Annual Report 2023

Dawood Lawrencepur Limited

CONTENTS

OUR VISION

To give our customers an energy abundant future by harnessing the potential of the environment in a safe and sustainable manner.

OUR MISSION

We aim to be the leading renewable energy solutions company of Pakistan ,with a turnover exceeding Rs 50 billion by 2025.We will achieve this by resolutely following our core values and by:

- Anticipating customer needs and consistently optimizing our products and services
- Building strategic partnerships with technology suppliers, vendors and financial institutions
- Becoming the employer of choice and developing a culture that inspires performance excellence and teamwork

OUR VALUES

RESPECT FOR OUR PEOPLE

We greatly value all individuals connected to us, including our employees, subcontractors, and vendors.

ETHICS AND INTEGRITY

We regard integrity of the highest standards as our priority to ensure that all our employees relate strongly to company ethics and values.

HEALTH, SAFETY, AND ENVIRONMENT

We hold both, clients, and employees to the highest safety standards.

CUSTOMER SATISFACTION

We believe in maintaining the highest standards of service by not just meeting customer expectations but exceeding them.

SHAREHOLDER VALUE CREATION

We will always honor the trust our shareholders have placed in us and work tirelessly for increasing our shareholder value.

STEWARDSHIP

We believe in maximizing the resources entrusted to us to deliver positive returns to society.

COMPANY INFORMATION

Board of Directors
Mr. Ruhail Muhammad (Chairman)
Mr. Abdul Samad Dawood
Ms. Sabrina Dawood
Mr. Muhammed Amin
Mr. Shafiq Ahmed
Mr. Muhammad Bilal Ahmed
Mr. Mohammad Shamoon Chaudry
(Chief Executive Officer)

Board Audit Committee
Mr. Muhammed Amin (Chairman)
Mr. Shafiq Ahmed
Mr. Muhammad Bilal Ahmed

Human Resource and Remuneration Committee
Mr. Ruhail Muhammad (Chairman)
Mr. Abdul Samad Dawood
Mr. Muhammed Amin

Chief Financial Officer
Ms. Nazia Hasan

Company Secretary
Mr. Imran Chagani

Head of Internal Audit
Mr. Amjad Ali

Auditors
A. F. Ferguson & Co. (Chartered Accountants)

Bankers
Bank Al-Habib Limited
Standard Chartered Bank (Pakistan) Limited
Habib Bank Limited
National Bank of Pakistan
Habib Metropolitan Bank Limited
MCB Bank Limited
Dubai Islamic Bank Limited
United Bank Limited

Legal Advisor
Zia Law Associates I7,
Second Floor, Shah Chiragh Chambers
The Mall, Lahore

Share Registrar
Central Depository Company of Pakistan Ltd.
CDC House, 99-B, Block B, S.M.C.H.S
Main Shahra-e-Faisal Karachi - 74400
Tel.: 021-111-111-500

Registered I Head Office
Dawood Centre, M.T. Khan Road Karachi-75530
Tel: +92-21-35686001-16
Fax: +92-21-35644147
E-mail: company.secretary@dawoodhercules.com
Website: www.dawoodlawrencepur.com

Mills
Dawoodabad
Railway Station Road and
Luddan Road, Chak 439, E.B, Tehsil Burewala,
District Vehari.
Tel.: 067- 3353347, 3353 1 45, 3353246
Fax: 067- 3354679

DawoodPur
G.T. Road, Faqirabad, District Attock.
Tel.: 057-2641074-6
Fax: 057-2641073

BUSINESS CODE OF CONDUCT

Company strongly believes in conducting and growing its business on the principles of integrity, fairness and high ethical standards. The Company takes pride in adhering to its principles and shall continue to serve its customers, stakeholders and society on the basis of the following Business Code of Conduct. The Company believes in the standards of business conduct defined in this policy and expects all Associates (employees, trainees, interns, and contractors), directors, consultants, customers, suppliers and vendors of all its divisions, subsidiaries and associated companies to abide by the same standards as mentioned herein below,

a. Ethical and fair business practices and open competitive markets. Developing any association within the segment, industry or with competitors to distort pricing and availability is contradictory to our business code of conduct.

b. The Company's financial policies for conducting business shall be based on transparency and integrity, and will follow the principles of accounting and finance as approved by regulations and contemporary accounting codes.

c. Ensure compliance with the laws of Pakistan.

d. Ensure protection of Intellectual Property rights and comply with related legislation regarding protection of copyright, trade secrets, patents, and other information, and neither solicit Confidential Information from others nor disclose the Company's Confidential Information that may come into their knowledge, during their association with the Company, to any unauthorized person or party. Understand, sign and comply with the Confidentiality Agreement (Confidential Information Protection/Non-disclosure Agreement).

e. As a responsible corporate citizen strongly adhere to the principles of corporate governance and comply with regulatory obligations enforced by regulatory bodies for improving corporate performance.

f. Demonstrate integrity and honesty in doing business for the Company and dealing with people. Any unfair or corrupt practices either to solicit business for the Company or for personal gain is fundamentally inconsistent with the Company's Business Code of Conduct and Conflict of Interest Policy. Avoid situations in which personal interest, relationships and activities conflict with or interfere with your duty to be loyal to the Company and prevents you from acting in the best interest of the Company at any time.

g. The Company's funds shall not be used, directly or indirectly, for the purpose of any unlawful payments. This includes, but is not limited to, not participating in, nor supporting, any activities that are, or relate to money laundering and terrorism financing.

h. The Company believes in making charitable contributions and community development without political and religious affiliations and without demand or expectation of any business return. The Company shall contribute its resources with an unprejudiced approach for the betterment of society and the environment.

i. The Company does not encourage giving or receiving Gifts and Entertainment. However, where required for sound business reasons, any Gifts or Entertainment exchanged shall be in accordance with the Company's Gift and Entertainment Policy.

j. Agreements with agents or consultants must be in writing and must clearly and accurately set forth the services to be performed, the basis for earning the commission or fee involved, and the applicable rate or fee. Any such payments must be reasonable in amount, not excessive in light of the practice in the trade, and commensurate with the value of the services rendered. The agent, or consultant must be advised that the agreement may be publicly disclosed and must agree to such public disclosure.

k. All assets of the Company must be accounted for properly and accurately.

l. Falsification of records for any reason shall not be tolerated. Do not make false or fraudulent entries in records, expense statements, invoices or any other documents nor alter them.

m. The Company's internal and external auditors shall be given access to information necessary for them to conduct audits properly and accurately.

n. Treat everyone with respect and fairness, including subordinates, peers, juniors, seniors and all others. Report incidents of violence and/or aggressive behavior. Management is expected to investigate so that such incidents are not repeated.

o. Comply with local legislation and Company policy on preventing harassment and strive to create a respectful work environment. The Company will not tolerate harassment of any sort.

p. The Company will support diversity and inclusiveness and will continuously strive to improve the work environment and prevent discrimination.

q. The Company will ensure its recruitment and selection process is of a high standard, based on merit and free from discrimination. If men and women both apply for any job vacancy, they will be given an equal opportunity to participate in a fair evaluation process.

r. Only an authorized spokes person shall be entitled to speak on behalf of the Company in front of public gatherings and media.

s. The Company does not allow improper use of email and internet. All Associates are expected to comply with the Company policy on email and computer network use.

t. Comply with Health, Safety and Environment (HSE) policies, procedures and cardinal rules. Demonstrate safe behavior, prevent incidents and help others learn to act safely.

u. All Associates must manage their time and resources efficiently and effectively and keep the tools and equipment provided to them by the Company in safe and good working condition.

v. Soliciting the Company's employees for employment and customers for similar business is not allowed for a period of at least one year after Separation from the Company.

w. Our behavior reflects the image of the Company. Everyone associated with the Company is expected to act professionally and abide by the Company's Business Code of Conduct, policies, rules and regulations.

NOTICE OF 74TH ANNUAL GENERAL MEETING

Notice is hereby given that 74th Annual General Meeting (AGM) of the shareholders of Dawood Lawrencepur Limited (the "Company") will be held on Wednesday, May 29, 2024 at 11:00 AM at Karachi School for Business Leadership (KSBL) situated at National Stadium Road, opp. Liaquat National Hospital, Karachi – 74800 and via video link facility to transact the following businesses:

A) ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Unconsolidated and Consolidated Financial Statements of the Company for the year ended December 31, 2023 together with the Auditors' and Directors' Reports thereon and the Review Report of the Chairman.

   In accordance with Section 223 of the Companies Act, 2017 and SECP S.R.O. No. 389(I)/2023 dated March 21, 2023, the annual audited financial statements of the Company have been uploaded on the website of the Company which can be accessed using the following weblink and QR enabled code:

   DAWOOD LAWRENCEPUR LIMITED

   https://dawoodlawrencepur.com/investor-information/

2. To appoint Auditors and to fix their remuneration. The members are hereby notified that the Board and the Audit Committee have recommended the reappointment of Messrs. A. F. Ferguson & Co. (Chartered Accountants), as auditors of the Company.

B) SPECIAL BUSINESS:

3. To consider and if deemed fit, to pass the following resolutions as special resolution as required under Section 199 of the Companies Act, 2017 for renewal of the Subordinated Loan Facility of up to PKR 300 million provided to M/s Tenaga Generasi Limited (TGL), a subsidiary of the Company:

   "**RESOLVED** that approval of the Members of Dawood Lawrencepur Limited (the Company) be and is hereby granted in terms of Section 199 of the Companies Act, 2017 and all other applicable laws, for renewal of the Subordinated Loan Facility of up to PKR 300 million provided by the Company to its subsidiary, M/s Tenaga Generasi Limited (TGL) for a period of further one year, as per the terms and conditions disclosed to the Members.

   FURTHER RESOLVED that for the purpose of giving effect to this special resolution, any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary of the Company be and are hereby authorized jointly to take all necessary actions and do all acts, deeds and things including execution of documents and agreements for the purposes of implementing the aforesaid resolution."

4. To consider, if deemed fit, approve by way of special resolution, approval for the sale of 102,600,000 shares constituting 100% of the issued and paid up capital of Reon Energy Limited ("**REL**"), a wholly owned subsidiary of Dawood Lawrencepur Limited (the Company), to Juniper International FZ LLC for an amount equivalent to PKR 100,000,000/- (Pak Rupees One Hundred Million), in accordance with the Companies Act 2017 ("**Proposed Transaction**").

It being clarified that, while the shareholders of the Company had already, at the Annual General Meeting of the Company held on May 30, 2023, approved the sale of 102,600,000 shares constituting 100% of the issued and paid up capital of REL to Juniper International FZ LLC for an amount equivalent to the sum of PKR 300,000,000/- (Pak Rupees Three Hundred Million) **plus** any and all amounts / sums injected by the Company in REL inter alia in the form of a debt and/or equity (cash or otherwise) between November 30, 2022 and the date of issuance of the management accounts (both days included); **plus** interest accrued from one or more loans granted from time to time to REL by the Company and as reported in the management account as at December 31, 2022; and **minus** any and all incremental losses incurred by REL in the ordinary course of business during the period December 1, 2022 up till the date of the management accounts and subject to a minimum amount of PKR 100,000,000/- (Pak Rupees One Hundred Million) and a maximum amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million) ("**Original Approval**"). The Original Approval is stated to expire on May 30, 2024 as per Section 183(5) of the Companies Act, and it is expected that the Proposed Transaction will not be consummated and completed before May 30, 2024. Accordingly, fresh approval is being sought from the shareholders of the Company for the Proposed Transaction.

The special resolutions to be passed (with or without modification) are as under:

"RESOLVED that in accordance with the Companies Act, 2017, Dawood Lawrencepur Limited (the Company) is hereby granted fresh approval to sell 102,600,000 shares constituting 100% of the issued and paid up capital of Reon Energy Limited ("REL") to Juniper International FZ LLC for an amount equivalent to PKR 100,000,000/- (Pak Rupees One Hundred Million).

FURTHER RESOLVED that any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary of the Company be and are hereby jointly authorized to take any and all actions as may be required from time to time for the purposes of the above special resolutions, to complete all necessary legal and corporate formalities with regard to the above resolution and to do all such acts, deeds and things as may be deemed necessary or expedient for concluding the said matters."

5. To consider and if thought appropriate, pass with or without modification, the following special resolution in accordance with the Companies Act, 2017, to authorize and approve the disposal of the entire shareholding of the Company in Tenaga Generasi Limited ("TGL") (75% of the outstanding paid-up capital of TGL) to Artistic Milliners (Private) Limited for an amount equivalent to the sum of USD 23,175,000/- (US Dollar twenty three million one hundred seventy five thousand) , which may be subject to adjustment under the terms of the Share Purchase Agreement, ("**Proposed Transaction**") on such terms and conditions as may be specified under the Share Purchase Agreement.

   The special resolutions to be passed (with or without modification) are as under:

   "RESOLVED that subject to the approval of the members of Dawood Lawrencepur Limited (the **Company**) in accordance with the Companies Act, 2017 and all other applicable laws, at the general meeting of the Company, the consent of the Board be and is hereby accorded for disposal of the entire shareholding of the Company in Tenaga Generasi Limited ("TGL") (75% of the outstanding paid-up capital of TGL) to Artistic Milliners (Private) Limited for an amount equivalent to the sum of USD 23,175,000/- (US Dollar twenty three million one hundred seventy five thousand) which may be subject to adjustment under the terms of the Share Purchase Agreement, ("Proposed Transaction") on such terms and conditions as may be specified under the Share Purchase Agreement.

FURTHER RESOLVED that any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary be and are hereby jointly authorized to do all acts, deeds and things, to execute such agreements, documents and papers and make any applications, including but not limited to any applications, notices, disclosures required to be filed with the Competition Commission of Pakistan, Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and any other regulatory authorities, and undertake all such steps for the purposes of the Proposed Transaction as the aforesaid officer of the Company may deem fit."

Statements of material facts pursuant to Section 134 (3) of the Companies Act, 2017 are annexed to the notice of meeting sent to the Members.

By Order of the Board

Imran Chagani
Company Secretary

Karachi
Dated: April 29, 2024

Notes:

1. Video Conference Facility for AGM of shareholders:

As per the directive issued by Securities and Exchange Commission of Pakistan ("SECP"), the Company has made arrangements of video conference facility to ensure that shareholders can also participate in the AGM proceeding via video link.

The members and their proxies who intends to attend the AGM through video link must register their particulars by sending an email at company.secretary@dawoodhercules.com. The members registering to connect through video link facility are required to mention their name, folio number and number of shares held in their name in the email with subject '**Registration for DLL AGM**' along with valid copy of their CNIC/Passport. Video link and login credentials will be shared with the members whose emails, containing all the required particulars, are received at the given email address at least 24 (twenty four) hours before the time of the AGM.

2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from May 23, 2024 to May 29, 2024 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, Messrs. CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, by close of business on May 22, 2024, will be considered in time to attend and vote at the AGM.

3. Participation in the AGM:

All members entitled to attend and vote at the AGM, are entitled to appoint another person in writing as their proxy to attend and vote on their behalf. A proxy need not be a member of the Company. A corporate entity, being a member, may appoint its representative to attend the meeting through resolution of its board of directors. Proxy Forms in English and Urdu languages are attached with the notice circulated to the shareholders.

In case of appointment of proxy by a corporate entity, a resolution of the board of directors / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted to the Company along with a completed proxy form.

The proxy holders are required to produce their original valid CNICs or original passports at the time of the meeting.

In order to be effective, duly completed and signed proxy forms must be received at the Company's Registered Office at least 48 (forty-eight) hours before the time of the meeting.

CDC account holders will further have to follow the undermentioned guidelines as laid down by the SECP.

A. For Attending the Meeting

a. In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate his/her original valid CNIC or the original passport at the above-mentioned email address at least 48 (forty-eight) hours before the AGM.

b. In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature of the nominee shall be shared on the above-mentioned email address at least 48 (forty eight) hours before the AGM (unless it has been provided earlier).

B. For Appointing Proxies

a. In the case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per above requirements.

b. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

c. The proxy shall produce original valid CNIC or original passport at the above mentioned email address at least 48 (forty eight) hours before the AGM.

d. In case of corporate entity, the board of directors' resolution / power of attorney with specimen signature shall be submitted on the email address mentioned above at least 48 (forty eight) hours before the AGM (unless it has been provided earlier) along with proxy form to the Company.

e. Proxy form will be witnessed by 2 (two) persons whose names, addresses and valid CNIC numbers shall be mentioned on the form.

PROCEDURE FOR ELECTRONIC VOTING FACILITY AND VOTING THROUGH POSTAL BALLOT ON SPECIAL BUSINESS

4. Polling on Special Business:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification S.R.O 2192/ (I)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Dawood Lawrencepur Limited (the "Company") will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming AGM to be held on Wednesday, May 29, 2024 at 11:00 AM, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

5. Procedure for E-Voting:

a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on May 22, 2024.

b) The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

c) Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

d) E-Voting lines will start from May 24, 2024, 09:00 AM and shall close on May 28, 2024, at 5:00 PM. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

6. Procedure for Voting Through Postal Ballot

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, Dawood Centre M. T. Khan Road Karachi, or email at company.secretary@dawoodhercules.com one day before the Annual General Meeting i.e. by May 28, 2024. The signature on the ballot paper shall match with the signature on CNIC.

For the convenience of the members, ballot paper is annexed to this notice and the same is also available on the Company's website at www.dawoodlawrencepur.com for download.

INFORMATION ABOUT SCRUTINIZER

With reference to the Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations, 2018, below is the information regarding the Scrutinizer for the purpose of upcoming Annual General Meeting (AGM) of Dawood Lawrencepur Limited (the Company) to be held on May 29, 2024.

Name of Scrutinizer	**Messrs. UHY Hassan Naeem & Co, Chartered Accountants**
Qualification and Experience	The firm has grown over the last decade as a leading multi-disciplinary organization offering auditing taxation, business advisory, information technology, human resources and corporate services to public and private sector organizations in the country. UHY Hassan Naeem & Co. is a member of UHY International, one of the world's leading accounting and business advisory network, with offices in over 330 business centers in 90 countries across the globe. The firm holds a satisfactory Quality Control Review (QCR) status from the Institute of Chartered Accountants of Pakistan (ICAP) which demonstrates the quality standards maintained by the firm. It is registered on the Panel of State Bank of Pakistan (SBP) and is on the panel of USAID.
Purpose of appointment	The Company is required to appoint a scrutinizer for the purpose of voting in the AGM to transact business that pertains to investment in associated companies as mentioned in Section 199 of the Companies Act, 2017. Therefore, scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11A.

Statements of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the Special Business referred to the Notice above

These Statements sets out the material facts concerning the following Special Business to be transacted at the Annual General Meeting of shareholders of Dawood Lawrencepur Limited to be held on May 29, 2024.

Agenda Item No. 3

Renewal of Subordinated Loan Facility of up to PKR 300 million for a period of further one year provided to Messrs. Tenaga Generasi Limited (TGL), a subsidiary of the Company.

The Company is seeking approval from its Members by passing special resolutions proposed herein for the renewal of the subordinated loan facility of up to PKR 300 million provided to Messrs. Tenaga Generasi Limited (TGL), a subsidiary of the Company.

The Directors have certified that they have carried out necessary due diligence for the proposed investments before making recommendation for approval of the Members, that the investment is being made as financial health of the associated company specially the significant receivables from Government of Pakistan are such that it has the ability to repay the financing as per agreement. A duly signed recommendation of the due diligence report shall be made available for inspection of Members in the general meeting along with latest audit annual financial statements of associated company.

<table>
<tr><th>Sr. No.</th><th>Nature of information required to be disclosed pursuant to the Companies (investments in associated companies or undertakings) Regulations, 2017</th><th>Relevant Information</th></tr>
<tr><td>(a)</td><td colspan="2">Disclosure for all types of investments</td></tr>
<tr><td></td><td colspan="2">(A) Regarding associated company or associated undertaking: -</td></tr>
<tr><td></td><td>(I) Name of associated company or associated undertaking</td><td>Tenaga Generasi Limited (TGL).</td></tr>
<tr><td></td><td>(II) Basis of relationship</td><td>Subsidiary Company</td></tr>
<tr><td></td><td>(III) Earnings per share for the last three years (PKR)</td><td><table><tr><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>4.42</td><td>5.19</td><td>11.19</td></tr></table></td></tr>
<tr><td></td><td>(IV) Break-up value per share, based on the latest audited financial statements</td><td>PKR 39.75</td></tr>
<tr><td></td><td>(V) Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and</td><td>Financial Position as of and for the year ended December 31, 2023.

