہ پر حفاظتی کلچر کو بہتر بنانے کے لئے جنوری 2022 میں ڈسٹری بیوشن میں حفاظتی ہفتہ کا انعقاد کیا گیا۔ ہفتے تک جاری رہنے والی اس مشق میں KE کے تمام مقامات پر مختلف موضوعاتی ایونٹس اور سرگرمیاں شامل تھیں۔ تقریب میں عوامی مقامات پر طرز عمل، برقی سڑک، آگ اور حفاظت پر روشنی ڈالی گئی۔

KE لیڈرشپ کی جانب سے سیفٹی ویک کے موضوعات پر توجہ مرکوز کرنے کے ساتھ ساتھ پاکستان کے دیگر DISCOs کے لئے HSEQ-D ٹیموں کی طرف سے رسک مینجمنٹ اور بلندی پر کام کرنے کے لئے تربیتی سیشنز کے ساتھ کئی ویبنار کا انعقاد کیا گیا۔ سیفٹی ویک کو کلیدی قیادت، نیچر کے چیئرمین اور نیچر ایچ ایس ای کنسلٹنٹ کے ایک سیشن کے ساتھ اختتام پذیر کیا گیا۔

جولائی اور اگست 2020 میں موسلا دھار بارشوں کے دوران مہینہ عوامی ہلاکتوں پر نیچر کی جانب سے عائد کئے گئے جرمانے کے حوالے سے، KE کی جانب سے دائر نظر ثانی کی درخواست کی سماعت نیچر نے 17 نومبر 2021 کو کی تھی اور اس معاملے میں دائر کی گئی KE کی نظر ثانی کی درخواست پر نیچر کے فیصلے کا انتظار ہے۔

تکنیکی محاذ پر، ڈسٹری بیوشن نیٹ ورک نے رواں مالی سال (یعنی FY22 بمقابلہ FY21) میں نمایاں بہتری دیکھی ہے، فیڈر کی بندش میں 28% کمی اور سال کی پہلی سہ ماہی میں صارفین کی شکایات میں 33% کمی دیکھنے میں آئی ہے۔ یہ بہتر کارکردگی بڑی حد تک ڈسٹری بیوشن ٹیم کی طرف سے اٹھائے گئے جرمانہ دیکھ بھال اور گورننس کے اقدامات کی مہم مننت ہے جس میں تحفظ اور آئیسیولیشن کے آلات، اور موثر نیٹ ورک ڈیزائن کے اضافے کے ذریعے، 486 فیڈرز کی بحالی، 770 اوایل ڈسٹری بیوشن ٹرانسفارمرز سے نجات، آپریشنل کارکردگی اور فلکیگز تہلیٹی شامل ہے۔

مزید یہ کہ GIS پلٹ فارم کو ایک باصلاحیت اور فوری عمل کرنے کی حامل اضافت کے ساتھ اپ گریڈ کیا گیا ہے تاکہ ڈیجیٹائزیشن کے کام کو یوٹیلیٹی کے مطابق بنایا جاسکے اور برقی ذہانت کو مزید فروغ دیا جاسکے۔ یہ نئی خصوصیت نئی اسکیموں کی ڈیزائننگ یا پورے نیٹ ورک میں اضافہ کی سرگرمیوں کی منصوبہ بندی میں کارکردگی اور درستگی لاتی ہے۔ مکمل HT نیٹ ورک پہلے ہی GIS میں مکمل اثاثوں اور HT اور ہیڈ اور ریزرورٹس کی رولنگ کے ساتھ میپ کر چکا ہے۔ LT نیٹ ورک میپنگ کا عمل تمام علاقوں میں جاری ہے۔

ڈسٹری بیوشن کے ایریا آپریشن سینٹرز میں "موبائل کی بنیاد پر شکایت کی اسٹیٹس اور میٹرل کے استعمال کی ریکارڈنگ" کو یقینی بنانے کے لئے، KE کا پہلا اپنا وضع کردہ ورک فورس مینجمنٹ سلوشن متعارف کرایا گیا ہے۔ 300 CM MTLs میں فی الحال 300 ان ڈیش یونٹس نصب ہیں جو حقیقی وقت کی ریکارڈنگ اور AOCs میں عکاسی کے لئے موبائل ایپلیکیشن اور SAP کے ساتھ مکمل طور پر مربوط ہیں۔ اس ٹیکنالوجی کے حل کا مقصد شکایات TAT کو کم کرنا اور غلطی کے لحاظ سے لاگت میں شفافیت لانا ہے تاکہ صارفین کو حل کے لئے متوقع وقت کی بات چیت اور اصلاحی دیکھ بھال والی فیلڈ فورسز کے ذریعے میٹرل کے استعمال کی موقع پر ریکارڈنگ کی جاسکے۔

مزید یہ کہ، MDMS (میٹر ڈیٹا مینجمنٹ سسٹم) تجزیاتی ماڈیول کو دسمبر 2021 میں لائیو کیا گیا تھا۔ اس نے بہتر فیصلہ سازی کے لئے ڈیٹا سے ملنے والی معلومات کو فعال کیا ہے۔ یہ حل اب تکنیکی اور تجارتی نقصانات، بلنگ اور محصول، نیٹ ورک ہیلتھ اور اعتماد کا تفصیلی تجزیہ فراہم کرتا ہے۔ اس نے ڈیٹا کی دستیابی، Asset ٹیکنگ، نیٹ ورک کی درجہ بندی اور صارفین کی میپنگ کے ذریعے ہماری گورننس بڑھانے کی صلاحیت کو بھی وسعت دی ہے۔ تمام بڑی KPI رپورٹنگ کو Analytics MDMS میں منتقل کیا جا رہا ہے تاکہ اسے پوری آرگنائزیشن میں ڈیٹا کے واحد ذریعہ کے طور پر قائم کیا جاسکے۔

## کاروباری پیش رفت:

KE نے سبز اور ستے ذرائع سے بجلی پیدا کرنے کے اپنے عزم کے تحت، مسابقتی بولیوں کے ذریعے بلوچستان کے اضلاع وندر، اٹھل اور بیلہ میں 50 میگا واٹ کے سولر پاور کے پروجیکٹس لگانے کا آغاز کیا ہے۔ یہ منصوبے IPP اسٹرکچر کے تحت لگائے جائیں گے۔ پروجیکٹس کی درخواست (RFP) فی الحال نیچر کی منظوری کے مرحلے میں ہے۔

اس عرصے کے دوران، کمپنی نے سندھ انرجی ڈیپارٹمنٹ (SED) اور ورلڈ بینک کے ساتھ 350 میگا واٹ کی صلاحیت والے سولر پروجیکٹس کے قیام کے لئے میمورینڈم آف انڈر اسٹینڈنگ پر

## تقسیم کاری (ڈسٹری بیوشن)

اپنے نقصان میں کمی، حفاظت اور نیٹ ورک کی سلامتی و بہتری کے اہداف کے ساتھ، کمپنی کئی ڈسٹری بیوشن پروجیکٹس میں شامل رہی ہے۔

کمپنی کا فلیگ شپ پروجیکٹ - سر بلندی، جس کی ابتدا مالی سال 2020 میں کی گئی تھی۔ اب اس کے تیسرے مرحلے کا آغاز ہو چکا ہے۔ اس پروجیکٹ کے تحت نقصانات کو کم اور کمیونٹیز کی ترقی کے ہدف کو آگے بڑھایا گیا ہے۔ مالی سال 2022 کی پہلی ششماہی کے دوران، تقریباً 125,000 KG کنڈا ہٹا دیا گیا ہے، اور کل (Pole Mounted 476 PMTs) ABC Transformers میں تبدیل کیا گیا ہے۔ اس کے ساتھ ساتھ مالی سال کی پہلی ششماہی میں تقریباً 127,000 نئے کنکشن لگائے گئے ہیں۔

مزید یہ کہ کسٹمر کو تزویرات اور کسٹمر کی سہولت کو بڑھانے کے لئے، مالی سال 2022 کی پہلی ششماہی میں 4 مزید کسٹمر فیسیلیٹیشن سینٹرز (CFCs) کو فعال کیا گیا ہے۔ بروقت بل کی ادائیگی کی حوصلہ افزائی اور صارفین کی سہولت کو بہتر بنانے کے لئے، دسمبر 2021 میں عہد اسکیم کا آغاز کیا گیا۔ اور اس سے 2 ہفتوں میں تقریباً 8,000 صارفین سے مالی سال 2022 میں 100 ملین روپے وصول ہوئے۔ مزید برآں، شہر کے مختلف علاقوں میں منتخب مقامات کی نشاندہی کی گئی ہے، ہمیں امن و امان کے حوالے سے ان مقامات پر شدید مسائل کا سامنا ہے۔ ان علاقوں کے حالات کو دیکھتے ہوئے، ریکوری کی مخصوص رعایتی اسکیمیں متعارف کرائی گئی ہیں۔ اسکیم کے تحت 15,000 سے زائد صارفین رجسٹر ہوئے جن سے ریکوری 550 ملین روپے سے زیادہ ہے۔

مزید یہ کہ، ڈیجیٹلائزیشن کے ذریعے صارفین کے تجربات میں خوش گوار اضافے اور کسٹمر سینٹرک پاور یوٹیلٹی بننے کے لئے، KE نے متعدد منصوبے متعارف کرائے ہیں، جن کا مقصد ماحولیات کی اثرات کو کم کرنا اور KE کو آپریشنل افادیت لانے میں مدد کرنا ہے۔ پیپر لیس بلنگ کے فیچر کو کامیابی کے ساتھ تبدیل کر کے دسمبر 2021 میں لانچ کر دیا گیا ہے۔ اس پروجیکٹ کے تحت صارفین ای میل اور ایس ایم ایس کے ذریعے اپنے KE بل حاصل کر سکتے ہیں۔ صارفین کی سہولت کاری کے دیگر اقدام میں ریکوری افسران کو ایک پائلٹ پروجیکٹ کے طور پر KE بل کی ادائیگی کی رقم جمع کرنے کا اختیار دیا گیا ہے۔

KE نے Daraz اور بینک الفلاح کے ساتھ مل کر برانچ لیس بینانگ نیٹ ورک کو بڑھانے کے لئے متعدد بینکوں کے ساتھ شراکت داری کی ہے تاکہ وہ ڈیجیٹل بلوں کی ادائیگیوں اور ڈیجیٹل چینل کو فروغ دینے کے لئے کیش بیک اور ڈسکاؤنٹ کی صورت میں مراعات فراہم کر سکے۔ KE نے اپنی ویب سائٹ/ایپ کے ذریعے بل کی ادائیگی کے لئے NIFT e-PAY کے ساتھ شراکت داری کی ہے جو صارفین کو بینک ٹرانسفر کی سہولت کا استعمال کرتے ہوئے اپنے بلوں کی ادائیگی کے قابل بنائے گی۔

