



**The Hub Power Company Limited**

Unaudited Financial Statements  
for the Quarter Ended  
March 31, 2020

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## **Company Information**

### **Board of Directors**

M Habibullah Khan	Chairman
Khalid Mansoor	Chief Executive
Javed Akbar	
Aly Khan	
Aleeya Khan	
Manzoor Ahmed	
Nadeem Inayat	
Ejaz Sanjrani	GOB Nominee
Owais Shahid	
Saad Iqbal	
Muhammad Ali	

### **Audit Committee**

Manzoor Ahmed	Chairman
Owais Shahid	
Aly Khan	
Saad Iqbal	
Nadeem Inayat	

### **Company Secretary**

Shaharyar Nashat

### **Management Committee**

Khalid Mansoor  
Ruhail Muhammad  
Shaharyar Nashat  
Tahir Jawaid  
Abdul Nasir  
Nazoor Baig  
Kamran Kamal  
Saleemullah Memon  
M. Inam Ur Rehman Siddiqui  
Farrukh Rasheed

**Registered & Head  
Office**

11th Floor, Ocean Tower  
Block-9, Main Clifton Road, Karachi

Email: [Info@hubpower.com](mailto:Info@hubpower.com)  
Website: <http://www.hubpower.com>

**Principal Bankers**

Allied Bank of Pakistan  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank Islami Pakistan Limited  
Bank of Punjab  
Al-Baraka Bank (Pakistan) Limited  
Citibank N.A. Pakistan  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Pak China Investment Company Limited  
Pakistan Kuwait Investment Company Limited  
Samba Bank Limited  
Standard Chartered Bank (Pakistan) Ltd.  
Sumitomo Mitsui Banking Corp. Europe Ltd, London  
United Bank Limited

**Inter-Creditor Agents**

Habib Bank Limited

Allied Bank Limited

MCB Bank Limited

Bank of Punjab

**Legal Advisors**

Syed Jamil Shah

**Auditors**

A.F.F Ferguson & Co.

**Registrar**

FAMCO Associates (Pvt) Limited

**Hub Plant**

Mouza Kund,

Post Office Gaddani,

District Lasbela, Balochistan

**Narowal Plant**

Mouza Poong,

5 KM from Luban Pulli Point on Mureedkay-Narowal

Road, District Narowal, Punjab

**CPHGC Plant**

Mouza Kund,

Post Office Gaddani,

District Lasbela, Balochistan

**Laraib Energy Limited**

**(Subsidiary)**

12-B/1, Multi Mansion Plaza,

G-8, Markaz, Islamabad

## **DIRECTORS' REVIEW**

### **REPORT OF DIRECTORS ON THE CONSOLIDATED AND UNCONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDED MARCH 31, 2020.**

The Board of Directors is pleased to present a brief overview of the social, financial and operational performance of the Company for the nine months ended March 31, 2020.

#### **COVID-19 Outbreak**

In context of COVID-19, Power Sector has been categorized as essential services provider. This means that HUBCO's Plants would remain available and continue uninterrupted operations. The safety of our workforce and business continuity remained the top priority. Hubco has been assessing the situation since early outbreak in China and was well aware of the severity of the situation in advance.

Since early January 2020, effective precautionary measures were in place across the business. Our teams had been continuously tracking the situation with respect to the outbreak within Pakistan and quickly responded by upgrading the precautionary measures and stakeholder management protocols.

In consultation with the medical experts, the Company established special protocols for the Head Offices, Plants and Project Sites. Our IT and HR Team robustly supported the increasing requirements of remote working and rapidly uplifted the workforce capability under the evolving scenario. The measures have proven to be quite effective in keeping our people safe and high spirited without any compromise on the operations of the Company.

Keeping up with its philanthropic traditions, Hubco is playing a frontline role in assisting the Provincial Government, District Administrations and communities where it operates. Our CSR and Sites teams demonstrated its tremendous commitment towards humanity in the fight against the Corona Virus Pandemic with their continuous activities in the field.

Laraib Energy Limited equipped District Headquarter Hospital with its first ventilators and other ancillary machinery including central oxygen system, cardiac monitors, infusion pumps, electronic-beds and defibrillator. The Azad Jammu & Kashmir Government has asked other Power projects to follow Laraib's example and launch similar initiatives for COVID-19 mitigation.

Taking the lead in Balochistan province as well, Hubco was the first company to support the provincial Government by providing 50 Personal Protective Equipment (PPEs) to local Medical Staff, who were previously performing their duties without any protective gear in the local hospital. Hubco is also distributing hundreds of rations bags in the coastal villages of Hub & Lasbella. So far, the bags have been distributed in Allana Goth, Abbas Goth, Qadir Buksh Goth, Palari Goth and Mubarak Village containing enough ration of 2-4 weeks for an average size family. In addition, Hubco supplied ration bags to 200 families in the remote district of Chaghi. The Company's Paramedical Staff is also spearheading an awareness campaign about Corona Virus in the local villages around its plants.

Through China Power Hub Generation Company Ltd. (CPHGC), we have also distributed rations bags, disinfectants and protective gear for the local community. And in Narowal, we are assessing the on-ground requirements to support the relief work being conducted by the District and Provincial Departments.

Under the Sindh Engro Coal Mining Company, The Thar Foundation hospital has been handed over to the District Health Department. The Hospital is offering free of cost medical, lab and pharmacy related

services for the local community. The Foundation has also provided logistic and ancillary support to district administration and law enforcement in their efforts to screen and contain the spread of the pandemic.

### **Financial Performance**

The Consolidated Net Profit during the period under review was Rs. 18,253 million, resulting in earnings per share of Rs. 14.07 compared to net profit of Rs. 8,578 million and earnings per share of Rs. 7.16 same period last year. The increase in profit is mainly due to recognition of share of profit from associate CPHGC which started Commercial Operations on August 17, 2019, lower repair and maintenance expenses and depreciation of Rupee against USD partly offset by recognition of loss on shares of China CPHGC to be transferred to GOB and higher financing costs.

The Unconsolidated Net Profit during the period under review was Rs. 6,997 million, resulting in earnings per share of Rs. 5.39 compared to net profit of Rs. 5,841 million and earnings per share of Rs. 4.87 same period last year. The increase in unconsolidated profit is mainly due to lower repair and maintenance expenses, higher income from management services to Thar Energy Limited and depreciation of Rupee against USD partly offset by higher financing costs.

Media reports have surfaced regarding the Report by an Inquiry Committee constituted for ascertaining the causes of high cost of electricity, including review of Independent Power Producers (IPPs), ways to resolve circular debt and inefficiencies in the transmission and distribution sector, and suggest a future roadmap. The Report has not been provided to the IPPs; therefore, it is not possible to comment on same. However, in terms of the allegations being made in the media reports, the same are unfounded, baseless and without merit. It is important to note that the Inquiry Committee did not once consult or ask for any information from any of the IPPs.

More recently, the Federal Government (under the Chair of the Federal Minister of Energy) has constituted a Committee to hold formal negotiations with IPPs with the objective of making the power sector sustainable. The Committee held meetings with the IPPs and have recently put forth certain Terms of References for a technical committee to take the matter forward.

Due to the rising circular debt and delay in payments by Power Purchaser, the liquidity of the Company remained severely constrained, restraining the Company from declaring any dividends.

### **Growth Projects**

The lignite based 330MW Thar Energy Limited (TEL) Project in Thar Block II has completed 55% of Project Construction and targets to achieve Commercial Operations Date (COD) by second quarter of 2021. The Company has engaged China Development Bank (CDB) as the lead arranger for the foreign financing from China and Habib Bank Limited (HBL) as the lead arranger for the local financing. Private Power and Infrastructure Board (PPIB) announced the Financial Close of Thar Energy Limited on January 30, 2020 and the first draw down against Pak Rupee loan was made in March 2020.

330MW ThalNova Power Thar (Pvt.) Ltd project has also signed financing agreement in July 2019 and has completed all the Conditions Precedent (CPs) under the financing documents. Currently, the Project Lenders are in the process of CP review before declaration of Financial Close, which is now targeted to be achieved by end of June 2020. ThalNova has already completed 23% of Project Construction.

Both TEL and TN received notices from its EPC contractor, CMEC, claiming occurrence of a Force Majeure Event(FME) due to Covid-19 outbreak; consequently TEL issued notices of FME to PPIB, CPPA-G and its possible impact on COD. TN also intimated about EPC FME letters to PPIB, CPPA(G) and possible impact on COD. TEL also received FME notice from SECMC under the CSA. Subsequently TEL and TN also received

FME notices from CPPA(G) under the PPA. Both Projects also informed Lenders regarding FME notices under respective agreements.

Currently the management is assessing the impact of FME on the project timelines and costs in consultation with all stakeholders.

#### **Hub Plant**

During the period under review, Hub plant generated 34 GWh (2018-19: 682 GWh) at a load factor of 0.4% (2018-19: 8.64%). The low load factor is mainly due to the displacement of RFO plants by coal and RLNG plants.

#### **Narowal Plant**

During the period under review, Narowal Plant generated 298 GWh (2018-19: 524 GWh), at a load factor of 21.1% (2018-19: 36.9%). The low load factor is mainly due to the displacement of RFO plants by coal and RLNG plants.

#### **Laraib Plant**

During the period under review, Laraib Plant generated 242 GWh as compared to 220 GWh in the corresponding period last year. The load factor for the period was 44% (2018-19: 40%).

#### **CPHGC Plant**

During the period under review, CPHGC Plant generated 3,977 GWh with the load factor of 58%. The project was officially inaugurated by the Honorable Prime Minister Imran Khan in October 2019. Developed in a record time, as per schedule and within projected costs, the CPHGC project is a part of the early harvest energy projects under China Pakistan Economic Corridor (CPEC) framework – making it truly, a project of national and strategic significance. The Plant will add 9 billion kWh of electricity to the national grid every year meeting electricity needs of 4 million households in the country.

The Company remains grateful to its Shareholders, employees, business partners and all other stakeholders for their confidence in the Company and their support in the Company's journey on the path of growth and prosperity.

By Order of the Board



Khalid Mansoor  
Chief Executive Officer



M. Habibullah Khan  
Chairman





**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

		3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
Turnover	5	7,059,511	8,839,930	20,754,794	27,929,398
Operating costs	6	(2,252,373)	(5,358,433)	(7,704,752)	(19,491,554)
<b>GROSS PROFIT</b>		<b>4,807,138</b>	<b>3,481,497</b>	<b>13,050,042</b>	<b>8,437,844</b>
General and administration expenses		(197,960)	(173,882)	(577,287)	(547,124)
Other income	7	2,414,492	923,711	2,526,723	1,089,125
Other operating expenses	8	(119,780)	(48,840)	(123,413)	(59,907)
<b>PROFIT FROM OPERATIONS</b>		<b>6,903,890</b>	<b>4,182,486</b>	<b>14,876,065</b>	<b>8,919,938</b>
Finance costs	9	(2,450,481)	(1,299,587)	(7,365,091)	(2,992,675)
<b>PROFIT BEFORE TAXATION</b>		<b>4,453,409</b>	<b>2,882,899</b>	<b>7,510,974</b>	<b>5,927,263</b>
Taxation		(487,360)	(71,278)	(513,646)	(85,808)
<b>PROFIT FOR THE PERIOD</b>		<b>3,966,049</b>	<b>2,811,621</b>	<b>6,997,328</b>	<b>5,841,455</b>
			<b>Restated</b>		<b>Restated</b>
Basic and diluted earnings per share (Rupees)		3.06	2.35	5.39	4.87

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

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
Profit for the period	3,966,049	2,811,621	6,997,328	5,841,455
<b>Other comprehensive income / (loss) for the period:</b>				
<i>Items that will not be reclassified to Profit or Loss in subsequent periods</i>				
Loss on remeasurement of post employment benefit obligation	-	(1,904)	-	(5,714)
Gain / (loss) on revaluation of equity investment at fair value through other comprehensive income	101,390	-	(6,118)	-
	101,390	(1,904)	(6,118)	(5,714)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>4,067,439</b>	<b>2,809,717</b>	<b>6,991,210</b>	<b>5,835,741</b>

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

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2020**

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Property, plant and equipment	10	12,611,826	13,666,909
Intangibles		29,938	52,318
Long term investments	11	56,276,750	48,355,239
Long term deposits and prepayments		22,767	21,970
		68,941,281	62,096,436
<b>CURRENT ASSETS</b>			
Stores, spares and consumables		1,746,970	1,850,864
Stock-in-trade		6,369,994	4,575,810
Trade debts	12	70,984,543	66,256,064
Loans and advances		937,609	732,469
Prepayments and other receivables	13	11,649,031	10,904,069
Cash and bank balances		503,773	7,312,080
		92,191,920	91,631,356
<b>TOTAL ASSETS</b>		161,133,201	153,727,792
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share Capital</b>			
Authorised		17,000,000	17,000,000
Issued, subscribed and paid-up		12,971,544	12,971,544
<b>Capital Reserve</b>			
Share premium		5,600,000	5,600,000
<b>Revenue Reserve</b>			
Unappropriated profit		20,682,987	13,691,777
		39,254,531	32,263,321
<b>NON-CURRENT LIABILITIES</b>			
Long term loans	14	33,745,648	21,926,752
Long term lease liabilities	3.1	300,938	-
		34,046,586	21,926,752
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	55,763,522	56,272,876
Unclaimed dividend		205,293	189,516
Unpaid dividend		50,683	79,605
Interest / mark-up accrued		817,458	567,840
Short term borrowings	16	30,221,570	41,112,054
Current maturity of long term loans		751,673	1,315,828
Current maturity of long term lease liabilities	3.1	21,885	-
		87,832,084	99,537,719
<b>TOTAL EQUITY AND LIABILITIES</b>		161,133,201	153,727,792
<b>COMMITMENTS AND CONTINGENCIES</b>	17		