Main items of Balance Sheet:<table><tr><th></th><th>(Rs. in million)</th></tr><tr><td>Non-current Assets</td><td>13,577</td></tr><tr><td>Current Assets</td><td>7,786</td></tr><tr><td>Total Equity</td><td>12,033</td></tr><tr><td>Non-current Liabilities</td><td>5,405</td></tr><tr><td>Current Liabilities</td><td>3,925</td></tr></table></td></tr>
</table>

<table>
<tr><td></td><td></td><td>Main items of Profit and Loss Account:
<table><tr><td></td><td>(Rs. in million)</td></tr><tr><td>Sales-net</td><td>5,818</td></tr><tr><td>Profit from operations</td><td>4,295</td></tr><tr><td>Profit before taxation</td><td>3,462</td></tr><tr><td>Profit for the year</td><td>3,386</td></tr></table></td></tr>
<tr><td></td><td>(VI) In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:
(I) description of the project and its history since conceptualization;
(II) starting date and expected date of completion of work;
(III) time by which such project shall become commercially operational;
(IV) expected time by which the project shall start paying return on investment; and
(V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</td><td>Not applicable</td></tr>
<tr><td></td><td colspan="2">(B) General Disclosure: -</td></tr>
<tr><td></td><td>(I) maximum amount of investment to be made;</td><td>Subordinated Loan not exceeding PKR 300 million. The Company has also provided another subordinated loan facility of PKR 1 billion to TGL.</td></tr>
<tr><td></td><td>(II) purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;</td><td>To assist TGL for meeting its working capital requirements. The Company will earn markup income from TGL on the subordinated loan. The income will increase the profitability of the Company. The loan is being renewed for further one year.</td></tr>
<tr><td></td><td>(III) sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</td><td></td></tr>
<tr><td></td><td>(i) justification for investment through borrowings;</td><td>Investment made shall not be from the borrowed fund.</td></tr>
<tr><td></td><td>(ii) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</td><td>Not Applicable</td></tr>
</table>

	(iii) cost benefit analysis;	Subordinated Loan has been provided from the borrowed fund for which markup shall be charged at 3 Month + 1.775%, (i.e. above the borrowing cost of the Company) which will improve the profitability of the Company.
	(iv) salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	The Subordinated Loan will be unsecured. TGL to repay the loan with the accrued Profit from time to time (in full or parts thereof) within thirty (30) days of it receiving money in its Rupee Distribution Account in accordance with its Financing Agreements.
	(v) direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	None of the directors, sponsors, majority shareholders and their relatives have any interest in the associated company or proposed transaction, except to the extent of their shareholding in the associated company or associated undertaking or the transaction under consideration. Further, TGL is a subsidiary of the Company and 3 out of 4 directors of TGL are shareholders of the Company, their names and shareholding in the Company are as follows: Mr. Shahid Hamid Pracha: 1,000 shares Mr. Shafiq Ahmed: 1,154 shares Mr. Mohammad Shamoon Chaudry: 1,150 shares TGL does not hold any share in the Company.
	(VI) in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	DLL currently holds 75% of its shareholding in TGL and during FY 2023, profit attributable to DLL amounted to PKR 2,540 million. The Company has also provided another subordinated loan facility of up to PKR 1 billion to Tenaga Generasi Limited. No impairment on investment in TGL has been recognized by the Company.

	(vii) (VII) any other important details necessary for the members to understand the transaction;	None
(b)	**In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made: -**	
	(I) category-wise amount of investment;	Subordinated Loan not exceeding PKR 300 million. The Company has also provided another subordinated loan facility of PKR 1 billion to TGL.
	(II) average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for *Shariah* compliant products and	The current borrowings of the Company are at the rates up to 3 Month KIBOR + 1%.
	(III) rate of return for unfunded facilities, as the case may be, for the relevant period;	Not applicable
	(IV) rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	3 Months KIBOR + 1.775%.
	(V) particulars of collateral or security to be obtained in relation to the proposed investment;	The facility is unsecured as the Company has full oversight and is very well versed with the operations and plans of the borrowing company.
	(VI) if the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	No conversion features.
	(VII) repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	TGL to repay the loan with the accrued profits from time to time (in full or parts) within thirty (30) days of it receiving money in its Rupee Distribution Account in accordance with its Financing Agreements

Except to the extent as mentioned in B(V) above, the Directors of the Company have no direct or indirect interest in the above said special business except to the extent of their shareholding in the Company.

Agenda Item No. 4

The Company seeks approval from its shareholders' to pass the Special Resolutions provided in item no. 4 of the Notice allowing fresh approval of the sale for 102,600,000 shares constituting 100% of the issued and paid up capital of Reon Energy Limited (REL), a wholly owned subsidiary of the Company to Juniper International FZ LLC for an amount equivalent to PKR 100,000,000/- (Pak Rupees One Hundred Million), in accordance with the Companies Act, 2017 ("Proposed Transaction").

In compliance with the relevant provisions of the Companies Act 2017, and S.R.O. 423 (I)/2018 dated April 3, 2018, information about the proposed disposal is as under:

Name of the subsidiary	**Reon Energy Limited**
Cost and book value of investment in subsidiary	Cost: PKR 1,026,000,000/- Book Value: 100,000,000/-
Total market value of subsidiary based on value of the shares of the subsidiary company: In case of unlisted subsidiary: value determined by a registered valuer, who is eligible to carry out such valuation along with name of the valuer	PKR: 144,000,000/- to PKR 162,000,000/-
Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available	PKR 392,538,000/-
Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization	PKR 100,000,000/-
Quantitative and qualitative benefits expected to accrue to the members	At this stage, divestment from REL will minimize the expected future losses to DLL.
Any other information	None

Except to the extent as mentioned above, the Directors of the Company have no direct or indirect interest in the above said special business except to the extent of their shareholding in the Company.

Agenda Item No. 5:

To authorize and approve the disposal of the entire shareholding of the Company in Tenaga Generasi Limited ("TGL") (75% of the outstanding paid-up capital of TGL) to Artistic Milliners (Private) Limited for an amount equivalent to the sum of USD 23,175,000/- (US Dollar twenty three million one hundred seventy five thousand) ("Proposed Transaction") on such terms and conditions as may be specified under the Share Purchase Agreement.

In compliance with the relevant provisions of the Companies Act 2017, and S.R.O. 423 (I)/2018 dated April 3, 2018, information about the proposed disposal is as under:

Name of the subsidiary	**Tenaga Generasi Limited**
Cost and book value of investment in subsidiary	Cost: PKR 2,294,804,000 /- Book Value: PKR 2,294,804,000 /-
Total market value of subsidiary based on value of the shares of the subsidiary company: In case of non-listed subsidiary: value determined by a registered valuer, who is eligible to carry out such valuation along with name of the valuer	The company had run an internal valuation along with a competitive bidding process, based on the competitive bids received and the internal valuation the market value of the shares of the subsidiary are in the range of PKR: 5,859,800,000/- to PKR 8,726,160,000/- (USD 20,750,000/- to USD 30,900,000).
Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available	PKR 12,033,110,464 /-
Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization	PKR 6,544,620,000/- (USD 23,175,000/-) subject to certain adjustments under the SPA, based on the highest binding offer received.
Quantitative and qualitative benefits expected to accrue to the members	Divestment from TGL will increase cashflows to DLL enabling it to channel resources into new ventures.
Any other information	None

The Directors of the Company have no direct or indirect interest in the above said special business except to the extent of their shareholding in the Company.

UPDATE UNDER CLAUSE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017, WITH RESPECT TO THE SPECIAL RESOLUTION PASSED AT THE GENERAL MEETING HELD ON MAY 30, 2023 AND JULY 13, 2023.

1. Loan to associated company, Dawood Hercules Corporation Limited, an intercompany loan in the aggregate amount of up to PKR 1,500,000,000/-.

Total investment approved	PKR 1.5 billion.
Amount of investment made to date	Nil
Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time; and	There is no deviation from the approved timeline of investment as the special resolution dated May 30, 2023 is valid for five (5) years.
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	No material change as the investment was approved on May 30, 2023.

2. A second unsecured Subordinated Loan Facility of up to PKR 1 billion for Tenaga Generasi Limited.

Total investment approved	PKR 1 billion.
Amount of investment made to date	PKR 137 million
Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time; and	There is no deviation as the investment can be made in one year time from July 13, 2023.
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	No material change as the investment was approved on July 13, 2023.

Attention of the Shareholder is drawn towards the following:

1. Computerized National Identity Card (CNIC) / National Tax Number (NTN):

All those individual members holding physical shares who have not yet recorded their CNIC No., are once again reminded to immediately submit the copy of their CNIC to the Company's Share Registrar, CDC Share Registrar Services Limited. Members, while sending CNIC must quote their respective folio numbers. The corporate members having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate entities having physical shares should send a copy of their NTN certificates to Company's Share Registrar. The corporate members while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

2. Payment of Cash Dividend Electronically

Under second proviso to Section 242 of the Companies Act, 2017, listed companies are required to pay declared cash dividends only through electronic mode directly into the bank accounts designated by the entitled shareholders.

Accordingly, the shareholders of the Company are requested to provide the following information for payment of cash dividend to be declared by the Company through electronic mode directly in the bank account designated by you.

Name of Shareholder	
Folio Number	
CNIC Number	
Title of Bank Account	
Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	
Signature of Member	

Note: Signature must match specimen signature registered with the Company

The shareholders are also required to intimate the changes, if any in the above-mentioned information to the Company and the Share Registrar as soon as these occur. In the case of shares held electronically, then the above electronic credit mandate form must be submitted directly to shareholder(s)' broker/participant/CDC account services.

3. Withholding Tax on Dividend

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001 withholding tax on dividend income will be deducted for 'filer' and 'non-filer' shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all shareholders are advised to ensure that their names appear in the latest available ATL on FBR website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Share Registrar, M/s. CDC Share Registrar Services Limited, of the Company by the first day of book closure.

According to the FBR, withholding tax in case of joint accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal shareholder as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are requested to provide the shareholding proportions of the principal shareholder and the joint holder(s) in respect of shares held by them to our Share Registrar, M/s. CDC Share Registrar Services Limited, in writing. In case the required information is not provided to our Registrar it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s).

4. Zakat Declaration

The members are requested to submit their Zakat Declarations to the Share Registrar in order to claim exemption from deduction of Zakat.

5. Unclaimed Dividend

Shareholders, who for any reason, could not claim their dividends/shares, if any, are advised to contact our Share Registrar, CDC Share Registrar Services Limited, to collect / enquire about their unclaimed dividend/shares, if any.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.

6. Electronic Transmission of Annual Report 2023

In compliance with section 223(6) of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023 the Company has electronically transmitted the Annual Report 2023 through weblink, QR enabled code and through email to Members whose email addresses are available with the Company's Share Registrar, Messrs. CDC Share Registrar Services Limited. However, in cases, where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along-with the QR enabled code/weblink to download the Annual Report 2023 (containing the financial statements), have been dispatched.

Notwithstanding the above, the Company will provide hard copies of the Annual Report 2023, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, Messrs. CDC Share Registrar Services Limited if the Member holds shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.

7. Deposit of Physical Shares into CDC Accounts

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e., May 31, 2017.

Furthermore, Securities and Exchange Commission of Pakistan vide its letter CSD/ED/Misc/2016-639-640 dated March 26, 2021, has directed all listed companies to pursue such shareholders who are still holding shares in physical form to convert the same into book entry form. In this regard, shareholders having physical shareholding are requested to open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

BALLOT PAPER FOR POLLING ON SPECIAL BUSINESS

DAWOOD LAWRENCEPUR LIMITED

for voting through post for the Special Business at the Annual General Meeting to be held on Wednesday, May 29, 2024 at 11:00 AM at Karachi School for Business Leadership (KSBL) situated at National Stadium Road, opp. Liaquat National Hospital, Karachi

Tel: +92-21-356866001-16, Fax: +92-21-35644147 Website: www.dawoodlawrencepur.com

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 3

To consider and if deemed fit, to pass the following resolutions as special resolution as required under Section 199 of the Companies Act, 2017 for renewal of the Subordinated Loan Facility of up to PKR 300 million provided to M/s Tenaga Generasi Limited (TGL), a subsidiary of the Company:

"**RESOLVED** that approval of the Members of Dawood Lawrencepur Limited (the Company) be and is hereby granted in terms of Section 199 of the Companies Act, 2017 and all other applicable laws, for renewal of the Subordinated Loan Facility of up to PKR 300 million provided by the Company to its subsidiary, M/s Tenaga Generasi Limited (TGL) for a period of further one year, as per the terms and conditions disclosed to the Members.

FURTHER RESOLVED that for the purpose of giving effect to this special resolution, any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary of the Company be and are hereby authorized jointly to take all necessary actions and do all acts, deeds and things including execution of documents and agreements for the purposes of implementing the aforesaid resolution."

Resolution For Agenda Item No. 4

To consider, if deemed fit, approve by way of special resolution, approval for the sale of 102,600,000 shares constituting 100% of the issued and paid up capital of Reon Energy Limited ("REL"), a wholly owned subsidiary of Dawood Lawrencepur Limited (the Company), to Juniper International FZ LLC for an amount equivalent to PKR 100,000,000/- (Pak Rupees One Hundred Million), in accordance with the Companies Act 2017 ("Proposed Transaction").

It being clarified that, while the shareholders of the Company had already, at the Annual General Meeting of the Company held on May 30, 2023, approved the sale of 102,600,000 shares constituting 100% of the issued and paid up capital of REL to Juniper International FZ LLC for an amount equivalent to the sum of PKR 300,000,000/- (Pak Rupees Three Hundred Million) plus any and all amounts / sums injected by the Company in REL inter alia in the form of a debt and/or equity (cash or otherwise) between November 30, 2022 and the date of issuance of the management accounts (both days included); plus interest accrued from one or more loans granted from time to time to REL by the Company and as reported in the management account as at December 31, 2022; and minus any and all incremental losses incurred by REL in the ordinary course of business during the period December 1, 2022 up till the date of the management accounts and subject to a minimum amount of PKR 100,000,000/- (Pak Rupees One Hundred Million) and a maximum amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million) ("Original Approval"). The Original Approval is stated to expire on May 30, 2024 as per Section 183(5) of the Companies Act, and it is expected that the Proposed Transaction will not be consummated and completed before May 30, 2024. Accordingly, fresh approval is being sought from the shareholders of the Company for the Proposed Transaction.

The special resolutions to be passed (with or without modification) are as under:

"**RESOLVED** that in accordance with the Companies Act, 2017, Dawood Lawrencepur Limited (the Company) is hereby granted fresh approval to sell 102,600,000 shares constituting 100% of the issued and paid up capital of Reon Energy Limited ("REL") to Juniper International FZ LLC for an amount equivalent to PKR 100,000,000/- (Pak Rupees One Hundred Million).

FURTHER RESOLVED that any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary of the Company be and are hereby jointly authorized to take any and all actions as may be required from time to time for the purposes of the above special resolutions, to complete all necessary legal and corporate formalities with regard to the above resolution and to do all such acts, deeds and things as may be deemed necessary or expedient for concluding the said matters."

Resolution For Agenda Item No. 5

To consider and if thought appropriate, pass with or without modification, the following special resolution in accordance with the Companies Act, 2017, to authorize and approve the disposal of the entire shareholding of the Company in Tenaga Generasi Limited ("TGL") (75% of the outstanding paid-up capital of TGL) to Artistic Milliners (Private) Limited for an amount equivalent to the sum of USD 23,175,000/- (US Dollar twenty three million one hundred seventy five thousand)), which may be subject to adjustment under the terms of the Share Purchase Agreement, (""Proposed Transaction") on such terms and conditions as may be specified under the Share Purchase Agreement.

The special resolutions to be passed (with or without modification) are as under:

"**RESOLVED that** subject to the approval of the members of Dawood Lawrencepur Limited (the Company) in accordance with the Companies Act, 2017 and all other applicable laws, at the general meeting of the Company, the consent of the Board be and is hereby accorded for disposal of the entire shareholding of the Company in Tenaga Generasi Limited ("TGL") (75% of the outstanding paid-up capital of TGL) to Artistic Milliners (Private) Limited for an amount equivalent to the sum of USD 23,175,000/- (US Dollar twenty three million one hundred seventy five thousand) which may be subject to adjustment under the terms of the Share Purchase Agreement, ("Proposed Transaction"") on such terms and conditions as may be specified under the Share Purchase Agreement.

FURTHER RESOLVED that any two of the Chief Executive Officer, the Chief Financial Officer, and the Company Secretary be and are hereby jointly authorized to do all acts, deeds and things, to execute such agreements, documents and papers and make any applications, including but not limited to any applications, notices, disclosures required to be filed with the Competition Commission of Pakistan, Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and any other regulatory authorities, and undertake all such steps for the purposes of the Proposed Transaction as the aforesaid officer of the Company may deem fit."

Instructions For Poll

1. Please indicate your vote by ticking (√) the relevant box.
2. In case if both the boxes are marked as (√), you poll shall be treated as **"Rejected".**

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution No. 3		
Resolution No. 4		
Resolution No. 5		

NOTES:

1. Dully filled ballot paper should be sent to the Chairman of Dawood Lawrencepur Limited, Dawood Centre M. T. Khan Road Karachior e-mail at **company.secretary@dawoodhercules.com**

2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.

3. Ballot paper should reach the Chairman within business hours by or before **Tuesday, May 28, 2024**. Any postal Ballot received after this date, will not be considered for voting.

4. Signature on ballot paper should match with signature on CNIC/ Passport. (in case of foreigner).

5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.

6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.

7. Ballot Paper form has also been placed on the website of the Company at: **www.dawoodlawrencepur.com**. Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Date

DIRECTORS' REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

The Directors of Dawood Lawrencepur Limited (the Company) are pleased to present the Annual Report and the Audited Financial Statements for the year ended December 31, 2023.

A. PRINCIPAL ACTIVITY

The principal activity of the Company is to manage investment in its subsidiaries and associated companies engaged in the business of trading and marketing of renewable energy solutions, mainly wind and solar, to commercial and industrial customers.

B. BUSINESS REPORT

During 2023, the country experienced one of its most severe economic crises in recent history along with a confluence of complex challenges in the political, governance, and environment domains.

Pakistan embarked on an economic reform program under the IMF's Stand-By Arrangement (SBA), aimed at addressing domestic and external imbalances while providing a framework for financial support from multilateral and bilateral partners. The completion of the recent first review by the IMF's Executive Board signaled confidence in Pakistan's commitment to implementing necessary reforms. The macroeconomic conditions in Pakistan showed very early signs of improvement, with a projected growth rate of 1.9 percent expected in the fiscal year 2024.

This growth was attributed to a nascent recovery by end of the year. Additionally, the fiscal position strengthened in FY24Q1, with a primary surplus achieved, driven by strong overall revenues. Inflation remained elevated but was expected to decline to 18.5 percent by the end of June 2024 with appropriately tight monetary policy. The State Bank of Pakistan (SBP) maintained a tight stance to ensure inflation returned to more moderate levels.

Gross reserves increased to $8.2 billion in December 2023, up from $4.5 billion in June, indicating improvements in the external sector. The exchange rate remained broadly stable towards the end of the year, with efforts focused on returning to a market-determined exchange rate to absorb external shocks and eliminate foreign exchange shortages. Despite progress, challenges persisted, including the need for continued revenue mobilization, fiscal discipline, and structural reforms. Efforts to mobilize additional revenues, particularly from non-filers and under-taxed sectors, were highlighted as essential for creating fiscal space for social and development spending.

Despite gradual progress on the macroeconomic front and increases in energy tariff, circular debt in the energy sector is now reaching Rs. 5.5 trillion mainly due to persistent increase in generation costs and structural issues in the energy sector. Despite the government prioritizing reforms in the sector, progress has been slow. In summary, while there are some early indicators of economic revival, there is a need for serious efforts aimed at stabilizing the economy, addressing imbalances, and promoting inclusive and sustainable growth. Continued commitment to reforms and prudent macroeconomic management remain crucial for sustaining the momentum of economic recovery and achieving long-term development objectives.

C. BUSINESS OVERVIEW

Solar Energy Business

In 2023, Company's solar energy business achieved significant milestones despite challenges. The business recorded a top-line revenue of PKR 7,264 million and its highest-ever profit of PKR 259 million.

Notable achievements include securing 34 MWs of EPC projects, delivering a landmark Energy Service Company (ESCO) deal with a major Mobile Network Operator, and installing the largest Battery Energy Storage System (BESS) at Lucky Cement's Pezu Plant. Additionally, REL expanded its global footprint, reached 4500 sites with SPARK, and secured international partnerships with renowned entities like Allen Dick Company and Tawal. The Asset Performance Management (APM) division witnessed substantial growth, expanding its portfolio from 136 MWh to 228 MWh, indicating the company's ability to adapt to market demands and capitalize on high-margin opportunities.

Despite improvements in Pakistan's forex situation, increased scrutiny from the State Bank of Pakistan, particularly due to solar panel scandals, posed challenges. However, REL secured Letters of Credit (LCs), showcasing its resilience and regulatory compliance. This accomplishment underscores REL's robust financial management and regulatory adherence, ensuring sustainable growth and value creation for stakeholders.

When DLL entered this business, the Company correctly anticipated several key factors: the growing competitiveness of renewables, improvements in financing availability, substantial expansion of the market, our ability to appoint a skilled team, and leveraging the Group's reputation to secure business. Resultantly, REL saw considerable success; it is now regarded as one of the leading solar businesses in Pakistan with an admirable growth record and a valuable customer base which relies on this Group for solar execution capabilities. However, at the same time, heightened competition in the market and the resultant chronically low margins due to easily accessible entry points were underestimated. This left our business vulnerable to external shocks, including fluctuations in commodity prices, devaluation, and interest rates. This experience underscores a vital lesson — while growth is the friend of a robust business, it can pose a significant challenge to a fragile one. And that above all, these volatile externalities, including devaluation and inflation, impacted the Company's ability to create value through this business model. The decision was then made to move into a divestment process, and on March 22, 2023, the Board of Directors of the Company approved the sale of 100% shareholding in REL following which a share purchase agreement (SPA) was signed between the Company and Juniper International FZ LLC. On May 30, 2023, the sale of REL was approved by the shareholders in the Annual General Meeting who provided a humbling and overwhelming degree of support. Moving forward, DLL's strategic planning will incorporate these lessons to fortify our position in a dynamic and evolving market landscape.