سال کے دوران اعتبار کو بہتر بنانے اور ڈاؤن ٹائم کو کم کرنے کے لئے متعدد اقدامات شروع کئے گئے ہیں۔ ان منصوبوں کے اہم اہداف میں سے ایک، گرڈ سے آؤٹج مینجمنٹ سینٹرلائز کرنا ہے۔ اس کے علاوہ، بہتر نیٹ ورک کی نمائش کے لئے GIS کا نفاذ آخری مراحل میں ہے۔

حفاظت کے ضمن میں اپنے عزم کو یقینی بنانے کے لئے، KE نے نیٹ ورک کی ریویو پالیسی اور عوامی تحفظ کو بہتر بنانے کے لئے پبلک ایکسیڈنٹ پریوینشن پلان (PAPP) جیسے حفاظتی اقدامات کا منصوبہ بنایا جو مالی سال 2022 کی دوسری سہ ماہی تک 99% تکمیل کی شرح پر ہے۔

ڈسٹری بیوشن برنس میں حفاظتی گائیڈ لائنز کی تعمیل کو یقینی بنانے کے لئے، فیلڈ اسٹاف کے لئے تربیت اور قابلیت کا پاسپورٹ تیار کیا گیا تھا، جو عملے کی جانب سے شرکت کرنے والی تربیتوں اور بیداری کے مختلف سیشنز پر نظر رکھتا ہے۔ مزید یہ کہ، فیلڈ اسٹاف (MS اور NMS) کے لئے Behavior Safety Management Sessions بھی شروع کئے گئے ہیں تاکہ فیلڈ میں حفاظت کے کلچر کو فروغ دیا جاسکے۔ سیون لائف سیونگ رولز کی ایک گائیڈ لائن تیار کی گئی ہے تاکہ ڈسٹری بیوشن میں بڑے خطرات کو کم کیا جاسکے۔ ان قوانین کے بارے میں عملے کو تمام اہم مقامات پر پوسٹرز اور ویڈیوز کے ذریعے آگاہ کیا گیا ہے۔

KE تھرڈ پارٹی ملازمین کی حفاظت کو یقینی بنانے کی راہ پر بھی کامزن ہے جس کے لئے کنٹریکٹور سٹیٹ ہینڈ بک تیار اور نافذ کی گئی جس میں ان کی حفاظت کے لئے تمام تقاضے شامل ہیں۔ مزید یہ کہ، ایک ٹول باکس ٹاک رسک آریڈیٹیٹی فلیشن کارڈ (TRIC) بھی ڈسٹری بیوشن میں متعارف کرایا گیا ہے جو کہ پری جاب/ٹاسک ٹول باکس ٹاک کے دوران سائٹ پر مخصوص خطرے کی تشخیص

تاہم، کمپنی کے خالص منافع میں اسی طرح اضافہ نہیں دیکھا جاسکا جس کی بنیادی وجہ 2.7 بلین پاکستانی روپے کے تجارتی قرضوں کے خلاف نقصان میں اضافہ اور پاک روپے کی قدر میں کمی کی وجہ سے 2.6 بلین پاکستانی روپے کا کچھ بچھ نقصان ہے۔ تجارتی قرضوں کے خلاف خرابی کے نقصان میں اضافہ ہوا کیونکہ بجلی کی بلند قیمتوں کے ساتھ ساتھ عام افراط زر نے صارفین کے ادائیگی کرنے کے رجحان کو بری طرح متاثر کیا جس کے نتیجے میں ڈیفالٹ پر نمائش میں اضافہ اور مستقبل کی وصولی کے تخمینے خراب ہوئے۔

## جزیشن (تشکیل و پیداوار)

زیر جائزہ مدت کے دوران، 900 میگا واٹ کے RLNG پروجیکٹ (BQPS-III) میں نمایاں پیش رفت ہوئی اور پہلے یونٹ کی پاور ٹرین کی تعمیر اور تنصیب کا کام مکمل کر لیا گیا اور یونٹ کو ٹیسٹنگ اور کمیشننگ کے کاموں کے لئے تیار کیا گیا۔ RLNG کی سپلائی کے آغاز کے ساتھ، گیس کے بنیادی اسٹرکچر کی تعمیر کا عمل اعلیٰ سطح پر ہے۔ اس کے علاوہ، یونٹ 1 کو ٹرننگ گیٹر پروڈال دیا گیا ہے اور پہلے فاز کے اگلے سنگ میل کے لئے کام جاری ہے۔ اس کے ساتھ ساتھ یونٹ 2 کا تعمیراتی کام بھی تیزی سے جاری ہے۔ مزید یہ کہ، BQPS RLNG سسٹم کو ہاٹ کمیشننگ کے لئے تیار کر دیا گیا تھا جبکہ اس سے منسلک لانڈھی گرڈ کو کامیابی کے ساتھ انرجائز کر دیا گیا ہے۔ ایک اور گرڈ کو Q3 FY 22 میں انرجائز کرنے کا منصوبہ ہے۔

مزید یہ کہ، KE نے قابل اعتماد بجلی کی فراہمی کو یقینی بنانے کے لئے اپنے موجودہ جزیشن فلیٹ میں سرمایہ کاری جاری رکھی۔ ان کی کارکردگی کو وسعت دینے کے لئے، تمام پاور پلانٹس میں مینٹیننس کی سرگرمیوں کے علاوہ، کلیدی اقدامات میں BQPS-1 GIS میں 220 kV ICI Bay کی کامیاب بحالی اور انرجائزیشن شامل ہے جو GSMP اور BQPS-1 پر مشتمل KE ٹیموں کے ذریعے ان ہاؤس انجام دی گئی ہے۔ کورنگی پاور کمپلیکس (KCCP) میں بلیک سٹارٹ کمیٹیٹی کا کامیاب آغاز ہوا جس نے KE کو بحالی کے کم وقت کے ساتھ IPPs اور نیشنل گرڈ سے خود مختار ہونے کے قابل بنایا، اس طرح بلیک آؤٹ ہونے کی صورت میں نیٹ ورک کو بجلی برآمد کرنے کے لئے KE کی تکنیکی مستعدی میں اضافہ ہوا۔

## ترسیل (ٹرانسمیشن)

بجلی کی طلب میں متوقع اضافے کو منظم کرنے اور نیشنل گرڈ میں اضافی صلاحیت کو مدنظر رکھتے ہوئے منظر نامے پر غور کرنے کے لئے، KE نئے گرڈز اور انٹر کنکشن کے کاموں کے قیام کے عمل میں مصروف ہے جس سے نیشنل گرڈ سے 1100 میگا واٹ کے علاوہ اضافی بجلی کا اخلا کیا جا رہا ہے۔ اس سلسلے میں 500kV کی سطح پر نئے گرڈ کے قیام کا عمل جاری ہے جبکہ نئے 220kV دھاتی انٹر کنکشن کی تعمیر زوروں پر ہے۔ 500kV KKI گرڈ اور اس سے منسلک ٹرانسمیشن لائن کے لئے، زمین حاصل کر لی گئی ہے اور بولی کی جانچ کا عمل جاری ہے۔ ان گرڈز اور انٹر کنکشن کے کاموں کی تکمیل پر، کے الیکٹرک نیشنل گرڈ سے 2,050 میگا واٹ تک بجلی درآمد کرنے کے قابل ہو جائے گی جس سے KE کے نظام میں اعتبار کو بڑھانے کے ساتھ ساتھ آنے والے سالوں میں طلب کو منظم کرنے میں مدد ملے گی۔

اس کے علاوہ، اپنے صارفین کو قابل اعتماد اور سسٹین ایبل بجلی فراہم کرنے کے لئے، نئے گرڈز کے قیام اور انٹر کنکشن پوائنٹس کی صلاحیت کار بڑھانے کے علاوہ، زیر جائزہ مدت کے دوران KE نے 6 نئے پاور ٹرانسفارمرز کے اضافے کے ذریعے اپنی ترسیلی صلاحیت میں اضافہ کیا۔ پاور ٹرانسفارمرز کے اضافے اور تبدیلی کے نتیجے میں 227 MVAs کا اضافہ ہوا اور گھل ٹرانسمیشن کمیٹیٹیٹی میں 6,763 MVAs کا اضافہ ہوا۔ نیز، 220kV کے ڈی اے سپیری سرکٹ II اور 132kV NPQ LILO کے ذریعے 132kV کو تیز روڈ۔ اولڈ ٹاؤن سرکٹ II کو توانائی بخش کر مجموعی طور پر سسٹم کے اعتبار کو بڑھایا گیا ہے۔

مزید یہ کہ، کمپنی نے بڑھتے ہوئے لوڈ پروفاٹل کو پورا کرنے کے لئے اپنے بنیادی ڈھانچے کو اپ گریڈ کرنے کے لئے اپنی سروس کے علاقے کے دیہی حصوں میں اہم سرمایہ کاری کی ہے جس سے ان علاقوں میں اقتصادی سرگرمیوں کو بھی سہولت ملے گی۔ اس سلسلے میں، بحالی کے متوازی طور پر وندر، اٹھل اور بیلہ میں گرڈز کو بڑھانے کا بھی منصوبہ ہے جس میں 66 kV سے 132 kV لیول تک اپ گریڈیشن شامل کرنے کے ساتھ ساتھ ٹرانسمیشن کمیٹیٹیٹی اور بھر سے کو بڑھانے کے لئے نئی لائنوں کو شروع کرنے کے ساتھ N-1 ہنگامی حالات کی فراہمی کے لئے بھی منصوبہ بنایا گیا ہے۔

مذکورہ بالا منصوبوں کے ساتھ ساتھ، پاور ٹرانسفارمرز، 132kV bays اور HIS اور GIS گرڈ اسٹیشن دونوں میں اضافہ کیا جا رہا ہے۔ یہ منصوبہ منظم طلب اور صنعتی ترقی کے انتظام کے ساتھ ساتھ آئندہ کے لوڈ میں اضافے کو پورا کرے گا۔ مزید یہ کہ، ٹرانسمیشن لائنوں کی بحالی کا کام جاری ہے تاکہ خاص طور پر نیٹ ورک میں 900MW کے پلانٹ کے اضافے کے بعد 220kV رنگ میں بجلی کے قابل اعتماد اخلا کو یقینی بنایا جاسکے۔ مزید یہ کہ، نظام کے اعتبار کو بہتر بنانے کے مقصد کے ساتھ ٹرانسمیشن لائنوں کی ری کنڈکٹنگ اور انسولیٹروں کی RTV کوٹنگ جیسے منصوبے شروع کئے جا رہے ہیں۔