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

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer





**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	7,510,974	5,927,263
Adjustments for:		
Depreciation	1,450,982	1,436,202
Amortisation	23,118	26,240
Dividend income from subsidiaries	(768,242)	(1,007,091)
Gain on disposal of fixed assets	(2,854)	(39,733)
Provision against slow moving stores, spares and consumables	115,508	92,636
Staff gratuity	22,582	17,341
Interest income	(54,506)	(16,484)
Mark-up on lease liabilities	33,013	-
Interest / mark-up expense	6,934,115	2,867,297
Amortisation of transaction costs	27,756	4,070
Operating profit before working capital changes	15,292,446	9,307,741
Working capital changes	(8,414,147)	(7,193,890)
Cash generated from operations	6,878,299	2,113,851
Interest income received	40,847	16,809
Interest / mark-up paid	(6,684,497)	(2,660,982)
Staff gratuity paid	(35,000)	(22,000)
Taxes paid	(69,329)	(94,844)
Net cash generated from / (used in) operating activities	130,320	(647,166)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received from subsidiaries	768,242	1,007,091
Fixed capital expenditure	(63,336)	(162,309)
Proceeds from disposal of fixed assets	6,037	44,363
Long term investments made	(7,927,628)	(15,535,847)
Long term deposits and prepayments	(797)	(400)
Net cash used in investing activities	(7,217,482)	(14,647,102)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(13,145)	(3,349,733)
Proceeds from long term loans - net	12,285,447	9,320,431
Repayment of long term loans	(1,058,462)	(1,603,241)
Repayment of long term lease liabilities	(44,501)	-
Net cash generated from financing activities	11,169,339	4,367,457
Net increase / (decrease) in cash and cash equivalents	4,082,177	(10,926,811)
Cash and cash equivalents at the beginning of the period	(33,799,974)	(21,349,226)
Cash and cash equivalents at the end of the period	19 (29,717,797)	(32,276,037)

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

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>ISSUED CAPITAL</b>		
Balance at the beginning of the period	12,971,544	11,571,544
Balance at the end of the period	<u>12,971,544</u>	<u>11,571,544</u>
<b>SHARE PREMIUM</b>		
Balance at the beginning of the period	5,600,000	-
Balance at the end of the period	<u>5,600,000</u>	<u>-</u>
<b>UNAPPROPRIATED PROFIT</b>		
Balance at the beginning of the period	13,691,777	8,255,595
Profit for the period	6,997,328	5,841,455
Other comprehensive loss for the period	(6,118)	(5,714)
<b>Total comprehensive income for the period</b>	6,991,210	5,835,741
<b>Transactions with owners in their capacity as owners</b>		
Final dividend for the fiscal year 2018-19 @ Rs. Nil (2017-18 @ Rs. 2.80) per share	-	(3,240,032)
Balance at the end of the period	<u>20,682,987</u>	<u>10,851,304</u>
<b>TOTAL EQUITY</b>	<u>39,254,531</u>	<u>22,422,848</u>

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

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

**1. THE COMPANY AND ITS OPERATIONS**

The Hub Power Company Limited (the "Company") was incorporated in Pakistan on August 1, 1991 as a public limited company. The shares of the Company are listed on the Pakistan Stock Exchange (PSX). The principal activities of the Company are to develop, own, operate and maintain power stations. The Company owns an oil-fired power station of 1,200 MW (net) in Balochistan (Hub Plant).

The Company has the following subsidiaries and associates:

**Subsidiaries**

- Laraib Energy Limited (LEL) - Holding of 74.95%;
- Hub Power Services Limited (HPSL) - Holding of 100%;
- Hub Power Holdings Limited (HPHL) - Holding of 100%;
- Narowal Energy Limited (NEL) - Holding of 100%; and
- Thar Energy Limited (TEL) - Holding of 60%.

**Associates**

- China Power Hub Generation Company (Private) Limited (CPHGC) - Holding of 46%; and
- ThalNova Power Thar (Private) Limited (TNPTL) - Holding of 38.3%.

**2. BASIS OF PREPARATION**

These unaudited condensed interim unconsolidated financial statements of the Company for the third quarter ended March 31, 2020 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed. These condensed interim unconsolidated financial statements do not include all the information and disclosures as required in the annual unconsolidated financial statements and should be read in conjunction with the Company's annual unconsolidated financial statements for the year ended June 30, 2019.

These condensed interim unconsolidated financial statements are the separate condensed interim financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed for the preparation of these condensed interim unconsolidated financial statements are same as those applied in preparing the unconsolidated financial statements for the year ended June 30, 2019, except for the following:

**3.1 First time adoption of IFRS 16 'Leases' (effective for annual periods beginning on or after January 1, 2019)**

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases- Incentive" and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". It results in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases has been removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.



The Company has adopted IFRS 16 by applying the modified retrospective approach along with transitional provision provided under IFRS 16 according to which the Company is not required to restate the prior period results and no impact of adoption of IFRS 16 on opening equity has been recognised by the Company. The Company has used a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. lessee's incremental borrowing rate of 13.5%) and used hindsight in determining the lease term if the contracts contain options to extend or terminate the lease.

Following is the impact of IFRS 16 on these condensed interim unconsolidated financial statements:

	<b>Mar 31, 2020</b> <b>(Rs. '000s)</b> <b>(Unaudited)</b>	<b>Jul 01, 2019</b> <b>(Rs. '000s)</b> <b>(Unaudited)</b>
<b>Impact on statement of financial position</b>		
Property, plant and equipment - increased by	<u>303,728</u>	<u>336,484</u>
Prepayments and other receivables - decreased by	<u>(2,280)</u>	<u>(2,174)</u>
Lease liabilities - increased by	<u>322,823</u>	<u>334,310</u>
Current portion of long term lease liabilities - increased by	<u>(21,885)</u>	<u>(16,456)</u>
Long term lease liabilities - increased by	<u>300,938</u>	<u>317,854</u>
<b>9 months ended</b>		
<b>Mar 31, 2020</b>		
<b>(Rs. '000s)</b>		
<b>(Unaudited)</b>		
<b>Impact on statement of profit or loss</b>		
General and administration expenses		
- Increase in depreciation	(32,757)	
- Decrease in rent expense	44,394	
	<u>11,637</u>	
Increase in finance cost	(33,013)	
Decrease in profit before taxation	<u>(21,376)</u>	
Decrease in taxation	-	
Decrease in profit for the period	<u>(21,376)</u>	

The Company, as a lessee, recognises a right to use asset and a lease liability on the lease commencement date.

Upon initial recognition, the right to use asset is measured as the amount equal to initially measured lease liability adjusted for lease prepayments, initial direct cost, lease incentives and the discounted estimated asset retirement obligation. Subsequently, the right to use asset is measured at cost net of any accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the shorter of estimated useful lives of the right to use assets or the lease term.

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently, lease liability is measured at amortised cost using the effective interest rate method.

#### 4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim unconsolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions. Judgements and estimates made by the management in the preparation of these condensed interim unconsolidated financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2019. The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited unconsolidated financial statements for the year ended June 30, 2019.

	Note	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>5. TURNOVER</b>					
Capacity Purchase Price (CPP)		5,519,672	4,533,520	15,434,289	12,492,343
Energy Purchase Price (EPP)		-	3,127,890	688,908	12,369,280
Late Payment Interest (LPI)		1,539,839	1,466,103	4,639,677	4,286,101
Startup Charges (SC)		-	49,049	25,671	101,025
Part Load Adjustment Charges (PLAC)		-	114,885	62,463	451,085
		<u>7,059,511</u>	<u>9,291,447</u>	<u>20,851,008</u>	<u>29,699,834</u>
Less: Sales tax on EPP		-	(451,517)	(96,214)	(1,770,436)
		<u>7,059,511</u>	<u>8,839,930</u>	<u>20,754,794</u>	<u>27,929,398</u>
<b>6. OPERATING COSTS</b>					
Fuel cost		13,651	2,683,703	733,270	11,108,214
Late Payment Interest to fuel supplier		959,662	1,078,130	2,964,170	3,525,906
Stores and spares		48,990	95,980	167,988	374,217
Operations and maintenance	6.1	88,000	415,050	887,500	1,245,150
Salaries, benefits and other allowances	6.2	179,499	-	179,499	-
Insurance		209,378	154,000	611,179	465,114
Depreciation		465,688	469,838	1,398,328	1,410,647
Amortisation		6,687	8,338	22,393	23,137
Repairs, maintenance and other costs		280,818	453,394	740,425	1,339,169
		<u>2,252,373</u>	<u>5,358,433</u>	<u>7,704,752</u>	<u>19,491,554</u>

6.1 This represents fee for O&M services rendered by HPSL (a subsidiary company).

6.2 Effective January 01, 2020, the Company entered into the Secondment Agreement with HPSL, whereby certain employees of HPSL were seconded to the Company. This amount represents salaries, wages and benefits of employees seconded from HPSL to the Company.

	Note	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>7. OTHER INCOME</b>					
<b>Financial assets</b>					
Interest income		20,635	6,079	54,506	16,484
<b>Non-financial assets</b>					
Gain on disposal of fixed assets		104	19	2,854	39,733
Dividend income from LEL		643,242	817,091	643,242	817,091
Dividend income from HPSL		80,000	90,000	125,000	190,000
Income from management services	7.1	1,672,342	10,522	1,700,012	25,817
Exchange gain - net		(1,831)	-	1,109	-
		<u>2,393,857</u>	<u>917,632</u>	<u>2,472,217</u>	<u>1,072,641</u>
		<u>2,414,492</u>	<u>923,711</u>	<u>2,526,723</u>	<u>1,089,125</u>





	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>7.1 Income from management services</b>				
Services income	1,819,498	110,579	2,110,269	271,309
Cost of services	(147,156)	(100,057)	(410,257)	(245,492)
	<u>1,672,342</u>	<u>10,522</u>	<u>1,700,012</u>	<u>25,817</u>

The Company has entered into services agreements with TEL (a subsidiary company) and TNPTL (an associate company). In accordance with the terms of the agreements, the Company provides assistance to TEL and TNPTL in performance of their obligations under relevant project agreements including Power Purchase Agreements, Coal Supply Agreements, Water Use Agreements, Implementation Agreements, EPC Contracts and O&M Agreements.

	Note	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>8. OTHER OPERATING EXPENSES</b>					
Exchange loss - net		-	2,960	-	8,262
Workers' profit participation fund	8.1	119,780	45,880	123,413	51,645
		<u>119,780</u>	<u>48,840</u>	<u>123,413</u>	<u>59,907</u>
<b>8.1 Workers' profit participation fund</b>					
Provision for Workers' profit participation fund		228,661	146,438	381,720	298,945
Workers' profit participation fund recoverable from CPPA(G)		(108,881)	(100,558)	(258,307)	(247,300)
		<u>119,780</u>	<u>45,880</u>	<u>123,413</u>	<u>51,645</u>
<b>9. FINANCE COSTS</b>					
Interest / mark-up on long term loans		1,190,471	461,071	3,226,727	1,082,981
Mark-up on long term lease liabilities		10,625	-	33,013	-
Mark-up on short term borrowings		1,118,268	791,486	3,707,388	1,784,316
Amortisation of transaction costs		12,272	3,066	27,756	4,070
Other finance costs		118,845	43,964	370,207	121,308
		<u>2,450,481</u>	<u>1,299,587</u>	<u>7,365,091</u>	<u>2,992,675</u>

		<b>Mar 2020</b> <b>(Rs. '000s)</b> <b>(Unaudited)</b>	<b>Jun 2019</b> <b>(Rs. '000s)</b> <b>(Audited)</b>
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets		12,406,897	13,489,316
Capital work-in-progress (CWIP)		204,929	177,593
		<u>12,611,826</u>	<u>13,666,909</u>
<b>10.1</b>	Additions to property, plant and equipment during the period were Rs. 399 million (Mar 2019: Rs. 132 million) and disposals therefrom at net book value were Rs. 3 million (Mar 2019: Rs. 5 million). Additions include recognition of right to use assets of Rs. 336 million as a result of adoption of new accounting standard IFRS 16 (see note 3.1).		
		<b>Mar 2020</b> <b>(Rs. '000s)</b> <b>(Unaudited)</b>	<b>Jun 2019</b> <b>(Rs. '000s)</b> <b>(Audited)</b>
<b>11. LONG TERM INVESTMENTS</b>	<b>Note</b>		
<b>Investment in subsidiaries - unquoted</b>			
Laraib Energy Limited (LEL)		4,674,189	4,674,189
Hub Power Services Limited (HPSL)		100	100
Hub Power Holdings Limited (HPHL)	11.1	38,957,534	32,135,034
Narowal Energy Limited (NEL)		3,921,883	3,921,883
Thar Energy Limited (TEL)	11.2	6,412,503	5,579,436
		<u>53,966,209</u>	<u>46,310,642</u>
<b>Others - unquoted</b>			
Equity investment at fair value through other comprehensive income			
- Sindh Engro Coal Mining Company Limited (SECMC)	11.3	2,310,541	2,044,597
		<u>56,276,750</u>	<u>48,355,239</u>

#### 11.1 Hub Power Holdings Limited (HPHL)

HPHL, a wholly owned subsidiary, was incorporated in Pakistan on March 10, 2015 as a public limited company. The principal activities of the subsidiary are to invest in new business opportunities.

##### 11.1.1 ThalNova Power Thar (Private) Limited (TNPTL)

On August 19, 2019, Private Power and Infrastructure Board (PPIB) upon TNPTL's request approved the extension in Financial Closing Date from June 30, 2019 to December 31, 2019 and further on December 16, 2019 approved the request for extension in Financial Closing Date till April 30, 2020 subject to provision of prescribed fee and extension of performance guarantee at least three months beyond the extended Financial Closing Date. After completing the required conditions, PPIB on February 06, 2020, issued the amendment to the LOS, extending the Financial Closing Date to April 30, 2020. The Company has placed Rs. 225 million with a bank as a security for issuance of said LOS guarantee (See note 19.1).

On January 31, 2020, CMEC (the EPC Contractor of TNPTL's project) notified TNPTL for Force Majeure Event (FME) due to outbreak of Coronavirus (COVID-19) in China and across the globe, the same has been declared as pandemic by the World Health Organisation (WHO). Furthermore, this pandemic has also seriously affected the work of Chinese financial institutions, including China Development Bank. Accordingly, on March 16, 2020, TNPTL has, further, requested PPIB for additional extension in Financial Closing Deadline till October 31, 2020.

PPIB is entitled to encash the performance guarantee in case TNPTL is not able to meet the conditions or TNPTL decides to exercise termination option, as defined in the LOS. Further, the Project agreements as well as the Project will automatically terminate on the expiration or termination of the LOS.