Solar Energy Plant

The plant at District Thar, in the province of Sindh, continues to provide clean electricity to the customer as per the agreement.

Wind Energy Project

The 49.5 megawatt wind plant, Tenaga Generasi Limited (TGL), is operating satisfactorily and meeting expected availability and BOP loss targets. The BOP Loss for the review period, was 1.8 % against a target of 2.5%, whilst Availability was 99.15 % against a target of 97.0%. Health, Safety and the Environment (HSE) remained a priority, with the plant operating safely for 2,638 days, equivalent to 640,919 safe man-hours since COD with zero injury rate and TRIR.

The financial performance of the power plant during this fiscal year exhibited a complex interplay of positive and negative developments. On a positive note, the region experienced higher winds resulting in highest ever billing since commissioning. Payments from the power purchaser improved compared to the previous year, providing a welcome boost to the cash stream. However, these gains could not fully translate into cashflow to shareholders due to significant challenges including devaluation, high inflation, and transmission issues.

WPPs faced serious curtailment during the year due to transmission constraints and excess production in the southern region of the country. Since major curtailment was in the low wind season, there was a meaningful upside for the power producers.

The region has experienced very good wind speeds during the year, however, there was very high curtailment during Q1 and Q4. On April 28, 2023, 12 transmission towers in Gharo fell, resulting in complete grid failure and disconnection from the national grid till May 25. Due to unavailability of the N-1 line, which is a mandatory requirement under EPA, the plants in Gharo were not able to supply electricity to the grid for almost a month. The revenue loss has been partially claimed under the current EPA as NPMV; however, the balance of the loss cannot be billed. Nevertheless, the three Gharo plants affected by this event jointly wrote to the Ministry, NEPRA and CPPA, followed up with in-person meetings, to permanently resolve the issue and appropriately compensate for the loss. While constantly following up on the matter, we await formal response from the Regulator.

The total energy billed during the year 2023 was 129.57 GWh, which is significantly higher than the budget and P90 benchmark. The total NPMV for the current year was 42.61 GWh as compared to last year's 2.59 GWh due to higher curtailment in this year.

In September, the Company declared an interim dividend of Rs. 150 million.

TGL has been a hallmark of good project development, enabling the Group to leverage engineering competence to play a role in alleviating Pakistan's energy challenges. In addition to this, TGL gave the Company an opportunity to reinforce its stakeholder management capability given the significant influence of state policy in this sector. Teams were accordingly built to bring the Company's renewable energy strategy to life; however, a few key risks have impacted value creation efforts. Firstly, Pakistan faced challenges of low winds that reduced energy generation. Secondly, the business model entailed single-party exposure and the grid to connect our generation efforts had not been adequately developed. And finally, chronic circular debt in the energy sector has exacerbated year after year, leading to inhibited cashflows to the business which has reduced its ability to manage operations and expansion. As a result of these risks, our investment in TGL could not generate a significant shareholder return in terms of dividends, and the Board began to consider divestment. On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. Following this decision, a comprehensive sale process was undertaken, and non-binding offers were received from potential buyers. Subsequent to the year end, the Company has entered into a SPA with Artistic Milliner (Pvt) Limited for sale of complete shareholding of TGL.

D. FINANCIAL REPORT

Financial performance

The consolidated revenue of the Group from continued operations was PKR 61 million as compared to PKR 72 million for the similar period last year. The consolidated gross profit of the Group from continuing operations for 2023 was PKR 35 million as against PKR 47 million last year. The share of profit from associated company was PKR 1,347 million registering an increase of PKR 397 million in comparison to the prior year. After accounting for a tax charge of PKR 1,276 million, the profit after tax from continuing operations stood at PKR 102 million, a decrease from PKR 375 million over 2022. Loss from discontinued operations and disposal group stood at PKR 664 million as compared to a profit of PKR 1,580 million during the same period last year. The major decrease is due to loss recognized on re-measurement of assets of disposal group amounting to PKR 4,499 million.

On a standalone basis, revenue of the Company was PKR Nil million against PKR 0.06 million for the same period last year. During the year, the Company has received dividend from its associated company amounting to PKR 1,402.7 million versus PKR 1,168.9 million last year. During the year, the Company also received dividend from its subsidiary TGL, for the first time since its operations, amounting to PKR 112.5 million.

Earnings per share

The unconsolidated earnings per share for the year 2023 was PKR 15.48 as compared to loss per share of PKR (2.31) for the year 2022, mainly attributable to increased dividend income received from shareholding in associated company. Consolidated earnings per share attributable to owners of the Holding Company from continuing operations for the year 2023 stood at PKR 1.72 as compared to earnings per share of PKR 8.04 for the same period last year. Consolidated loss per share attributable to owners of the Holding Company from disposal group and discontinued operations for the year 2023 were PKR (9.56) as compared to earnings per share of PKR 20.02 for the same period last year.

Auditors

The present auditors, Messrs. A.F. Ferguson & Co., Chartered Accountants are retiring at the conclusion of the forthcoming annual general meeting and offer themselves for reappointment. The Audit Committee has recommended the re-appointment of A.F. Ferguson & Co., Chartered Accountants as auditors of the Company for the year ending December 31, 2024, and the Board has endorsed this recommendation.

Shares traded, average prices and PSX

During the year 338,900 shares of the Company were traded on the Pakistan Stock Exchange. The average price of the Company's share based on the daily closing rate was PKR 227.12 while the 52 weeks low-high during 2023 was PKR 283.0 to PKR 186.21 per share respectively.

Pattern of shareholding

The pattern of shareholding of the Company as at December 31, 2023, together with other necessary information, is available at the end of this report along with the proxy form.

Market capitalization and book value

At the close of the year, the market capitalization of the Company was PKR 12,779 million (2022: PKR 12,453 million) with a market value of PKR 215.50 per share (2022: PKR 210.00) and the breakup value of PKR 71.85 per share (2022: PKR 56.38 per share).

Key Operating and Financial Data

Summary of key operating and financial data for the last six financial years is attached to this Report.

Gratuity fund

The funded retirement benefits of the employees of the Company are audited once a year and are adequately covered by appropriate investments. Fair value of the assets of the funded defined benefit gratuity plan was PKR 4.778 million as at December 31, 2023 (2022: PKR 4.191 million).

Risk Management

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor adherence to limits. Risk management policies and systems are reviewed regularly to react to change in market conditions and the Company's activities.

Corporate Governance

The management is committed to good corporate governance and compliance with best practices. The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Rule Book and Listing Regulations have been duly complied with. A Statement to this effect is annexed with the Report.

Code of Conduct

The Board has adopted a Business Code of Conduct, and all employees are aware of and have signed off on this Statement. The Code of Conduct is rigorously followed throughout the organization as all employees observe the rules of business conduct laid down therein.

Vision and Mission

The statement reflecting the Vision and Mission of the Company is annexed to the report.

Corporate Social Responsibility

The Company, through its subsidiaries is trying to make an impact on the local communities, besides the larger impact on environment through substitution of energy to green and renewable sources. During the year, one of the company's subsidieries adopted a local school in Gharo Sindh. The selected community-based school is providing services to a population of nearly 250 houses in six neighboring villages near the wind plant. The school's infrastructure was uplifted and a local NGO was hired to manage the operations of the school including hiring of teachers and general maintenance.

Board of Directors

The Total number of directors include the following:
Male Director: 6
Female Directors: 1

The composition of the board members is as follows:
Independent Directors: 2
Non-Executive Directors: 3
Executive Directors: 1
Female Directors (Non-executive): 1

Board of Directors meetings

During the year ended December 31, 2023, a total of five meetings of the Board of Directors were held. The position of attendance during respective tenure was as follows:

Existing Board

Name of Director	Meetings Held	Meetings Attended
Mr. Ruhail Muhmmad	5	5
Mr. Abdul Samad Dawood	5	3
Ms. Sabrina Dawood	5	3
Mr. Shafiq Ahmed	5	3
Mr. Muhammed Amin	2	2
Mr. Muhammad Bilal Ahmed	1	1
Mr. Mohamad Shamoon Chaudry	5	4

Mr. Muhammed Amin joined the Board with effect from September 5, 2023 and Mr. Muhammad Bilal Ahmed joined the Board with effect from October 27, 2023. Both the Directors filled the casual vacancies that arose during the year due to resignation of Mr. Muhammad Jawaid Iqbal and Mr. Zamin Zaidi. The casual vacancy of the Chief Executive Officer, Mr. Mujtaba Haider Khan, was filled by Mr. Mohammad Shamoon Chaudry with effect from October 4, 2023.

Outgoing Directors

Name of Director	Meetings Held	Meetings Attended
Mr. Muhammad Jawaid Iqbal	2	1
Mr. Zamin Zaidi	4	3
Mr. Mujtaba Haider Khan	3	3

Mr. Muhammad Jawaid Iqbal resigned from the Company's Board with effect from June 9, 2023, Mr. Zamin Zaidi resigned from the Board with effect from October 27, 2023, and Mr. Mujtaba Haider resigned as the CEO of the Company with effect from October 4, 2023. We would like to place on record our appreciation for their significant contributions over the years to the Company.

Board Audit Committee meetings

The Board of Directors has established an Audit Committee, in compliance with the Code of Corporate Governance, which oversees internal controls and compliance and has been working efficiently since its inception. The Audit Committee reviewed the quarterly, half-yearly, and annual financial statements before submission to the Board and their publication. The Audit Committee had detailed discussions with the external auditors on various issues, including their letter to the management. The Audit Committee also reviewed internal auditors' findings and held separate meetings with internal and external auditors as required under the Code of Corporate Governance.

During the year ended December 31, 2023, a total of four meetings of the Board Audit Committee were held. The position of attendance during respective tenure was as follow:

Existing Committee Members

Name of Director	Meetings Held	Meetings Attended
Mr. Muhammed Amin	1	1
Mr. Shafiq Ahmed	4	3
Mr. Muhammad Bilal Ahmed	-	-

Mr. Muhammed Amin joined the Boad Audit Committee as the Chairman with effect from September 5, 2023 and Mr. Muhammad Bilal joined the BAC as a member with effect from October 27, 2023.

Outgoing Committee Members

Name of Director	Meetings Held	Meetings Attended
Mr. Ruhail Muhammad	3	3
Mr. Mohammad Shamoon Chaudry	3	3

Mr. Ruhail Muhammad vacated his position as the chair of BAC as he became the Chairman of the Board with effect from September 6, 2023. And Mr. Mohammad Shamoon Chaudry stepped down as a member of BAC as he became the Chief Executive officer of the Company.

Human Resource and Remuneration Committee meetings

During the year ended December 31, 2023, total of two meetings of the Human Resource and Remuneration Committee (HR&RC) were held. The position of attendance during respective tenure was as follows:

Existing Committee Members

Name of Director	Meetings Held	Meetings Attended
Mr. Ruhail Muhammad	1	1
Mr. Abdul Samad Dawood	2	2
Mr. Muhammed Amin	-	-

Outgoing Committee Members

Name of Director	Meetings Held	Meetings Attended
Mr. Muhammad Jawaid Iqbal	1	-
Mr. Zamin Zaidi	1	1

Statement of Directors responsibility

The Directors confirm compliance with Corporate and Financial Reporting Framework as per the Listing Regulations of the Stock Exchange in Pakistan as follows:

a. The financial statements prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and change in equity.

b. Proper books of accounts of the Company have been maintained.

c. Appropriate accounting policies have been consistently applied in preparation of the financial statements. Accounting estimates are based on reasonable prudent judgment.

d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements and any departures therefrom have been adequately disclosed.

e. The system of internal controls is sound in design and has been effectively implemented and monitored.

f. There are no significant doubts upon the Company's ability to continue as a going concern.

g. There is no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.

h. Key operating and financial data for the last six years in summarized form are annexed to the report.

Directors' remuneration

The Board of Directors has approved a **'POLICY FOR DETERMINING THE REMUNERATION OF BOARD OF DIRECTORS AND BOARD APPOINTEES'**, salient features of which are:

a. Board of Directors remuneration shall be competitive and appropriate to the financial size and operational complexity of the Company, and shall be aimed at attracting and retaining the members needed to govern the Company successfully and to encourage value addition. The remuneration shall not compromise nor influence in any way the independence of the director.

b. The Board, if deems appropriate, may use the services of an independent consultant to determine the appropriate level of remuneration of its directors.

c. No remuneration shall be paid to Executive Directors and any Non-Executive Directors who are employees in other DH Group entities, for attending meetings of the Board and its committees.

d. Any travel and other necessary expenses incurred by the directors for attending meetings of the Board and its committees shall be reimbursed at actual.

Directors' training program

The Company is compliant in respect of certification of all directors who are required to be certified under the Director's Training program.

Related party transactions

During the year, all transactions made with associated companies/related parties were duly recommended by Board's Audit Committee and approved by the Board of Directors of the Company. All transactions with related parties are on arm's length basis.

Subsequent events

No material changes or commitments affecting the financial position of the Company have taken place between the end of the financial year and the date of the Report.

E. FUTURE OUTLOOK

Solar energy

The local market outlook is promising, with the Government of Pakistan's ambitious plan to procure 10GW of Solar PV and increasing conventional power tariffs, encouraging the transition towards renewable energy sources. This creates an enabling environment for REL to capitalize on growing demand for renewable energy solutions, particularly among large industrial power consumers. Furthermore, outcomes of COP28 in Dubai highlight a global shift towards sustainability, with over 100 countries committing to ambitious targets for renewable energy capacity and energy efficiency by 2030. Anticipated reductions in battery prices by major players like CATL and BYD will further drive the transition towards renewables, presenting significant opportunities for REL in international markets. Leveraging its expertise and forging strategic partnerships with channel partners, REL is poised to play a pivotal role in advancing the adoption of renewable energy solutions worldwide.

In conclusion, REL's achievements in 2023 and its strategic positioning for the future underscore its commitment to driving sustainable growth and innovation in the renewable energy sector, both locally and globally.

Wind Energy Project

One of the most pressing challenges that continued to impact shareholder return is the persistent circular debt within the energy sector. Despite improved payments from the Power Purchaser, the prevailing circular debt has historically hindered our ability to generate significant payouts for the shareholders. Payments have improved due to increase in energy tariff, resulting in some cash flow for shareholders.

Curtailment of the wind power plants has increased substantially this year. It has come to light that this curtailment will continue in the near future for the wind power plants, both in Gharo and Jhimpir. One possible mitigation is the transfer of the Gharo plants to KE, due to availability of its evacuation infrastructure in the area. The Company, in coordination with the neighboring Plants (Hydro-China Dawood and Zephyr), started discussions with CPPA and the Ministry of Energy to change our connection from NTDC to KE. This will provide a stable connection and reduce/eliminate curtailment. Both entities are amenable to the change, but procedural matters will affect the decision timeline.

The Company is in process of completing sale transaction of TGL and REL. The proceeds from the transactions shall be utilized in opportunities that enables the Company to maximize shareholders' returns and value.

While the transactions conclude, the Company is focusing on deploying its surplus funds into short to medium term investments in capital markets.

F. ACKNOWLEDGEMENT

The Board expresses its gratitude to all the shareholders for their confidence and support. We would like to thank all stakeholders, including but not limited to financial institutions, who have been associated with us for their support and cooperation and assure them of our commitment to look after their respective interests.

We would like to thank the management and employees for their sincere contributions toward the growth and prosperity of the Company.

MOHAMMAD SHAMOON CHAUDRY	RUHAIL MUHAMMAD
Chief Executive Officer	Chairman

Karachi
Dated: April 29, 2024

Chairman's Review Report

For the year ended December 31, 2023

Dear Shareholders,

On behalf of the Board of Directors, it is my privilege to present the Annual Report for Dawood Lawrencepur Limited for the year ended December 31, 2023.

The year 2023 presented formidable economic challenges for Pakistan, marked by financial challenges and a confluence of complex issues in governance and environmental domains. However, amidst these challenges, DLL remained steadfast in its commitment to navigating through uncertainty and leveraging opportunities for growth and resilience. The two key highlights of the year have been M&A efforts on our renewable energy segment to create shareholder value.

Despite economic headwinds, our solar energy business achieved remarkable milestones, including its highest-ever profit of PKR 259 million. Notable achievements include securing substantial EPC projects, landmark deals with major Mobile Network Operators, and significant expansions in our global footprint and partnerships. However, because of changes in the competitive landscape, including (i) heightened competition due to easily accessible entry points resulting in chronically low margins for REL and (ii) vulnerability to external shocks, including fluctuations in commodity prices, devaluation, and interest rates, DLL approved the sale of its entire shareholding in REL to an experienced buyer. This decision was taken to optimize our portfolio, enhance shareholder value, and align our investments with long-term growth ambitions.

A similar divestment decision was taken on the wind energy project, Tenaga Generasi Limited (TGL), which has yielded comparable learnings while following a different business model. The efforts of the management team in managing the divestment process must be appreciated. They executed a good process on the basis of which a suitable buyer was identified who has the credibility to manage this wind energy asset and take care of our employees, while offering the best price for TGL. This handing over of TGL to a responsible owner for whom the asset is of strategic relevance is subject to certain approvals but we remain confident that it will go through.

The management of the liquidity generated from the sale of these assets is under evaluation. We will consider various options, including but not limited to reinvesting the cash in new ventures, adjusting our current asset portfolio, or distributing the proceeds to shareholders. Regardless of the chosen course of action, our guiding principle remains the same: every decision will be made with the utmost consideration for the best interests of our shareholders, reflecting the trust they have placed in us to prudently manage their capital.

It is also important to note that our decision to divest from these assets does not signal a lack of confidence in the renewable energy sector; rather, it underscores a dedication to financial scrutiny and prioritizing optimal returns for our shareholders through viable business models. We maintain a firm belief that global renewable energy prices will continue their downward trajectory, rendering them increasingly competitive compared to traditional power sources. Our forthcoming investments will be informed by these insights. Until then, I look forward to the Board's support as we redefine the Company's vision and mission to build future value, all while upholding the utmost respect and consideration for the trust our shareholders have vested in us.

Throughout the year, the Board of Directors has been instrumental in stewarding these processes. I extend my gratitude to the Directors for their invaluable guidance to the management teams.

Additionally, I would also like to appreciate the unwavering support of our various stakeholders, including the Government of Pakistan, our partners, customers, suppliers, employees, and shareholders, for their enduring trust and confidence. We look forward to the continued support of all our stakeholders.