## کے الیکٹرک لمیٹڈ

### ڈائریکٹرز کی جانب سے جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم انتہائی مسرت کے ساتھ 31 دسمبر 2021 کو ختم ہونے والی چھ ماہ کی مدت کے لئے غیر آڈٹ شدہ مختصر عبوری مالی گوشوارے کے ساتھ ڈائریکٹرز رپورٹ پیش کر رہے ہیں۔

کلیدی آپریشنل اور مالی نتائج کا خلاصہ درج ذیل ہے:

جولائی - دسمبر 2020	جولائی - دسمبر 2021
------------------------	------------------------

(UNITS-GWh)

### عملی (آپریشنل)

5,376	4,047	پیداواری یونٹس (ضمنی یونٹس کے علاوہ)
4,432	5,995	خریدے گئے یونٹس کی تعداد
9,808	10,042	ڈسٹری بیوشن کے لئے دستیاب کل یونٹس (بھیجے گئے)
8,344	8,732	بل کردہ یونٹس
14.9%	13.0%	ٹرانسمیشن اور ڈسٹری بیوشن کے نقصانات %

(ملین پاکستانی روپے)

153,358	217,354	آمدنی
29,855	33,182	کل منافع
14,248	11,519	مالی لاگت سے پہلے منافع
8,668	5,199	ٹیکس سے پہلے منافع
(1,796)	(1,885)	ٹیکس - خالص
6,872	3,314	مدت کے لئے خالص منافع
0.25	0.12	آمدنی فی حصص (بنیادی/تخفیف شدہ) (روپے)
24,464	21,258	انٹرسٹ، ٹیکس، ڈیپری سی ایشن اور امورٹائزیشن سے قبل آمدنی (EBITDA)

### مالی جائزہ

زیر جائزہ مدت کے دوران، اہم عملی اشاریوں نے تقابلی مدت کے دوران مثبت ترقی ظاہر کی جس میں T&D کے نقصانات میں 1.9% پوائنٹس کی کمی اور بھیجے گئے یونٹس میں 2.4% اضافہ ہوا۔ نتیجے کے طور پر، کمپنی کے مجموعی منافع میں گزشتہ سال کی اسی مدت کے مقابلے میں 11% اضافہ ہوا۔

تاہم، کمپنی کے خالص منافع میں اسی طرح اضافہ نہیں دیکھا جاسکا جس کی بنیادی وجہ 2.7 بلین پاکستانی روپے کے تجارتی قرضوں کے خلاف نقصان میں اضافہ اور پاک روپے کی قدر میں کمی کی وجہ سے 2.6 بلین پاکستانی روپے کا آپریشنل نقصان ہے۔ تجارتی قرضوں کے خلاف خرابی کے نقصان میں اضافہ ہوا کیونکہ بجلی کی بلند قیمتوں کے ساتھ ساتھ عام افراط زر نے صارفین کے ادائیگی کرنے کے رجحان کو بری طرح متاثر کیا جس کے نتیجے میں ڈیفالٹ پر نمائش میں اضافہ اور مستقبل کی وصولی کے تخمینے خراب ہوئے۔



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of K-Electric Limited

### Report on review of Condensed Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of K-Electric Limited (here-in-after referred to as the 'Company') as at December 31, 2021 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the 'condensed interim financial statements'). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income and notes thereto for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

#### Scope of Review

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

#### Conclusion

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

#### Emphasis of Matters

Without qualifying our conclusion, we draw attention to:

- note 6.1 to the accompanying condensed interim financial statements, which explains the matter in respect of claims for write-off of trade debts pending for determination by National Electric Power Regulatory Authority (NEPRA);

*[Handwritten signature]*



- note 12.1.1 to the accompanying condensed interim financial statements, which describes that the mark-up / financial charges on outstanding liabilities due to government-controlled entities will be payable by the Company only when it will receive mark-up on outstanding receivable balances on account of tariff differential claims and energy dues of the Company's public sector consumers; and
- note 12.1.2 to the accompanying condensed interim financial statements, which states that the Supreme Court of Pakistan vide its decision dated August 13, 2020 has declared the Gas Infrastructure Development Cess (GIDC) Act, 2015 to be valid. In this respect the Company's suit is pending before the High Court of Sindh on the grounds, amongst others, that the Company falls within the category of gas consumers who have not accrued the GIDC in their books and have neither recovered nor passed it on to their consumers.

Our conclusion is not modified in respect of these matters.

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

A handwritten signature in black ink, appearing to read 'Osama Kapadia', followed by a horizontal line.

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

**Date: February 28, 2022**

**UDIN: RR2021100800MitAysHd**



# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

## AS AT DECEMBER 31, 2021

	Note	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
---(Rupees in '000)---			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	439,485,915	424,069,228
Intangible assets		286,835	389,270
Investment in subsidiary - at cost		275,000	182,100
Investment property		2,956,421	2,986,899
Long-term loans		13,042	13,865
Long-term deposits		11,744	11,744
		443,028,957	427,653,106
<b>Current assets</b>			
Inventories		20,745,420	16,082,872
Trade debts	5	87,541,125	104,714,380
Loans and advances		1,425,891	2,587,658
Deposits and short-term prepayments		5,537,713	4,005,201
Other receivables	6	337,784,174	274,986,963
Taxation - net	7	961,505	-
Derivative financial assets	8	4,852,995	3,276,351
Cash and bank balances		1,168,023	2,370,891
		460,016,846	408,024,316
<b>TOTAL ASSETS</b>		903,045,803	835,677,422
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital		125,000,000	125,000,000
Issued, subscribed and paid up capital		96,261,551	96,261,551
<b>RESERVES</b>			
<b>Capital reserves</b>			
Share premium and other reserves		2,009,172	2,009,172
Revaluation surplus on property, plant and equipment		53,875,405	55,932,669
		55,884,577	57,941,841
<b>Revenue reserves</b>			
General reserves		5,372,356	5,372,356
Unappropriated profit		69,746,757	64,375,768
		75,119,113	69,748,124
		131,003,690	127,689,965
		227,265,241	223,951,516
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term diminishing musharaka		23,700,108	24,763,655
Long-term financing	9	70,759,682	35,650,703
Lease liabilities		83,841	100,342
Long-term deposits		13,503,125	12,866,349
Employee retirement benefits		5,039,040	4,717,134
Deferred revenue		27,348,604	27,697,647
Deferred taxation		-	-
		140,434,400	105,795,830
<b>Current liabilities</b>			
Current maturity of long-term diminishing musharaka		3,300,000	4,400,000
Current maturity of long-term financing	9	12,171,168	12,330,261
Current maturity of lease liabilities		34,817	31,723
Trade and other payables	10	388,214,158	353,854,773
Unclaimed dividend		645	645
Accrued mark-up		9,140,592	8,858,167
Taxation - net		-	51,692
Short-term borrowings	11	98,423,358	107,023,197
Short-term deposits		24,055,624	19,372,118
Provision		5,800	7,500
		535,346,162	505,930,076
		675,780,562	611,725,906
<b>TOTAL LIABILITIES</b>		903,045,803	835,677,422
<b>Contingencies and commitments</b>	12		
<b>TOTAL EQUITY AND LIABILITIES</b>		903,045,803	835,677,422

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



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director



**Muhammad Aamir Ghaziani**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Note	Half Year Ended		Quarter Ended	
		December 31, 2021 ----(Rupees in '000)----	December 31, 2020 ----(Rupees in '000)----	December 31, 2021 ----(Rupees in '000)----	December 31, 2020 ----(Rupees in '000)----
<b>REVENUE</b>					
Sale of energy – net	13	149,568,305	118,362,525	62,646,983	49,961,326
Tariff adjustment	14	67,785,818	34,995,030	40,567,650	17,846,522
		217,354,123	153,357,555	103,214,633	67,807,848
<b>COST OF SALES</b>					
Purchase of electricity	15	(90,246,322)	(50,211,765)	(46,664,834)	(22,629,561)
Consumption of fuel and oil	16	(81,350,435)	(59,925,590)	(33,739,484)	(22,469,415)
Expenses incurred in generation, transmission and distribution		(12,575,268)	(13,365,070)	(6,268,326)	(6,721,879)
		(184,172,025)	(123,502,425)	(86,672,644)	(51,820,855)
<b>GROSS PROFIT</b>		33,182,098	29,855,130	16,541,989	15,986,993
Consumers services and administrative expenses		(13,430,967)	(12,121,776)	(6,558,482)	(6,190,557)
Impairment loss against trade debts		(9,277,805)	(6,630,261)	(5,422,346)	(2,708,168)
Other operating expenses		(3,133,172)	(711,125)	(1,323,667)	(372,691)
Other income		4,178,839	3,855,795	1,292,319	2,365,688
		(21,663,105)	(15,607,367)	(12,012,176)	(6,905,728)
<b>PROFIT BEFORE FINANCE COST</b>		11,518,993	14,247,763	4,529,813	9,081,265
Finance cost		(6,319,649)	(5,579,709)	(3,331,967)	(2,559,129)
<b>PROFIT BEFORE TAXATION</b>		5,199,344	8,668,054	1,197,846	6,522,136
Taxation		(1,885,619)	(1,796,374)	(786,232)	(761,496)
<b>PROFIT FOR THE PERIOD</b>		3,313,725	6,871,680	411,614	5,760,640
<b>EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)</b>		21,257,801	24,464,258	9,419,932	14,272,729
----- ( Rupees ) -----					
<b>EARNING PER SHARE - BASIC AND DILUTED</b>		0.12	0.25	0.01	0.21

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



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director



**Muhammad Aamir Ghaziani**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half Year Ended		Quarter Ended	
	December 31, 2021 ----(Rupees in '000)----	December 31, 2020 ----(Rupees in '000)----	December 31, 2021 ----(Rupees in '000)----	December 31, 2020 ----(Rupees in '000)----
Profit for the period	3,313,725	6,871,680	411,614	5,760,640
<b>Other comprehensive income / (loss):</b>				
Items that may be reclassified to profit or loss				
Changes in fair value of cash flow hedges	2,070,697	(186,195)	202,491	(294,794)
Adjustment for amounts transferred to profit or loss	(2,070,697)	186,195	(202,491)	294,794
	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>3,313,725</b>	<b>6,871,680</b>	<b>411,614</b>	<b>5,760,640</b>