In connection with the availability of finance facilities for the development of the TNPTL's project and furthermore, pursuant to Sponsor Support Agreement, the Shareholders in general meeting held on March 31, 2020 approved the following:



- i. issue a sponsor Standby Letter of Credit (SBLC) of USD 14 million (but which could be higher) to cover Initial Debt Service Reserve Account shortfall. Such SBLC shall be for a period up till the first payment of the installment of the project's loan or such other date that may be prescribed under the Sponsor Support Agreement; and
- ii. provide Additional Sponsor Support in an amount of up to USD 8 million for the benefit of TNPTL and Intercreditor Agent to guarantee an investment in the form of equity or subordinated debt to cover for funding shortfall that may arise due to unavailability of coal and/or delay in the commercial operations date. Such investment shall be valid till September 2022 or such other date as may be required under the Sponsor Support Agreement, whichever is later.

### 11.2 Thar Energy Limited (TEL)

On January 30, 2020, PPIB on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TEL.

In relation to the achievement of TEL's FC, a Deed of Undertaking (Deed) has been signed between TEL and Habib Bank Limited (HBL), which is the Intercreditor Agent, pursuant to which TEL is required to procure the following no later than June 30, 2020, subject to the terms and conditions defined in the Deed:

- i. An amendment in the Sponsor Support Agreement (SSA) for Additional Sponsor Support up to maximum of USD 19.5 million in which Hubco's share will be USD 11.7 million (based on the 60% equity stake); and
- ii. An amendment in the Coal Supply Agreement (CSA) in such a way that coal supply by SECMC is available by December 31, 2021.

Consequently, on March 31, 2020 the Company has obtained approval from its shareholders in Extraordinary General Meeting (EGM) to provide an additional sponsor support for the benefit of TEL and Intercreditor Agent for an aggregate amount of up to USD 12 Million (or PKR equivalent) to guarantee an investment in the form of equity and/or subordinated debt to cover for funding shortfall that may arise due to unavailability of coal and/or delay in the commercial operations date. Such 'investment' shall be valid till June 2022 or such other date as may be required under the Sponsor Support Agreement, whichever is later.

On January 31, 2020 TEL has received a notice from its EPC contractor (CMEC) for FME due to COVID-19 outbreak. Consequently, TEL has intimated and issued letters to PPIB, CPPA(G) and Intercreditor agent under respective agreements. Currently the TEL's management is assessing the impact of FME on project timeline and cost.

### 11.3 Sindh Engro Coal Mining Company Limited (SECMC)

During the period, the Company has made further investment in SECMC amounting to Rs. 272.1 million. Furthermore, SECMC achieved its Financial Closure for Phase II on December 31, 2019.

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>12. TRADE DEBTS</b>			
Considered good - Secured			
Capacity Purchase Price		30,559,189	23,108,089
Energy Purchase Price		7,919,824	12,515,171
Late Payment Interest	12.1	30,833,787	28,694,110
Startup Charges		237,795	246,593
Part Load Adjustment Charges		690,249	848,401
Pass through items (WPPF)		743,699	843,700
	12.2	<u>70,984,543</u>	<u>66,256,064</u>

12.1 This includes Rs. 5,756 million (June 2019: Rs. 3,438 million) which is not yet billed by the Company.

12.2 This includes an amount of Rs. 63,129 million (June 2019: Rs. 59,178 million) receivable from CPPA(G) which is overdue but not impaired because the trade debts are secured by a guarantee from the GOP under the Implementation Agreement (IA). The delay in payments from CPPA(G) carries mark-up at SBP discount rate plus 2% per annum compounded semi-annually for all overdue invoices except Late Payment Interest invoices.





**Mar 2020**  
**(Rs. '000s)**  
**(Unaudited)**

**Jun 2019**  
**(Rs. '000s)**  
**(Audited)**

**13. PREPAYMENTS AND OTHER RECEIVABLES**

	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
Prepayments	276,928	19,331
Other receivables		
Interest accrued	13,659	-
Income tax - refundable	1,468,030	1,912,347
Income tax (Contractor tax refundable)	372,469	372,469
Sales tax	7,678,661	7,170,968
Receivable from LEL	14,152	14,527
Receivable from HPHL	60,597	14,873
Receivable from NEL	35,799	2,112
Receivable from TEL	30,418	9,925
Receivable from TNPTL	63,975	7,483
Workers' profit participation fund recoverable from CPPA(G)	1,634,241	1,375,934
Miscellaneous	102	4,100
	<u>11,372,103</u>	<u>10,884,738</u>
	<u>11,649,031</u>	<u>10,904,069</u>

**14. LONG TERM LOANS**

14.1 On August 22, 2019, in order to meet investment requirements in CPHGC and TNPTL, the Company issued privately placed secured Sukuk Certificates amounting to Rs. 7,000 million at a mark-up of 1.9% per annum above three-month KIBOR. The mark-up on the Sukuk is payable on quarterly basis in arrears and the principal is payable in four equal semi-annual installments commencing from February 22, 2022. The Sukuk Certificates are secured by:

- a) revolving corporate guarantee from NEL;
- b) Subordinate hypothecation charge over receivables of NEL including but not limited to amounts receivable under the GOP guarantee;
- c) Subordinate charge over all present and future movable fixed assets of the Company and NEL; and
- d) Pledge of 100% shares of NEL.

14.2 On March 19, 2020, the Company issued privately placed secured Sukuk Certificates amounting to Rs. 5,000 million at a mark-up of 1.9% per annum above one-year KIBOR. The mark-up on the Sukuk is payable on semi-annual basis in arrears and the principal is payable in four equal semi-annual installments commencing from September 19, 2022. The Sukuk Certificates are secured by:

- a) revolving corporate guarantee from NEL;
- b) subordinate hypothecation charge over all present and future movable fixed assets of NEL; and
- c) subordinate charge over all present and future movable current assets of the Company.

**15. TRADE AND OTHER PAYABLES**

This includes Rs. 49,926 million (June 2019: Rs. 51,767 million) payable to Pakistan State Oil Company Limited (PSO), out of which Rs. 26,594 million (June 2019: Rs. 26,130 million) pertains to LPI. Overdue amount payable to PSO is Rs. 44,577 million (June 2019: Rs. 47,455 million).

The delay in payments to PSO carries mark-up at SBP discount rate plus 2% per annum compounded semi-annually except Late Payment Interest invoices.



	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>16. SHORT TERM BORROWINGS</b>			
<b>Secured</b>			
Running finance	16.1 & 16.2	25,661,470	24,213,535
Short term / sub limit finance		-	5,000,000
		<u>25,661,470</u>	<u>29,213,535</u>
<b>Unsecured</b>			
Privately placed sukuks	16.3	4,500,000	8,500,000
Commercial paper		-	3,398,519
Short term loan facility	16.4	60,100	-
		<u>4,560,100</u>	<u>11,898,519</u>
		<u>30,221,570</u>	<u>41,112,054</u>

- 16.1 The facilities for running finance available from various banks / financial institutions amounted to Rs. 27,400 million (June 2019: Rs. 28,800 million) at mark-up ranging between 0.40% to 2.00% per annum above one / three month KIBOR. The mark-up on the facilities is payable on monthly / quarterly basis in arrear. The facilities will expire during the period from April 30, 2020 to December 31, 2020. Any late payment by the Company is subject to an additional payment of 2.00% per annum above the normal mark-up rate. The facilities are secured by way of charge over the trade debts and stocks of the Company for the Hub Plant pari passu with the existing charge.
- 16.2 The Company has also entered into Musharaka agreements amounting to Rs. 1,400 million (June 2019: Rs. 1,400 million) at a mark-up ranging between 0.75% to 1.00% per annum above one month KIBOR. The mark-up on the facilities is payable on quarterly basis in arrear. These facilities will expire during the period from July 31, 2020 to September 30, 2020. Any late payment by the Company is subject to an additional payment of 2.00% per annum above the normal mark-up rate. These facilities are secured by way of securities mentioned in note 16.1.
- 16.3 On November 21, 2019, the Company issued privately placed unsecured Sukuk certificates based on Musharaka amounting to Rs. 4,500 million at a mark-up of 1.50% per annum above three-month KIBOR. The mark-up on the Sukuk is payable on quarterly basis in arrear and the principal is payable on May 21, 2020. Any late payment by the Company is subject to mark-up at a rate of 2.00% per annum over three-month KIBOR.
- 16.4 The Company has arranged an unsecured short term loan facility for an amount of up to Rs. 500 million from HPSL, to meet its working capital requirements. This facility carries mark-up at the rate of 0.75% per annum above one month KIBOR payable on quarterly basis. The maximum aggregate amount outstanding at any month end during the period was Rs. 70 million (June 2019: Rs. 145 million).

## 17. COMMITMENTS AND CONTINGENCIES

There is no material change in the status of commitments and contingencies as disclosed in the annual unconsolidated financial statements of the Company for the year ended June 30, 2019, except for the following:

- 17.1 On October 11, 2019, the Company received an invoice of Rs. 398.5 million from the Power Purchaser, CPPA(G) in respect of Liquidated Damages (LDs) due to non-availability of Hub Power Plant for electricity generation during the operating year April 1, 2018 to March 31, 2019. The LDs invoice is for the time period during which the Hub Power Plant was not available for electricity generation due to lack of fuel caused by delay in payments by CPPA(G) which resulted in the Company not being able to meet its payment obligations to Pakistan State Oil (PSO). PSO had stopped the supply of RFO to the Hub Power Plant due to delay in payments as well as non-provision of Standby Letter of Credit (SBLC) by the Company as required under the Fuel Supply Agreement (FSA). The Company did not establish the SBLC for PSO because CPPA(G) did not establish SBLC in favor of the Company as required under the Power Purchase Agreement (PPA) dated August 3, 1992.





The Company has contested the LDs invoice and the claim therein on the grounds that the Hub Power Plant ran out of fuel because of the CPPA(G)'s payment defaults and non-provision of SBLC as required under the PPA. Also, in the past similar cases arose where CPPA(G) attempted to impose LDs on other IPPs and they challenged such imposition of LDs and won at various legal forums including expert adjudication as well as International Arbitration. Accordingly, the management is of the view that the position of the Company is sound on technical and legal basis and that the claim is without substance and merit and has been rejected. Pending the resolution of the matter stated above, no provision has been made in these condensed interim unconsolidated financial statements.

- 17.2 (i) In October 2019, the FBR issued income tax demand of Rs. 266 million relating to fiscal year ended June 2016. This is based on FBR's views that the Company's income on account of supplemental charges are taxable and CPP income is also liable for minimum tax. The FBR issued demand for WWF as well. The Company has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. The Company's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 292 million.
- (ii) In December 2019, the FBR issued a demand of Rs. 19 million relating to fiscal year ended June 2016. This is based on FBR's views that during the said year the Company had not deducted tax on payments to supplier. The Company has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. The Company's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 20 million.

The management, tax and legal advisors are of the opinion that the position of the Company is sound on technical basis and eventual outcome ought to be in favour of the Company. Pending the resolution of the matters stated above, no provision has been made in these condensed interim unconsolidated financial statements.

## 18. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of subsidiaries, associates, retirement benefit funds, directors and key management personnel. Significant transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim unconsolidated financial statements, are as follows:

18.1 Details of transactions	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>Subsidiaries</b>		
<b>Laraib Energy Limited</b>		
Reimbursable expenses incurred on behalf of subsidiary	59,570	18,567
Receipts against reimbursement of expenses from subsidiary	59,945	17,572
Dividend received	643,242	817,091
<b>Hub Power Holdings Limited</b>		
Investment in subsidiary	6,822,500	13,841,264
Reimbursable expenses incurred on behalf of subsidiary	195,065	8,041
Receipts against reimbursement of expenses from subsidiary	151,716	46,837
Reimbursable expenses incurred by subsidiary	8,970	-
Payments against reimbursement of expenses to subsidiary	11,344	-



	Note	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>Hub Power Services Limited</b>			
Reimbursable expenses incurred on behalf of subsidiary		39,051	6,208
Receipts against reimbursement of expenses from subsidiary		45,761	15,593
Reimbursable expenses incurred by subsidiary		77,460	67,965
Payments against reimbursement of expenses to subsidiary		59,256	63,020
Amount paid for O&M services rendered		988,201	1,439,450
Dividend received		125,000	190,000
Interest expense on loan from subsidiary	16.4	7,615	3,364
Payment against interest on loan from subsidiary		5,544	505
Transfer of assets by subsidiary		30,759	-
Payments against transfer of assets by subsidiary		28,060	-
Transfer of liabilities by subsidiary		40,255	-
Receipts against transfer of liabilities by subsidiary		40,255	-
<b>Narowal Energy Limited</b>			
Reimbursable expenses incurred on behalf of subsidiary		36,950	29,669
Receipts against reimbursement of expenses from subsidiary		28,703	30,900
Interest income on loan to subsidiary	18.2.1	74,728	50,834
Receipts against interest on loan to subsidiary		49,288	35,838
<b>Thar Energy Limited</b>			
Investment in subsidiary		833,067	1,401,016
Reimbursable expenses incurred on behalf of subsidiary		23,897	4,312
Receipts against reimbursement of expenses from subsidiary		1,995	3,282
Reimbursable expenses incurred by subsidiary		1,734	1,338
Payments against reimbursement of expenses to subsidiary		324	1,338
Services rendered to subsidiary		2,020,458	306,579
Receipt against services agreement		2,574,179	402,815
<b>Other related parties</b>			
Reimbursable expenses incurred on behalf of TNPTL		104,126	1,105
Receipts against reimbursement of expenses from TNPTL		47,634	250
Services rendered to TNPTL		89,811	-
Receipt against services agreement from TNPTL		140,000	-



	Note	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
Remuneration to key management personnel			
Salaries, benefits and other allowances		122,410	100,979
Retirement benefits		5,151	3,754
	18.1.1 & 18.1.2	<u>127,561</u>	<u>104,733</u>
Directors' fee	18.1.3	<u>3,400</u>	<u>4,850</u>
Contribution to staff retirement benefit plans of the Company		<u>47,387</u>	<u>30,739</u>
Contribution to staff retirement benefit plan of HPSL		<u>2,337</u>	<u>-</u>
Contribution to staff retirement benefit plan of TEL		<u>112</u>	<u>-</u>

18.1.1 Transactions with key management personnel are carried out under the terms of their employment. They are also provided with the use of Company maintained automobiles and certain other benefits.

18.1.2 The above figures do not include cost allocated to subsidiary companies amounting to Rs. 14 million (Mar 2019: Rs. 18 million).