Regards,
Ruhail Muhammad

April 29, 2024

Operating Highlights (Six Years Summary)

	PARTICULARS	UNIT	December 2023			December 2022			December 2021		
			*Continuing Operations	Disposal Group /Discontinued-Operations	Total	*Continuing Operations	Disposal Group /Discontinued Operations	Total	Continuing Operations	Disontinued Operations	Total
A)	**STATEMENT OF FINANCIAL POSITION**										
1	Total Assets	Rs. In (000)	**12,473,114**	**22,194,614**	**34,667,728**	35,284,111	25,791	35,309,902	33,206,524	36,048	33,242,572
2	Current Assets	Rs. In (000)	**1,518,496**	**12,478,469**	**13,996,965**	10,187,743	12,549	10,200,291	9,048,353	22,806	9,071,159
3	Stock	Rs. In (000)	**4,418**	**1,444,699**	**1,449,117**	997,413	8,742	1,006,155	620,258	14,262	634,520
4	Current Liabilities	Rs. In (000)	**584,331**	**7,040,395**	**7,624,726**	6,929,899	17,143	6,947,042	6,734,768	16,921	6,751,689
5	Long-term Borrowing	Rs. In (000)	**223,350**	**8,276,252**	**8,499,602**	9,220,507	-	9,220,507	8,628,307	-	8,628,307
6	Paid Up Capital	Rs. In (000)	**592,998**	**-**	**592,998**	592,998	-	592,998	592,998	-	592,998
7	Shareholders Equity	Rs. In (000)	**18,216,938**	**-**	**18,216,938**	19,459,707	-	19,459,707	17,790,816	-	17,790,816
8	No. of Ordinary Shares	In (000)	**59,300**	**-**	**59,300**	59,300	-	59,300	59,300	-	59,300
B)	**STATEMENT OF PROFIT OR LOSS**										
1	Sales Value	Rs. In (000)	**60,967**	**13,074,130**	**13,135,097**	13,659,277	5,209	13,664,486	11,881,431	6,553	11,887,984
2	Gross Profit / (Loss)	Rs. In (000)	**35,484**	**5,407,929**	**5,443,413**	3,169,454	(312)	3,169,142	2,627,791	5,651	2,633,442
3	Finance Cost		**(64,504)**	**(1,022,659)**	**(1,087,163)**	(711,301)	-	(711,301)	527,849	-	527,849
4	Operating Profit / (Loss)	Rs. In (000)	**95,721**	**4,984,059**	**5,079,780**	2,312,458	(31,719)	2,280,739	1,813,495	(21,438)	1,792,057
5	Profit/(Loss) Before Taxation	Rs. In (000)	**1,378,559**	**(538,117)**	**840,442**	2,551,298	(31,719)	2,519,579	2,665,628	(21,438)	2,644,190
6	Profit / (Loss) After Taxation	Rs. In (000)	**(561,531)**	**2,056,906**	**1,495,375**	2,088,624	(31,719)	2,056,905	2,507,052	(21,438)	2,485,614
C)	**STATEMENT OF CASH FLOWS**										
1	Net Cash Flow from Operating Activities	Rs. In (000)	**(175,880)**	**4,009,476**	**3,833,596**	2,299,439	(34,905)	2,264,534	1,746,535	(21,855)	1,724,680
2	Net Cash Flow from Investing Activities	Rs. In (000)	**223,389**	**423,524**	**646,913**	867,562	8,480	876,042	785,667	12,720	798,387
3	Net Cash Flow from Financing Activities	Rs. In (000)	**(87,190)**	**(3,992,870)**	**(4,080,060)**	(2,495,765)	-	(2,495,765)	(2,275,512)	-	(2,275,512)
D)	**RATIO ANALYSIS**										
	Profitability Ratios:										
1	Gross (Loss) / Profit	%	**58.20**	**41.36**	**41.44**	23.20	(5.99)	23.19	22.12	86.24	22.15
2	Net (Loss) / Profit	%	**(921.04)**	**15.73**	**11.38**	15.29	(608.93)	15.05	21.10	(327.15)	20.91
3	Return on Equity	%	**-**	**-**	**8.21**	-	-	10.57	-	-	13.97
4	Return on Capital Employed	%	**-**	**-**	**19.01**	-	-	7.95	-	-	6.78
	Liquidity Ratios:										
1	Current Ratio	Rs.	**2.60**	**1.77**	**1.84**	1.47	0.73	1.47	1.34	1.35	1.34
2	Quick / Acid Test Ratio	Rs.	**2.59**	**1.57**	**1.65**	1.33	0.22	1.32	1.25	0.50	1.25
	Investment / Market Ratios:										
1	Earning / (Loss) Per Share	Rs.	**1.72**	**(9.56)**	**(7.84)**	35.22	(0.53)	34.69	36.64	(0.36)	36.28
2	Price Earning Ratio	Rs.	**-**	**-**	**(27.49)**	-	-	5.73	-	-	5.48
3	Dividend Yield	%	**-**	**-**	**-**	-	-	3.52	-	-	3.15
4	Dividend Payout Ratio	%	**-**	**-**	**-**	-	-	20.18	-	-	17.23
5	Dividend Cover Ratio	Rs.	**-**	**-**	**-**	-	-	4.96	-	-	5.80
6	Break-up Value of Shares	Rs.	**-**	**-**	**307.20**	-	-	328.16	-	-	300.01
7	Market Value of Shares	Rs.	**-**	**-**	**215.50**	-	-	198.67	-	-	198.67
	Capital Structure Ratios:										
1	Debt to Equity Ratio	Rs.	**0.01**	**-**	**0.47**	0.47	-	0.47	0.48	-	0.48
2	Interest Cover Ratio	Rs.	**1.48**	**4.87**	**4.67**	3.25	-	3.21	(3.44)	-	(3.40)
E)	**DIVIDEND**										
1	Cash Dividend	%	**-**	**-**	**-**	70.00	-	70	62.50	-	63
F)	**OTHERS**										
1	Employees	Nos.	**11**	**77**	**88**	116	4	120	141	4	145
2	Capital Expenditures	Rs. In (000)	**2,353**	**1,847,701**	**1,850,054**	365,719	-	365,719	76,028	-	76,028

December 2020			December 2019			December 2018		
Continuing Operations	Disontinued Operations	Total	Continuing Operations	Disontinued Operations	Total	Continuing Operations	Disontinued Operations	Total
29,052,394	28,548	29,080,942	28,089,926	68,041	28,157,967	25,577,239	52,268	25,629,507
5,500,215	16,691	5,516,906	4,693,642	50,834	4,744,476	2,262,773	33,261	2,296,034
226,688	15,164	241,852	168,312	23,081	191,393	67,904	32,369	100,273
3,968,665	5,937	3,974,602	3,720,930	3,244	3,724,174	2,328,878	6,199	2,335,077
9,107,462	-	9,107,462	9,831,431	-	9,831,431	9,645,961	-	9,645,961
592,998	-	592,998	590,578	-	590,578	590,578	-	590,578
15,651,174	-	15,651,174	14,102,954	-	14,102,954	12,958,033	-	12,958,033
59,300	-	59,300	59,058	-	59,058	59,058	-	59,058
5,626,725	5,217	5,631,942	7,267,770	7,489	7,275,259	3,079,977	10,453	3,090,430
2,058,632	(2,700)	2,055,932	2,623,410	(1,799)	2,621,611	1,529,190	1,714	1,530,904
700,058	-	700,058	(947,253)	-	(947,253)	(798,779)	-	(798,779)
1,474,250	(22,604)	1,451,646	2,013,560	(34,668)	1,978,892	1,079,997	87,153	1,167,150
2,001,811	(22,604)	1,979,207	1,981,544	(34,668)	1,946,876	2,587,791	87,153	2,674,944
1,813,175	(22,604)	1,790,571	1,876,527	(34,668)	1,841,859	2,205,755	87,153	2,292,908
1,456,814	(8,009)	1,448,805	1,297,167	(27,422)	1,269,745	1,136,705	12,891	1,149,596
929,366	192	929,558	694,664	-	694,664	437,423	134,715	572,138
(2,267,603)	-	(2,267,603)	(2,421,863)	-	(2,421,863)	(2,033,213)	-	(2,033,213)
36.59	(51.75)	36.50	36.10	(24.02)	36.03	49.65	16.40	49.54
32.22	(433.28)	31.79	25.82	(462.92)	25.32	71.62	833.76	74.19
-	-	11.44	-	-	13.06	-	-	17.69
-	-	5.86	-	-	8.27	-	-	5.16
1.39	2.81	1.39	1.26	15.67	1.27	0.97	5.37	0.98
1.33	0.26	1.33	1.22	8.56	1.22	0.94	0.14	0.94
25.82	(0.38)	25.44	27.20	(0.59)	26.61	35.29	1.48	36.77
-	-	9.23	-	-	8.05	-	-	4.46
-	-	1.70	-	-	5.14	-	-	1.83
-	-	15.72	-	-	41.34	-	-	8.16
-	-	6.36	-	-	2.42	-	-	12.26
-	-	263.93	-	-	238.80	-	-	219.41
-	-	234.77	-	-	214.16	-	-	164.05
0.58	-	0.58	0.70	-	0.70	0.74	-	0.74
(2.11)	-	(2.07)	2.13	-	2.09	1.35	-	1.46
40	-	40	110	-	110	30	-	30
134	4	138	179	4	183	89	5	94
112,987	-	112,987	221,290	-	221,290	203,358	-	203,358

Investor Relations

Financial Calender

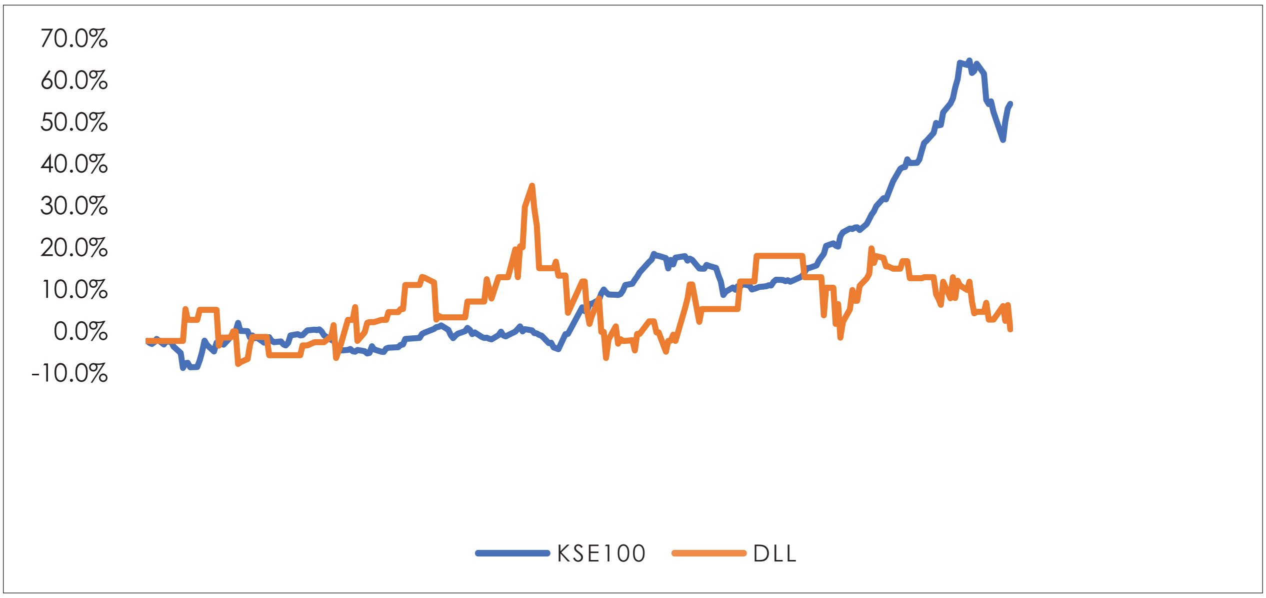
Financial Year ended 31 December 2023	
25 May 2023	Announcement of first quarter results
28 August 2023	Announcement of second quarter results
30 October 2023	Announcement of third quarter results
29 April 2024	Announcement of fourth quarter results
29 May 2024	74th Annual General Meeting

Trading Performance During the Financial Period	2023	2022	2021
Opening price	**210.00**	198.67	234.77
Closing price	**215.50**	210.00	198.67
Highest price	**283.00**	219.97	261.81
Lowest price	**186.21**	162.00	172.00
Average daily volume traded	**2,529.10**	5,806.00	2,483.00

Total Return*	Shareholder	Market
1- year period (01 January 2023 to 31 December 2023)	2.6%	54.5%
3 - year period (01 January 2021 to 31 December 2023)	-2.6%	42.1%
5 - year period (01 January 2019 to 31 December 2023)	48.0%	68.5%

*Total returns are computed based on the closing unit price on the last trading day of the preceding "reporting period compared with the closing unit price on the last trading day of the current period"

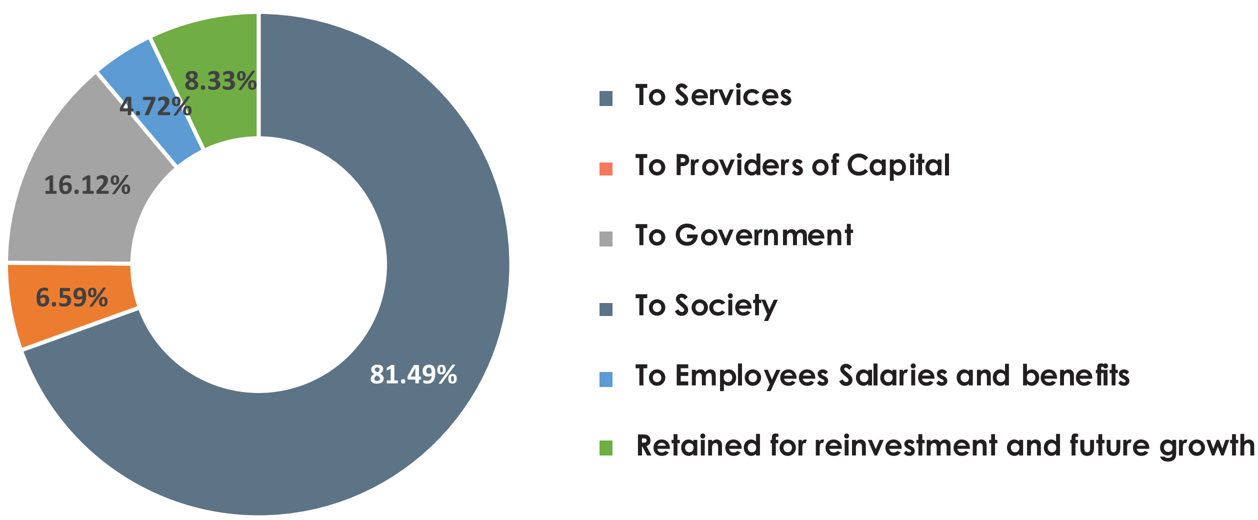
Investor Relations Enquiry:
Source: dps.psx.com.pk



Statement of value addition and distribution

(Rs. in billion)

	2023		2022	
	Rs.	%	Rs.	%
Wealth Generated / Value addition				
Total revenue inclusive of sales tax	14,397	87.33%	15,745	92.53%
Other income	2,089	12.67%	1,271	7.47%
	16,486	100.00%	17,016	100.00%
Wealth Distributed / Value distribution				
To Services				
Cost of revenue (excluding employees' salaries and benefits)	12,858	77.99%	10,259	60.29%
Distribution and administration, other expenses (excluding employees' salaries and benefits)	576	3.49%	697	4.10%
To Providers of Capital				
Dividend to shareholders	-	0.00%	415	2.44%
(Loss) / Profit to non controlling interest	(97)	-0.59%	393	2.31%
Mark-up on borrowed money	1,087	6.59%	711	4.18%
To Government				
Taxes	2,657	16.12%	2,444	14.36%
To Society				
Donation	-	0.00%	-	0.00%
To Employees Salaries and benefits	778	4.72%	713	4.19%
To Company Retained within the business	(1,374)	-8.33%	1,384	8.13%
	16,486	100.00%	17,016	100.00%



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A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dawood Lawrencepur Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Dawood Lawrencepur Limited (the Company) for the year ended December 31, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2023.

Afferguson & Co

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: May 08, 2024

UDIN: CR202310160MIRmscXwK

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

For the year ended December 31, 2023

Dawood Lawrencepur Limited, hereinafter referred to as "the Company" has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "Regulations") in the following manner:

1) The total number of directors are Seven (7) in the following manner:
   a. Male: Six (6)
   b. Female: One (1)

2) The composition of the Board as at December 31, 2023, was as follows:

Category	Names
Independent Directors	Mr. Ruhail Muhammad - Chairman
	Mr. Muhammed Amin ***
Non-executive Directors	Mr. Abdul Samad Dawood
	Mr. Shafiq Ahmed
	Mr. Muhammad Bilal Ahmed **
Executive Director	Mr. Mohammad Shamoon Chaudry (Chief Executive Officer and Director) *
Female Directors (Non-executive)	Ms. Sabrina Dawood

* Mr. Muhammed Amin was appointed to fill the casual vacancy as Independent Director on September 5, 2023 in place of Mr. Muhammad Jawaid Iqbal, who resigned on June 9, 2023.

** Mr. Muhammad Bilal Ahmed was appointed to fill the casual vacancy as Non-executive Director on October 27, 2023 in place of Mr. Zamin Zaidi, who resigned on the same date.

*** Mr. Mohammad Shamoon Chaudry was appointed to fill the casual vacancy as Director and Chief Executive Officer on October 4, 2023 in place of Mr. Mujtaba Haider Khan who resigned on the same date.

3) The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4) The Company has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Company, along with its supporting policies and procedures;

5) The Board has developed a vision/mission statement, overall corporate strategy, and significant policies of the Company. The Board has ensured that the Company mantains complete record of the significant policies along with the date of their approval or updates, if any, is maintained by the Company;

6) All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/Shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;

7) The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8) The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;

9) The Company is compliant in respect of certification of all directors who are required to be certified under the Director's Training program;

10) The Board has approved appointment of Chief Financial Officer, Company Secretary, and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11) Chief Financial Officer, and Chief Executive Officer duly endorsed the unconsolidated and consolidated financial statements before approval of the Board.

12) The Board has formed committees comprising of members given below:

Name of Committees	**Names of members and Chairman**
Board Audit Committee	Mr. Muhammed Amin - Chairman
	Mr. Shafiq Ahmed - Member
	Mr. Muhammad Bilal Ahmed - Member
Human Resource and Remuneration Committee	Mr. Ruhail Muhammad - Chairman
	Mr. Abdul Samad Dawood - Member
	Mr. Muhammed Amin - Member

13) The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

14) The frequency of meetings (quarterly/half yearly/yearly) of the committees were as follows:

   a) Board Audit Committee: - Four (4) meetings were held during the financial year ended December 31, 2023.

   b) Human Resource and Remuneration Committee: - Two (2) meetings held during the financial year ended December 31, 2023.

15) The Board has set up an effective internal audit function which comprises of suitably qualified and experienced staff for the purpose of and are conversant with the policies and procedures of the Company;

16) The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company;

17) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18) We confirm that all requirements of Regulation 3, 6*, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

* With respect to the compliance with Regulation 6, the Board has appointed two independent directors, and the fraction one-third number was not rounded up to one as the two independent directors elected had requisite competencies, skills, knowledge and experience to fulfil their obligations as per the requirements of the applicable laws and regulations and hence, appointment of third independent director was not warranted. The Board was also guided by the fact that as per Regulation 6 rounding up is not mandatory and the necessary explanation for not rounding-up as required under the Regulations have been included above.

Ruhail Muhammad
Chairman

Mohammad Shamoon Chaudry
Chief Executive Officer

Dated: April 29, 2024

UNCONSOLIDATED FINANCIAL STATEMENT

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Dawood Lawrencepur Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Dawood Lawrencepur Limited (the Company), which comprise the unconsolidated statement of financial position as at December 31, 2023, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017) ('the Act'), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the unconsolidated financial statements of the current period. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/ 32426771-5; Fax: +92 (21) 32415007/32427938/ 32424740; <www.pwc.com/pk>

KARACHI LAHORE ISLAMABAD

Following is the Key Audit Matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	**Impairment assessment of investments in subsidiaries** (Refer notes 2.9, 3.1 and 6 to the unconsolidated financial statements) As per the requirements of accounting and reporting standards, management assessed whether there is any indication that any of its investments in subsidiaries may be impaired. In view of impairment indicators, management performed an impairment assessment to estimate the recoverable amount of Company's investments in related subsidiaries. The assessment involved estimation of future cash flows of related subsidiaries and determination of recoverable amount using a number of assumptions and estimates. Based on such assessment, the Company has recognized a further impairment loss of Rs. 15 million against its investment in subsidiary Reon Alpha (Private) Limited. As impairment assessment requires management to make projections of cashflows, use judgement and estimates, we considered this a key audit matter.	Our audit procedures amongst others included the following: - considered indicators requiring management to carry out impairment assessment; - obtained understanding of the management's process of assessment, including methodology and key assumptions used to estimate recoverable amount of investments in subsidiaries; - evaluated the reasonableness of key assumptions and estimates used by management to prepare cash flow projections and determined the recoverable amounts. For this purpose, we involved our internal specialists, where required; and - assessed the adequacy of disclosures made in the unconsolidated financial statements in accordance with the applicable accounting and financial reporting framework.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

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

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

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

- dentify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

(a) proper books of account have been kept by the Company as required by the Act;

(b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Act and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

Afferguson & Co

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Date: May 08, 2024

UDIN: AR202310160y9uJqR2rw

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

(Amounts in thousand)

	Note	2023	2022
		------------ (Rupees) ------------	
ASSETS			
Non-current assets			
Property, plant and equipment	4	**18,566**	19,380
Intangible assets	5	**-**	-
Long term investments	6	**80,496**	2,371,680
Long term deposits	7	**2,778**	2,778
		101,840	2,393,838
Current assets			
Stores and spares	8	**892**	892
Stock-in-trade	9	**4,418**	8,742
Trade debts	10	**-**	-
Loans to subsidiaries	11	**439,422**	439,003
Loans and advances	12	**2,004**	3,686
Deposits, prepayments and other receivables	13	**85,056**	79,014
Interest accrued	14	**338,020**	269,912
Investment in a subsidiary	6	**-**	300,000
Short term investments	15	**1,303,809**	-
Cash and bank balances	16	**143,741**	64,951
		2,317,362	1,166,200
Assets classified as held for sale	17	**2,394,804**	-
		4,814,006	3,560,038
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Share capital	18	**592,998**	592,998
Capital reserves		**206,666**	206,666
Unappropriated profits		**3,461,234**	2,543,935
		4,260,898	3,343,599
Non-current liabilities			
Staff retirement benefits	19	**3,506**	4,759
Current liabilities			
Trade and other payables	20	**181,729**	65,797
Unclaimed dividend		**78,046**	73,454
Unpaid dividend		**-**	5,382
Provisions	21	**7,360**	7,360
Taxes payable		**282,467**	57,408
Accrued mark-up		**-**	2,279
		549,602	211,680
		553,108	216,439
Contingencies and commitments	22		
		4,814,006	3,560,038
TOTAL EQUITY AND LIABILITIES			

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand except for earnings / (loss) per share)

	Note	2023	2022
CONTINUING OPERATIONS		------------ (Rupees)	------------
Revenue from contracts with customers - net	23	**-**	63
Cost of revenue	24	**-**	(345)
Gross loss		**-**	(282)
Dividend income	25	**1,633,076**	1,168,978
		1,633,076	1,168,696
Selling and distribution expenses	26	**-**	-
Administrative expenses	27	**(70,274)**	(81,781)
Other expenses	28	**(324,519)**	(1,095,252)
		(394,793)	(1,177,033)
Other income - net	29	**199,419**	161,119
Finance costs	30	**(3,195)**	(42,979)
Profit before taxation		**1,434,507**	109,803
Taxation	31	**(516,337)**	(246,770)
Profit / (loss) after taxation		**918,170**	(136,967)
DISCONTINUED OPERATIONS			
Loss from discontinued operations	32	**(936)**	(31,718)
Profit / (loss) for the year		**917,234**	(168,685)
Earnings / (loss) per share - basic and diluted			
Continuing operations	33	**15.48**	(2.31)
Discontinued operations	33	**(0.02)**	(0.53)