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



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director



**Muhammad Aamir Ghaziani**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Issued, subscribed and paid-up capital			Reserves						Total	
	Ordinary shares	Transaction costs	Total Share Capital	Capital			Revenue				
				Share premium	Others	Surplus on revaluation of Property, plant and equipment	General reserves	Unappropriated profit	Total		
	(Rupees in '000)										
<b>Balance as at July 1, 2020</b>	96,653,179	(391,628)	<b>96,261,551</b>	1,500,000	509,172	59,232,336	<b>61,241,508</b>	5,372,356	47,782,956	<b>53,155,312</b>	210,658,371
Total comprehensive income for the half year ended December 31, 2020											
Profit for the period	-	-	-	-	-	-	-	-	6,871,680	<b>6,871,680</b>	6,871,680
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	6,871,680	<b>6,871,680</b>	6,871,680
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	-	(2,525,915)	<b>(2,525,915)</b>	-	2,525,915	<b>2,525,915</b>	-
<b>Balance as at December 31, 2020 (Unaudited)</b>	<u>96,653,179</u>	<u>(391,628)</u>	<u><b>96,261,551</b></u>	<u>1,500,000</u>	<u>509,172</u>	<u>56,706,421</u>	<u><b>58,715,593</b></u>	<u>5,372,356</u>	<u>57,180,551</u>	<u><b>62,552,907</b></u>	<u>217,530,051</u>
<b>Balance as at July 1, 2021</b>	96,653,179	(391,628)	<b>96,261,551</b>	1,500,000	509,172	55,932,669	<b>57,941,841</b>	5,372,356	64,375,768	69,748,124	223,951,516
Total comprehensive income for the half year ended December 31, 2021											
Profit for the period	-	-	-	-	-	-	-	-	3,313,725	<b>3,313,725</b>	3,313,725
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	3,313,725	<b>3,313,725</b>	3,313,725
Incremental depreciation relating to surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	-	(2,057,264)	<b>(2,057,264)</b>	-	2,057,264	<b>2,057,264</b>	-
<b>Balance as at December 31, 2021 (Unaudited)</b>	<u>96,653,179</u>	<u>(391,628)</u>	<u><b>96,261,551</b></u>	<u>1,500,000</u>	<u>509,172</u>	<u>53,875,405</u>	<u><b>55,884,577</b></u>	<u>5,372,356</u>	<u>69,746,757</u>	<u><b>75,119,113</b></u>	<u>227,265,241</u>

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



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director



**Muhammad Aamir Ghaziani**  
Chief Financial Officer

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half Year Ended	
	December 31, 2021	December 31, 2020
	---(Rupees in '000)---	
<b>Cash flows from operating activities</b>		
Profit before taxation	5,199,344	8,668,054
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation and amortisation	9,738,808	10,216,495
Provision for employee retirement benefits	502,487	499,376
Provision for slow moving and obsolete inventories - net	99,939	103,510
Provision for impairment against trade debts	9,277,805	7,384,294
Gain on sale of property, plant and equipment	(991,698)	(248,171)
(Gain) / Loss on derivative financial assets / liability	(2,070,697)	186,195
Provision against fatal accident cases	(1,700)	-
Finance cost	6,319,649	5,579,709
Amortisation of deferred revenue	(1,174,259)	(1,064,915)
Return on bank deposits	(173,346)	(95,055)
<b>Operating profit before working capital changes</b>	<b>26,726,332</b>	<b>31,229,492</b>
<b>Working capital changes:</b>		
<b>(Increase) / decrease in current assets</b>		
Inventories	(4,762,487)	(2,587,161)
Trade debts	7,895,450	740,909
Loans and advances	1,161,767	(113,168)
Deposits and short term prepayments	(1,532,512)	389,918
Other receivables	(62,797,211)	(27,419,377)
	(60,034,993)	(28,988,879)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	34,359,385	17,823,693
Short-term deposits	4,683,506	(969,333)
	39,042,891	16,854,360
<b>Cash generated from operations</b>	<b>5,734,230</b>	<b>19,094,973</b>
Employee retirement benefits paid	(180,581)	(920,961)
Income tax paid	(2,898,816)	(142,007)
Receipts in deferred revenue	825,216	2,098,786
Finance cost paid	(8,746,102)	(5,695,832)
Interest received on bank deposits	173,346	95,055
Long-term loans	823	1,107
Long-term deposits	-	(686)
	(10,826,114)	(4,564,538)
<b>Net cash (used in) / generated from operating activities</b>	<b>(5,091,884)</b>	<b>14,530,435</b>
<b>Cash flows from investing activities</b>		
Capital expenditure incurred	(23,221,644)	(26,421,721)
Proceeds from disposal of property, plant and equipment	1,907,679	314,099
Subscription of share capital in subsidiary	(92,900)	-
<b>Net cash used in investing activities</b>	<b>(21,406,865)</b>	<b>(26,107,622)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term diminishing musharaka - net	(2,163,547)	(999,201)
Proceeds from long-term financing - net	35,443,939	4,197,065
Lease payments	(21,448)	(16,578)
(Repayment of) / proceeds from short-term borrowings - net	(5,333,688)	3,699,476
Security deposits from consumers	636,776	424,327
<b>Net cash generated from financing activities</b>	<b>28,562,032</b>	<b>7,305,089</b>
<b>Net increase / (decrease) in cash and cash equivalent</b>	<b>2,063,283</b>	<b>(4,272,098)</b>
Cash and cash equivalents at beginning of the period	(35,979,547)	(25,835,525)
<b>Cash and cash equivalents at end of the period</b>	<b>(33,916,264)</b>	<b>(30,107,623)</b>

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



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director



**Muhammad Aamir Ghaziani**  
Chief Financial Officer

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2021

## 1. THE COMPANY AND ITS OPERATIONS

- 1.1 K-Electric Limited (the Company) was incorporated as a limited liability company on September 13, 1913 under the repealed Indian Companies Act, 1882 (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at KE House, 39-B, Sunset Boulevard, Phase II, DHA, Karachi.
- 1.2 The Company is principally engaged in the generation, transmission and distribution of electric energy to industrial and other consumers under the Electricity Act, 1910 and the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act, 1997) to its licensed areas. KES Power Limited (the Holding Company) incorporated in Cayman Island, holds 66.40 percent (June 30, 2021: 66.40 percent) shares in the Company.
- 1.3 As notified on the Pakistan Stock Exchange on October 28 2016, Shanghai Electric Power Company Limited (SEP) has entered into a Sale and Purchase Agreement (SPA) with KES Power Limited (the Holding Company) to acquire up to 66.40 percent of the shares in the Company. The completion of the transaction contemplated by SPA is subject to receipt of applicable regulatory approvals and satisfaction of other conditions precedent specified therein.

SEP notified its initial Public Announcement of Intention (PAI) for the above equity acquisition on October 3, 2016. Subsequently, in order to comply with the statutory requirements under the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, SEP notified PAIs on different dates with latest PAI being notified on December 29, 2021 incorporating amended / additional requirements pursuant to the Securities Act, 2015 and the aforementioned regulations.

- 1.4 The company has following subsidiaries:

KE Venture Company (Private) Limited (KEVCL), has been incorporated to invest in diverse initiatives within the energy sector of Pakistan. During the period, the Company has further subscribed 9.29 million (June 30, 2021: 18.2 million) ordinary shares of KEVCL amounting to Rs. 92.9 million (June 30, 2021: 182.1 million).

K-Solar (Private) Limited (K-Solar) was incorporated under KEVCL. The principal activity of K-Solar is to provide customers with opportunities to diversify their energy sources through high quality economic solutions.

The principal location of business for KEVCL and K-Solar is Karachi, Pakistan.

- 1.5 The Company, being a regulated entity, is governed through Multi Year Tariff (MYT) regime. Accordingly, National Electric Power Regulatory Authority (NEPRA) determines tariff for the Company for the tariff control period from time to time. The MYT which was determined in 2009 was for a seven-year period which expired on June 30, 2016. On March 31, 2016, the Company filed a tariff petition with NEPRA for continuation of the MYT for a further 10 year period starting from July 1, 2016 along with certain modifications in the tariff. NEPRA vide its determination dated March 20, 2017, determined the MYT for the period commencing from July 1, 2016 till June 30, 2023 (MYT 2017-23). Considering that some of the assumptions in the MYT 2017-23 determined by NEPRA were not reflective of ground realities and would be detrimental to the long term investment plan and operations, the Company, in order to protect long term interest of the business filed a review motion with NEPRA on April 20, 2017.

NEPRA issued its decision on the Company's review motion and largely maintained its earlier decision. The Ministry of Energy (Power Division), Government of Pakistan (the GoP) on request of the Company filed a 'Reconsideration request' with NEPRA dated October 26, 2017 under Section 31 (4) of the NEPRA Act 1997 to consider afresh its earlier determination to ensure that consumer interest in terms of continuous and efficient service delivery is maintained. NEPRA, vide its decision dated July 5, 2018 (MYT decision) in the matter of 'Reconsideration request' filed by the GoP, determined the revised MYT. The Company after considering that the MYT decision does not consider actual equity invested into the Company, applies notional capital structure based on the assumption of 70:30 debt to equity ratio and is a drastic departure from the previous structure without providing the Company an appropriate transition period, approached the Appellate Tribunal for relief under Section 12G of the NEPRA Act 1997. The formation of Appellate Tribunal has been notified by the Government of Pakistan (GoP) and in this regard the Supreme Court in HRC No.20883/2018 vide order dated October 13, 2020 has

directed the Federation of Pakistan to notify the Chairman and members of the Appellate Tribunal within two (02) weeks and submit a report. Chairman of the Appellate Tribunal has been appointed by GoP however, members are yet to be appointed. On the appointment of the members Appellant tribunal would be functional. The Company also approached the High Court of Sindh (HCS) against the aforementioned MYT decision and filed a suit in which a stay order was granted on July 26, 2018. The Company, on April 3, 2019, withdrew the suit filed with HCS against MYT decision, as the Company decided to pursue its legitimate concerns / issues with Appellate Tribunal, however, reserves its right to again approach the HCS if required. The Ministry of Energy (Power Division) has notified the MYT decision through SRO 576 (I) /2019 dated May 22, 2019.

The Company's revenue recorded in these condensed interim financial statements is based on the aforementioned MYT decision.