18.1.3 This represents fee paid to the directors of the Company for attending meetings.

18.1.4 The transactions with related parties are made under mutually agreed terms and conditions.

18.2	Details of outstanding balances	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
	<b>Subsidiaries</b>			
	<b>Hub Power Services Limited</b>			
	Payable to subsidiary		<u>32,987</u>	<u>3,684</u>
	<b>Narowal Energy Limited</b>			
	Loan to subsidiary	18.2.1	<u>892,562</u>	<u>699,500</u>
	<b>Thar Energy Limited</b>			
	Advance against management services		<u>565,162</u>	<u>38,730</u>
	<b>Other related parties</b>			
	Payable to staff retirement benefit plans		<u>25,224</u>	<u>41,541</u>
	Payable to staff retirement benefit plans of HPSL		<u>10,500</u>	<u>-</u>
	Payable to staff retirement benefit plans of TEL		<u>112</u>	<u>-</u>
	<b>ThalNova Power Thar (Private) Limited</b>			
	Advance against management services		<u>34,083</u>	<u>-</u>

18.2.1 The Company has provided NEL an unsecured short term loan facility for an amount of up to Rs. 3,000 million, to meet its working capital requirements, which carries mark-up at the rate of 0.40% per annum above one month KIBOR. Any late payment is subject to an additional payment of 1.00% per annum above the normal mark-up rate. The maximum aggregate amount receivable at month end during the period was Rs. 1,320 million (June 2019: Rs. 1,800 million).





	Note	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>19. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	19.1	503,773	301,872
Short term borrowings		(30,221,570)	(32,577,909)
		<u>(29,717,797)</u>	<u>(32,276,037)</u>

19.1 This includes short term deposit of Rs. 225 million placed with a bank as a security for issuance of LOS guarantee in favour of TNPTL (refer note 11.1.1).

	3 months ended Mar 2020	3 months ended Mar 2019	9 months ended Mar 2020	9 months ended Mar 2019
<b>20. PLANT CAPACITY AND PRODUCTION</b>				
<b><u>HUB PLANT</u></b>				
Theoretical Maximum Output	2,621 GWh	2,592 GWh	7,920 GWh	7,891 GWh
Output produced	0 GWh	178 GWh	34 GWh	682 GWh
Load Factor	0.00%	6.87%	0.43%	8.64%

Practical maximum output for the power plant taking into account all the scheduled outages is 7,265 GWh (Mar 2019: 7,012 GWh). Output produced by the plant is dependent on the load demanded by CPPA(G) and the plant availability.

**21. REPRESENTATION / RECLASSIFICATION**

Certain corresponding figures have been represented / re-classified to reflect a more appropriate presentation of events and transactions for the purpose of consistency.

**22. DATE OF AUTHORISATION**

These condensed interim unconsolidated financial statements were authorised for issue on April 28, 2020 in accordance with the resolution of the Board of Directors.

**23. GENERAL**

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	Note	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
Turnover	5	11,819,673	13,438,897	36,473,262	44,498,275
Operating costs	6	(4,315,738)	(7,449,523)	(14,497,769)	(29,098,037)
<b>GROSS PROFIT</b>		<u>7,503,935</u>	<u>5,989,374</u>	<u>21,975,493</u>	<u>15,400,238</u>
General and administration expenses		(342,648)	(404,614)	(1,173,038)	(1,080,243)
Other income	7	159,448	56,530	297,315	281,418
Other operating expenses	8	(119,780)	(45,880)	(123,413)	(51,645)
<b>PROFIT FROM OPERATIONS</b>		<u>7,200,955</u>	<u>5,595,410</u>	<u>20,976,357</u>	<u>14,549,768</u>
Finance costs	9	(3,105,566)	(1,998,181)	(9,356,587)	(4,933,778)
Share of profit / (loss) from associates - net	10	3,807,151	(127,866)	8,960,377	(321,321)
Loss on shares to be transferred to GoB	12.1.1	-	-	(1,009,029)	-
<b>PROFIT BEFORE TAXATION</b>		<u>7,902,540</u>	<u>3,469,363</u>	<u>19,571,118</u>	<u>9,294,669</u>
Taxation		(512,981)	(140,749)	(670,869)	(285,338)
<b>PROFIT FOR THE PERIOD</b>		<u>7,389,559</u>	<u>3,328,614</u>	<u>18,900,249</u>	<u>9,009,331</u>
Attributable to:					
- Owners of the holding company		7,200,554	3,160,921	18,252,960	8,577,775
- Non-controlling interest		189,005	167,693	647,289	431,556
		<u>7,389,559</u>	<u>3,328,614</u>	<u>18,900,249</u>	<u>9,009,331</u>
			<b>Restated</b>		<b>Restated</b>
Basic and diluted earnings per share attributable to owners of the holding company (Rupees)		<u>5.55</u>	<u>2.64</u>	<u>14.07</u>	<u>7.16</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
Profit for the period	7,389,559	3,328,614	18,900,249	9,009,331
<b>Other comprehensive income / (loss) for the period:</b>				
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>				
Loss on remeasurement of post employment benefits obligations	-	(13,310)	-	(8,745)
Gain / (loss) on revaluation of equity investment at fair value through other comprehensive income	101,390	-	(6,118)	-
	101,390	(13,310)	(6,118)	(8,745)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>7,490,949</b>	<b>3,315,304</b>	<b>18,894,131</b>	<b>9,000,586</b>
Attributable to:				
- Owners of the holding company	7,301,944	3,147,611	18,246,842	8,569,030
- Non-controlling interest	189,005	167,693	647,289	431,556
	<b>7,490,949</b>	<b>3,315,304</b>	<b>18,894,131</b>	<b>9,000,586</b>

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

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Chief Financial Officer

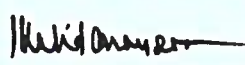



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2020**

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Property, plant and equipment	11	75,286,772	68,487,309
Intangibles		1,446,015	1,472,145
Long term investments	12	47,595,609	36,302,726
Long term deposits, prepayments and others		56,875	69,362
		124,385,271	106,331,542
<b>CURRENT ASSETS</b>			
Stores, spares and consumables		2,886,089	3,124,509
Stock-in-trade		7,292,932	5,844,656
Trade debts	13	95,488,407	85,274,480
Loans and advances		103,788	52,685
Deposits, prepayments and other receivables	14	13,410,696	12,507,992
Cash and bank balances		5,088,351	12,131,754
		124,270,263	118,936,076
<b>TOTAL ASSETS</b>		248,655,534	225,267,618
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share Capital</b>			
Authorised		17,000,000	17,000,000
Issued, subscribed and paid-up		12,971,544	12,971,544
<b>Capital Reserve</b>			
Share premium		5,600,000	5,600,000
<b>Revenue Reserve</b>			
Unappropriated profit		50,633,173	32,427,157
Attributable to owners of the holding company		69,204,717	50,998,701
<b>NON-CONTROLLING INTEREST</b>		7,272,853	6,424,007
		76,477,570	57,422,708
<b>NON-CURRENT LIABILITIES</b>			
Long term loans	15	47,576,139	33,399,225
Long term lease liabilities		2,380,742	2,533,131
		49,956,881	35,932,356
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	76,643,122	70,529,859
Unclaimed dividend		205,293	189,516
Unpaid dividend		50,683	87,615
Interest / mark-up accrued		1,546,141	1,558,324
Short term borrowings	17	38,388,962	53,478,425
Current maturity of long term loans		4,791,873	5,527,014
Current maturity of long term lease liabilities		544,334	501,192
Taxation-net		50,675	40,609
		122,221,083	131,912,554
<b>TOTAL EQUITY AND LIABILITIES</b>		248,655,534	225,267,618
<b>COMMITMENTS AND CONTINGENCIES</b>			
	18		

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

  
M. Habibullah Khan  
Chairman

  
Khalid Mansoor  
Chief Executive

  
Abdul Nisir  
Chief Financial Officer





**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	Note	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		19,571,118	9,294,669
Adjustments for:			
Depreciation		3,101,804	3,283,957
Amortisation		26,991	31,011
Gain on disposal of fixed assets		(11,895)	(43,666)
Provision against slow moving stores, spares and consumables		132,427	108,227
Share of (gain) / loss from associates		(8,960,377)	321,321
Loss on shares to be transferred to GoB		1,009,029	-
Staff gratuity		49,820	54,685
Interest income		(273,637)	(112,361)
Mark-up on lease liabilities		173,152	146,779
Interest / mark-up expense		8,738,600	4,557,071
Amortisation of transaction costs		77,946	63,493
Operating profit before working capital changes		<u>23,634,978</u>	<u>17,705,186</u>
Working capital changes		(13,574,420)	(1,657,323)
Cash generated from operations		<u>10,060,558</u>	<u>16,047,863</u>
Interest income received		266,075	100,711
Interest / mark-up paid		(8,887,840)	(4,542,089)
Staff gratuity paid		(75,089)	(59,680)
Taxes paid		(213,583)	(291,451)
Net cash generated from operating activities		<u>1,150,121</u>	<u>11,255,354</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(2,773,754)	(10,054,587)
Proceeds from disposal of fixed assets		19,306	52,811
Long term investments made		(3,369,408)	(10,603,131)
Long term deposits, prepayments and others		12,487	2,244
Net cash used in investing activities		<u>(6,111,369)</u>	<u>(20,602,663)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid to owners of the holding company		(13,145)	(3,349,733)
Dividends paid to non controlling interest		(222,986)	(273,078)
Proceeds from long term loans - net		17,971,134	9,320,431
Repayment of long term loans		(4,586,005)	(5,206,575)
Proceeds against issuance of shares to non controlling interest (TEL)		416,533	1,546,648
Repayment of long term lease liabilities		(539,152)	(396,546)
Share issuance cost		(19,071)	(21,865)
Net cash generated from financing activities		<u>13,007,308</u>	<u>1,619,282</u>
Net decrease in cash and cash equivalents		8,046,060	(7,728,027)
Cash and cash equivalents at the beginning of the period		(41,346,671)	(26,150,455)
Cash and cash equivalents at the end of the period	21	<u>(33,300,611)</u>	<u>(33,878,482)</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED**  
**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY</b>		
<b>ISSUED CAPITAL</b>		
Balance at the beginning of the period	12,971,544	11,571,544
Balance at the end of the period	<u>12,971,544</u>	<u>11,571,544</u>
<b>SHARE PREMIUM</b>		
Balance at the beginning of the period	5,600,000	-
Balance at the end of the period	<u>5,600,000</u>	<u>-</u>
<b>UNAPPROPRIATED PROFIT</b>		
Balance at the beginning of the period	32,427,157	23,878,200
Profit for the period	18,252,960	8,577,775
Other comprehensive loss for the period	(6,118)	(8,745)
<b>Total comprehensive income for the period</b>	18,246,842	8,569,030
Share issuance cost	(40,826)	(55,180)
Disposal of partial interest in TEL	-	18,180
<b>Transactions with owners in their capacity as owners</b>		
Final dividend for the fiscal year 2018-2019 @ Rs. Nil (2017-2018: @ Rs. 2.80) per share	-	(3,240,032)
Balance at the end of the period	<u>50,633,173</u>	<u>29,170,198</u>
Attributable to owners of the holding company	<u>69,204,717</u>	<u>40,741,742</u>
<b>NON-CONTROLLING INTEREST</b>		
Balance at the beginning of the period	6,424,007	3,584,186
Total comprehensive income for the period	647,289	431,556
Dividend paid	(214,976)	(273,078)
Investment made	416,533	1,546,648
Disposal of partial interest in TEL	-	(18,180)
Share issuance cost	-	(2,224)
Balance at the end of the period	<u>7,272,853</u>	<u>5,268,908</u>
<b>TOTAL EQUITY</b>	<u>76,477,570</u>	<u>46,010,650</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial statements.

M. Habibullah Khan  
Chairman

Khalid Mansoor  
Chief Executive

Abdul Nasir  
Chief Financial Officer



**THE HUB POWER COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED**  
**FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THIRD QUARTER ENDED MARCH 31, 2020**

**1. STATUS AND NATURE OF BUSINESS**

The Hub Power Company Limited (the "holding company") was incorporated in Pakistan on August 1, 1991 as a public limited company. The shares of the holding company are listed on the Pakistan Stock Exchange (PSX). The principal activities of the holding company are to develop, own, operate and maintain power stations. The holding company owns an oil-fired power station of 1,200 MW (net) in Balochistan (Hub Plant).

The Group consists of the holding company and following subsidiaries / associates:

**Subsidiaries:**

- Laraib Energy Limited (LEL) - Holding of 74.95%;
- Hub Power Services Limited (HPSL) - Holding of 100%;
- Hub Power Holdings Limited (HPHL) - Holding of 100%;
- Narowal Energy Limited (NEL) - Holding of 100%; and
- Thar Energy Limited (TEL) - Holding of 60%.

**Associates:**

- China Power Hub Generation Company (Private) Limited (CPHGC) - Holding of 46%; and
- ThalNova Power Thar (Private) Limited (TNPTL) - Holding of 38.3%.

**Thar Energy Limited (TEL)**

On January 30, 2020, PPIB on behalf of the Government of Pakistan notified the achievement of Financial Close (FC) of TEL.

In relation to the achievement of TEL's FC, a Deed of Undertaking (Doed) has been signed between TEL and Habib Bank Limited (HBL), which is the Intercreditor Agent, pursuant to which TEL is required to procure the following no later than June 30, 2020, subject to the terms and conditions defined in the Deed:

- i. An amendment in the Sponsor Support Agreement (SSA) for Additional Sponsor Support up to maximum of USD 19.5 million in which holding company's share will be USD 11.7 million (based on the 60% equity stake); and
- ii. An amendment in the Coal Supply Agreement (CSA) in such a way that coal supply by SECMC is available by December 31, 2021.

Consequently, on March 31, 2020 the holding company has obtained approval from its shareholders in Extraordinary General Meeting (EGM) to provide an additional sponsor support for the benefit of TEL and Intercreditor Agent for an aggregate amount of up to USD 12 Million (or PKR equivalent) to guarantee an investment in the form of equity and/or subordinated debt to cover for funding shortfall that may arise due to unavailability of coal and/or delay in the commercial operations date. Such 'investment' shall be valid till June 2022 or such other date as may be required under the Sponsor Support Agreement, whichever is later.

On January 31, 2020 TEL has received a notice from its EPC contractor (CMEC) for Force Majeure Event (FME) due to COVID-19 outbreak. Consequently, TEL has intimated and issued letters to PPIB, CPPA(G) and Intercreditor agent under respective agreements. Currently the TEL's management is assessing the impact of FME on project timeline and cost.