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	Note	2023	2022
		------------ (Rupees)	------------
Profit / (loss) for the year		**917,234**	(168,685)
Other comprehensive income / (loss):			
Items that will not be reclassified to profit or loss:			
Remeasurement of post employment benefit obligation - actuarial gain / (loss)	19.6	**65**	(91)
Total comprehensive income / (loss) for the year		**917,299**	(168,776)

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Mohammad Shamoon Chaudry	Ruhail Muhammad	Nazia Hasan
Chief Executive Officer	Director	Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	Share capital	Capital reserves					Revenue reserve	Total
		Merger reserve	Share premium reserve	Capital redemp-tion reserve	Others	Total	Unappro-priated profit	
	(Rupees)							
Balance as at January 1, 2022	592,998	10,521	136,865	25,969	33,311	206,666	3,127,809	3,927,473
Loss for the year	-	-	-	-	-	-	(168,685)	(168,685)
Other comprehensive loss	-	-	-	-	-	-	(91)	(91)
Total comprehensive loss for the year	-	-	-	-	-	-	(168,776)	(168,776)
Transactions with owners								
Dividends for the year ended December 31, 2022:								
First interim @ Rs. 3.00 per share	-	-	-	-	-	-	(177,899)	(177,899)
Second interim @ Rs. 4.00 per share	-	-	-	-	-	-	(237,199)	(237,199)
Balance as at December 31, 2022	592,998	10,521	136,865	25,969	33,311	206,666	2,543,935	3,343,599
Profit for the year	-	-	-	-	-	-	917,234	917,234
Other comprehensive income	-	-	-	-	-	-	65	65
Total comprehensive income for the year	-	-	-	-	-	-	917,299	917,299
Balance as at December 31, 2023	592,998	10,521	136,865	25,969	33,311	206,666	3,461,234	4,260,898

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**1,433,571**	78,085
Add: Loss before taxation attributable to discontinued operations	**936**	31,718
Profit before taxation from continuing operations	**1,434,507**	109,803
Adjustments for:		
Depreciation	**1,456**	1,478
Amortization	**-**	4
Provision for gratuity - net	**1,719**	1,746
Dividend income	**(1,633,076)**	(1,168,978)
Provision for impairment of:		
- long term investments	**15,000**	795,252
- long term loan to a subsidiary	**-**	300,000
- interest on long term loan to a subsidiary	**109,226**	-
Gain on disposal of property, plant and equipment	**(10)**	-
Loss on remeasurement of asset classified as held for sale	**200,000**	-
Loss on investments at fair value through profit or loss	**27,930**	2,328
Mark-up charged to related parties	**(177,971)**	(117,243)
Profit on bank deposits	**(8,115)**	(5,846)
Finance costs	**3,195**	42,979
	(26,139)	(38,477)
Working capital changes		
(Increase) / decrease in current assets		
Loans and advances	**366**	(83)
Deposits, prepayments and other receivables	**(6,042)**	(22,680)
	(5,676)	(22,763)
Increase in current liabilities		
Trade and other payables	**119,759**	414
	114,083	(22,349)
Cash generated from / (used in) operating activities	**87,944**	(60,826)
Finance costs paid	**(5,474)**	(53,727)
Gratuity paid	**(3,594)**	(1,977)
Taxes paid	**(290,034)**	(176,296)
Discontinued operations	**(29,520)**	(34,905)
Net cash utilised in operating activities	**(240,677)**	(327,731)

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

	Note	2023	2022
		------------ (Rupees) ------------	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(2,352)**	(6,007)
Proceeds from disposal of property, plant and equipment		**10**	-
Investment in subsidiary		**(15,000)**	-
Loan to subsidiaries		**(419)**	(478)
Mark-up received from related parties		**636**	9,926
Profit received on bank deposits		**8,115**	5,846
Dividend received		**1,633,076**	1,168,978
Discontinued operations		**-**	8,480
Net cash generated from investing activities		**1,624,066**	1,186,745
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		**-**	(646,587)
Dividend Paid		**(790)**	(411,779)
Net cash used in financing activities		**(790)**	(1,058,366)
Net increase / (decrease) in cash and cash equivalents		**1,382,599**	(199,352)
Cash and cash equivalents at beginning of the year		**64,951**	264,303
Cash and cash equivalents at end of the year (note 34)		**1,447,550**	64,951

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in the year 2004, as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the (now repealed) Companies Ordinance, 1984 between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woollen and Textile Mills Limited (LWTM). The shares of the Company are listed on the Pakistan Stock Exchange Limited. The Company manages investment in its subsidiaries and associated company and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers.

The business units of the Company include the following:

Business units	Geographical location
Head office (registered office)	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
BTM Factory	Dawoodabad, Railway Station Road and Luddan Road, Chak 439, E.B, Tehsil Burewala, District Vehari.
LWTM Factory	G.T. Road, Faqirabad, District Attock.

1.2 Dawood Corporation (Private) Limited (DCPL) being the parent holds 54.84% of the shares in the Company.

1.3 During the years 2007 and 2008, the Company suspended operations of LWTM, BTM, DL and DCM. In this respect, land, building, plant and machinery and related assets of DL and DCM were disposed off. Furthermore, plant and machinery and related assets of LWTM and BTM were subsequently disposed off. Consequently, the Company does not have any industrial unit in production (note 33).

1.4 The Company continues to operate the 'Lawrencepur' brand name under a license.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Material accounting policy information

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Basis of preparation

These unconsolidated financial statements have been prepared under the historical cost convention except as specified in the relevant accounting policies.

The preparation of these unconsolidated financial statements in conformity with the above requirements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving judgement, assumptions and estimates significant to these financial statements are disclosed in note 3.

These unconsolidated financial statements represent the separate financial statements of the Company in which investments in subsidiaries and associates other than those classified as held for sale, (as detailed in note 17) have been stated at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company and its subsidiaries have been presented separately.

2.3 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- Provisions and directives issued under the Act.

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

2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Company's functional currency.

Initial application of standards and amendments to approved accounting and reporting standards

a) Amendments to approved accounting and reporting standards that became effective during the year

There are certain amendments to the accounting and reporting standards that became effective during the year ended December 31, 2023, however, these are considered not to have a significant impact on the Company's financial reporting and operations and therefore have not been presented here.

Amendments in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2: "Making Materiality Judgements"

The amendments provide guidance and examples to help entities apply material judgements in order to determine the accounting policy information which should be disclosed. The amendments aim to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments only had an impact on the Company's disclosure of accounting policies, but not on the measurement, recognition or presentation of any item in these unconsolidated financial statements.

b) Standards and amendments to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There are certain standards and amendments to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2023. These are not expected to have any material impact on the Company's financial reporting and, therefore, have not been presented in these unconsolidated financial statements.

2.6 Property, plant and equipment

Property, plant and equipment, except for freehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Freehold land and capital work-in-progress are stated at cost less accumulated impairment losses, if any.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss in the year in which these are incurred.

Depreciation is charged using the straight-line method whereby the cost of an operating asset less its estimated residual value is charged over its estimated useful life. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Depreciation on additions is charged from the month in which an asset is available for use while no depreciation is charged for the month in which an asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount and the resulting impairment loss is recognized in the profit or loss. The recoverable amount is higher of fair value, less expected selling expenses, and the value in use. Reversal of impairment is effected in the case of indicators of a change in recoverable amount and is recognized in the profit or loss, however, is restricted to the original cost of the asset reduced by depreciation.

Disposal of asset is recognized when significant risks and rewards incidental to ownership have been transferred to the buyer. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of an asset is recognized in the period of disposal in the profit or loss.

2.7 Intangible assets

Intangible assets are recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses, if any. These are amortized using the 'straight line method' from the month the software is available for use up to the month of its disposal at the rate disclosed in note 5.1.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Costs directly associated with acquiring software that have probable economic benefits exceeding one year, are recognized as an intangible asset. Direct costs include purchase cost of software and related overhead cost. Subsequent directly attributable costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of the intangible assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount and is charged in the profit or loss. Reversal of impairment losses are also recognised in the profit or loss, however, is restricted to the original cost of the asset.

2.8 Financial instruments

2.8.1 Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, and through profit or loss); or

- those to be measured subsequently at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

b) Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented within other gains / (losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in the profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2.8.2 Financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective interest rate method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the profit or loss.

2.8.3 Offsetting

Financial assets and liabilities are offset and the net amount reported in the financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.

2.8.4 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments (other than trade debts) carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Lifetime ECL is recognized when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12 month ECL under IFRS 9 'Financial Instruments'.

For trade debts, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade debts are grouped based on shared credit risk characteristics and the days past due.

The Company measures ECL of a financial instrument in a way that reflects:

a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcome;

b) the time value of money; and

c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets considered irrecoverable are written-off.

2.9 Impairment of non-financial assets including investment in subsidiaries and associates

The Company assesses at each reporting date whether there is an indication that an asset or a CGU is impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

When the recoverable amount of CGU is less than its carrying amount, an impairment loss is recognised. Intangible assets with indefinite useful lives are tested for impairment annually at year end either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

2.10 Investment in subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Furthermore, the Company also considers whether:

- It has power over the investee entity;

- It has exposure or right, to variable returns from its involvement with the investee entity; and

- It has the ability to use its power over the investee entity to affect the amount of the Company's returns.

Investment in subsidiary companies are stated at cost less accumulated impairment losses, if any.

2.11 Investment in associates

Associates are all entities over which the Company has significant influence but not control. Investment in associates are carried at cost less accumulated impairment losses, if any.

2.12 Stores and spares

These are valued at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and / or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated residual value.

2.13 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects are assigned by using the specific identification of their individual costs. For other types of inventory (except for stock in transit), cost is determined using the weighted average method. Stock in transit, on the other hand, is stated at cost (invoice value) plus other charges incurred thereon till the reporting date.

Cost includes applicable purchase cost, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, deposits held with banks and other short-term highly liquid investments with less than three months maturity from the date of acquisition.

2.15 Assets classified as held for sale

The Company classifies non-current assets as held for sale if the carrying amounts is to be recovered recovered principally through a sale transaction rather than through continuing use, the sale is considered highly probable within one year from the reporting date and the asset is available for immediate sale in the present condition. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Assets classified as held for sale are presented separately in the statement of financial position. An impairment loss is recognized for any initial or subsequent writedown of the asset to fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative imapirment loss previously recognized.

Assets are not depreciated or ammortized while these are classified as held for sale.

2.16 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

2.17 Employees' retirement benefits - defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company’s net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods, that benefit is discounted to determine its present value. The calculation is performed at least once annually, by a qualified actuary using the projected unit credit method. The Company operates a funded defined benefit ‘Gratuity’ plan for the management employees of the Company’s ‘Lawrencepur Woollen and Textile Mills Unit’ and other regular permanent employees who have completed qualifying period of service.

Provisions are made in the financial statements to cover obligations under the scheme. The provisions require assumptions to be made of future outcome which mainly include increase in remuneration, expected return on plan assets and the discount rate used to convert future cash flows to current values. Remeasurement gains and losses arising from the actuarial valuation are recognized immediately in other comprehensive income.

2.18 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental cost, if any, directly attributable to the issue of shares, are recognized in equity as a deduction, net of tax, from proceeds.

2.19 Taxation

2.19.1 Current

Provision for current taxation is based on income streams chargeable at current rate of taxation after taking into account tax credits and tax rebates available, if any. The charge for current tax includes adjustments to charge for prior years, if any.

2.19.2 Deferred

The Company has not accounted for deferred taxation as the Company expects that its income shall continue to be taxable under Alternate Corporate Tax (ACT) and Final Tax Regime (FTR) in future.

2.20 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) represents a separate major line of business or geographical area of operations;

(b) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or

(c) is a subsidiary acquired exclusively with a view to resale.

2.21 Revenue recognition

2.21.1 Revenue from contracts with customers

Revenue from sale of goods is recognized at a point in time when goods are transferred to the customer and when performance obligations are fulfilled. Goods are considered to be transferred when the control is transferred to the customer, i.e. at the time of dispatch of goods.

2.21.2 Other income

a) Interest income

Income from investments and deposits is recognized on an accrual basis.

b) Dividend income

Dividend income is recognized when the Company's right to receive the dividend is established.

c) Capital gain

Capital gains / losses arising on sale of investments are included in the profit or loss on the date at which the transaction takes place.

2.22 Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at rates of exchange prevailing at the reporting date. Foreign exchange differences are recognized in the profit or loss.

2.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Board of Directors of the Company that make the strategic decisions.

Management has disclosed information as required by IFRS 8 'Operating Segments' in note 40 to these unconsolidated financial statements.

2.25 Contingent Liabilities

Contingent liabilities are disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unconsolidated financial statements in conformity with the applicable accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

3.1 Impairment of investments in subsidiaries and associates

The Company assesses at each reporting date whether there exists an indication that investment in subsidiaries and associates may be impaired. If any such indication exists, the Company estimates the recoverable amount, which is higher of assets' fair value less cost to sell and its value-in-use.

IIn making estimate of recoverable amount of the Company's investment in subsidiaries and associate, the management considers future cash flows / dividend stream and estimates discount rate and terminal value of these investments, which are subject to change.

Where the carrying amount of investments exceeds its recoverable amount, these are considered impaired and are written down to its recoverable amount. Impairment loss is recognised as an expense in the profit or loss.

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Building on freehold land	Plant and machinery	Furniture, fixtures and office equipment	Computers	Tools and equipment	Vehicles	Renewable energy units	Total
	(Rupees)								
As at January 1, 2022									
Cost	3,157	67,719	102,870	65,943	7,038	3,642	9,374	2,450	262,193
Accumulated depreciation	-	(64,787)	(100,395)	(60,543)	(6,875)	(3,642)	(8,068)	(1,959)	(246,269)
Net book value	3,157	2,932	2,475	5,400	163	-	1,306	491	15,924
Year ended December 31, 2022									
Net book value at the beginning of the year	3,157	2,932	2,475	5,400	163	-	1,306	491	15,924
Additions	-	-	1,070	-	490	122	4,325	-	6,007
Disposals									
Cost	-	(1,892)	-	-	-	-	-	-	(1,892)
Accumulated depreciation	-	1,790	-	-	-	-	-	-	1,790
	-	(102)	-	-	-	-	-	-	(102)
Depreciation (note 4.3)	-	(170)	(174)	(1,104)	(188)	(13)	(555)	(245)	(2,449)
Net book value at the end of the year	3,157	2,660	3,371	4,296	465	109	5,076	246	19,380
As at January 01, 2023									
Cost	3,157	65,827	103,940	65,943	7,528	3,764	13,699	2,450	266,308
Accumulated depreciation	-	(63,167)	(100,569)	(61,647)	(7,063)	(3,655)	(8,623)	(2,204)	(246,928)
Net book value	3,157	2,660	3,371	4,296	465	109	5,076	246	19,380
Year ended December 31, 2023									
Net book value at the beginning of the year	3,157	2,660	3,371	4,296	465	109	5,076	246	19,380
Additions	-	1,300	-	187	-	865	-	-	2,352
Disposals									
Cost	-	-	-	-	(103)	-	-	-	(103)
Accumulated depreciation	-	-	-	-	103	-	-	-	103
	-	-	-	-	-	-	-	-	-
Depreciation (note 4.3)	-	(210)	(192)	(1,092)	(207)	(146)	(1,074)	(246)	(3,166)
Net book value at the end of the year	3,157	3,750	3,179	3,391	258	828	4,002	-	18,566
As at December 31, 2023									
Cost	3,157	67,127	103,940	66,130	7,425	4,629	13,699	2,450	268,557
Accumulated depreciation	-	(63,377)	(100,761)	(62,739)	(7,167)	(3,801)	(9,697)	(2,450)	(249,991)
Net book value	3,157	3,750	3,179	3,391	258	828	4,002	-	18,566
Annual rate of depreciation (%)	-	10%	10% - 20%	10%	33%	10%	20%	10%	

(Amounts in thousand)

4.1 The above includes assets with an aggregate net book value of Rs. 10,464 (2022: Rs. 10,464) held as idle assets which relate to discontinued units, LWTM and BTM.

4.2 The Company's assets include equipment costing Rs. 28,604 (2022: Rs. 28,707) having Nil net book value that are still in use of the Company.

	2023	2022
	------------ (Rupees) ------------	
4.3 Depreciation for the year has been charged in:		
Administrative expenses (note 27)	**3,166**	2,449

4.4 The details of immovable fixed assets (i.e. land and buildings) are as follows:

Description of location	**Address**	**Total area of land in Acres**
BTM Factory	Dawoodabad, Railway Station Road and Luddan Road, Chak 439, E.B, Tehsil Burewala, District Vehari.	313.725
LWTM Factory	G.T. Road, Faqirabad District Attock	230

	2023	2022
	------------ (Rupees) ------------	
5 INTANGIBLE ASSETS		
Net carrying value		
Balance at beginning of the year	**-**	4
Amortization (note 5.1)	**-**	(4)
Balance at end of the year	**-**	-
Gross carrying value		
Cost	**20,001**	20,001
Accumulated amortization	**(20,001)**	(20,001)
Net book value	**-**	-

5.1 The cost of the above intangible asset have been amortized over 3 years and charged to administrative expenses (note 27).

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
6.	**LONG-TERM INVESTMENTS**		
	Investment in related parties, at cost (note 6.1)	**213,298**	3,519,102
	Provision for impairment (note 6.1.10)	**(148,001)**	(859,001)
		65,297	2,660,101
	Other investments:		
	- Financial assets at fair value through profit or loss (note 6.2)	**15,184**	11,564
	- Financial assets at fair value through other comprehensive income (note 6.2)	**15**	15
		15,199	11,579
		80,496	2,671,680
	Classified as short-tem investment		
	Reon Energy Limited	**-**	(1,026,000)
	Provision for impairment	**-**	726,000
		-	(300,000)
		80,496	2,371,680
6.1	**Investment in related parties - at cost**		
	Subsidiary - unquoted		
	Tenaga Generasi Limited (note 6.1.1) Percentage holding 75% (2022: 75%) 227,027,613 (2022: 227,027,613) (note 6.1.1) fully paid ordinary shares of Rs. 10 each	**2,294,804**	2,294,804
	Wholly owned subsidiaries - unquoted		
	Reon Energy Limited (note 6.1.2) Percentage holding 100% (2022: 100%) 102,600,000 (2022: 102,600,000) fully paid ordinary shares of Rs. 10 each	**1,026,000**	1,026,000
	Reon Alpha (Private) Limited (note 6.1.3) Percentage holding 100% (2022: 100%) 13,300,100 (2022: 13,300,100) fully paid ordinary shares of Rs. 10 each	**148,001**	133,001
	Mozart (Private) Limited (note 6.1.4) Percentage holding 100% (2022: 100%) 100 (2022: 100) fully paid ordinary shares of Rs. 10 each	**1**	1
	Greengo (Private) Limited (note 6.1.5) Percentage holding 100% (2022: 100%) 100 (2022: 100) fully paid ordinary shares of Rs. 10 each	**1**	1
	Abrax (Private) Limited (note 6.1.6) Percentage holding 100% (2022: 100%) 100 (2022: 100) fully paid ordinary shares of Rs. 10 each	**1**	1
		1,174,004	1,159,004
	Associate - quoted		
	Dawood Hercules Corporation Limited (note 6.1.7) Percentage holding 16.19% (2022: 16.19%) 77,931,896 (2022: 77,931,896) fully paid ordinary shares of Rs. 10 each Market value Rs. 8,388,589 (2022: Rs. 7,364,564)	**65,294**	65,294
	Investment in subsidiaries classified as held for sale (note 17)	**(3,320,804)**	-
		213,298	3,519,102

6.1.1 Tenaga Generasi Limtied (TGL) was incorporated in Pakistan on December 1, 2005 as a public unliwted company to carry out the business of power generation as an independent power producer using wind energy.

6.1.2 Reon Energy Limited (REL) was incorporated in Pakistan on September 15, 2014, as a public unlisted company to carry out the business of trading and construction of renewable energy projects, mainly solar projects, to commercial and industrial customers.

6.1.3 Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 as a private limited company to carry out the business of sale and construction of renewable energy projects. The principal business of RAPL is to own and operate electric power generation project and supply electricity as an independent power producer. RAPL's plant commenced commercial operations on April 22, 2020. During the year, the Company subscribed to additional 1,500 ordinary shares of RAPL while maintaining shareholding of 100% in the Company.

During the year, the Company carried out a review of the recoverable amount of its investment in RAPL due to impairment indicators including escalation in interest rates which adversely affected the cashflows of RAPL, as it has obtained long term financing at commercial rates.

The Company estimated the recoverable amount by using value-in-use method. The value-in-use of the investment is based on the future expected cashflows over the remaining 13 years life of the project as per the terms of the Power Purchase Agreement of RAPL with Sindh Engro Coal Mining Company Limited (SECMC). The pre-tax discount rates are derived from RAPL’s cost of equity, which has been calculated using the capital asset pricing model, the inputs of which include a country risk-free rate, equity risk premium and a risk adjustment (beta). The discount rate used in measuring value-in-use is 19.81%. per annum (2022: 18.78%) based on the effective gearing of RAPL.

Based on the assessment performed, the recoverable amount determined as at December 31, 2023 is Nil, hence a further impairment loss of Rs. 15,000 (2022: Rs. 69,252) has been recorded in the profit or loss. Accordingly, the Company's investment in RAPL becomes fully impaired.

6.1.4 Mozart (Private) Limited (MPL) was incorporated in Pakistan on October 4, 2016 as a private limited company to manage investments in associated companies. MPL is yet to execute its business activities.