- 1.6 The Company filed Mid Term Review petition with NEPRA on March 11, 2020, as per the mechanism included in the MYT decision dated July 5, 2018, for reassessment of impact of USD indexation on allowed Return on Equity, changes due to necessary revision in the investment plan and working capital requirements of the Company along with other adjustments. NEPRA held a public hearing on this matter on September 16 and 17, 2020. Considering the significant changes to macro-economic factors due to COVID-19, revision in investment plan and other changes in underlying factors, the Company updated its earlier request of increase in base tariff of Rs. 1.64/kWh through its letter dated October 1, 2020 and has requested for an increase of Rs. 1.21/kWh in the base tariff effective July 1, 2016. The Mid Term Review petition is currently under determination, however, the Company based on prudence has accounted for and maintained the base tariff impact of negative component relating to revision in investment plan net of USD indexation on allowed Return on Equity in these condensed interim financial statements. Further, keeping in view the significant regulatory delays and related uncertainty, other adjustments including legitimate cost of working capital would be recognised based on determination of NEPRA. The Company remains engaged with NEPRA for determination of its legitimate requests and is confident that necessary adjustment would be made in base tariff.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of Compliance**

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

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

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

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. These condensed interim financial statements are un-audited, however, have been subject to limited scope review by the auditors of the Company and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and Section 237 of the Act.
- 2.3 In order to comply with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual financial statements of the immediately preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cashflows have been compared with the amounts of comparable period of the immediately preceding financial year.
- 2.4 The figures included in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 and the notes forming part thereof have not been reviewed by the auditors, as they are only required to review the cumulative figures for the half year ended December 31, 2021.

2.5 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency.

## 2.6 New standards, amendments to accounting and reporting standards and new interpretations

### a) Amendments to published accounting and reporting standards which became effective during the period

The following new standards and interpretation to the accounting and reporting standards as applicable in Pakistan are effective for the first time for the companies with the year end June 30, 2022 and are relevant to the Company.

#### - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest rate benchmark reform – Phase 2

The IASB has issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 that address issues arising during the reform of benchmark interest rates including the replacement of one benchmark rate with an alternative one.

The objective of the disclosures required by the Phase 2 amendments is to enable users of financial statements to understand the effect of IBOR reform on an entity's financial instruments and risk management strategy. An entity needs to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition. The relevant information is disclosed in note 9.

SECP through S.R.O. 11177 (I)/2021 dated September 13, 2021 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP), the requirements contained in IFRS 9 'Financial Instruments', with respect to application of Expected Credit Loss (ECL) method shall not be applicable till June 30, 2022, provided that such companies shall follow relevant requirements of IAS 39 'Financial Instruments: Recognition and Measurement' in respect of above referred financial assets during the exemption period.

### b) New standard and amendments to published accounting and reporting standards that are not yet effective

The following amendments with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

	<b>Effective date (annual reporting periods beginning on or after)</b>
IAS 1 Presentation of financial statements (Amendments)	January 1, 2023
IAS 8 Accounting policies, changes in estimates and errors (Amendments)	January 1, 2023
IAS 12 Income taxes (Amendments)	January 1, 2023
IAS 16 Property, Plant and Equipment (Amendments)	January 1, 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendments)	January 1, 2022
IFRS 3 Business Combinations (Amendments)	January 1, 2022
IFRS 9 Financial Instruments (Amendments)	January 1, 2022

The management anticipates that application of above amendments in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

Further, the following new standards have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1 First time Adoption of International Financial Reporting Standards

IFRS 17 Insurance Contracts

In case exemption period is not extended by the SECP beyond June 30, 2022 with respect to application of ECL method on financial assets due from the GoP, ECL method will become applicable on trade debts and other receivables due from GoP. At present, the impacts of application of ECL method on such dues are being assessed by the Company's management.



## 2.7 Accounting estimates, judgement and financial risk management

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

During the preparation of these condensed interim financial statements, there have been no changes in the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty from those that were applied to the annual audited financial statements of the Company for the year ended June 30, 2021.

## 3. ACCOUNTING POLICIES

- 3.1 The accounting policies and method of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the Company's annual audited financial statements for the year ended June 30, 2021.
- 3.2 The Company follows the practice to conduct actuarial valuation annually at financial year end. Hence, the impact of remeasurement of post-employment benefit plans has not been incorporated in these condensed interim financial statements.
- 3.3 Taxes on income, in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.
- 3.4 As stated in note 2.6 above, due to extension of the exemption applicable in respect of financial assets due from the GoP with respect to ECL method, the application of IAS 39 continues to be consistently applied to such financial assets during the exemption period.

	Note	(Un-Audited)	(Audited)
		December 31, 2021	June 30, 2021
		---(Rupees in '000)---	
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	<b>4.1</b>	295,669,362	298,062,507
Capital work-in-progress (CWIP)	<b>4.2</b>	143,707,181	125,880,005
Right of use assets		109,372	126,716
		<u>439,485,915</u>	<u>424,069,228</u>

- 4.1 Additions and disposals of operating fixed assets during the period are as follows:

	(Un-Audited) Transfers from CWIP (at cost)		(Un-Audited) Disposals (at net book value)	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
------(Rupees in '000)-----				
Plant and machinery	1,844,137	788,232	569,536	6,682
Transmission and distribution network	6,264,650	4,512,054	340,276	57,936
Others	2,600	2,434	6,169	1,310
	<u>8,111,387</u>	<u>5,302,720</u>	<u>915,981</u>	<u>65,928</u>

- 4.1.1 The above disposals represent assets costing Rs. 2,555.491 million (December 31, 2020: Rs. 289.985 million) which were disposed of for Rs. 1,907.679 million (December 31, 2020: Rs. 314.099 million)

## 4.2 Details about the CWIP are as follows:

	Plant and machinery	Transmission gird equipments / lines	Distribution network / renewal of mains and services	Others	December 31, 2021	December 31, 2020
----- (Rupees in '000) -----						
Opening balance	67,231,779	23,112,544	29,552,623	5,983,059	125,880,005	75,849,191
Additions / inter-class transfers during the period (note 4.2.1)	8,266,410	5,599,552	11,192,336	880,265	25,938,563	26,421,721
	75,498,189	28,712,096	40,744,959	6,863,324	151,818,568	102,270,912
Transfers to operating fixed assets	(1,844,137)	(767,652)	(5,496,998)	(2,600)	(8,111,387)	(5,302,720)
Balance as at period end	<u>73,654,052</u>	<u>27,944,444</u>	<u>35,247,961</u>	<u>6,860,724</u>	<u>143,707,181</u>	<u>96,968,192</u>

4.2.1 These include borrowing cost capitalised during the period amounting to Rs. 4,401.4 million (December 31, 2020: Rs. 1,724.5 million).

	Note	(Un-Audited)	(Audited)
		December 31, 2021	June 30, 2021
---(Rupees in '000)---			
<b>5. TRADE DEBTS</b>			
<b>Considered good</b>			
Secured – against deposits from consumers		5,530,486	5,502,226
Unsecured		82,010,639	99,212,154
	<b>5.1 &amp; 5.2</b>	<u>87,541,125</u>	<u>104,714,380</u>
<b>Considered doubtful</b>		100,334,362	97,746,537
		187,875,487	202,460,917
Provision for impairment against debts considered doubtful	<b>5.3</b>	<u>(100,334,362)</u>	<u>(97,746,537)</u>
		<u>87,541,125</u>	<u>104,714,380</u>

5.1 These balances do not include any Late Payment Surcharge (LPS) on receivables from public sector consumers as fully explained in note 12.1.1 to these condensed interim financial statements, on the principal that due to the circular debt situation, the LPS should only be received by the Company from its public sector consumers, if any surcharge is levied on the Company on account of delayed payments of its public sector liabilities.

As at December 31, 2021, receivable from government and autonomous bodies amounting to Rs. 49,946 million (June 30, 2021: Rs. 51,396 million) includes unrecognised LPS of Rs. 9,332 million (June 30, 2021: Rs. 9,079 million); which includes receivable from Karachi Water and Sewerage Board (KW&SB) amounting to Rs. 32,617 million including unrecognised LPS of Rs. 4,936 million (June 30, 2021: Rs. 32,240 million including LPS of Rs. 4,686 million) and receivable from City District Government Karachi (CDGK) amounting to Rs. 9,874 million including unrecognised LPS of Rs. 1,897 million (June 30, 2021: Rs. 11,609 million including LPS of Rs. 1,873 million).

Upto December 31, 2021, adjustment orders amounting to Rs. 12,434 (June 30, 2021: Rs. 12,434 million) have been received from the Government of Sindh (GoS) whereby the Company's liability on account of electricity duty has been adjusted against the KW&SB dues.

5.2 There is no substantial change in the status of the matter detailed in note 10.3 to the Company's financial statements for the year ended June 30, 2021.

		(Un-Audited)	(Audited)
		December 31, 2021	June 30, 2021
	<b>Note</b>	---(Rupees in '000)---	
<b>5.3 Provision for impairment</b>			
Opening balance		97,746,537	101,500,529
Provision recognised during the period / year		9,277,805	15,743,291
		<u>107,024,342</u>	<u>117,243,820</u>
Write-off against provision during the period / year	<b>5.4</b>	(6,689,980)	(19,497,283)
		<u>100,334,362</u>	<u>97,746,537</u>

5.4 This includes write-off of Rs. 5,636 million (June 30, 2021: Rs. 16,040 million) to be claimed as tariff adjustment in accordance with the criteria prescribed by NEPRA as explained in note 14.2 to the condensed interim financial statements.

		(Un-Audited)	(Audited)
		December 31, 2021	June 30, 2021
	<b>Note</b>	---(Rupees in '000)---	
<b>6. OTHER RECEIVABLES</b>			
<b>Considered good</b>			
Sales tax - net		9,470,354	7,365,116
Due from the Government of Pakistan (GoP) and Government of Balochistan (GoB) - net:			
- Tariff adjustment	<b>6.1</b>	324,660,864	266,875,046
- Interest receivable from GoP on demand finance liabilities		237,173	237,173
		<u>324,898,037</u>	<u>267,112,219</u>
Others		3,415,783	509,628
		<u>337,784,174</u>	<u>274,986,963</u>

6.1 This includes Rs. 42,784 million recorded as claims for write off of trade debts. The claims submitted by the Company for the years ended June 30, 2017, June 30, 2018 and June 30, 2019 aggregating to Rs. 13,616 million have been pending for determination by NEPRA for which NEPRA through its letters dated December 31, 2019 and March 10, 2021 stated that further deliberation is required in respect of the above-mentioned claims before these can be allowed as an adjustment in tariff. Further, claims amounting to Rs. 7,492 million and Rs. 16,040 million pertaining to years ended June 30, 2020 and June 30, 2021 respectively (i.e. aggregating to Rs. 23,532 million) have been submitted which are also pending for determination by NEPRA.

6.2 There is no significant change in the status of the matters detailed in notes 13.2 to 13.4 to the Company's financial statements for the year ended June 30, 2021.

## 7. TAXATION - NET

There is no significant change in the status of the tax related matters as disclosed in notes 41.1 and 41.2 to the financial statements of Company for the year ended June 30, 2021.