**2. BASIS OF PREPARATION**

These unaudited condensed interim consolidated financial statements of the holding company for the third quarter ended March 31, 2020 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim consolidated financial statements do not include all the information and disclosures as required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended June 30, 2019.



### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these condensed interim consolidated financial statements are same as those applied in preparing the consolidated financial statements for the year ended June 30, 2019, except for the following:

#### 3.1 First time adoption of IFRS 16 'Leases' (effective for annual periods beginning on or after January 1, 2019)

IFRS 16 replaces existing guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases- Incentive" and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". It results in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases has been removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The Group has adopted IFRS 16 by applying the modified retrospective approach along with transitional provision provided under IFRS 16 according to which the Group is not required to restate the prior period results and no impact of adoption of IFRS 16 on opening equity has been recognised by the Group. The Group has used a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. lessee's incremental borrowing rate of 13.5%) and used hindsight in determining the lease term if the contracts contain options to extend or terminate the lease.

Following is the impact of IFRS 16 on these condensed interim consolidated financial statements:

	Mar 31, 2020 (Rs. '000s) (Unaudited)	Jul 01, 2019 (Rs. '000s) (Unaudited)
<b>Impact on statement of financial position</b>		
Property, plant and equipment - increased by	345,134	386,348
Prepayments and other receivables - decreased by	(10,209)	(6,679)
Lease liability - increased by	359,370	379,669
Current portion of long term lease liabilities - increased by	(34,968)	(28,349)
Long term lease liability - increased by	324,402	351,320
	<b>9 months ended Mar 31, 2020 (Rs. '000s) (Unaudited)</b>	
<b>Impact on statement of profit or loss</b>		
General and administration expenses		
- Increase in depreciation	(41,214)	
- Decrease in rent expense	52,863	
	11,649	
Increase in finance cost	(36,095)	
Decrease in profit before taxation	(24,446)	
Decrease in taxation	-	
Decrease in profit for the period	(24,446)	

The Group, as a lessee, recognises a right to use asset and a lease liability on the lease commencement date.

Upon initial recognition, the right to use asset is measured as the amount equal to initially measured lease liability adjusted for lease prepayments, initial direct cost, lease incentives and the discounted estimated asset retirement obligation. Subsequently, the right to use asset is measured at cost net of any accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the shorter of estimated useful lives of the right to use assets or the lease term.

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently, lease liability is measured at amortised cost using the effective interest rate method.



**4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions. Judgements and estimates made by the management in the preparation of these condensed interim consolidated financial statements are same as those applied in the Group's annual consolidated financial statements for the year ended June 30, 2019. The Group's financial risk management objectives and policies are consistent with those disclosed in the Group's annual consolidated financial statements for the year ended June 30, 2019.

	3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>5. TURNOVER</b>				
Capacity Purchase Price (CPP)	8,596,401	7,296,327	24,851,328	20,482,756
Energy Purchase Price (EPP)	1,242,440	4,832,512	6,115,768	21,198,521
Late Payment Interest (LPI)	2,165,400	1,866,037	6,302,973	5,325,186
Startup Charges (SC)	-	30,025	25,671	101,025
Part Load Adjustment Charges (PLAC)	-	114,885	62,463	451,085
	<u>12,004,241</u>	<u>14,139,786</u>	<u>37,358,203</u>	<u>47,558,573</u>
Less: Sales tax on EPP	(184,568)	(700,889)	(884,941)	(3,060,298)
	<u>11,819,673</u>	<u>13,438,897</u>	<u>36,473,262</u>	<u>44,498,275</u>
<b>6. OPERATING COSTS</b>				
Fuel cost	912,128	3,884,772	4,851,795	17,935,420
Late Payment Interest to fuel suppliers	975,551	1,081,743	3,014,409	3,529,563
Water use charges	36,250	26,710	94,986	78,011
Salaries, benefits and other allowances	294,505	321,464	974,854	1,015,337
Stores and spares	216,798	261,545	465,648	769,085
Insurance	306,489	239,296	922,511	715,532
Depreciation	1,172,115	1,006,404	3,002,498	3,240,880
Amortisation	7,003	9,860	25,753	27,198
Repairs, maintenance and other costs	394,899	617,729	1,145,315	1,787,011
	<u>4,315,738</u>	<u>7,449,523</u>	<u>14,497,769</u>	<u>29,098,037</u>
<b>7. OTHER INCOME</b>				
<b>Financial assets</b>				
Interest income	127,188	47,649	273,637	109,027
<b>Non-financial assets</b>				
Gain on disposal of fixed assets	8,723	962	11,895	43,666
Income from management services	-	-	-	-
Exchange gain - net	17,831	4,032	753	90,732
Income under shared facilities agreement - net	930	4,470	3,242	17,363
Others	4,776	(583)	7,788	20,630
	<u>32,260</u>	<u>8,881</u>	<u>23,678</u>	<u>172,391</u>
	<u>159,448</u>	<u>56,530</u>	<u>297,315</u>	<u>281,418</u>
<b>7.1 Income from management services</b>				
Services income	31,239	-	89,811	-
Cost of services	(31,239)	-	(89,811)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The holding company has entered into services agreement with TNPTL (an associate company). In accordance with the terms of the agreement, the holding company provides assistance to TNPTL in performance of their obligations under project agreements including Power Purchase Agreement, Coal Supply Agreement, Water Use Agreement, Implementation Agreement, EPC Contract and O&M Agreement.

		3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>8. OTHER OPERATING EXPENSES</b>					
Workers' profit participation fund	8.1	119,780	45,880	123,413	51,645
<b>8.1 Workers' profit participation fund</b>					
Provision for workers' profit participation fund		284,329	191,471	548,762	431,671
Workers' profit participation fund recoverable from CPPA-G / NTDC		(164,549)	(145,591)	(425,349)	(380,026)
		<u>119,780</u>	<u>45,880</u>	<u>123,413</u>	<u>51,645</u>

The holding company and NEL are required to pay 5% of its profit to the workers' profit participation fund (the "Fund"). The holding company and NEL are entitled to claim majority of this expense from the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) / National Transmission and Despatch Company Limited (NTDC) as a pass through item.

		3 months ended Mar 2020 (Rs. '000s)	3 months ended Mar 2019 (Rs. '000s)	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>9. FINANCE COSTS</b>					
Interest / mark-up on long term loans		1,441,692	887,965	4,066,061	2,227,161
Mark-up on short term borrowings		1,466,764	979,841	4,672,539	2,329,716
Mark-up on long term lease liabilities		53,103	49,674	173,152	146,779
Amortisation of transaction costs		29,253	21,123	77,946	63,493
Other finance costs		114,754	59,578	366,889	166,629
		<u>3,105,566</u>	<u>1,998,181</u>	<u>9,356,587</u>	<u>4,933,778</u>
<b>10. SHARE OF PROFIT / (LOSS) FROM ASSOCIATES - NET</b>					
- China Power Hub Generation Company (Private) Limited		3,796,994	(123,954)	8,960,316	(316,644)
- ThalNova Power Thar (Private) Limited		10,157	(3,912)	61	(4,677)
		<u>3,807,151</u>	<u>(127,866)</u>	<u>8,960,377</u>	<u>(321,321)</u>

		Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>11. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating property, plant and equipment		45,792,123	48,272,279
Capital work-in-progress			
Holding company		204,929	177,593
NEL		26,064	22,301
LEL		-	4,773
TEL		29,263,656	19,993,656
HPHL		-	9,907
HPSL		-	6,800
		<u>29,494,649</u>	<u>20,215,030</u>
	11.1	<u>75,286,772</u>	<u>68,487,309</u>

11.1 Additions to property, plant and equipment during the current period were Rs. 3,159 million (Mar 2019: Rs. 11,414 million) out of which Rs. 51 million (Mar 2019: Rs. 1,394 million) relates to exchange loss capitalized on foreign currency loans, and disposals therefrom at net book value were Rs. 5 million (Mar 2019: Rs. 9 million). Additions include recognition of right to use assets of Rs. 386 million as a result of adoption of new accounting standard IFRS 16 (see note 3.1).

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>12. LONG TERM INVESTMENTS</b>			
<b>Investment in associates - unquoted</b>			
China Power Hub Generation Company (Private) Limited (CPHGC)	12.1	40,022,099	28,995,221
ThalNova Power Thar (Private) Limited (TNPTL)	12.2	5,262,969	5,262,908
		<u>45,285,068</u>	<u>34,258,129</u>
<b>Others - unquoted</b>			
Equity investment at fair value through other comprehensive income - Sindh Engro Coal Mining Company Limited (SECMC)	12.3	2,310,541	2,044,597
		<u>47,595,609</u>	<u>36,302,726</u>
<b>12.1 China Power Hub Generation Company (Private) Limited (CPHGC)</b>			
Opening investment		28,995,221	7,880,953
Investment during the period / year		3,097,346	21,597,414
Share of profit / (loss) from associate		8,960,316	(447,607)
Group's share in share issue cost		(21,755)	(35,539)
Loss on shares to be transferred to GoB	12.1.1	(1,009,029)	-
		<u>40,022,099</u>	<u>28,995,221</u>

12.1.1 This represents loss on shares to be transferred to Government of Baluchistan (GoB). Pursuant to Memorandum of Understanding (MOU) dated December 23, 2016 with GoB, HPHL and China Power International (Pakistan) Investment Limited (CPIPI) are committed to transfer 3% equity shareholding in CPHGC (1.5% each by HPHL and CPIPI) to GoB. Sponsors are in discussion with GoB to complete the transaction in a transparent manner.

	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>12.2 ThalNova Power Thar (Private) Limited (TNPTL)</b>		
Opening investment	5,262,908	-
Investment during the period / year	-	5,250,379
Share of profit from associate	61	13,623
Group's share in share issue cost	-	(1,094)
	<u>5,262,969</u>	<u>5,262,908</u>

On August 19, 2019, Private Power and Infrastructure Board (PPIB) upon TNPTL's request approved the extension in Financial Closing Date from June 30, 2019 to December 31, 2019 and further on December 16, 2019 approved the request for extension in Financial Closing Date till April 30, 2020 subject to provision of prescribed fee and extension of performance guarantee at least three months beyond the extended Financial Closing Date. After completing the required conditions, PPIB on February 06, 2020, issued the amendment to the LOS, extending the Financial Closing Date to April 30, 2020. The holding company has placed Rs. 225 million with a bank as a security for issuance of said LOS guarantee (See note 21.1).

On January 31, 2020, CMEC (the EPC Contractor of TNPTL's project) notified TNPTL for Force Majeure Event (FME) due to outbreak of Coronavirus (COVID-19) in China and across the globe, the same has been declared as pandemic by the World Health Organisation (WHO). Furthermore, this pandemic has also seriously affected the work of Chinese financial institutions, including China Development Bank. Accordingly, on March 16, 2020, TNPTL has, further, requested PPIB for additional extension in Financial Closing Deadline till October 31, 2020.

PPIB is entitled to encash the performance guarantee in case TNPTL is not able to meet the conditions or TNPTL decides to exercise termination option, as defined in the LOS. Further, the Project agreements as well as the Project will automatically terminate on the expiration or termination of the LOS.





### The holding company's commitment to TNPTL

In connection with the availability of finance facilities for the development of the TNPTL's project and furthermore, pursuant to Sponsor Support Agreement, the Shareholders in general meeting held on March 31, 2020 approved the following:

- i. issue a sponsor Standby Letter of Credit (SBLC) of USD 14 million (but which could be higher) to cover Initial Debt Service Reserve Account shortfall. Such SBLC shall be for a period up till the first payment of the installment of the project's loan or such other date that may be prescribed under the Sponsor Support Agreement; and
- ii. provide Additional Sponsor Support in an amount of up to USD 8 million for the benefit of TNPTL and Intercreditor Agent to guarantee an investment in the form of equity or subordinated debt to cover for funding shortfall that may arise due to unavailability of coal and/or delay in the commercial operations date. Such investment shall be valid till September 2022 or such other date as may be required under the Sponsor Support Agreement, whichever is later.

### 12.3 Sindh Engro Coal Mining Company Limited (SECMC)

During the period, the holding company has made further investment in SECMC amounting to Rs. 272.1 million. Furthermore, SECMC achieved its Financial Closure for Phase II on December 31, 2019.

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>13. TRADE DEBTS - secured</b>			
Considered good - Secured			
Capacity Purchase Price		40,335,584	30,763,005
Energy Purchase Price		16,542,698	19,454,374
Late Payment Interest	13.1	36,695,478	32,892,504
Startup Charges		237,795	246,593
Part Load Adjustment Charges		690,249	848,401
Pass through items (WPPF and taxes)		986,603	1,069,603
	13.2	<u>95,488,407</u>	<u>85,274,480</u>

13.1 This includes Rs. 7,008 million (June 2019: Rs. 4,372 million) which is not yet billed by the Group.

13.2 This includes an overdue amount of Rs. 63,129 million (June 2019: Rs. 59,178 million) from CPPA-G and Rs. 20,554 million (June 2019: Rs. 13,719 million) from NTDC. These are not impaired because the trade debts are secured by a guarantee from the Government of Pakistan (GOP) under the Implementation Agreements.

The delay in payments under Hub PPA carries mark-up at State Bank of Pakistan (SBP) discount rate plus 2% per annum compounded semi-annually and the delay in payments under Narowal and Laraib PPAs carries mark-up at a rate of three month KIBOR plus 4.5% and six month KIBOR plus 2% per annum respectively, compounded semi-annually for all overdue invoices except Late Payment Interest invoices.