6.1.5 Greengo (Private) Limited (GPL) was incorporated in Pakistan on October 4, 2016 as a private limited company to manage the Company's legacy assets located in Attock Mill. GPL is yet to execute its business activities.

6.1.6 Abrax (Private) Limited (APL) was incorporated in Pakistan on October 4, 2016 as a private limited company to manage the Company's legacy assets located in Burewala. APL is yet to execute its business activities.

6.1.7 Dawood Hercules Corporation Limited (DHCL) was incorporated in Pakistan on April 17, 1968 as a public limited company and has its shares quoted on the Pakistan Stock Exchange Limited. The principal activity of DHCL is to manage investments in its subsidiary and associated companies.

(Amounts in thousand)

6.1.8 The Company has pledged ordinary shares of its associate and subsidiaries as security against financing facilities availed by itself and its subsidiaries from various commercial banks (note 23). The details of which are as follows:

Facilities / Banks	Shares pledged	As at December 31, 2023 Number of shares pledged	As at December 31, 2023 Face value of shares pledged	As at December 31, 2023 Market value of pledged shares	As at December 31, 2022 Number of shares pledged	As at December 31, 2022 Face value of shares pledged	As at December 31, 2022 Market value of pledged shares
			-----Rupees-----			-----Rupees-----	
Pledged against short-term financing and other facilities availed by the Company and its subsidiares							
Bank Al Habib Limited (notes 22.1.12 and 6.1.9)	Dawood Hercules Corporation Limited	6,200,000	62,000	667,368	10,200,000	102,000	963,900
Habib Bank Limited (notes 22.1.12 and 6.1.9)		-	-	-	28,350,000	283,500	2,679,075
United Bank Limited (notes 22.1.12 and 6.1.9)		27,900,000	279,000	3,003,156	-	-	-
MCB Bank Limited (notes 22.1.12 and 6.1.9)		-	-	-	210,000	2,100	19,845
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (note 22.1.12)	Reon Alpha (Private) Limited	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi Limited	34,599,995	346,000	-*	34,599,995	346,000	-*

*Tenaga Generasi Limited is an unlisted company and Reon Alpha (Private) Limited is a private company.

6.1.9 During the year, 28,350, 210 and 4,000 shares were released from Habib Bank Limited, MCB Bank Limited and Bank Al Habib and 27,900 shares of Dawood Hercules Corporation Limited (DHCL) have been pledged on account of an arrangement of Stand-By Letter of Credit (SBLC) in favor of Tenaga Generasi Limited (TGL) with United Bank Limited.

6.1.10 The movement in provision for impairment of investment is as follows:

	2023	2022
	------ (Rupees) ------	
Balance at beginning of the year	**859,001**	63,749
Provision recognized during the year (notes 6.1.3 and 28)	**15,000**	795,252
Transferred to assets held for sale (note 17)	**(726,000)**	-
Balance at end of the year	**148,001**	859,001

6.2 Other investments

2023	2022	Name of Investee	2023	2022
Units / Number of Shares				
200,000	200,000	National Investment (Unit) Trust (note 6.3)	15,184	11,564
1,500	1,500	Asian Co-operative Society Limited (note 6.3)	15	15
			15,199	11,579

6.3 Reconciliation between fair value and cost of investments

	2023	2022
Fair value of investments	**15,199**	11,579
Surplus on remeasurement of investments as at year end	**(12,744)**	(9,124)
	2,455	2,455

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
7.	**LONG-TERM DEPOSITS**		
	Deposits for utilities	**2,778**	2,778
8.	**STORES AND SPARES**		
	Stores	**892**	892
	Spares	**892**	892
		1,784	1,784
	Less: Provision for slow moving and obsolete items	**(892)**	(892)
		892	892
9.	**STOCK**		
	Textile		
	Finished goods	**6,102**	10,426
	Provision for write down to Net Realisable Value (note 9.1)	**(1,684)**	(1,684)
		4,418	8,742
		4,418	8,742
9.1	The movement in provisions for write down to NRV is as follows:		
	Balance at the beginning of the year	**1,684**	2,029
	Reversal	**-**	(345)
	Balance at the end of the year	**1,684**	1,684
10.	**TRADE DEBTS - unsecured**		
	- Considered doubtful		
	Renewable energy	**2,590**	2,590
	Others	**1,052**	1,052
		3,642	3,642
		3,642	3,642
	Allowance for expected credit losses	**(3,642)**	(3,642)
		-	-
11.	**LOANS TO SUBSIDIARIES - unsecured, considered good**		
	Subordinated loans to subsidiary companies:		
	Tenaga Generasi Limited (note 11.1 and 11.2)	**437,000**	437,000
	Reon Energy Limited (note 7 and 11.3)	**300,000**	300,000
	Abrax (Private) Limited (note 11.4)	**823**	676
	Mozart (Private) Limited (note 11.4)	**780**	649
	Greengo (Private) Limited (note 11.4)	**819**	678
		739,422	739,003
	Less: Provision for impairment (note 7.2)	**(300,000)**	(300,000)
		439,422	439,003

(Amounts in thousand)

11.1 In April 2017, the Company entered into a subordinated loan agreement with Tenaga Generasi Limited (TGL, a subsidiary company) for arranging finance upto a limit of Rs. 300,000. The original term of the facility was one year. However, in 2018, the facility was extended for a period upto three years with all other terms unchanged, with a further extension of another year in 2021. During the year, the facility has been extended till April 2024 with all other terms unchanged.The facility carries mark-up at the rate of 3 months KIBOR plus 1.775%.

11.2 In 2019, the Company entered into another subordinated loan agreement with TGL for arranging finance to the extent of Rs. 1,000,000 to fulfill its working capital requirements. The loan is subject to mark-up calculated at the rate of three months KIBOR plus 2%. The term of the loan was initially for one year, however, in 2020, the tenure of the loan was further extended for another one year, with further extension till July 11, 2023. During the year, the facility has been extended till July 11, 2024. As at December 31, 2023, TGL has utilised Rs. 137,000 of the facility amount.

11.3 On February 22, 2019, the Company provided a loan to Reon Energy Limited (REL, a subsidiary company) amounting to Rs. 300,000, carrying mark-up at the rate of 1% above the average borrowing cost of the Company, to finance its operations. Originally, the principal amount was to be repaid on a lump-sum basis within a period of one year, however repayment terms had been further extended on time to time basis till December 31, 2022. On May 25, 2022 an addendum was signed between the parties and the loan has been converted to a long term loan with principal amount being repayable upon retirement of existing long term financing facilities of the REL. However, the same was classified as short term for reasons described below.

Under the second amendment to the SPA (note 17.1) dated June 30, 2023, the loan shall be waived off when the corporate guarantees issued by the Company on behalf of REL are either released or replaced. Accordingly, the loan has been provided for and will be written off when the aforementioned conditions have been met.

11.4 These represent unsecured loans issued to subsidiary companies, in the year 2018, with individual financing limit of upto Rs. 1,000 to fulfill working capital requirements. The loans are subject to mark-up at the rate of average borrowing rate of the Company plus 1% per annum. The loans are repayable on demand.

	2023	2022
	(Rupees)	
11.5 The movement in loans to subsidiaries is as follows:		
Balance at beginning of the year	**439,003**	738,525
Loan disbursed during the year	**419**	478
Allowance for expected credit losses (note 11.3)	**-**	(300,000)
Balance at end of the year	**439,422**	439,003

(Amounts in thousand)

11.6 The maximum aggregate amounts outstanding against loans to subsidiaries at the end of any month during the year were as follows:

	2023	2022
Tenaga Generasi Limited	437,000	437,000
Reon Energy Limited	300,000	300,000
Abrax (Private) Limited	823	676
Mozart (Private) Limited	780	649
Greengo (Private) Limited	819	678

12. LOANS AND ADVANCES - unsecured, considered good

Loans and advances to employees (note 12.1)	1,754	2,843
Advance to suppliers	250	843
	2,004	3,686

12.1 This represents interest free loans to employees in accordance with their terms of employment and advances provided for the purpose of operational expenses.

13. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - considered good

	2023	2022
	------ (Rupees in '000) ------	
Security deposits	7,413	7,413
Prepayments	735	2,224
Sales tax	15,728	8,471
Others - unsecured (note 13.1)	61,180	60,906
	85,056	79,014

13.1 This includes amount due from related parties as follows:

Sach International (Private) Limited	33,095	27,250
Tenaga Generasi Limited	5,607	2,558
Reon Energy Limited	15,018	18,767
Reon Alpha (Private) Limited	4,749	2,743
Dawood Foundation	1,546	1,546
Dawood Hercules Corporation Limited	1,165	257
	61,180	53,121

Maximum aggregate outstanding amounts at any time during the year based on month end balances are as follows:

	2023	2022
	------ (Rupees in '000) ------	
Sach International (Private) Limited	33,095	32,759
Tenaga Generasi Limited	56,980	27,765
Reon Energy Limited	20,251	19,229
Reon Alpha (Private) Limited	4,749	2,743
Dawood Foundation	1,546	1,546
Dawood Hercules Corporation Limited	1,165	257

(Amounts in thousand)

13.2 As at December 31, 2023, receivables from related parties aggregating to Rs. 36,404 (2022: Rs. 36,697) were past due but not impaired. The aging analysis of these receivables is as follows:

	2023	2022
	(Rupees)	
Upto 3 months	**2,329**	2,893
3 to 6 months	**1,249**	539
More than 6 months	**32,826**	33,265
	36,404	36,697

14. INTEREST ACCRUED

This represents mark-up on loans and other receivables from related parties as follows:

	2023	2022
Tenaga Generasi Limited	**330,383**	227,588
Reon Energy Limited	**114,640**	41,396
Reon Alpha (Private) Limited	**1,201**	416
Mozart (Private) Limited	**328**	163
Abrax (Private) Limited	**347**	174
Greengo (Private) Limited	**347**	175
	447,246	269,912
Less: Allowance for expected credit losses (note 11.3)	**(109,226)**	-
	338,320	269,912

14.1 The maximum aggregate amounts outstanding against mark-up receivable from related parties at the end of any month during the year were as follows:

	2023	2022
	(Rupees)	
Tenaga Generasi Limited	**330,383**	227,588
Reon Energy Limited	**114,640**	41,396
Reon Alpha (Private) Limited	**1,201**	416
Mozart (Private) Limited	**328**	163
Abrax (Private) Limited	**347**	174
Greengo (Private) Limited	**347**	175

14.2 As at December 31, 2023, mark-up receivable from related parties aggregating to Rs. 50,717 (2022: Rs. 37,498) was past due but not impaired. The aging analysis of these receivables is as follows:

	2023	2022
	(Rupees)	
Upto 3 months	**1,393**	13,807
3 to 6 months	**14,664**	12,707
More than 6 months	**34,660**	10,984
	50,717	37,498

15. Short term investments

	2023	2022
At fair value through profit or loss		
Investment in units of mutual fund (note 15.1)	**145,809**	-
Investment in listed equity securities (note 15.2)		
- 2,500,000 shares of MCB Bank Limited	**431,375**	-
- 800,000 shares of Pakistan Petroleum Limited	**92,024**	-
- 1,550,000 shares of United Bank Limited	**275,652**	-
- 847,457 shares of Systems Limited	**358,949**	-
	1,158,000	-
	1,303,809	-

(Amounts in thousand)

15.1 This represents investment in 2,889,140 units of Pakistan Cash Management Fund having cost of Rs. 145,809 and Net Asset Value of Rs. 50.4678 / unit.

15.2 Reconciliation between fair value and cost of investments

	2023	2022
	---------- (Rupees) ----------	
Fair value of investments	1,158,000	-
Deficit on remeasurement of investments as at year end	31,550	-
Cost of investments	1,189,550	-

16. CASH AND BANK BALANCES

	2023	2022
Cash in hand	160	215
Balances with banks in:		
- current accounts	114,437	28,810
- deposit accounts	29,144	35,926
	143,581	64,736
	143,741	64,951

17. ASSET CLASSIFIED AS HELD FOR SALE

	2023	2022
Investment in subsidiaries		
Reon Energy Limited (note 18.1)	100,000	-
Tenaga Generasi Limited (note 18.2)	2,294,804	-
	2,394,804	-

17.1 On March 22, 2023, the Board of Directors of the Company approved sale of 100% shareholding in REL followed by which a share purchase agreement (SPA) was signed between the Company and Juniper International FZ LLC stipulating a maximum consideration of Rs. 300,000, subject to certain adjustments. On May 30, 2023, the sale of REL has been approved by the shareholders in the Annual General Meeting. Accordingly, the Company has classified its investment in REL as held for sale. During the year, the Company has signed an addendum to the SPA at revised consideration of Rs.100,000.

As of the reporting date, the Company has remeasured its investment in REL classified as held for sale amounting to Rs. 100,000. Accordingly, loss on remeasurement amounting to Rs. 200,000 has been recognized in the profit or loss.

The completion of sale transaction is subject to replacement of the company's corporate guarantees (note 22.1.12) issued in favour of the lenders of REL which the management expects to acheive in the next year.

17.2 On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers.

The management of the Company based on the high probability of approval from the International Finance Corporation (IFC) and the shareholders of the Company in respect of the proposed sale transaction has classified the Company's investment in TGL as 'held for sale'.

Subsequent to the year end, the Company has entered into a SPA with Artistic Milliner (Pvt) Limited specifying a consideration of US Dollars 30,900. Further, IFC which holds 25% shareholding in TGL has also in its letter dated March 11, 2024 has agreed to tag along with the said transaction under section 4.06(b) of the TGL's Shareholder's Agreement. The management expects to complete the sale transaction within the next year.

17.3 The management has classified the fair value determination of investments in its subsidiaries as level 3 valuation based on the amounts agreed under the respective SPAs. An explanation of level 3 valuation technique is provided in note 37.

18. SHARE CAPITAL

Authorized capital

2023	2022	2023	2022
-----(Number of shares) -----		------ (Rupees in '000) ------	
75,000,000	75,000,000	**750,000**	750,000

Issued, subscribed and paid up capital

2023	2022		2023	2022
---(Number of shares) ---			------ (Rupees in '000) ------	
2,204,002	2,204,002	**Ordinary shares of Rs. 10 each** Fully paid in cash	**22,040**	22,040
12,805,118	12,805,118	Issued for consideration other than cash (note 18.3)	**128,051**	128,051
44,048,739	44,048,739	Issued as bonus shares	**440,487**	440,487
130,520	130,520	Issued as right shares as per the Court Order (note 18.4)	**1,305**	1,305
111,430	111,430	Issued as bonus shares as per the Court Order (note 18.4)	**1,115**	1,115
59,299,809	59,299,809		**592,998**	592,998

18.1 Associates holding the Company's share capital are as under:

	2023	2022
	---(Number of shares) ---	
Dawood Corporation (Private) Limited	**32,521,794**	32,515,564
The Dawood Foundation	**2,979,324**	2,979,324
Dawood Investments (Private) Limited (formerly Patek (Private) Limited)	**4,443,661**	4,443,661
Cyan Limited	**2,965,095**	2,965,095
Sach International (Private) Limited	**3,776**	3,776
	42,913,650	42,907,420

18.2 The Company has a single class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the Company. All shares rank equally with regard to the Company's residual assets.

18.3 Shares issued for consideration other than cash represent shares issued to the shareholders of the amalgamating companies in accordance with the share-swap ratio stipulated in the Scheme of Arrangement for Amalgamation (note 1.1).

18.4 In compliance with the orders passed by the Honorable Sindh High Court (note 21), the Company had issued 241,950 shares (denoting 130,520 shares as right issue and 111,430 as bonus issue) to National Investment (Unit) Trust [managed by National Investment Trust Limited (NIT)] on May 12, 2020.

19. DEFERRED LIABILITIES - STAFF RETIREMENT GRATUITY

	2023	2022
	------ (Rupees in '000) ------	
Staff retirement benefits - gratuity	**3,506**	4,759

The details of staff retirement benefit obligation based on actuarial valuation carried out by the independent actuary of the Company as at December 31, 2023 using the Projected Unit Credit Method are as follows:

	2023	2022
	------------------ % ------------------	
19.1 Principal actuarial assumptions used in the actuarial valuation		
Financial assumptions:		
Discount rate used for year end obligation	**14.75**	14.50
Expected rate of salary increase	**13.75**	13.50
Expected return on plan assets	**11.52**	11.52
Demographic assumptions:		
Expected withdrawal rate	**Age-Based**	Age-Based
Expected retirement age	**Age 60**	Age 60
Expected mortality rates	**SLIC 2001 - 2005 (Set back 1 year)**	SLIC 2001 - 2005 (Set back 1 year)

	2023	2022
	------ (Rupees in '000) ------	
19.2 Statement of financial position reconciliation		
Present value of defined benefit obligation (note 19.3)	**8,284**	8,950
Fair value of plan assets (note 19.4)	**(4,778)**	(4,191)
Net liability at end of the year	**3,506**	4,759
19.3 Movement in present value of defined benefit obligation		
Present value of defined benefit obligation at beginning of the year	**8,950**	8,476
Current service cost	**1,298**	1,512
Interest cost	**1,029**	880
Liability transferred from other group company	**906**	-
Liability transferred to other group company	**(218)**	-
Benefits paid	**(3,595)**	(1,977)
Remeasurement loss on obligation (note 20.6)	**(86)**	59
Present value of defined benefit obligation at end of the year	**8,284**	8,950

(Amounts in thousand)

		2023	2022
		---------- (Rupees) ----------	
19.4	**Movement in fair value of plan assets**		
	Fair value of plan assets at beginning of the year	**4,191**	3,779
	Contributions made by the Company	**3,595**	1,977
	Interest income	**608**	444
	Benefits paid	**(3,595)**	(1,977)
	Remeasurement loss on plan assets excluding interest income	**(21)**	(32)
	Fair value of plan assets at end of the year	**4,778**	4,191
19.5	**Expense recognized in statement of profit or loss**		
	Current service cost	**1,298**	1,512
	Interest cost on defined benefit obligation	**1,029**	880
	Interest income on plan assets	**(608)**	(444)
	Expense for the year	**1,719**	1,948
19.6	**Remeasurement loss on defined benefit obligation recognized in statement of comprehensive income**		
	Remeasurement of plan obligations		
	Changes in financial assumptions	**(5)**	(34)
	Experience adjustments	**91**	(25)
		86	(59)
	Return on plan assets, excluding interest income	**(21)**	(32)
		65	(91)
19.7	**Net recognized liability**		
	Net liability at beginning of the year	**4,759**	4,697
	Expense recognized in profit or loss (note 20.5)	**1,719**	1,948
	Remeasurement loss recognized in other comprehensive income (note 20.6)	**(65)**	91
	Contributions made during the year	**(3,595)**	(1,977)
	Net liability transferred from / (to)	**687**	-
	Net liability at end of the year	**3,506**	4,759

19.8 Plan assets comprise of investments in units of mutual funds.

19.9 The weighted average duration of the defined benefit obligation is 11 years.

19.10 Expected future cost for the year ending December 31, 2024 is Rs. 1,387.

(Amounts in thousand)

19.11 Maturity profile

Distribution of timing of benefit payments (times in years)	**2023**
	----- (Rupees) -----
1	**338**
2	**396**
3	**452**
4	**519**
5	**577**
6	**629**
7	**706**
8	**1,928**
9	**914**
10	**1,035**
11+	**247,465**

19.12 The scheme exposes the Company to the following risks:

- Final salary risk (linked to inflation risk) – the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

- Investment risk - the risk of the investment underperforming and being not sufficient to meet the liabilities.

19.13 Historical information of staff retirement benefits:

	2023	**2022**	**2021**	**2020**	**2019**
	------	------	Rupees	------	------
Present value of defined benefit obligation	(8,284)	(8,950)	(8,476)	(6,341)	(4,843)
Fair value of plan assets	4,778	4,191	3,779	3,586	3,366
Deficit	(3,506)	(4,759)	(4,697)	(2,755)	(1,477)

(Amounts in thousand)

19.14 Sensitivity analysis for actuarial assumptions

	Change in assumption	Present value of defined benefit obligation due to change in assumption	
		2023	**2022**
		(Rupees)	
Discount rate	+1%	7,438	8,377
Discount rate	-1%	9,256	9,608
Future salary increase rate	+1%	9,268	9,615
Future salary increase rate	-1%	7,413	8,361

The sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability for gratuity recognized within the statement of financial position.

20. TRADE AND OTHER PAYABLES

	2023	2022
	(Rupees)	
Creditors	**2,561**	2,845
Accrued liabilities	**28,323**	26,494
Due to Islamic Development Bank (note 20.1)	**25,969**	25,969
Deposits (note 20.2)	**489**	489
Withholding tax	**1,376**	1,080
Advance from TGL	**50**	50
Advance against disposal of REL (note 20.3)	**100,004**	-
Other payables	**22,957**	8,870
	181,729	65,797

20.1 This represents amount payable against the preference shares issued before amalgamation in the year 2004 by one of the merged entities to Islamic Development Bank with a right to redeem. The merged entity had served notice to the Bank for redemption before the scheme of amalgamation and redemption reserve had been created.

20.2 All deposits are interest free and are payable on demand. These include Rs. 346 (2022: Rs. 346) utilized as per the agreement with the respective parties. The balance is not kept in a separate bank account.

20.3 This represents amount received from Juniper International FZ LLC against sale of Company's investment in REL classified as held for sale (note 17.1). The amount has been kept in a separate escrow account.