		(Un-Audited) December 31, 2021 ---(Rupees in '000)---	(Audited) June 30, 2021
<b>8. DERIVATIVE FINANCIAL ASSETS</b>			
Derivative financial assets	<b>8.1 &amp; 8.2</b>	4,852,995	3,276,351
8.1	The Company has entered into multiple cross currency swap arrangements with commercial banks in connection with foreign currency borrowings as disclosed in note 9. Pursuant to the agreements, the Company's foreign currency borrowings up to USD 156.7 million (June 30, 2021: USD 116.96 million) and EUR 28.48 million (June 30, 2021: EUR 32.04 million) were converted into hedged Pakistan Rupee amount and the interest rate accruing thereon is payable to the hedging bank at 3 months KIBOR + spread ranging from negative 187 to positive 40 basis points.		
8.2	The above hedge of exposures arising due to variability in cash flows owing to currency risks have been designated as cash flow hedges.		
		(Un-Audited) December 31, 2021 ---(Rupees in '000)---	(Audited) June 30, 2021
	<b>Note</b>		
<b>9. LONG-TERM FINANCING</b>			
<b>From banking companies and financial institutions - secured</b>			
Hermes financing facility - 1	<b>9.1</b>	5,686,158	6,000,731
Sinosure financing facility - 1	<b>9.1</b>	13,539,840	13,493,255
Syndicate Term Finance facility	<b>9.1</b>	17,567,665	19,901,322
GuarantCo. financing facility	<b>9.1</b>	7,103,357	7,809,046
Salary refinance scheme		-	750,000
Hermes financing facility - 2	<b>9.2 &amp; 9.5</b>	11,254,370	-
Local Project Finance Facility	<b>9.3 &amp; 9.5</b>	11,693,201	-
Corporate Syndicate Facility	<b>9.4 &amp; 9.5</b>	16,059,649	-
		<u>82,904,240</u>	<u>47,954,354</u>
<b>Less:</b>			
Current maturity shown under current liabilities		(12,144,558)	(12,303,651)
		<u>70,759,682</u>	<u>35,650,703</u>
<b>Others - Unsecured</b>			
Due to oil and gas companies		610	610
Current maturity shown under current liabilities		(610)	(610)
		-	-
<b>Unsecured</b>			
GoP loan for the electrification of Hub area		26,000	26,000
Current maturity shown under current liabilities		(26,000)	(26,000)
		-	-
		<u>70,759,682</u>	<u>35,650,703</u>
9.1	Details about these facilities have been disclosed in note 20 to the Company's financial statements for the year ended June 30, 2021.		
9.2	This represents Pakistan Rupee equivalent (net of transaction cost) outstanding balance of USD 79.76 million disbursed under Hermes supported facility agreement entered into on August 10, 2021 for USD 123.23 million, with a syndicate of foreign commercial lenders. The loan is being utilised to fund BQPS-III combined cycle power plant and associated transmission projects of the Company. The loan carries mark-up at 3 month LIBOR + 1.35% per annum. The loan is to be settled in 48 quarterly instalments as per the terms of the agreement commencing from February 3, 2023 with final repayment due on August 3, 2034. The Company has executed cross currency swaps with commercial banks to hedge the Company's foreign currency principal obligations under the facility.		
9.3	This represents amount outstanding (net of transaction cost) under Syndicate Term Finance Facility entered into on November 24, 2021 with a syndicate of local commercial lenders for an amount of Rs. 13,904 million. The proceeds of the loan have been partially utilised to settle the bridge facility referred in note 11.2 and remaining proceeds are to be utilised to fund BQPS-III combined cycle power plant and associated transmission projects of the Company. The loan carries mark-up at 3 month KIBOR + 2.25% per annum. The loan is to be settled in 48 quarterly instalments commencing earlier of (i) within three months after the commercial operation date of the BQPS III Project or (ii) expiry of two years from facility effective date i.e December 30, 2021.		

- 9.4 This represents amount outstanding (net of transaction cost) under Corporate Term Finance Facility entered into on November 24, 2021 with a syndicate of local commercial lenders for an amount of Rs. 19,096 million. The proceeds of the loan have been partially utilized to settle the bridge facility referred in note 11.2 and remaining proceeds are to be utilized for meeting permanent working capital requirements in relation to BQPS-III combined cycle power plant and associated transmission projects of the Company. The loan carries mark-up at 3 month KIBOR + 2.15% per annum. The loan is to be settled in 40 quarterly instalments commencing earlier of (i) within three months after the commercial operation date of the BQPS III Project or (ii) expiry of two years from facility effective date i.e December 30, 2021.
- 9.5 The above facilities, stated in notes 9.1 to 9.4, are secured against:
- assets and properties (excluding stores, spares and fuel) existing and located on each of the Bin Qasim Site (other than Units 3 and 4 of BQPS I), the Korangi site, the Korangi Gas Plant Site and S.I.T.E Plant site;
  - stores and spares of the Company, not exceeding fifteen percent (15%) of the aggregate value, wheresoever located;
  - hypothecation charge over specific Collections, Accounts and Deposits and;
  - lien on specific accounts and deposits.
- 9.6 The long term facilities agreement are subject to interest rate benchmark reforms, which are yet to transition. The consultation between the Company and lenders will commence in due course and transition will be completed by the mid of 2023.

	Note	(Un-Audited)	(Audited)
		December 31, 2021	June 30, 2021
		---(Rupees in '000)---	
<b>10. TRADE AND OTHER PAYABLES</b>			
Power purchases		275,518,385	234,486,600
Fuel and gas		18,034,275	21,166,153
Others		36,675,880	41,960,100
		<u>330,228,540</u>	<u>297,612,853</u>
Accrued expenses		5,133,271	6,131,052
Contract liabilities		5,993,736	5,282,682
Other liabilities including claw-back		46,858,611	44,828,186
		<u>388,214,158</u>	<u>353,854,773</u>
<b>11. SHORT-TERM BORROWINGS</b>			
<b>From banking companies</b>			
Bills payable	<b>11.1</b>	33,415,645	20,202,092
Short term running finances	<b>11.1</b>	35,084,287	38,350,438
Bridge term finance facility - 2	<b>11.2</b>	-	28,310,000
		<u>68,499,932</u>	<u>86,862,530</u>
<b>From others</b>			
Conventional Commercial Paper	<b>11.3</b>	4,450,600	-
Islamic Commercial Papers	<b>11.4</b>	25,472,826	20,160,667
		<u>98,423,358</u>	<u>107,023,197</u>

- 11.1 Details about these facilities have been stated in note 28 to the Company's financial statements for the year ended June 30, 2021.
- 11.2 A bridge finance facility for an amount of Rs. 28,310 million was entered into on July 26, 2020 with local commercial banks for funding BQPS-III combined cycle power plant and associated transmission projects of the Company. The facility carried mark-up at 3-month KIBOR + 2% per annum, payable in quarterly installments. The facility was repaid in December 2021 through proceeds of the facilities as referred in notes 9.3 and 9.4.
- 11.3 This represents an unsecured Conventional Commercial Paper (CP) of 6 months' tenor amounting to Rs. 4.5 billion (face value) in aggregate maturing on February 22, 2022. The proceeds therefrom were utilised to partially finance the Company's additional working capital requirements. This carries profit at 6 month KIBOR + 0.45% per annum.

- 11.4 These represent six distinct privately placed and unsecured Islamic Commercial Paper (ICP) of 6 months' tenor amounting to Rs. 26 billion (issue size) in aggregate maturing from January 12, 2022 to May 16, 2022. The proceeds from these ICP were utilised for repayments upon maturity of previously issued ICPs and partially to finance the Company's additional working capital requirements. These carry profit at 6 month KIBOR + 0.30% to 0.60% per annum.

## 12. CONTINGENCIES AND COMMITMENTS

### 12.1 Contingencies

- 12.1.1 Mark-up on overdue balances with National Transmission and Dispatch Company (NTDC) / Central Power Purchasing Agency (Guarantee) Limited (CPPA), a major government owned power supplier, has not been accrued in these condensed interim financial statements. With effect from June 2015, CPPA has assumed the central power purchase division of NTDC along with the related assets, rights and liabilities of NTDC, including alleged receivables from the Company. The Company is of the view that in accordance with the mechanism defined in the Power Purchase Agreement (PPA) dated January 26, 2010 with NTDC, NTDC's dues are to be settled by the Ministry of Finance (MoF) through payment of the Company's tariff differential claims directly to NTDC. Up to December 31, 2021, the MoF has released the Company's tariff differential claims aggregating Rs. 402,942 million (June 30, 2021: Rs. 392,942 million) directly to NTDC / CPPA. Additionally, the Company has also directly paid Rs. 61,975 million up to December 31, 2021 (June 30, 2021: Rs. 46,668 million) to NTDC / CPPA on account of its outstanding dues on an agreed mechanism. The PPA with NTDC expired on January 25, 2015. However, the supply of electricity of 650 Megawatts (MW) continues in line with the High Court of Sindh's order dated February 6, 2014. Discussions with NTDC / CPPA are underway for the renewal of the expired PPA. Moreover, in accordance with Cabinet Committee on Energy (CCoE)'s decision dated August 27, 2020 and subsequent to completion of rehabilitation work, the overall interconnection capacity has been enhanced to 1,400 MW and the supply of electricity from NTDC / CPPA has been increased to 1,100 MW in order to meet additional demand and has been billed in line with the terms of PPA.

On June 22, 2018, NTDC / CPPA filed a suit in the Civil Court of Islamabad for recovery of Rs. 83,990 million up to May 2018, comprising of principal amounting to Rs. 66,347 million and mark-up thereon amounting to Rs. 17,643 million, the decision of which is pending to date. Within the alleged claims filed by NTDC / CPPA in the aforementioned suit, release of tariff differential claims amounting to Rs. 15,021 million was unilaterally adjusted by NTDC / CPPA against the disputed mark-up claim. This was subsequently corrected by NTDC / CPPA and adjusted against the principal balance (resulting in decrease in principal amount with corresponding increase in mark-up), as confirmed from invoices and correspondence received afterwards. NTDC / CPPA's mark-up claim up to December 31, 2021 amounts to Rs. 96,409 million (June 30, 2021: Rs. 80,312 million) which is on the premise that while the outstanding amounts were to be adjusted against tariff differential claims, the Company is eventually responsible for payments of all outstanding amounts, including mark-up. However, the Company has not acknowledged the disputed mark-up claimed by NTDC / CPPA as debt, as the Company is of the view that the disputed mark-up claims would not have arisen in case tariff differential claims payments, including payments related to claims of unrecovered cost due to 4% capping and gas load management plan were released to NTDC / CPPA by the MoF on behalf of the Company on timely basis.