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>14. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Deposits		359	359
Prepayments		374,489	53,081
Other receivables			
Interest accrued		19,892	4,714
Income tax		1,468,030	1,912,347
Income tax (Contractor tax refundable)		372,469	372,469
Sales tax		8,629,034	8,058,169
Advance tax		17,060	36,977
Receivable from TNPTL		123,039	29,755
Receivable from CPHGC		602	2,158
Workers' profit participation fund recoverable from CPPA-G / NTDC	8.1	2,357,056	1,931,707
Miscellaneous		48,666	106,256
		<u>13,035,848</u>	<u>12,454,552</u>
		<u>13,410,696</u>	<u>12,507,992</u>

#### 15. LONG TERM LOANS

- 15.1 On August 22, 2019, in order to meet investment requirements in CPHGC and TNPTL, the holding company issued privately placed secured Sukuk Certificates amounting to Rs. 7,000 million at a mark-up of 1.9% per annum above three-month KIBOR. The mark-up on the Sukuk is payable on quarterly basis in arrears and the principal is payable in four equal semi-annual installments commencing from February 22, 2022. The Sukuk Certificates are secured by:
- revolving corporate guarantee from NEL;
  - Subordinate hypothecation charge over receivables of NEL including but not limited to amounts receivable under the GOP guarantee;
  - Subordinate charge over all present and future movable fixed assets of the holding company and NEL; and
  - Pledge of 100% shares of NEL.
- 15.2 On November 12, 2019, HPHL entered into a long term finance arrangement with a bank for an amount of Rs. 2,500 million to arrange for equity commitment of TNPTL. The facility is repayable in eight installments on semi annual basis starting from May 18, 2020 at a mark-up rate of 3 month KIBOR plus 1.50% per annum. The mark-up is payable on quarterly basis in arrear. Any late payment by HPHL is subject to an additional mark-up of 2% per annum. This loan is secured by way of second ranking / subordinated charge over all present and future assets of the holding company.
- 15.3 On March 19, 2020, the holding company issued privately placed secured Sukuk Certificates amounting to Rs. 5,000 million at a mark-up of 1.9% per annum above one-year KIBOR. The mark-up on the Sukuk is payable on semi-annual basis in arrears and the principal is payable in four equal semi-annual installments commencing from September 19, 2022. The Sukuk Certificates are secured by:
- revolving corporate guarantee from NEL;
  - subordinate hypothecation charge over all present and future movable fixed assets of NEL; and
  - subordinate charge over all present and future movable current assets of the holding company.

**16. TRADE AND OTHER PAYABLES**

- 16.1 This includes Rs. 49,926 million (June 2019: Rs. 51,767 million) payable to Pakistan State Oil Company Limited (PSO), out of which Rs. 26,594 million (June 2019: Rs. 26,130 million) pertains to LPI. Overdue amount payable to PSO is Rs. 44,577 million (June 2019: Rs. 47,455 million).

The delay in payments to PSO carries mark-up at the SBP discount rate plus 2% per annum compounded semi-annually except Late Payment Interest invoices.

- 16.2 This also includes Rs. 1,298 million (June 2019: Rs. 826 million) payable to BE Energy Limited (BEL), out of which Rs. 15 million (June 2019: Rs. 5 million) pertains to LPI.

The delay in payments to BEL carries mark-up at the rate of KIBOR plus 2% per annum in case payment is made beyond 30 days credit period and KIBOR plus 3% per annum if the delay is in excess of 60 days.

	Note	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>17. SHORT TERM BORROWINGS</b>			
<b>Secured</b>			
Running finance	17.1 to 17.5	33,888,962	33,079,906
Short term / sub limit finance		-	8,500,000
		<u>33,888,962</u>	<u>41,579,906</u>
<b>Unsecured</b>			
Privately placed sukuks	17.6	4,500,000	8,500,000
Commercial paper		-	3,398,519
		<u>4,500,000</u>	<u>11,898,519</u>
		<u><u>38,388,962</u></u>	<u><u>53,478,425</u></u>

- 17.1 The facilities for running finance available from various banks / financial institutions amounted to Rs. 27,400 million (June 2019: Rs. 28,800 million) at mark-up ranging between 0.40% to 2.00% per annum above one / three month KIBOR. The mark-up on the facilities is payable on monthly / quarterly basis in arrear. The facilities will expire during the period from April 30, 2020 to December 31, 2020. Any late payment by the holding company is subject to an additional payment of 2.00% per annum above the normal mark-up rate. The facilities are secured by way of charge over the trade debts and stocks of the holding company for the Hub Plant pari passu with the existing charge.

- 17.2 The holding company has also entered into Musharaka agreements amounting to Rs. 1,400 million (June 2019: Rs. 1,400 million) at a mark-up ranging between 0.75% to 1.00% per annum above one month KIBOR. The mark-up on the facilities is payable on quarterly basis in arrear. These facilities will expire during the period from July 31, 2020 to September 30, 2020. Any late payment by the holding company is subject to an additional payment of 2.00% per annum above the normal mark-up rate. These facilities are secured by way of securities mentioned in note 17.1.

- 17.3 The facilities for running finances available from various banks / financial institutions amounted to Rs. 5,425 million (June 2019: Rs. 5,425 million) at mark-up ranging between 0.6% to 2.00% (June 2019 : 0.6% to 2.00%) per annum above one / three month KIBOR. The mark-up on the facilities is payable on quarterly basis in arrears. The facilities will expire during the period commencing from April 30, 2020 to December 31, 2020. Any late payment by the NEL is subject to an additional payment of 2.00% per annum above the normal mark-up rate.

17.3.1 The facilities are secured by way of:

- a first ranking charge on all present and future (i) amounts standing to the credit of the Energy Payment Collection Account and the Master Facility Account, (ii) Fuel, lube, fuel stocks at the plant; and (iii) the Energy Payment Receivables of the NEL.
- a subordinated charge on all present and future plant, machinery and equipment and other moveable assets of the NEL excluding; (i) the immovable properties; (ii) Hypothecated Assets under first ranking charge; (iii) the Energy Payment Collection Account, Working Capital Facility Accounts and the Master Facility Account; (iv) the Energy Payment Receivables; (v) all of the NEL's right, title and interest in the Project Documents (including any receivables thereunder); and (vi) all current assets.



- 17.4 NEL also has Musharaka agreements with banks amounting to Rs. 3,125 million (June 2019: Rs. 2,900 million), at a mark-up ranging from 0.70% to 1.50% (June 2019: 0.50% to 1.00%) per annum above one month / three month KIBOR. The mark-up on the facilities are payable on quarterly basis in arrears. These facilities will expire during the period from June 30, 2020 to October 31, 2020. Any late payment by NEL is subject to an additional payment of 2.00% per annum above the normal mark-up rate. These facilities are secured by way of securities mentioned in note 17.3.1.
- 17.5 The facilities for running finance available from various banks amounted to Rs. 750 million (June 2019: Rs. 500 million) at mark-up 1.75% per annum above three month KIBOR, payable on quarterly basis in arrears. All facilities are secured by way of subordinated charge over the current assets (including receivables, advances, deposits and prepayments) of LEL. The facilities will expire during the period from October 31, 2020 to December 31, 2020.
- 17.6 On November 21, 2019, the holding company issued privately placed unsecured Sukuk certificates based on Musharaka amounting to Rs. 4,500 million at a mark-up of 1.50% per annum above three-month KIBOR. The mark-up on the Sukuk is payable on quarterly basis in arrear and the principal is payable on May 21, 2020. Any late payment by the holding company is subject to mark-up at a rate of 2.00% per annum over three-month KIBOR.

## 18. COMMITMENTS AND CONTINGENCIES

There is no material change in the status of commitments and contingencies as disclosed in the annual consolidated financial statements of the Group for the year ended June 30, 2019, except as follows:

### 18.1 In connection with the operations of holding company:

- 18.1.1 On October 11, 2019, the holding company received an invoice of Rs. 398.5 million from the Power Purchaser, CPPA(G) in respect of Liquidated Damages (LDs) due to non-availability of Hub Power Plant for electricity generation during the operating year April 1, 2018 to March 31, 2019. The LDs invoice is for the time period during which the Hub Power Plant was not available for electricity generation due to lack of fuel caused by delay in payments by CPPA(G) which resulted in the holding company not being able to meet its payment obligations to Pakistan State Oil (PSO). PSO had stopped the supply of RFO to the Hub Power Plant due to delay in payments as well as non-provision of Standby Letter of Credit (SBLC) by the holding company as required under the Fuel Supply Agreement (FSA). The holding company did not establish the SBLC for PSO because CPPA(G) did not establish SBLC in favor of the holding company as required under the Power Purchase Agreement (PPA) dated August 3, 1992.

The holding company has contested the LDs invoice and the claim therein on the grounds that the Hub Power Plant ran out of fuel because of the CPPA(G)'s payment defaults and non-provision of SBLC as required under the PPA. Also, in the past similar cases arose where CPPA(G) attempted to impose LDs on other IPPs and they challenged such imposition of LDs and won at various legal forums including expert adjudication as well as International Arbitration. Accordingly, the management is of the view that the position of the holding company is sound on technical and legal basis and that the claim is without substance and merit and has been rejected. Pending the resolution of the matter stated above, no provision has been made in these condensed interim consolidated financial statements.

- 18.2 (i) In October 2019, the FBR issued income tax demand of Rs. 266 million relating to fiscal year ended June 2016. This is based on FBR's views that the holding company's income on account of supplemental charges are taxable and CPP income is also liable for minimum tax. The FBR issued demand for WWF as well. The holding company has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. The holding company's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 292 million.
- (ii) In December 2019, the FBR issued a demand of Rs. 19 million relating to fiscal year ended June 2016. This is based on FBR's views that during the said year the holding company had not deducted tax on payments to supplier. The holding company has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. The holding company's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 20 million.

The management, tax and legal advisors are of the opinion that the position of the holding company is sound on technical basis and eventual outcome ought to be in favour of the holding company. Pending the resolution of the matters stated above, no provision has been made in these condensed interim consolidated financial statements.

18.3 In connection with the operations of NEL:

18.3.1 Following notices / demand orders have been issued by tax authorities to the holding company in respect of combined operations of Hub and Narowal Plants prior to Narowal Demerger. Through, an agreement dated May 11, 2017 between the NEL and the holding company, NEL has undertaken to reimburse any cost which may directly be incurred by the holding company in respect of exposures transferred pursuant to the scheme of demerger.

- (i) In October 2019, the FBR issued an income tax demand of Rs 75 million relating to fiscal year ended June 2016. This is based on FBR's views that NEL receipt on account of CPP is liable for minimum tax. The FBR also issued a demand for WWF. NEL has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. NEL maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 83 million.
- (ii) In December 2019, the FBR issued a demand of Rs. 26 million relating to fiscal year ended June 2016. This is based on FBR's views that during the year NEL had not deducted tax on payments to supplier. NEL has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. NEL's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 28 million.
- (iii) In January 2020, the FBR issued a demand of Rs. 342 million relating to fiscal year ended June 2018. This is based on FBR's views that (a) NEL wrongly claimed the sales tax credit amounting to Rs. 299 million which was the amount transferred from the holding company to NEL under the demerger scheme duly approved by the Honorable High Court of Sindh (SHC) and FBR and (b) NEL wrongly claimed Rs. 43 million input sales tax paid on goods used for production of electrical energy. NEL has filed appeal with the Commissioner Inland Revenue Appeal which is pending adjudication. NEL also filed an application in the SHC which stayed the recovery till March 24, 2020 and as the case was not heard on this date, the stay would continue till the next date of hearing. NEL's maximum exposure as at March 31, 2020 including the principal amount, penalty and default surcharge is approximately Rs. 345 million.

The management and their tax advisors are of the opinion that the position of NEL is sound on technical basis and eventual outcome ought to be in favour of NEL. Pending the resolution of the matters stated above, no provision has been made in these condensed interim consolidated financial statements.





## 19. SEGMENT INFORMATION

### 19.1 SEGMENT ANALYSIS

The management has determined the operating segments based on the information that is presented to the Board of Directors of the Group for allocation of resources and assessment of performance. The Group has the following two reportable segments; power generation business, which includes the Hub plant, Narowal plant & Laraib plant and operations and maintenance business.

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

	3 months ended Mar 2020						Total
	Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Unallocated	Eliminations	
	(Rs. '000s)						
Turnover	7,059,511	3,214,963	1,545,199	172,313	-	(172,313)	11,819,673
Operating costs	(2,252,373)	(1,564,528)	(596,875)	(97,562)	-	195,600	(4,315,738)
<b>GROSS PROFIT</b>	<b>4,807,138</b>	<b>1,650,435</b>	<b>948,324</b>	<b>74,751</b>	<b>-</b>	<b>23,287</b>	<b>7,503,935</b>
General and administration expenses	(197,960)	(21,605)	(33,977)	(29,920)	(63,278)	4,093	(342,648)
Other income	18,906	1,701	21,121	11,282	2,509,854	(2,403,216)	159,448
Other operating expenses	-	-	-	-	(119,780)	-	(119,780)
<b>PROFIT FROM OPERATIONS</b>	<b>4,628,084</b>	<b>1,630,531</b>	<b>935,468</b>	<b>56,113</b>	<b>2,328,595</b>	<b>(2,375,836)</b>	<b>7,200,955</b>
Finance costs	(935,290)	(517,185)	(205,246)	(35)	(1,639,062)	191,252	(3,105,566)
Share of profit from associates	-	-	-	-	3,807,151	-	3,807,151
<b>PROFIT BEFORE TAXATION</b>	<b>3,692,794</b>	<b>1,113,346</b>	<b>730,222</b>	<b>56,078</b>	<b>4,494,684</b>	<b>(2,184,584)</b>	<b>7,902,540</b>
Taxation	-	(492)	(3,617)	(17,503)	(491,369)	-	(512,981)
<b>PROFIT FOR THE PERIOD</b>	<b>3,692,794</b>	<b>1,112,854</b>	<b>726,605</b>	<b>38,575</b>	<b>4,003,315</b>	<b>(2,184,584)</b>	<b>7,389,559</b>



Turnover  
 Operating costs  
**GROSS PROFIT**  
 General and administration expenses  
 Other income  
 Other operating expenses  
**PROFIT FROM OPERATIONS**  
 Finance costs  
 Share of loss from associates  
**PROFIT BEFORE TAXATION**  
 Taxation  
**PROFIT FOR THE PERIOD**