21. PROVISIONS

In 1975, LWTM offered 130,520 right shares to National Investment (Unit) Trust, managed by National Investment Trust Limited (NIT), where the offer was accepted by NIT and acknowledged by LWTM. These events took place during the validity of the Consent Order dated January 2, 1976 issued by the Controller of Capital Issues. However, payment for the said shares was made by NIT after the expiry of the Consent Order based on which LWTM contended that it was no longer obliged to issue shares to NIT.

On October 3, 1998 a decree was passed by the High Court of Sindh (HCS) in favour of NIT wherein NIT was declared the owners of the right shares along with other consideration. The Company filed an appeal in the HCS which suspended the operation of the impugned order. In 2016, the HCS decided the case in favour of NIT whereby the Company was ordered to release the unissued shares, bonus shares, dividend accrued and interest till the date of the Decree of the HCS. In 2018, NIT filed an Execution Application before the HCS for the Order passed by HCS, whereby NIT expressed a disagreement on the amount of dividend payable thereto as communicated to it by the Company.

On September 16, 2019, the Company received an Order from the HCS wherein it was directed to deposit Rs. 8,235 with the Nazir for onward payment to NIT as originally agreed between the two parties and to transfer the underlying 241,950 shares of DCM to NIT. The Company obtained a correction in this Order from the HCS wherein the name of DCM was changed to Dawood Lawrencepur Limited and the word "transfer" of shares was changed to "issue" thereof. Moreover, the Company obtained a concurrence of the Securities and Exchange Commission of Pakistan (SECP) upon the matter that the issue of aforesaid shares by the Company to NIT in terms of the Order of the HCS dated October 3, 1998 did not attract applicability of section 83 of the Companies Act, 2017 and was, hence, allowed to proceed with the share issue in terms of section 344 thereof. In the year 2021, in compliance with the order of HCS, Company has issued 241,950 shares as stated in note 18.4.

The Company has estimated the total provision in respect of mark-up and dividend payments due to NIT to be Rs. 15,595 out of which the Company has deposited Rs. 8,235 with the Nazir of High Court pursuant to the Court Order for onward payment to NIT. The Company anticipates that the remaining provision amounting to Rs. 7,360 maintained in these unconsolidated financial statements is sufficient to meet the remaining obligation of the Company in respect of this matter.

22. CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

The Additional Commissioner Inland Revenue (ACIR) in its order dated January 1, 2011, amended the amount of allocation of expenses from business income to capital gain and dividend income to Rs. 62,500 from the original allocation of Rs. 136,105. The Company filed an appeal where disallowances of Rs. 62,500 were upheld by Commissioner Inland Revenue Appeals [CIR(A)]. On July 30, 2013, the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which decided the matter in favour of the Company on December 18, 2018. On March 01, 2019 the department has filed a reference application before the High Court of Sindh (HCS) for the allocation of common expenses which is pending adjudication. Total increase in incidence of tax was Rs. 25,762. Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these financial statements.

22.1.2 Dividend income offset against business losses (Tax years 2006, 2008 and 2009)

Previously, the ACIR in his order dated May 6, 2014 had disallowed to set off dividend income against business losses for tax years 2008 and 2009 having a tax impact of Rs. 13,926. On March 29, 2013, an appeal was filed with the ATIR who decided the matter in favour of the Company on December 18, 2018. On March 01, 2019, the ACIR has filed a reference application before the HCS for the allocation of common expenses and minimum tax which is pending adjudication. Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these financial statements.

22.1.3 Assessment of annual tax return (Tax year 2014)

The income tax return of the Company was selected for tax audit by the department through computer ballot on October 27, 2015. The Company submitted the relevant information requested after which the department issued a show cause notice to the Company on May 16, 2016 citing several factual and legal issues in the assessment for tax year 2014. The Company subsequently challenged the aforementioned proceedings in the HCS and obtained an interim stay.

During the tax year 2020, the HCS vacated the stay petition and decided the case in favour of the department upon which the DCIR through an order dated October 28, 2020 raised a demand of Rs. 421,567. The Company filed an appeal before the CIR(A) on November 9, 2020 who passed an order dated January 14, 2021 in the Company's favour and remanded back the case to the assessing officer on basis of legal grounds since the Company was not provided the opportunity of being heard. Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these financial statements.

22.1.4 Assessment of annual tax return (Tax years 2015 and 2016)

The assessment of annual tax return was initiated by the department on April 19, 2019, the Company received a show cause notice from the ACIR citing several factual and legal issues in the assessment for tax years 2015 and 2016 in response to which the Company submitted documentary evidence. On September 13, 2019, the ACIR issued orders against the Company wherein a net tax demand o Rs. 1,384 and Rs. 1,577 were raised in respect of tax years 2015 and 2016, respectively.

During October 2019, the Company filed an appeal against the aforesaid orders with the CIR(A) who passed an order on November 29, 2019 confirming the impugned orders of the learned ACIR on the issue of minimum tax. In response, the Company has filed an appeal before ATIR on December 10, 2019. During the year, remand back proceedings were initiated on the remaining issues not contested before ATIR and order was passed, which has been again challenged before CIR(A). Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no provision has been recognised in these financial statements.

22.1.5 Assessment of annual tax return (Tax year 2017)

The Company received an order from the Additional Commissioner Inland Revenue (ACIR) dated December 10, 2018 for Tax Year 2017 wherein a demand of Rs 43,726 was raised. The ACIR stated that the recovery of demand to the extent of Super Tax amounting to Rs 42,329 would not be pursued as per the direction of the HCS, whereas, the remaining balance demanded was adjusted against refunds of the tax year 2016. On December 24, 2018, the Company filed an appeal against the order with the [CIR(A)] who passed an order on April 15, 2019 confirming the impugned orders of the ACIR. In response, the Company has filed an appeal before the ATIR on May 28, 2019 which is pending for hearing.

"Furthermore, the Company had filed a constitutional petition before the SHC against the levy of super tax for tax year 2017 based on the contention that Super Tax, passed by a money bill through the Finance Act, 2015 and subsequently extended through the Finance Acts 2016 and 2017, was required to be approved by the Senate. The SHC had initially granted an interim order in favour of the Company. However, via its order dated July 21, 2020, the SHC has disposed off other cases involving the same matter in favor of the department. The Company had already recognised a provision amounting to Rs. 37,342 in respect of the aforementioned order in prior years. However, during the year, the department had reinitiated the proceedings and again passed the aforementioned order, which had been challenged before CIR(A).

Later, CIR(A) vide its order dated September 8, 2022 remanded back the order passed by ACIR in 2018. Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no further provision has been recognised in these financial statements.

Furthermore, the Company had filed a constitutional petition before the SHC against the levy of super tax for tax year 2017 based on the contention that Super Tax, passed by a money bill through the Finance Act, 2015 and subsequently extended through the Finance Acts 2016 and 2017, was required to be approved by the Senate. The SHC had initially granted an interim order in favour of the Company. However, via its order dated July 21, 2020, the SHC has disposed off other cases involving the same matter in favor of the department. The Company had already recognised a provision amounting to Rs. 37,342 in respect of the aforementioned order in prior years. However, during the year, the department had reinitiated the proceedings and again passed the aforementioned order, which had been challenged before CIR(A).

Later, CIR(A) vide its order dated September 8, 2022 remanded back the order passed by ACIR in 2018. Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no further provision has been recognised in these financial statements.

On April 23, 2020, the Company received an order for tax year 2017 from the Assistant Commissioner Inland Revenue (ACIR) raising a demand of Rs. 87,492 including default surcharge and penalty amounting to Rs. 29,645 and Rs. 2,755 respectively. The order was raised primarily on account of taxability of supplies made by the Company as exempt and related inadmissible input sales tax. The Company filed an appeal on June 03, 2020 against the aforementioned order before the Commissioner Inland Revenue (Appeals) [CIR(A)] who, vide an order dated July 22, 2020, upheld the demand of the ACIR to the extent of Rs. 112 on account of inadmissible input tax deduction and remanded back the remaining matters contained in the order to the ACIR for fresh consideration against which the department filed an appeal with ATIR which is pending for hearing. During March 2022, department has initiated remand back proceedings on the remaining issues and vide order dated June 30, 2022 raised a tax demand of Rs. 41,640 by treating exempt supplies as taxable, for which the Company has filed appeal before CIR(A). Based on the opinion of the tax advisor, the Company is confident that the matter will be decided in its favour. Hence, no further provision has been recognised in these financial statements.

22.1.7 Sales tax audit

Sales tax audit was initiated for the periods from July 2010 to June 2011 in which the Company received an order dated May 22, 2014 from the Deputy Commissioner Inland Revenue (DCIR) raising an erroneous demand of Rs. 5,880. The order related mainly to inadmissible input taxes, non-payment of sales tax on scrap scales and non-payment of withholding sales tax. The Company filed an appeal against the order before the CIR(A) who upheld the demand of the DCIR. Subsequently, the Company again filed an appeal before ATIR which has been remanded back to the department on May 15, 2019 to revisit the grounds on which demand order was issued. The Company is confident of the favourable outcome, hence no provision has been recognised in these financial statements.

22.7.8 Assessment of annual tax return (Tax year 2019)

On November 30, 2020, the Company received an order from the department relating to the recoverability of super tax for the tax year 2019 amounting to Rs. 12,779. The Company has filed an appeal before CIR(A) which is pending for adjudication. Further, the Company paid 50 percent of the tax demand amounting to Rs. 6,389 and had made a provision for the remaining amount in prior years.

22.1.9 Super Tax under section 4C of Income Tax Ordinance, 2001

In accordance with section 4C 'Super tax on high earning persons' introduced in the Income Tax Ordinance, 2001 (the Ordinance) through the Finance Act, 2022, a super tax at 10% has been imposed on the specified sectors (including the textile sector) in case the income exceeds Rs. 300,000 for the year ended December 31, 2021 (tax year 2022) while for other sectors super tax was levied at 4%.

The Company filed a petition against the imposition of super tax before the Sindh High Court (SHC) which is pending adjudication. The Company's management based on the advice of its legal advisor has recorded a provision of super tax at the rate of 4% amounting to Rs. 24,980 in these financial statements on prudent basis and, considers that the chances of additional super tax levy of 6% amounting to Rs. 37,470 are remote and therefore no provision is recorded thereagainst in these financial statements.

22.1.10 Tax on undistributed profits

The Company obtained a stay order from the High Court of Sindh dated August 2, 2017 with regards to the amendment inserted through the Finance Act, 2017 relating to the taxation of undistributed profits as stated in section 5A of Income Tax Ordinance, 2001 [substituted through section 4(3) of the Finance Act, 2017]. The said interim order is still operating in favour of the Company. On April 30, 2021, HCS passed an order in favour of the companies appellant of this constitution petition and struck down this subject section of the ITO 2001. However, on July 01, 2021, FBR has filed a constitutional appeal against the aforementioned matter with the Honourable Supreme Court of Pakistan, which is pending for hearing. The Company is confident of the favourable outcome, hence no provision has been recognised in these financial statements.

22.1.11 Applicability of Super Tax

The Company has filed a petition before the Islamabad High Court on the ground that, tax on income falling under the Final Tax Regime is deducted at the time of receipt of income and is deemed full and final, therefore, no further tax should be applicable on such income.

Accordingly, the Company has obtained a stay order on the aforementioned petition and therefore, on prudence basis, the Company has recorded a provision for super tax in these unconsolidated financial statements.

22.1.12 Guarantees issued in respect of subsidiaries

Tenaga Generasi Limited

The Company has arranged a Stand-by Letter of Credit (SBLC) amounting to USD 7,425 in favor of the lenders of Tenaga Generasi Limited. The said facility is secured by way of a first pari passu charge on immovable property and pledge over the Company's investments in related party, as explained in note 6.1.2.

Reon Energy Limited (REL)

- Rs. 300,000 to MCB Bank Limited to secure unfunded facility provided to REL for the import / purchase of plant, machinery, stores, and spares;

- Rs. 500,000 to Karandaaz Pakistan through JS Bank Limited against financing facilities for REL.

- Rs. 600,000 to Bank Al Habib Pakistan Limited to secure a long-term running facility for REL.

Reon Alpha (Private) Limited

The Company has provided a corporate guarantee amounting to Rs. 206,000 in favour of Faysal Bank Limited to secure the musharika financing facility of Reon Alpha (Private) Limited (RAPL) of Rs. 309,000. Furthermore, the Company has also pledged shares of RAPL as stated in note 6.1.8.

22.1.13 Other contingencies

The Company is contingently liable for bank guarantees amounting to Rs. 37,897 (2022: Rs. 38,207) favouring the Government and various other parties. These have been issued against mobilization advances and performance in respect of sale of goods and rendering of services for a tenure varying from three months to three years.

22.2 Commitments

The Company is committed, as a Sponsor, to purchase shares of Tenaga Generasi Limited (TGL) from International Finance Corporation (IFC) on the exercise of put option by IFC under the Shareholders' Agreement entered into among the Company, TGL and Dawood Corporation (Private) Limited as the shareholders of TGL under conditions (i) at any time during the period beginning on the seventh anniversary of the first subscription until Liquidity date; or (ii) in the event that Tenaga Generasi Limited and the Company breach any of the obligations set out in the shareholders' agreement.

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
23.	**REVENUE FROM CONTRACTS WITH CUSTOMERS - NET**		
	Revenue recognized at a point in time		
	Renewable energy	**-**	63
		-	-
	Textile - sale of goods	**4,776**	6,095
	Sales tax	**(725)**	(886)
		4,051	5,209
	Related to discontinued operations (note 32)	**(4,051)**	(5,209)
		-	63
24.	**COST OF REVENUE**		
	Renewable energy		
	Stock-in-trade at beginning of the year	**-**	345
	Purchases and related expenses	**-**	345
	Reversal of provision for write down to NRV (note 9.1)	**-**	(345)
	Stock-in-trade at end of the year	**-**	-
		-	345
	Textile		
	Stock-in-trade at beginning of the year	**10,426**	15,946
	Stock-in-trade at end of the year	**(6,102)**	(10,426)
		4,324	5,520
	Related to discontinued operations (note 32)	**(4,324)**	(5,520)
		-	345
25.	**DIVIDEND INCOME**		
	Dawood Hercules Corporation Limited	**1,402,774**	1,168,978
	Pakistan Cash Management Fund	**117,422**	-
	Tenaga Generasi Limited	**112,500**	-
	National Investment Trust	**380**	-
		1,633,076	1,168,978
26.	**SELLING AND DISTRIBUTION EXPENSES**		
	Salaries and allowances	**41**	52
	Related to discontinued operations (note 32)	**(41)**	(52)
		-	-

		2023	2022
		------------ (Rupees) ------------	
27.	**ADMINISTRATIVE EXPENSES**		
	Salaries and allowances	**76,056**	81,369
	Legal and professional	**9,051**	5,239
	Rent, rates and taxes	**8,295**	6,225
	Electricity and gas	**28,781**	17,662
	Depreciation (note 4.3)	**3,166**	2,449
	Printing and stationery	**2,423**	1,766
	Fees and subscription	**26,179**	26,425
	Insurance	**1,454**	1,609
	Conveyance and travelling	**933**	732
	Repairs and maintenance	**871**	2,066
	Postage and telephone	**373**	272
	Entertainment	**865**	535
	Auditor's remuneration (note 27.2)	**4,520**	16,880
	Amortization (note 5)	**-**	4
	Others	**2,825**	2,348
		165,789	165,581
	Related to discontinued operations (note 32)	**(95,515)**	(83,800)
		70,274	81,781

These include Rs.1,719 (2022: Rs.1,948) in respect of staff retirement benefits.

27.1 Auditor's remuneration

		2023	2022
27.2	**Fee for:**		
	- audit of unconsolidated financial statements	**886**	720
	- review of half yearly condensed interim financial statements	**460**	345
	- audit of consolidated financial statements	**388**	315
	- certification and other advisory services	**1,300**	329
	- taxation services	**930**	14,436
	- review of compliance with the Code of Corporate Governance	**148**	120
		4,112	16,265
	Reimbursement of expenses and taxes	**408**	615
		4,520	16,880

		2023	2022
28.	**OTHER EXPENSES**		
	Loss of remeasurement of investment classified as held for sale (note 17 .1)	**200,000**	-
	Provision for impairment of investment in subsidiaries (note 6.1.10)	**15,000**	795,252
	Allowance for expected credit losses on loan to subsidiaries (note 11.5)	**-**	300,000
	Allowance for expected credit losses on interest accrued (note 14)	**109,226**	-
	Brokerage Expense	**292**	-
		324,519	1,095,252

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
29.	**OTHER INCOME**		
	Income from financial assets		
	Profit on bank deposits	**8,115**	5,846
	Loss on remeasurement of investments at fair value through profit or loss	**(27,930)**	(2,328)
	Mark-up charged to related parties	**177,971**	117,243
		158,156	120,761
	Income from non-financial assets and others		
	Gain on disposal of property, plant and equipment	**10**	8,378
	Royalty income	**38,800**	28,340
	Rental income	**47,400**	43,339
	Farming income	**15,769**	7,587
	Gain on sale of scrap / store items	**31,723**	-
	Others	**2,452**	5,159
		136,156	92,803
		294,312	213,564
	Related to discontinued operations (note 32)	**(94,893)**	(52,445)
		199,419	161,119
30.	**FINANCE COST**		
	Mark-up on running finance	**2,704**	42,528
	Bank charges	**491**	451
		3,195	42,979
31.	**TAXATION**		
	Current		
	- for the year (note 32.3)	**446,927**	221,790
	- for prior year (note 32.3)	**69,410**	24,980
		516,337	246,770

31.1 The tax expense pertains to continuing operations only.

31.2 Relationship between tax expense and accounting profit

The relationship between tax expense and accounting profit has not been presented in these financial statements as a significant amount of income falls under the final tax regime whereas other income is separately taxed under the respective sections of the Income Tax Ordinance, 2001.

31.3 This includes Rs. 175,383 at the rate of 10% in respect of tax year 2024 (2022: Rs. 46,273 at the rate of 4% in respect of tax year 2023) for current year provision and Rs. 69,410 at the rate of 6% in respect of tax year 2023 (2022: Rs. 24,980 at the rate of 4% in respect of tax year 2023) for prior year provision made by the Company in accordance with the section 4C, 'Super Tax' on high earning persons' introduced in the Income Tax Ordinance, 2001 through Finance Act, 2022 (note 22.1.9).

	2023	2022
	(Rupees)	
32. LOSS FROM DISCONTINUED OPERATIONS		
Revenue from contracts with customers - net (note 23)	**4,051**	5,209
Cost of revenue (note 24)	**(4,324)**	(5,520)
Gross loss	**(273)**	(311)
Selling and distribution expenses (note 26)	**(41)**	(52)
Administrative expenses (note 27)	**(95,515)**	(83,800)
Other income (note 29)	**94,893**	52,445
	(936)	(31,718)

33. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

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

	2023	2022
Continuing operations	(Rupees)	
Profit / (loss) for the year	**918,170**	(136,967)
	Number of shares	
Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
	(Rupees)	
Earnings / (loss) per share	**15.48**	(2.31)
Discontinued operations		
Loss for the year	**(936)**	(31,718)
	Number of shares	
Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
	(Rupees)	
Loss per share	**(0.02)**	(0.53)

	2023	2022
	(Rupees)	
34. CASH AND CASH EQUIVALENTS		
Cash and bank balances (note 16)	**143,741**	64,951
Short term investment (note 33.1)	**1,303,808**	-
	1,447,549	64,951

(Amounts in thousand)

35. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2023			2022		
	Directors		Executives	Directors		Executives
	Chief Executive	Others		Chief Executive	Others	
	(Rupees)			(Rupees)		
Managerial remuneration	2,409	-	16,811	1,592	-	22,791
Bonus	-	-	507	-	-	252
Medical allowance	-	-	941	85	-	724
Fuel allowance	-	-	2,166	-	-	1,274
Vehicle maintenance allowance	-	-	2,812	98	-	2,514
Other benefits	-	-	1,477	-	-	-
Meeting fee	-	600	-	-	800	-
	2,409	600	24,714	1,775	800	27,555
Number of persons, including those who worked part of the year	2	9	9	1	7	6

35.1 This includes amount charged by the subsidiary companies in respect of shared employees.

	2023	2022
	(Rupees)	
36. FINANCIAL INSTRUMENTS BY CATEGORY		
36.1 Financial assets as per statement of financial position		
Financial assets at fair value through profit or loss		
Long-term investments	**15,184**	11,564
Short term investments	**1,303,809**	-
Financial assets at fair value through other comprehensive income		
Long-term investments	**15**	15
Financial assets at amortised cost		
Long term deposits	**2,778**	2,778
Loans to subsidiaries	**439,422**	439,003
Loans to employees	**1,754**	2,843
Deposits and other receivables	**68,593**	68,319
Interest accrued	**338,020**	269,912
Trade debts	**-**	-
Cash and bank balances	**143,741**	64,951
	994,308	847,806
	2,313,316	859,385
36.2 Financial liabilities as per statement of financial position		
Financial assets at amortised cost		
Trade and other payables	**180,303**	64,667
Accrued mark-up	**-**	2,279
Unclaimed dividend	**78,046**	73,454
Unpaid dividend	**-**	5,382
	258,349	145,782

(Amounts in thousand)

37. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The Company held the following assets measured at fair values:

	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	15,184	-	15,184
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short-term investments (investments in quoted equity shares)	1,158,000	-	-	1,158,000
- Short-term investments (investments in units of mutual funds)	-	145,809	-	145,809
	1,158,000	160,993	15	1,319,008

	As at December 31, 2022			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	11,564	-	11,564
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	-	996,817	15	995,392

As at December 31, 2023 and 2022, the carrying values of the remaining assets and liabilities reflected in the financial statements approximate their fair values.