In addition to above, the mark-up claimed by Sui Southern Gas Company Limited (SSGC) through its monthly invoices upto December 2021 aggregates to Rs. 119,660 million (June 30, 2021: Rs. 109,341 million), which has not been accrued by the Company. In view of the Company, the unilateral reduction of gas by SSGC in year 2009-10, in violation of the ECC allocation and Heads of Terms Agreement dated July 31, 2009, led to increased consumption of furnace oil, which coupled with non-payment by government entities, as more fully explained in ensuing paragraphs, significantly affected the Company's liquidity and hence the mark-up claim is not tenable.

In the year ended June 30, 2013, SSGC filed Suit No. 1641/2012 against the Company in the High Court of Sindh for recovery of unpaid gas consumption charges and interest thereon along-with damages amounting to Rs. 45,705 million and Rs. 10,000 million, respectively. The Company also filed a Suit No. 91/2013 against SSGC in the High Court of Sindh for recovery of damages / losses of Rs. 59,600 million resulting from SSGC's failure to comply with its legal obligation to supply the allocated quantity of 276 MMCFD of natural gas to the Company. On October 7, 2019, the Court vacated a stay order dated December 3, 2012 granted in favour of SSGC which restrained the Company from selling its immovable properties. Subsequently, SSGC had filed an appeal bearing HCA No. 353/2019 before the High Court of Sindh which is pending. Both these suits are pending adjudication to date.

Further, the Company entered into a payment plan with SSGC in the year 2014 and subsequently renewed the plan in years 2015 and 2016, which provided for a mechanism for payment of principal arrears by the Company on supply of adequate gas by SSGC. The dispute of mark-up claim has also been mentioned in the payment plan. The Company's management is of the view that the principal payments made by the Company to SSGC have been unilaterally adjusted by SSGC against SSGC's disputed mark-up claim, which is in violation of the payment plan which clearly mentions that the payments are to be adjusted against outstanding principal balances and hence any adjustment against the mark-up by SSGC in the Company's view is not tenable.

The Company had filed an application CMA No. 12178/2018 in pending Suit No. 1263/2011 (Suit filed by KW&SB) for payment of outstanding liability of approximately Rs. 27.5 billion by the Government of Sindh. After hearing the parties, the Court vide order dated November 18, 2021 allowed the application in favour of the Company whereby, the Government of Sindh has been directed to pay the outstanding liability of KW&SB amounting to Rs. 27.5 billion to the Company and accordingly submit a payment plan. As per the order passed by the High Court of Sindh, the management believes that the liability to pay the outstanding dues of KW&SB now vests with the Government of Sindh.

The Company's management believes that overdue amounts have only arisen due to circular debt situation caused by delayed settlement of tariff differential claims by the Ministry of Finance (GOP) as well as delayed settlement of the Company's energy dues by certain public sector consumers (e.g. KW&SB). Accordingly, mark-up / financial charges on outstanding liabilities due to government-controlled entities

will be payable by the Company only when it will receive mark-up on outstanding receivable balances on account of tariff differential claims and energy dues of the Company's public sector consumers.

- 12.1.2 The Government of Pakistan promulgated GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 for collection of Gas Infrastructure Development Cess (GIDC) from gas consumers (both power sector and industrial sector) other than domestic consumers. Single bench of the High Court of Sindh through its judgment (by consolidating all similar cases) dated October 26, 2016 held the GIDC Act 2011, GIDC Ordinance 2014 and GIDC Act 2015 to be ultra vires and un-constitutional and held that the amounts collected in pursuance of the above laws is liable to be refunded / adjusted in the future bills, therefore all amounts previously paid by the Company to SSGC amounting to Rs. 4,672 million, in respect of GIDC, became immediately due and recoverable from SSGC.

Subsequently, GoP filed an appeal before the divisional bench of the High Court of Sindh challenging the above judgment (in respect of few other parties), whereby the decision of the single bench was suspended by the divisional bench of the High Court of Sindh on November 10, 2016. During the year ended June 30, 2020, High Court of Peshawar ruled that the GIDC Act 2015 was constitutional. Aggrieved parties filed an appeal before the Supreme Court of Pakistan to challenge the decision of the High Court of Peshawar. The Company was impleaded as a party in the said appeal on the basis of its Intervenor Application.

The Supreme Court of Pakistan vide its decision dated August 13, 2020, has dismissed all the petitions and related appeals in matter of GIDC and declared GIDC Act 2015 to be valid, being within the legislative competence of the parliament. Further, as per this decision, the companies responsible to collect GIDC under the GIDC Act 2015 were directed to recover all arrears of GIDC due but not recovered upto July 31, 2020, in 24 equal monthly installments starting from August 1, 2020 without the component of late payment surcharge. The Company filed a review petition against the decision of SCP. However, the SCP through its order dated November 2, 2020 dismissed the review petition.

In respect of the above, the Company filed a suit before the High Court of Sindh (HCS) which is pending while the Company obtained a stay order dated October 6, 2020 whereby, the HCS has restrained SSGC and the GOP from taking any coercive action for non-payment of installments of GIDC arrears, on the grounds amongst others that the Company falls within the category of gas consumers who have not accrued the GIDC in their books and have neither recovered nor passed it on to their consumers through addition in the cost / tariff of electricity. The matter was taken up for hearing on January 10, 2022 and was adjourned. The stay granted by HCS is still valid and operational.

The Company, based on the views of its legal counsel, is of the opinion that the Company in its suit before the HCS has raised substantive grounds for review by the HCS and that the suit has fairly reasonable prospects of success. It has been contended that in the presence of a valid Decree passed by the HCS, no GIDC can be imposed during the time such Decree is in the field. Accordingly, no liability and the related receivable amounting to approximately Rs. 35,822 million respectively in respect of GIDC has been recognised in these condensed interim financial statements. However, if the eventual outcome of the suit filed before the HCS results in any amount payable by the Company on account of GIDC, it will be ultimately recovered through the MYT as a pass-through item.

- 12.1.3 There has been no significant change in the status of contingencies as disclosed in notes 31.1.2 to 31.1.4 and 31.1.6 to the financial statement of the Company for the year ended June 30, 2021.

## 12.2 Claims not acknowledged as debts

- 12.2.1 Claims not acknowledged as debts as disclosed in notes 31.2 to the annual financial statements of the Company for the year ended June 30, 2021 remained unchanged.

	(Un-Audited)	(Audited)
	December 31, 2021	June 30, 2021
	---(Rupees in '000)---	
<b>12.3 Commitments</b>		
12.3.1 Guarantees from banks	6,031,305	6,028,766
12.3.2 Transmission projects other than TP-1000	6,770,297	8,504,858
12.3.3 Transmission Project (TP-1000)	1,975,239	2,473,375
12.3.4 BQPS III 900 MW combined cycle power plant & associated transmission project	18,340,250	12,152,645
12.3.5 Outstanding letters of credit	11,639,196	11,509,351
12.3.6 Dividend on preference shares	1,119,453	1,119,453

The Company has not recorded any dividend on redeemable preference shares in view of certain restrictions on dividend placed under loan covenants by certain local and foreign lenders.

12.3.7 Commitments for rentals under Ijarah facilities obtained from Islamic banks in respects of vehicles are as follows:

	Note	(Un-Audited)	(Audited)
		December 31, 2021 ---(Rupees in '000)---	June 30, 2021
- not later than one year		423,526	379,574
- later than one year and not later than five years		701,340	645,629
		(Un-Audited)	(Un-Audited)
		December 31, 2021 ---(Rupees in '000)---	December 31, 2020

### 13. SALE OF ENERGY - NET

Gross revenue	13.1	191,970,113	150,150,821
Sales tax		(32,299,103)	(24,242,542)
Other taxes		(10,102,705)	(7,545,754)
Net revenue	13.2	149,568,305	118,362,525

13.1 Gross revenue is net-off an amount of Rs. 1,288 million (December 31, 2020: Rs. 754 million) representing invoices raised during the year for energy consumed, however, these invoices are considered non-recoverable.

	Note	(Un-Audited)	(Un-Audited)
		December 31, 2021 ---(Rupees in '000)---	December 31, 2020
Residential	13.2.1	58,158,189	49,998,494
Commercial	13.2.1	25,732,238	19,188,054
Industrial	13.2.1	58,401,248	45,273,901
Karachi Nuclear Power Plant (KANUPP)	13.2.1	-	1,023,525
Fuel surcharge adjustment	13.2.2	6,666,955	2,227,942
Others		609,675	650,609
		149,568,305	118,362,525

13.2.1 The above includes net cycle day impact amounting to Rs. 5,773 million (December 31, 2020: Rs. 4,068 million).

13.2.2 This represents monthly fuel surcharge adjustment as per mechanism provided in the MYT decision. The said amount has been / will be charged to the consumers in accordance with NEPRA's determinations.

### 14. TARIFF ADJUSTMENT

	(Un-Audited) Half Year Ended		(Un-Audited) Quarter Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
14.1 & 14.2	67,785,818	34,995,030	40,567,650	17,846,522

14.1 This includes tariff differential subsidy claim for variation in fuel prices, cost of power purchases, operation and maintenance cost, being adjustments required as per NEPRA's MYT decision and those resulting in adjustment of tariff due from Government.



- 14.2 This amount includes Rs 5,636 million comprising dues of 35,451 consumers (December 31, 2020: Rs 4,632 million comprising dues of 18,475 customers) recognised during the half year ended December 31, 2021 against actual write-off of bad debts, as allowed by NEPRA under the MYT decision dated July 5, 2018 for the period from July 1, 2016 to June 30, 2023.

As required under the aforementioned NEPRA decision of July 5, 2018, for the purpose of claim of tariff adjustment in respect of actual write-off of bad debts, the Company ensured the following required procedures:

- The defaulter connections against which the bad debts have been written off were disconnected prior to December 31, 2021 in the system, in the case of active customers.
- The aforementioned amount of write-off of bad debts has been approved by the Company's Board of Directors certifying that the Company has made all best possible efforts to recover the amount being written-off in accordance with the "Policy and Procedures for Write-off of Bad Debts".
- The actual write-off of bad debts has been determined in accordance with the terms of write-off detailed in the "Policy and Procedures for Write-off of Bad Debts", as approved by the Board of Directors of the Company.

Further, the statutory auditors of the Company as part of their limited scope review of these condensed interim financial statements have performed review procedures to assess that the write-off of bad debts amount is not recoverable notwithstanding the efforts of the Company.

In case any amount written-off, as included in the aforementioned claim, is subsequently recovered from the customer, the recovered amount shall be adjusted in next year's tariff, as required under the aforementioned NEPRA decision of July 5, 2018.