3 months ended Mar 2019							
	Power Generation		Laraib plant	Operations and Maintenance	Unallocated	Eliminations	Total
	Hub plant	Narowal plant					
(Rs. '000s)							
Turnover	8,839,930	3,249,322	1,349,673	575,595	-	(575,623)	13,438,897
Operating costs	(5,358,433)	(1,875,406)	(435,017)	(346,387)	-	565,720	(7,449,523)
<b>GROSS PROFIT</b>	<b>3,481,497</b>	<b>1,373,916</b>	<b>914,656</b>	<b>229,208</b>	<b>-</b>	<b>(9,903)</b>	<b>5,989,374</b>
General and administration expenses	(173,882)	(26,831)	(32,353)	(81,064)	(90,484)	-	(404,614)
Other income	3,138	2,789	17,284	9,729	944,062	(920,472)	56,530
Other operating expenses	-	-	-	-	(45,880)	-	(45,880)
<b>PROFIT FROM OPERATIONS</b>	<b>3,310,753</b>	<b>1,349,874</b>	<b>899,587</b>	<b>157,873</b>	<b>807,698</b>	<b>(930,375)</b>	<b>5,595,410</b>
Finance costs	(707,584)	(449,224)	(251,879)	(69)	(592,284)	2,859	(1,998,181)
Share of loss from associates	-	-	-	-	(127,866)	-	(127,866)
<b>PROFIT BEFORE TAXATION</b>	<b>2,603,169</b>	<b>900,650</b>	<b>647,708</b>	<b>157,804</b>	<b>87,548</b>	<b>(927,516)</b>	<b>3,469,363</b>
Taxation	-	(805)	(4,255)	(57,711)	(77,978)	-	(140,749)
<b>PROFIT FOR THE PERIOD</b>	<b>2,603,169</b>	<b>899,845</b>	<b>643,453</b>	<b>100,093</b>	<b>9,570</b>	<b>(927,516)</b>	<b>3,328,614</b>

Turnover  
 Operating costs  
**GROSS PROFIT**  
 General and administration expenses  
 Other income  
 Other operating expenses  
**PROFIT FROM OPERATIONS**  
 Finance costs  
 Share of profit from associates  
 Loss on shares to be transferred to GoB  
**PROFIT BEFORE TAXATION**  
 Taxation  
**PROFIT FOR THE PERIOD**

9 months ended Mar 2020							
	Power Generation		Laraib plant	Operations and Maintenance	Unallocated	Eliminations	Total
	Hub plant	Narowal plant					
(Rs. '000s)							
Turnover	20,754,794	10,968,265	4,750,203	1,369,323	-	(1,369,323)	36,473,262
Operating costs	(7,704,752)	(5,947,178)	(1,274,772)	(882,671)	-	1,311,604	(14,497,769)
<b>GROSS PROFIT</b>	<b>13,050,042</b>	<b>5,021,087</b>	<b>3,475,431</b>	<b>486,652</b>	<b>-</b>	<b>(57,719)</b>	<b>21,975,493</b>
General and administration expenses	(577,287)	(65,542)	(112,755)	(160,172)	(261,375)	4,093	(1,173,038)
Other income	58,469	4,237	45,245	24,669	2,640,565	(2,475,870)	297,315
Other operating expenses	-	-	-	-	(123,413)	-	(123,413)
<b>PROFIT FROM OPERATIONS</b>	<b>12,531,224</b>	<b>4,959,782</b>	<b>3,407,921</b>	<b>351,149</b>	<b>2,255,777</b>	<b>(2,529,496)</b>	<b>20,976,357</b>
Finance costs	(2,642,797)	(1,618,941)	(755,768)	(189)	(4,913,639)	574,747	(9,356,587)
Share of profit from associates	-	-	-	-	8,960,377	-	8,960,377
Loss on shares to be transferred to GoB	-	-	-	-	(1,009,029)	-	(1,009,029)
<b>PROFIT BEFORE TAXATION</b>	<b>9,888,427</b>	<b>3,340,841</b>	<b>2,652,153</b>	<b>350,960</b>	<b>5,293,486</b>	<b>(1,954,749)</b>	<b>19,571,118</b>
Taxation	-	(1,227)	(6,413)	(132,000)	(531,229)	-	(870,869)
<b>PROFIT FOR THE PERIOD</b>	<b>9,888,427</b>	<b>3,339,614</b>	<b>2,645,740</b>	<b>218,960</b>	<b>4,762,257</b>	<b>(1,954,749)</b>	<b>18,900,249</b>



**HUBCO**

Turnover  
Operating costs  
**GROSS PROFIT**  
General and administration expenses  
Other income  
Other operating expenses  
**PROFIT FROM OPERATIONS**  
Finance costs  
Share of loss from associates  
**PROFIT BEFORE TAXATION**  
Taxation  
**PROFIT FOR THE PERIOD**

9 months ended Mar 2019						
Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Unallocated	Eliminations	Total
(Rs. '000s)						
27,929,398	12,623,980	3,945,043	1,711,334	-	(1,711,480)	44,498,275
(19,491,554)	(8,682,130)	(1,483,801)	(1,122,323)	-	1,681,771	(29,098,037)
8,437,844	3,941,850	2,461,242	589,011	-	(29,709)	15,400,238
(547,124)	(74,411)	(91,357)	(188,117)	(179,234)	-	(1,080,243)
47,955	4,703	79,042	51,636	1,134,354	(1,036,272)	281,418
-	-	-	-	(51,645)	-	(51,645)
7,938,675	3,872,142	2,448,927	452,530	903,475	(1,065,981)	14,549,768
(1,687,102)	(1,217,626)	(726,310)	(194)	(1,305,910)	3,364	(4,933,778)
-	-	-	-	(321,321)	-	(321,321)
6,251,573	2,654,516	1,722,617	452,336	(723,756)	(1,062,617)	9,294,669
-	(1,359)	(11,503)	(174,915)	(97,561)	-	(285,338)
6,251,573	2,653,157	1,711,114	277,421	(821,317)	(1,062,617)	9,009,331

**19.2 SEGMENT ASSETS & LIABILITIES**

As at Mar 31, 2020							
Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Unallocated	Eliminations	Total	
(Rs. '000s)							
<b>Assets</b>	104,896,043	37,367,668	23,836,974	262,190	136,824,860	(54,532,201)	248,655,534
<b>Liabilities</b>	86,183,130	15,848,091	11,118,082	181,396	60,631,507	(1,764,242)	172,177,964

As at Jun 30, 2019							
Hub plant	Power Generation Narowal plant	Laraib plant	Operations and Maintenance	Unallocated	Eliminations	Total	
(Rs. '000s)							
<b>Assets</b>	106,069,870	35,544,821	24,428,187	385,390	103,561,058	(44,721,708)	225,267,618
<b>Liabilities</b>	98,296,204	17,364,858	13,496,817	378,556	39,104,297	(795,822)	167,844,910

**19.3** The customers of the Group are CPPA-G and NTDC (Power Purchasers) under the long term PPAs of the respective power plants. The obligations of Power Purchasers are guaranteed by the GOP under IAs of the respective power plants.

**20 RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties comprise of associates, retirement benefit funds, directors and key management personnel. Significant transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim consolidated financial statements, are as follows:

	Note	9 months ended Mar 2020 (Rs. '000s)	9 months ended Mar 2019 (Rs. '000s)
<b>20.1 Details of Transactions</b>			
<b>Associates</b>			
Services rendered to CPHGC		3,956	21,045
Reimbursable expenses incurred by CPHGC		-	136
Payment against reimbursement of expenses to CPHGC		-	136
Receipt against reimbursement of expenses by CPHGC		-	41,306
Reimbursable expenses incurred on behalf of TNPTL		140,919	12,796
Receipt against reimbursement of expenses from TNPTL		47,634	250
Services rendered to TNPTL		89,811	-
Receipt against services agreement from TNPTL		140,000	-
<b>Other related parties</b>			
Remuneration to key management personnel			
Salaries, benefits and other allowances		291,862	229,061
Retirement benefits		11,609	8,273
	20.1.1	303,471	237,333
Directors' fee	20.1.2	5,580	7,000
Contribution to staff retirement benefit plans		153,009	111,703
Dividend paid to NCI - Coate & Co. Private Limited		204,297	259,512

20.1.1 Transactions with key management personnel are carried out under the terms of their employment. Key management personnel are also provided with the use of company maintained automobiles and certain other benefits.

20.1.2 This represents fee paid to Board of Directors for attending meetings.

20.1.3 During the period, two cars were disposed off to key management personnel having cost of Rs. 4.90 million and net book value of Rs. Nil against sale proceeds of Rs. 2.44 million as per Group's policy.

20.1.4 The Group has provided loan amounting to Rs. 5.89 million to key management personnel which is recoverable in 12 equal monthly installments as per Group's policy. As at the reporting date, outstanding balance is Rs. 2.52 million.

20.1.5 The transactions with related parties are made under mutually agreed terms and conditions.

	Mar 2020 (Rs. '000s) (Unaudited)	Jun 2019 (Rs. '000s) (Audited)
<b>20.2 Details of Balances</b>		
<b>Other related parties</b>		
Payable to staff retirement benefit plans	51,933	73,880
Advance against management services from TNPTL	34,083	-



**9 months ended**  
**Mar 2020**  
**(Rs. '000s)**

**9 months ended**  
**Mar 2019**  
**(Rs. '000s)**

**21 CASH AND CASH EQUIVALENTS**

Cash and bank balances	5,088,351	5,847,312
Finances under mark-up arrangements	(38,388,962)	(39,725,794)
	(33,300,611)	(33,878,482)

21.1 This includes short term deposit of Rs. 225 million placed with a bank as a security for issuance of LOS guarantee in favour of TNPTL (refer note 12.2).

21.2 This includes an amount of Rs. 2,425 million placed with a bank as a security for issuance of equity Standby Letter of Credit (SBLC) of TNPTL.

**22 PLANT CAPACITY AND PRODUCTION**

**3 months ended**  
**Mar 2020**

**3 months ended**  
**Mar 2019**

**9 months ended**  
**Mar 2020**

**9 months ended**  
**Mar 2019**

**HUB PLANT**

Theoretical Maximum Output	2,621 GWh	2,592 GWh	7,920 GWh	7,891 GWh
Output produced	0 GWh	178 GWh	34 GWh	682 GWh
Load Factor	0.00%	6.87%	0.43%	8.64%

Practical maximum output for the power plant taking into account all the scheduled outages is 7,265 GWh (Mar 2019: 7,012 GWh). Output produced by the plant is dependent on the load demanded by CPPA(G) and the plant availability.

**NAROWAL PLANT**

Theoretical Maximum Output	467 GWh	462 GWh	1,411 GWh	1,406 GWh
Output produced	74 GWh	105 GWh	298 GWh	524 GWh
Load Factor	16%	23%	21%	37%

Practical maximum output for the power plant, taking into account all the scheduled outages is 1,393 GWh (Mar 2019: 1,371 GWh). Output produced by the plant is dependent on the load demanded by NTDC and the plant availability.

**LARAIB PLANT**

Theoretical Maximum Output	183 GWh	183 GWh	554 GWh	554 GWh
Average Energy	100 GWh	100 GWh	322 GWh	322 GWh
Total Output	90 GWh	74 GWh	242 GWh	220 GWh

Output produced by the plant is dependent on available hydrology and the plant availability.

**23 REPRESENTATION / RECLASSIFICATION**

Certain prior period figures have been represented / re-classified to reflect a more appropriate presentation of events and transactions for the purpose of consistency.

**24 DATE OF AUTHORISATION**


These condensed interim consolidated financial statements were authorised for issue on April 28, 2020 in accordance with the resolution of the Board of Directors.

**25 GENERAL**

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



M. Habibullah Khan  
Chairman



Khalid Mansoor  
Chief Executive



Abdul Nasir  
Chief Financial Officer

## ڈائریکٹرز کا جائزہ

# ڈائریکٹرز کی رپورٹ بسلسلہ انضمام شدہ اور غیر انضمام شدہ مالی گوشوارے برائے نو (9) ماہ مختتم 31 مارچ، 2020ء

بورڈ آف ڈائریکٹرز مسرت کے ساتھ، 31 مارچ، 2020ء کو ختم ہونے والے نو (9) ماہ کے عرصے کے لیے کمپنی کی سماجی، مالی اور آپریشنل کارکردگی کا مختصر جائزہ پیش کرتا ہے۔

## COVID-19 کی وباء

COVID-19 کے حوالے سے، پاور سیکٹر کو بھی لازمی خدمات فراہم کرنے والے شعبوں میں شامل کر لیا گیا ہے۔ اس کا مطلب یہ ہے کہ جبکو (HUBCO) کے پلائٹس ہمیشہ دستیاب رہیں گے اور بلا تعلق آپریشنز جاری رکھیں گے۔ چنانچہ افرادی قوت کا تحفظ اور کاروبار کا تسلسل ہماری اعلیٰ ترین ترجیح رہے۔ جبکو اس صورت حال کا، چین میں وباء کے ظاہر ہونے کے ابتدائی دور سے ہی، جائزہ لیتا رہا ہے اور صورت حال کی سنگینی سے پہلے سے ہی آگاہ تھا۔

جنوری 2020ء کے اوائل سے ہی، پورے کاروبار میں مؤثر احتیاطی اقدامات پر عمل درآمد جاری تھا۔ پاکستان میں اس وباء کے حوالے سے، ہماری ٹیمیں مسلسل صورت حال پر نظر رکھے ہوئے ہیں اور احتیاطی تدابیر کو تیزی سے بہتر بنا رہی ہیں اور اسٹیک ہولڈر کے ساتھ عمدگی کے ساتھ رابطے میں ہیں اور انہیں مسلسل اپ ڈیٹ کر رہی ہیں۔

طبی ماہرین سے مشاورت کے بعد، کمپنی نے مرکزی دفاتر، پلائٹس اور پروجیکٹ سائٹس کے لیے خصوصی ضوابط تیار کیے ہیں۔ ہماری انفارمیشن ٹیکنالوجی اور ہیومن ریسورس کی ٹیموں نے گھروں سے کام کرنے اور سامنے آتے ہوئے منظر نامے کے تحت افرادی قوت کی صلاحیت میں اضافہ کرنے کی غرض سے تیزی اور تندہی سے کام کیا ہے۔ کمپنی کے آپریشنز پر سمجھوتہ کیے بغیر، ہمارے لوگوں کو محفوظ اور ان کا جذبہ بلند رکھنے کے لیے یہ اقدامات واقعی مؤثر ثابت ہوئے ہیں۔

انسان دوستی کی روایات کو جاری رکھتے ہوئے، صوبائی حکومت، ضلعی انتظامیہ اور ایسی آبادیوں کی مدد کی صورت میں، جہاں ہم کام کرتے ہیں، جبکو نے ہر اول دستے کا کردار ادا کیا ہے۔ ہماری سماجی ذمہ داری اور سائٹس کی ٹیموں نے، کورونا وائرس کی وباء کے خلاف، فیلڈ میں اپنی مسلسل سرگرمیوں کے ذریعے، انسانیت کے حوالے سے غیر معمولی ذمہ داری کا مظاہرہ کیا ہے۔

لاریب انرجی لمیٹڈ (Laraib Energy Limited) نے ضلعی ہیڈ کوارٹرز کی سطح پر قائم ہسپتال کو وینٹی لیٹرز (ventilators) اور ڈی فمبریلیٹر (defibrillator)، الیکٹرونک بیڈز (electronic beds)، انفیوژن پمپس (infusion pumps)، کارڈیک مانیٹرز (cardiac monitors) اور سینٹرل آکسیجن سسٹم (central oxygen system) سمیت دیگر امدادی مشینری فراہم کی۔ یہ پہلا موقع تھا جب اس نوعیت

کی اشیاء اس اسپتال کو فراہم کی گئیں۔ آزاد جموں اور کشمیر کی حکومت نے دیگر پاور پروجیکٹس پر بھی زور دیا ہے کہ وہ بھی لاریب کی پیروی کریں اور COVID-19 کے خطرات سے بچنے کے لیے اسی طرح کے اقدامات کریں۔

صوبہ بلوچستان میں بھی جبکہ پہلی کمپنی تھی جس نے، مقامی طبی عملے کو، 50 پرسنل پروٹیکٹو ایکویپمنٹس (PPEs) فراہم کیے اور اس طرح، اس بحران سے نمٹنے میں، صوبائی حکومت کی مدد کی۔ اس سے قبل، یہ طبی عملہ مقامی ہسپتال میں کسی پروٹیکٹو گیزر (protective gear) کے بغیر اپنے فرائض انجام دے رہا تھا۔ جبکہ نے حب اور لسبیلہ کے ساحلی دیہاتوں میں بھی راشن کے سینکڑوں تھیلے تقسیم کیے ہیں۔ اب تک لاندہ گوٹھ، عباس گوٹھ، قادر بخش گوٹھ، پالاری گوٹھ اور مبارک و لچ میں اوسط سائز کے خاندان کے لیے راشن کے جو تھیلے تقسیم کیے گئے ہیں ان میں 2-4 ہفتوں کے لیے مناسب مقدار میں راشن موجود تھا۔ اس علاوہ ضلع چاغی کے دور دراز ضلع میں بھی 200 خاندانوں میں راشن کے تھیلے تقسیم کیے گئے۔ کمپنی کا پیرامیڈیکل اسٹاف بھی پلانٹس کے اطراف میں آباد دیہاتوں میں کورونا وائرس کے بارے میں آگاہی کی مہموں میں پیش رو کا کردار ادا کر رہا ہے۔

چائنا پاور حب جزییشن کمپنی لمیٹڈ (CPHGC) کے ذریعے ہم نے مقامی آبادی میں راشن کے تھیلے، جراثیم کش ادویات اور پروٹیکٹو گیزرز (protective gears) تقسیم کیے ہیں۔ نارووال میں، ہم اصل ضرورت کا جائزہ لے رہے ہیں تاکہ ضلعی اور صوبائی محکموں کے لیے ریلیف کا کام انجام دے سکیں۔

سندھ اینگرو مائننگ کمپنی کی جانب سے دی تھر فاؤنڈیشن اسپتال (The Thar Foundation Hospital) ضلعی محکمہ صحت کے حوالے کیا گیا۔ یہ اسپتال، مقامی آبادی کو، طبی، لیب اور فارمیسی سے تعلق رکھنے والی خدمات مفت فراہم کر رہا ہے۔ وباء کو پھیلنے سے روکنے اور اسکریننگ کی کوششوں میں فاؤنڈیشن نے ضلعی انتظامیہ اور قانون نافذ کرنے والے اداروں کو بھی لاجسٹک اور دیگر امدادی خدمات فراہم کیں۔

## مالی کارکردگی

زیر جائزہ عرصے کے دوران، انضمام شدہ خالص منافع 18,253 ملین روپے رہا، جس سے فی حصص آمدنی بڑھ کر 14.07 روپے ہو گئی جبکہ گزشتہ برس، اسی عرصے کے دوران انضمام شدہ خالص منافع 8,578 ملین روپے تھا اور فی حصص آمدنی 7.16 روپے تھی۔ منافع میں اس اضافے کی بنیادی وجہ 17 اگست، 2019ء سے اپنے تجارتی آپریشنز کا آغاز کرنے والی ایسوسی ایٹ کمپنی چائنا پاور حب جزییشن کمپنی (CPHGC) کے منافع میں سے حصے کی وصولی، مرمت اور دیکھ بھال پر ہونے والے اخراجات میں کمی، اور امریکی ڈالرز کے مقابلے میں روپے کی قدر میں کمی تھی جس سے جزوی طور پر بلند مالی اخراجات اور سی بی ایچ جی سی کے حصص پر ہونے والے نقصانات کو حکومت بلوچستان کو منتقل کر کے پورا کیا گیا۔

زیر جائزہ عرصے کے دوران غیر انضمام شدہ خالص منافع 6,997 ملین روپے رہا جس سے فی حصص آمدنی بڑھ کر 5.39 روپے ہو گئی جبکہ گزشتہ برس، اسی عرصے کے دوران، غیر انضمام شدہ خالص منافع 5,841 ملین روپے تھا اور فی حصص آمدنی 4.87 روپے تھی۔ غیر انضمام شدہ منافع میں اضافے کی بنیادی وجہ مرمت اور دیکھ بھال پر ہونے والے اخراجات میں کمی، تھرانز جی لمیٹڈ کی فراہم کی جانے والی انتظامی خدمات پر زیادہ آمدنی اور امریکی ڈالرز کے مقابلے میں روپے کی قدر میں کمی تھی جسے جزوی طور پر بلند مالی اخراجات کے ذریعے پورا کیا گیا۔

میڈیا میں گردش کرنے والی خبروں کے مطابق انڈیپنڈنٹ پاور پروڈیوسرز (Independent Power Producers; IPPs) کی کارکردگی کا جائزہ لینے سمیت بجلی کی زیادہ قیمتوں کی وجوہات جاننے کے لیے قائم کی گئی انکوائری کمیٹی نے اپنی رپورٹ پیش کر دی ہے۔ اس رپورٹ میں گردش قرض کے خاتمے اور ترسیل و تقسیم کے شعبے کی خرابیوں کا حل پیش کرنے کے علاوہ مستقبل کے لیے ایک روڈ میپ بھی فراہم کیا گیا ہے۔ یہ رپورٹ

آئی پی بیز کو فراہم نہیں کی گئی ہے؛ لہذا، اس پر تبصرہ کرنا ممکن نہیں۔ تاہم، اس حوالے سے میڈیا رپورٹ میں لگائے گئے الزامات بے سرو پا، بے بنیاد اور بے حقیقت ہیں۔ یہاں یہ بات نوٹ کرنے کے قابل ہے کہ انکوآزری کمیٹی نے ایک مرتبہ بھی، اور کسی بھی آئی پی بی سے نہ مشاورت کی ہے اور نہ ہی کس قسم کی معلومات طلب کی ہیں۔

حال ہی میں، وفاقی حکومت نے (وفاقی وزیر برائے توانائی کی سربراہی میں) ایک کمیٹی تشکیل دی ہے جو آئی پی بیز سے باضابطہ مذاکرات کرے گی اور ان مذاکرات کا مقصد پاور سیکٹر کو مستحکم بنانا ہے۔ کمیٹی نے آئی پی بیز کے ساتھ ملاقاتیں کی ہیں اور حال ہی میں بعض Terms of Reference کو ٹیکنیکل کمیٹی کو بھیجا تا کہ وہ اس معاملے پر مزید کام کر سکے۔

گردشی قرض میں اضافے اور پاور پر چیز کی جانب سے ادائیگی میں تاخیر کے باعث، کمپنی کی لیکویڈیٹی دباؤ کا شکار ہو گئی ہے جس کے باعث کمپنی کس قسم کا منافع منقسم کا اعلان کرنے سے قاصر ہے۔

## ترقیاتی پروجیکٹس

تھر بلاک II میں بھورے کوئلے (lignite) سے چلنے والے 330MW کے تھرانزجی لمٹیڈ پروجیکٹ کی تعمیر کا 55 فیصد کام مکمل ہو چکا ہے اور توقع ہے کہ تجارتی آپریشنز کے آغاز کی تاریخ (COD) 2021ء کی دوسری سہ ماہی تک حاصل کر لی جائے گی۔ کمپنی نے چائنا ڈیولپمنٹ بینک (CDB) کو چین سے مالی وسائل کی دستیابی (financing) کے لیے اور حبیب بینک لمٹیڈ (HBL) کو مقامی ذرائع سے مالی وسائل کی دستیابی کے لیے انتظامی سربراہ (lead arranger) مقرر کیا ہے جب کہ پرائیویٹ پاور اینڈ انفراسٹرکچر بورڈ (Private Power and Infrastructure Board; PPIB) نے تھرانزجی لمٹیڈ کے لیے 30 جنوری، 2020ء کو مالی معاملات کی تکمیل کا اعلان کر دیا اور پاکستانی روپے میں لیے گئے قرض میں پہلی مرتبہ کمی (draw down) مارچ، 2020ء میں کی گئی۔

330MW کے تھل نووا پاور تھر (پرائیویٹ) لمٹیڈ پروجیکٹ کی فنانسنگ کے لیے جولائی 2019ء میں معاہدے پر دستخط ہو گئے تھے اور اب فنانسنگ کی دستاویزات کے مطابق تمام پیشگی شرائط (Conditions Precedent; CP) بھی مکمل کر لی گئی ہیں۔ اس وقت، پروجیکٹ کے لیے قرض فراہم کرنے والے ادارے مالی معاملات کا اعلان کرنے سے قبل پیشگی شرائط کا جائزہ لے رہے ہیں جس کے بارے میں امید ہے کہ جون 2020ء تک مکمل ہو جائے گا۔ تھل نووا کی تعمیر کا 23 فیصد کام پہلے ہی مکمل ہو چکا ہے۔

تھرانزجی لمٹیڈ اور تھل نووا کو ان کے انجینئرنگ، پروکیورمنٹ اینڈ کنسٹرکشن (engineering, procurement and construction; EPC) کنٹریکٹر، چائنا مشینری انجینئرنگ کارپوریشن (China Machinery Engineering Corporation; CMEC) کی جانب سے نوٹس موصول ہوئے ہیں، جس میں COVID-19 کی وباء کے پھوٹنے کے باعث فورس مچجور ایونٹ (Force Majeure Even; FME) کا دعویٰ کیا گیا ہے۔ اس کے نتیجے میں تھرانزجی لمٹیڈ نے بھی PPIB اور CPPA(G) کو FME نوٹس بھیجے ہیں جس میں COD پر ہونے والے ممکن اثرات سے آگاہ کیا گیا ہے۔ تھل نووا نے بھی PPIB اور CPPA(G) کو EPC کی جانب سے موصول فورس مچجور ایونٹ (FME) کے بارے میں خطوط اور COD پر ہونے والے ممکن اثرات کے بارے میں آگاہ کیا ہے۔ تھرانزجی لمٹیڈ کو بھی SEMC کی جانب سے کسٹمر سپورٹ ایگریمنٹ (Customer Service Agreement; CSA) کے تحت FME نوٹس موصول ہوا ہے۔ اس کے نتیجے میں، تھرانزجی لمٹیڈ اور تھل نووا کو بھی



CPPA(G) کی جانب سے پاور پریچیز ایگریمنٹ (PPA) کے تحت نوٹس موصول ہوئے ہیں۔ دونوں پروجیکٹس نے، متعلقہ معاہدوں کے تحت قرض دہندگان کو FME نوٹسوں کے بارے میں مطلع کر دیا ہے۔

اس وقت، انتظامیہ پروجیکٹ کی ٹائم لائنز اور اخراجات پر FME کے اثرات کا جائزہ لے رہی ہے اور تمام فریقین سے مشاورت کر رہی ہے۔

### حب پلانٹ

زیر جائزہ عرصے کے دوران، حب پلانٹ نے 34GWh بجلی پیدا کی (2018-19: 682GWh) جبکہ لوڈ فیکٹر 0.4 فیصد (2018-19: 8.64%) تھا۔ لوڈ فیکٹر میں کمی کی بنیادی وجہ RFO سے چلنے والے پلانٹس کی کولنگ اور RLNG پلانٹس پر منتقلی تھی۔

### نارووال پلانٹ

زیر جائزہ عرصے کے دوران، نارووال پلانٹ نے 298GWh بجلی پیدا کی (2018-19: 524GWh) جس کا لوڈ فیکٹر 21.1 فیصد تھا (2018-19: 36.9%) اس کم لوڈ فیکٹر کی بنیادی وجہ RFO پلانٹس کی کولنگ اور RLNG سے چلنے والے پلانٹس سے تبدیلی تھی۔

### لاریب پلانٹ

زیر جائزہ عرصے کے دوران، لاریب پلانٹ نے 242GWh بجلی پیدا کی جب کہ گزشتہ برس، اسی عرصے کے دوران 220GWh بجلی پیدا کی تھی۔ اس طرح اس پلانٹ کا لوڈ فیکٹر 44 فیصد (2018-19: 40%) تھا۔

### سی پی ایچ جی سی پلانٹ

زیر جائزہ عرصے کے دوران، سی پی ایچ جی سی پلانٹ نے 3,977GWh بجلی پیدا کی اور اس کا لوڈ فیکٹر 58 فیصد تھا۔ اس پروجیکٹ کا باقاعدہ افتتاح عزت مآب وزیراعظم، عمران خان صاحب نے اکتوبر، 2019ء میں کیا۔ شیڈول کے مطابق، ریکارڈ وقت میں اور تخمینے کے اندر رہتے ہوئے مکمل کیا گیا سی پی ایچ جی سی پلانٹ چین۔ پاکستان اقتصادی راہداری (سی-پیک) کے فریم ورک میں شروع کیے گئے توانائی کے ابتدائی پروجیکٹس میں سے ایک ہے اور اس طرح یہ حقیقی معنوں میں قومی اور حکمت عملی کے اعتبار سے ایک اہم پروجیکٹ ہے۔ یہ پلانٹ نیشنل گرڈ کو، ہر سال 9 Billion kWh بجلی فراہم کرے گا اور ملک میں 4 ملین گھروں کی ضروریات پوری گا۔

کمپنی اپنے تمام حصص یافتگان، ملازمین، کاروباری پارٹنرز اور دیگر تمام فریقین کی شکرگزار ہے کہ انہوں نے کمپنی پر اعتماد کیا اور کمپنی کو ترقی اور خوشحالی کے سفر پر اپنی اعانت فراہم کی۔

بنجکم بورڈ

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