In respect of all the defaulter connections, against which the aforementioned write-off amount has been claimed by the Company as tariff adjustment for the half year ended December 31, 2021, the Company in addition to the defaulter customer identification and traceability procedures mentioned in the "Policy and Procedures for Write-off of Bad Debts" has carried out physical surveys for establishing the fact that either the defaulter connection is physically disconnected or recovery in the present circumstances is not possible.

	(Un-Audited) Half Year Ended		(Un-Audited) Quarter Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	----- (Rupees in '000) -----		----- (Rupees in '000) -----	
<b>15. PURCHASE OF ELECTRICITY</b>				
Central Power Purchasing Agency (Guarantee) Limited (CPPA) / NTDC	63,306,463	29,328,381	34,225,961	13,242,765
Independent Power Producers (IPPs)	26,087,724	19,226,453	12,438,873	8,530,199
Karachi Nuclear Power Plant (KANUPP)	852,135	1,656,931	-	856,597
	<u>90,246,322</u>	<u>50,211,765</u>	<u>46,664,834</u>	<u>22,629,561</u>
<b>16. CONSUMPTION OF FUEL AND OIL</b>				
Natural gas / RLNG	57,577,514	35,583,313	26,619,681	15,067,202
Furnace and other fuel / oil	21,749,267	24,342,277	6,146,444	7,402,213
High speed diesel (HSD)	2,023,654	-	973,359	-
	<u>81,350,435</u>	<u>59,925,590</u>	<u>33,739,484</u>	<u>22,469,415</u>

		(Un-Audited)	
		December 31, 2021	December 31, 2020
		---(Rupees in '000)---	
17. CASH AND CASH EQUIVALENTS	Note		
Cash and bank balances		1,168,023	1,210,635
Short-term running finances	11.1	(35,084,287)	(31,318,258)
		<u>(33,916,264)</u>	<u>(30,107,623)</u>

## 18. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of direct and indirect subsidiary companies, associated companies, state-controlled entities, staff retirement benefit plans and the Company's directors and key management personnel. Details of transactions with related parties other than those disclosed elsewhere in these condensed interim financial statements are as follows:

### 18.1 Government related entities

The Company has availed the exemption available to it under its reporting framework, and therefore has not provided detailed disclosures of its transactions with government related / state-owned entities except for transactions included below, which the Company considers to be significant:

		(Un-Audited)	
		December 31, 2021	December 31, 2020
		---(Rupees in '000)---	
RELATED PARTY	NATURE OF TRANSACTIONS		
CPPA / NTDC	Power purchases	63,306,463	29,328,381
Pakistan State Oil Company Limited	Purchase of furnace oil / HSD & other lubricants	24,705,165	25,482,579
Sui Southern Gas Company Limited	Purchase of gas	57,577,514	35,583,313
18.2 Hascol Petroleum Limited (note 18.8)	Purchase of furnace oil	1,942,418	-
18.3 BYCO Petroleum Pakistan Limited (note 18.9)	Purchase of furnace oil and other lubricants	-	209,754
18.4 Subsidiary - KEVCL	Subscription of share capital	92,900	-
	Payment of statutory filing fee on behalf of KEVCL	5	-
18.5 Subsidiary of KEVCL - K Solar	Shared service fee	3,740	-
	Salary of deputed staff	7,109	-
	Payment of statutory filing fee on behalf of K-Solar	2	-
18.6 Key management personnel	Managerial remuneration	308,310	223,829
	Other allowances and benefits	159,934	61,915
	Retirement benefits	30,883	-
	Leave encashment	1,436	-
18.7 Provident fund	Contribution to provident fund	570,740	546,890

18.8 During the period, Hascol Petroleum Limited ceased to be the related party of the Company.

18.9 During the period, BYCO was not the related party of the Company.

## 19. OPERATING SEGMENT

The Company operates as a vertically integrated power utility under a single integrated tariff structure, as determined by NEPRA; with no separate revenue streams as the Company as a whole earns revenues by providing electricity to its end consumers. The management has determined Generation, Transmission and Distribution as its operating segments, which are being presented to the Board of Directors of the Company for allocation of resources and assessment of performance. These operating segments carry risks and rewards which differ from other segments and also reflects the management structure of the Company.

The unallocated items of profit or loss and assets and liabilities include items which cannot be allocated to a specific segment on a reasonable basis.

	(Un-Audited) December 31, 2021									
	Generation		Transmission		Distribution		Eliminations		Total	
	Half Year Ended December 31, 2021	Quarter Ended December 31, 2021	Half Year Ended December 31, 2021	Quarter Ended December 31, 2021	Half Year Ended December 31, 2021	Quarter Ended December 31, 2021	Half Year Ended December 31, 2021	Quarter Ended December 31, 2021	Half Year Ended December 31, 2021	Quarter Ended December 31, 2021
	(Rupees in million)									
Segment revenue	-	-	-	-	217,354	103,215	-	-	217,354	103,215
Inter-segment revenue	98,399	40,653	12,569	5,215	-	-	(110,968)	(45,868)	-	-
Total revenue	98,399	40,653	12,569	5,215	217,354	103,215	(110,968)	(45,868)	217,354	103,215
Purchase of electricity /										
Consumption of fuel and oil	(81,350)	(33,740)	-	-	(201,215)	(92,533)	110,968	45,868	(171,597)	(80,405)
Contribution Margin	17,049	6,913	12,569	5,215	16,139	10,682	-	-	45,757	22,810
O&M expenses	(3,054)	(1,416)	(2,696)	(1,408)	(10,517)	(5,113)	-	-	(16,267)	(7,937)
Other operating expenses	(1,366)	(68)	(1,533)	(1,201)	(234)	(55)	-	-	(3,133)	(1,324)
Other income	(279)	(314)	222	(47)	4,236	1,655	-	-	4,179	1,294
Impairment loss against trade debts	-	-	-	-	(9,278)	(5,423)	-	-	(9,278)	(5,423)
EBITDA	12,350	5,115	8,562	2,559	346	1,746	-	-	21,258	9,420
Depreciation and amortisation	(5,076)	(2,328)	(2,254)	(1,340)	(2,409)	(1,222)	-	-	(9,739)	(4,890)
EBIT	7,274	2,787	6,308	1,219	(2,063)	524	-	-	11,519	4,530
Finance cost	(1,977)	(863)	(1,411)	(712)	(2,932)	(1,757)	-	-	(6,320)	(3,332)
Profit / (Loss) before taxation	5,297	1,924	4,897	507	(4,995)	(1,233)	-	-	5,199	1,198
Taxation - Current	(979)	(501)	(906)	(285)	-	-	-	-	(1,885)	(786)
Taxation - Deferred	-	-	-	-	-	-	-	-	-	-
Profit / (loss) for the period	4,318	1,423	3,991	222	(4,995)	(1,233)	-	-	3,314	412

	(Un-Audited) December 31, 2020									
	Generation		Transmission		Distribution		Eliminations		Total	
	Half Year Ended December 31, 2020	Quarter Ended December 31, 2020	Half Year Ended December 31, 2020	Quarter Ended December 31, 2020	Half Year Ended December 31, 2020	Quarter Ended December 31, 2020	Half Year Ended December 31, 2020	Quarter Ended December 31, 2020	Half Year Ended December 31, 2020	Quarter Ended December 31, 2020
	(Rupees in million)									
Segment revenue	-	-	-	-	153,358	67,808	-	-	153,358	67,808
Inter-segment revenue	78,079	30,252	13,111	5,907	-	-	(91,190)	(36,159)	-	-
Total revenue	78,079	30,252	13,111	5,907	153,358	67,808	(91,190)	(36,159)	153,358	67,808
Purchase of electricity /										
Consumption of fuel and oil	(59,926)	(22,470)	-	-	(141,402)	(58,789)	91,190	36,159	(110,138)	(45,100)
Contribution Margin	18,153	7,782	13,111	5,907	11,956	9,019	-	-	43,220	22,708
O&M expenses	(3,331)	(1,674)	(2,329)	(1,183)	(9,611)	(4,865)	-	-	(15,271)	(7,722)
Other operating expenses	(214)	(98)	(251)	(184)	(246)	(90)	-	-	(711)	(372)
Other income	74	63	454	287	3,328	2,016	-	-	3,856	2,366
Impairment loss against trade debts	-	-	-	-	(6,630)	(2,708)	-	-	(6,630)	(2,708)
EBITDA	14,682	6,073	10,985	4,827	(1,203)	3,372	-	-	24,464	14,272
Depreciation and amortisation	(6,391)	(3,316)	(1,756)	(879)	(2,069)	(995)	-	-	(10,216)	(5,190)
EBIT	8,291	2,757	9,229	3,948	(3,272)	2,377	-	-	14,248	9,082
Finance cost	(1,475)	(742)	(1,169)	(541)	(2,936)	(1,277)	-	-	(5,580)	(2,560)
Profit / (Loss) before taxation	6,816	2,015	8,060	3,407	(6,208)	1,100	-	-	8,668	6,522
Taxation - Current	(823)	(297)	(973)	(464)	-	-	-	-	(1,796)	(761)
Taxation - Deferred	-	-	-	-	-	-	-	-	-	-
Profit / (loss) for the period	5,993	1,718	7,087	2,943	(6,208)	1,100	-	-	6,872	5,761

	(Un-Audited)	(Audited)
	December 31, 2021	June 30, 2021
	---(Rupees in million)---	
<b>Assets</b>		
Generation		
Transmission	204,639	205,099
Distribution	131,904	119,324
Un-allocated	534,925	483,980
	31,578	27,274
	<u>903,046</u>	<u>835,677</u>
<b>Liabilities</b>		
Generation		
Transmission	125,911	123,513
Distribution	78,276	76,403
Un-allocated	431,153	370,532
	40,441	41,278
	<u>675,781</u>	<u>611,726</u>

## 20. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 20.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies of the Company during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

### 20.2 Fair value estimation

#### Financial assets measured at

	(Un-Audited)	(Audited)
	December 31, 2021	June 30, 2021
	---(Rupees in '000)---	
Derivative financial assets	<u>4,852,995</u>	<u>3,276,351</u>

20.2.1 Derivative financial assets and liabilities have been classified into level 2 fair value measurement hierarchy and the fair value is calculated as the present value of estimated future cash flows based on observable yield.

20.2.2 There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

20.2.3 The different levels of fair value measurement methods have been defined as follows:

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

### 20.3 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

**21. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on February 24, 2022 by the Board of Directors of the Company.

**22. GENERAL**

All figures have been rounded off to the nearest thousand of Pakistan Rupees, unless otherwise stated.



**Syed Moonis Abdullah Alvi**  
Chief Executive Officer



**Khalid Rafi**  
Director










**Muhammad Aamir Ghaziani**  
Chief Financial Officer










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