Level 2 fair values have been determined on the basis of closing Net Asset Values for Mutual Fund Units.

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

38. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's risk management program focuses on the unpredictability of financial markets for having cost effective funding as well as to manage financial risk to minimize earnings volatility and to provide maximum return to the shareholders. Risk management is carried out by the Company's finance department under the policies approved by the Company's Board of Directors.

38.1 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. It comprises the following risks:

i) Currency risk

Currency risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company's has no exposure to currency risk as its transactions are carried out primarily in Pakistani Rupees.

ii) Interest rate risk

Interest rate risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The Company analyses its interest rate exposure on a regular basis by monitoring existing facilities against prevailing market interest rates and by taking into account various other financing options available. For borrowing at variable rates, the rates are determined in advance for stipulated periods with reference to applicable KIBOR.

The Company is exposed to interest rate risk on loans given to subsidiary companies. At December 31, 2023, if interest rates on the loans to a subsidiary companies had been 1% lower / higher with all other variables held constant the resulting impact on profit before tax would not have been material.

iii) Other price risk

Price risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to price risk mainly on account of investments held in units of mutual funds the rates of which are based on the rates announced by the issuer on the Mutual Funds Association of Pakistan and investments held in quoted shares of listed securities. As at December 31, 2023, in case of a 1% increase / decrease in applicable fair values of the mutual fund units and respective listed equity securities, the resulting impact on profit before tax would not have been material.

(Amounts in thousand)

38.2 Credit risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge their obligations.

Credit risk arises from deposits with banks and financial institutions, trade debts, loans, deposits and other receivables. The maximum exposure to credit risk is equal to the carrying amount of financial assets. The carrying value of financial assets, exposed to credit risk are as follows:

	2023	2022
	-------------- (Rupees) --------------	
Long term deposits	**2,778**	2,778
Loans to subsidiaries	**439,422**	439,003
Loans to employees	**1,754**	2,843
Deposits and other receivables	**68,593**	68,319
Interest accrued	**338,020**	269,912
Bank balances	**143,581**	64,736
	991,499	847,591

Balances with banks

The credit risk arising on balances with banks as these denote depositories / investee entity having reasonably high credit ratings the analysis of which is given below:

		2023	
Bank	**Rating agency**	**Short-term**	**Long-term**
Habib Bank Limited	JCR - VIS	A-1+	AAA
National Bank of Pakistan	PACRA /	A-1+	AAA
Standard Chartered Bank (Pakistan) Limited	JCR-VIS	A-1+	AAA
Bank AL Habib Limited	PACRA	A-1+	AAA
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+
MCB Bank Limited	PACRA	A-1+	AAA
	PACRA		

		2022	
Bank	**Rating agency**	**Short-term**	**Long-term**
Habib Bank Limited	JCR - VIS	A-1+	AAA
National Bank of Pakistan	JCR - VIS	A-1+	AAA
Standard Chartered Bank (Pakistan) Limited	PACRA	A-1+	AAA
Bank AL Habib Limited	PACRA	A-1+	AAA
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+
MCB Bank Limited	PACRA	A-1+	AAA

(Amounts in thousand)

Other financial assets

The remaining financial assets of the Company are either not material to these financial statements or, being amounts due from related parties, were considered to have low credit risk

38.3 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with its financial liabilities. The Company's liquidity management involves projecting cash flows and considering the level of liquid funds necessary to meet these, monitoring balance sheet liquidity ratios against external regulatory requirements and maintaining debt financing plans. These objectives are achieved by maintaining sufficient cash and readily marketable securities and availability of funding through committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the undiscounted contractual cash flows. However, the running finance facility of Rs. 600,000 remain unutilized during the year.

	2023			2022		
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total
	(Rupees)					
Financial liabilities						
Trade and other payables	180,302	-	180,302	64,667	-	64,667
Short-term borrowings	-	-	-	-	-	-
Accrued mark-up	-	-	-	2,279	-	2,279
Unclaimed dividend	78,046	-	78,046	73,454	-	73,454
Unpaid dividend	-	-	-	5,382	-	5,382
	258,348	-	258,34	145,782	-	145,782

39. CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital, i.e. its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

The Company is ungeared as at the reporting date.

40. SEGMENT REPORTING

Management has determined the operating segments for allocation of resources and assessment of performance which are organized into the following two reportable operating segments:

- Renewable energy solutions - this includes business of trading and constructions of renewable energy projects, mainly solar to commercial and industrial consumers which has been transferred to REL in prior years;

(Amounts in thousand)

- Textile - this was the legacy business of the Company and has been discontinued in prior years; and

- Other operations - It mainly includes management of investment in associate by the Company.

40.1 Segment results

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	(Rupees)							
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Revenue from contract with customers - net	-	63	4,051	5,209	-	-	4,051	5,272
Cost of revenue	-	(345)	(4,324)	(5,520)	-	-	(4,324)	(5,865)
					-	-		
Segment gross loss	-	(282)	(273)	(311)	-	-	(273)	(593)
Dividend income	-	-	-	-	1,633,076	1,168,978	1,633,076	1,168,978
Selling and distribution expenses	-	-	(41)	(52)	-	-	(41)	(52)
Administrative expenses	(248)	(245)	(95,515)	(83,800)	(70,027)	(81,536)	(165,789)	(165,581)
Other expenses	-	-	-	-	(324,519)	(1,095,252)	(324,519)	(1,095,252)
Other income - net	-	-	94,893	52,445	199,419	161,119	294,312	213,564
Finance costs	-	-		-	(3,195)	(42,979)	(3,195)	(42,979)
Taxation	-	-	-	-	(516,337)	(246,770)	(516,337)	(246,770)
Segment (loss) / profit	(248)	(527)	(936)	(31,718)	918,417	(136,440)	917,234	(168,685)

40.2 Segment assets and liabilities

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	(Rupees)							
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Property, plant and equipment	1	246	10,464	10,464	8,101	8,670	18,566	19,380
Investments	-	-	-	-	80,496	2,671,680	80,496	2,671,680
Long term deposits	-	-	2,778	2,778	-	-	2,778	2,778
Stores and spares	-	-	892	892	-	-	892	892
Stock-in-trade	-	-	4,418	8,742	-	-	4,418	8,742
Loans to subsidiaries	-	-	-	-	439,422	439,003	439,422	439,003
Loans and advances	405	771	1,600	2,915	-	-	2,004	3,686
Deposits, prepayments and other receivables	23,001	29,133	-	-	62,055	49,881	85,056	79,014
Interest accrued	-	-	-	-	338,020	269,912	338,020	269,912
Short term investments	-	-	-	-	1,303,809	-	1,303,809	-
Cash and bank balances	-	-	-	-	143,741	64,951	143,741	64,951
Assets classified as held for sale	-	-	-	-	2,394,804	-	2,394,804	-
Total segment assets	23,406	30,150	20,152	25,791	4,770,447	3,504,097	4,814,006	3,560,038
Staff retirement benefits	-	-	-	-	3,506	4,759	3,506	4,759
Trade and other payables	9,809	5,988	13,316	17,143	158,604	42,665	181,729	65,797
Taxes payable	-	-	-	-	282,467	57,408	282,467	57,408
Unclaimed dividend	-	-	-	-	78,046	73,454	78,046	73,454
Unpaid dividend	-	-	-	-	-	5,382	-	5,382
Provision	-	-	-	-	7,360	7,360	7,360	7,360
Accrued mark-up	-	-	-	-	-	2,279	-	2,279
Total segment liabilities	9,809	5,988	13,316	17,143	529,984	193,307	553,108	216,439

41. RELATED PARTY TRANSACTIONS AND BALANCES

41.1 The Company in the normal course of business carries out transactions with various related parties. Related parties comprise of subsidiary companies, associates, directors, key management personnel, retirement benefit funds and others. Amounts due from and to other related parties, directors and key management personnel are shown under respective notes. Transaction with related parties are carried out at agreed terms.

(Amounts in thousand)

41.2 Following are the name of associated companies, related parties or undertakings with whom the Company had entered into transactions or had agreements and / or arrangements in place during the year:

Name of Related parties	Percentage of shareholding into the Holding Company	Basis of Relationship
Dawood Corporation (Private) Limited	54.84%	Parent Company
The Dawood Foundation	5.02%	Common directorship
Cyan Limited	5.00%	Common directorship
Dawood Investments (Private) Limited	7.49%	Common directorship
Sach International (Private) Limited	0.01%	Associated company
Dawood Hercules Corporation Limited	-	Associate
Tenaga Generasi Limited	-	Subsidary
Reon Energy Limited	-	Subsidary
Reon Alpha (Private) Limited	-	Subsidary
Mozart (Private) Limited	-	Subsidary
Abrax (Private) Limited	-	Subsidary
Greengo (Private) Limited	-	Subsidary
Grid Edge (Private) Limited	-	Subsidary
Shahid Hamid Pracha	0.00%	Shareholding of directorship
Hussain Dawood	8.58%	Company's Sponsor
Kulsum Dawood	1.05%	Sponsor's Family member
Shahzada Dawood	1.77%	Company's Sponsor / Director
Abdul Samad Dawood	0.00%	Sponsor's Family member / Director
Ayesha Dawood	0.05%	Sponsor's Family member
Azmeh Dawood	2.01%	Sponsor's Family member
Muhammad Jawaid Iqbal	0.00%	Director
Ruhail Muhammad	0.00%	Director
Mohammad Shamoon Chaudry	0.00%	Director
Shafiq Ahmed	0.00%	Director
Zamin Zaidi	0.00%	Director
Sabrina Dawood	1.96%	Director
Mujtaba Haider Khan	0.00%	Chief Executive Officer
Staff retirement benefit - gratuity scheme	N/A	Post Employment Benefits

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

41.3 Balances with related parties have been disclosed in the respective notes to these financial statements. Details of transactions with related parties, other than those disclosed elsewhere in these financial statements, are as follows:

Relationship	Nature of transaction	2023	2022
		------ (Rupees in '000) ------	
a. Subsidiary companies			
Tenaga Generasi Limited	Expenses reimbursable to the Company	**9,580**	6,064
	Expenses reimbursable by the Company	**2,533**	1,017
	Equity arrangement fee (SBLC) / SBLC cost reimbursement	**103,120**	25,742
	Interest on outstanding receivable balance	**675**	1,420
	Interest on subordinated loans	**102,758**	67,811
	Dividend income	**112,500**	-
Relationship	**Nature of transaction**		
Reon Energy Limited	Expenses reimbursable to the Company	**7,151**	14,472
	Interest on expenses reimbursable to the Company	**4,071**	1,343
	Interest on loans disbursed by the Company	**69,173**	46,090
	Reimbursable expenses incurred on behalf of the Company	**11,116**	19,906
	Rental income	**216**	864
Mozart (Private) Limited	Unsecured loan disbursed by the Company	**130**	163
	Interest on loan	**166**	86
Abrax (Private) Limited	Unsecured loan disbursed by the Company	**147**	158
	Interest on loan	**172**	90
Greengo (Private) Limited	Unsecured loan disbursed by the Company	**141**	158
	Interest on loan	**172**	91
Reon Alpha (Private) Limited	Interest on reimbursement of expenses	**784**	313
	Expenses reimbursable to the Company	**2,006**	1,249
	Investment by the company	**15,000**	-
b. Associated companies			
Dawood Hercules Corporation Limited	Dividend income	**1,402,774**	1,168,978
	Reimbursable expenses incurred on behalf of the Company	**16,575**	6,829
	Expenses reimbursable to the Company	**4,042**	729
Sach International (Private) Limited	Expenses reimbursable to the Company	**1,132**	276
	Royalty charged	**38,800**	28,340
	Rental income	**660**	660
	Penalty charged	**-**	1,278
	Sale of Fabric	**-**	529
The Dawood Foundation	Reimbursable expenses incurred on behalf of the Company	**804**	420
c. Other related parties			
Post Employment Benefits	Contributions made	**3,595**	1,977

41.4 Remuneration of key management personnel are as per terms of employment. Remuneration of directors and key management personnel is disclosed in note 35.

42. NUMBER OF EMPLOYEES

	2023	2022
Average number of employees during the year	**11**	13
Number of employees at December 31 - management employees	**12**	14

42.1 The total and average number of employees of the Company as at December 31, 2023 include shared staff as per the Sharing of Services Agreement with subsidiaries.

43. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison the effects of which are not material.

44. GENERAL

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

45. NON-ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors in its meeting held on April 29, 2024 has proposed a final cash dividend of Nil (2022: cash dividend of Nil) per share for the year ended December 31, 2023 amounting to Nil (2022: Nil), for approval of the members at the Annual General Meeting to be held on May 29, 2024. This is in addition to interim cash dividends of Rs. Nil (2022: Rs 7 per share) per share for the year 2023.

46. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 29, 2024 by the Board of Directors of the Company.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

CONSOLIDATED
FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT

To the members of Dawood Lawrencepur Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Dawood Lawrencepur Limited (the Holding Company) and its subsidiaries (together 'the Group'), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and of its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/ 32426771-5; Fax: +92 (21) 32415007/32427938/ 32424740; <www.pwc.com/pk>

KARACHI LAHORE ISLAMABAD

Following is the Key Audit Matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1	**Impairment assessment of net assets of subsidiaries** (Refer notes 2.12.5, 3.8 and 39 to the consolidated financial statements) As per the requirements of accounting and reporting standards, during the year the management classified the assets and liabilities related to its subsidiaries Reon Energy Private Limited (REL) and Tenaga Generasi Limited (TGL) as a disposal group held for sale. Accordingly, prior to such classification, management performed an impairment assessment to determine whether the carrying amount of the related assets, individually considered as a cash generating unit, exceeded their respective recoverable amounts. The fair value measurement was based on multiple bids from market participants which was corroborated using management's internal model which involved estimation of future cashflows of the related assets and determination of recoverable amount using assumptions and estimates. Based on such assessment, an impairment loss of Rs. 4,499,518 thousand has been recognized in the consolidated financial statements. As impairment assessment required management's use of significant judgement in estimating recoverable amount with material impact on the consolidated financial statements, we considered this as a key audit matter.	Our audit procedures amongst others included the following: - considered indicators requiring management to carry out impairment assessment; - obtained understanding of the management's process of assessment, including methodology and key assumptions used to estimate recoverable amount; - evaluated the reasonableness of key assumptions and estimates used by management to prepare cash flow projections and determined the recoverable amounts. For this purpose, we involved our internal expert, where required; and - assessed the adequacy of disclosures made in the consolidated financial statements in accordance with the applicable accounting and financial reporting framework.

S. No.	Key audit matter	How the matter was addressed in our audit
2	**Impairment assessment of property, plant and equipment** (Refer notes 2.12.5 and 3.8 to the consolidated financial statements) As per requirement of accounting reporting standards, the Group management assessed whether there are any indicators that any of the Group's assets may be impaired. In view of impairment indicators relating to plant and machinery of subsidiary company, Reon Alpha (Private) Limited (RAPL), the Group management performed an impairment assessment to determine the recoverable amount of related assets. This involved estimation of recoverable amount using future cash flows from related assets using a number of assumptions and estimates. Based on such assessment, the management assessed the recoverable amount of plant and machinery to be greater than its carrying amount. As impairment assessment required management to make projections of cash flows, use judgement and estimates, we considered this a key audit matter.	Our procedures amongst others included following: - considered indicators requiring management to carry out impairment assessment; - obtained understanding of the management's process of assessment, including methodology and assumptions used to estimate recoverable amount of assets; - evaluated reasonableness of key assumptions and estimates used by management to prepare cash flow projections and determine recoverable amount. For this purpose, we involved our internal expert, where required; and - assessed adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting and reporting standards.
3	**Realisability of deferred tax on unused tax losses** (Refer notes 2.27.2, 3.4, and 22 to the consolidated financial statements) As at December 31, 2023, included in the balance of deferred tax liability (net) is an amount of Rs. 133,880 thousand representing deferred tax asset recognized on account of unused tax losses of subsidiary REL.	Our audit procedures amongst others included the following - obtained understanding of the management's process for preparation of profitability forecast, tax liability and deferred tax calculation;

S. No.	Key audit matter	How the matter was addressed in our audit
	Recognition of deferred tax asset on account of unused tax losses requires management to estimate the REL's tax liability in future years. The process relies on the assessment of the REL's profitability forecast, which in turn is based on assumptions concerning future economic conditions and business performance. As preparation of profitability forecast and realisability of deferred tax asset requires significant management judgement, we considered this a key audit matter.	- discussed with the management significant underlying assumptions used in preparing the profitability forecast and assessed the same for reasonableness; - checked appropriateness of tax rates applied in view of the local tax legislation; - checked mathematical accuracy of the calculations; and - assessed adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting and reporting standards.

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Reports Thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Khurshid Hasan.

AFFerguson & Co

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

Date: May 08, 2024

UDIN: AR202310160emrXIFbUJ

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

(Amounts in thousand)

	Note	2023	2022
ASSETS		------------ Rupees	------------
Non-current assets			
Property, plant and equipment	5	**295,737**	13,586,696
Right-of-use assets	6	**-**	100,174
Intangible assets	7	**-**	49,564
Long-term investments	8	**10,656,105**	11,370,030
Long-term deposits	9	**2,778**	2,778
Long-term loans to employees	10	**-**	369
		10,954,620	25,109,611
Current assets			
Stores and spares	11	**892**	892
Stock-in-trade	12	**4,418**	1,006,155
Trade debts	13	**5,664**	3,066,540
Contract assets	14	**4,842**	1,542,666
Loans and advances	15	**2,004**	396,457
Deposits, prepayments and other receivables	16	**50,924**	2,070,349
Accrued interest		**44**	474
Taxes recoverable		**-**	29,056
Sales tax receivable		**-**	45,322
Short-term investments	17	**1,303,809**	33,399
Cash and bank balances	18	**145,897**	2,008,981
		1,518,494	10,200,291
Assets of disposal group and discontinued operations	39.2	**22,194,612**	-
TOTAL ASSETS		**34,667,726**	35,309,902

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

(Amounts in thousand)

	Note	2023	2022
		------------ Rupees ------------	
EQUITY AND LIABILITIES			
Share capital	19	**592,998**	592,998
Capital reserves		**(478,316)**	206,666
Unappropriated profit		**15,978,598**	16,439,671
Non-controlling interest		**2,123,656**	2,220,372
TOTAL EQUITY		**18,216,936**	19,459,707
Non-current liabilities			
Staff retirement benefits	20	**3,506**	79,126
Deferred taxation	22	**2,643,918**	1,478,352
Long-term borrowings	23	**223,350**	7,225,443
Lease liabilities	24	**-**	120,232
		2,870,774	8,903,153
Current liabilities			
Current portion of:			
- Long-term borrowings	23	**23,826**	1,995,064
- Lease liabilities	24	**-**	18,168
Unclaimed dividend		**78,046**	73,454
Unpaid dividend		**-**	5,382
Short-term borrowings	25	**-**	1,186,695
Taxes payable		**283,157**	-
Trade and other payables	26	**191,190**	2,247,367
Provisions	27	**7,360**	7,360
Contract liabilities	28	**-**	1,171,823
Accrued mark-up	29	**752**	241,729
		584,331	6,947,042
TOTAL LIABILITIES		**3,455,105**	15,850,195
Liabilities of disposal group and discontinued operations	39.2	**12,995,685**	-
Contingencies and commitments	30		
TOTAL EQUITY AND LIABILITIES		**34,667,726**	35,309,902

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Mohammad Shamoon Chaudry	Ruhail Muhammad	Nazia Hasan
Chief Executive Officer	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand except for earnings / (loss) per share)

	Note	2023	2022
CONTINUING OPERATIONS		------------ Rupees ------------	
Revenue from contracts with customers - net	31	**60,967**	72,001
Cost of revenue	32	**(25,483)**	(25,408)
Gross profit		**35,484**	46,593
Selling and distribution expenses	33	**-**	-
Administrative expenses	34	**(79,817)**	(73,504)
Other expenses	35	**(443)**	(14,947)
Other income	36	**140,498**	45,719
Operating profit		**95,721**	3,861
Finance cost	37	**(64,504)**	(87,540)
Share of profit from associate	8.1	**1,347,342**	949,873
Profit before taxation		**1,378,559**	866,194
Taxation	38	**(1,276,440)**	(389,687)
Profit from continuing operatoins		**102,119**	476,507
DISPOSAL GROUP and DISCONTINUED OPERATIONS			
(Loss) / profit from disposal group and discontinued operations	39.3 and 39.5	**(663,650)**	1,580,398
(Loss) / Profit after taxation		**(561,531)**	2,056,905
Profit attributable to:			
- Owners of the Holding Company		**(464,815)**	1,663,837
- Non-controlling interest		**(96,716)**	393,068
		(561,531)	2,056,905
Earnings / (loss) per share - basic and diluted			
- Continuing operations	40.3	**1.72**	8.04
- Disposal group and discontinued operations	40.4	**(9.56)**	20.02

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Mohammad Shamoon Chaudry	Ruhail Muhammad	Nazia Hasan
Chief Executive Officer	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	2023	2022
	------------ Rupees ------------	
Profit after taxation	**(561,531)**	2,056,905
Other comprehensive income / (loss):		
Items that may be reclassified subsequently to profit or loss		
Share of other comprehensive income of associate - net of tax	**8,056**	17,950
Items that will not be reclassified to profit or loss		
Remeasurement loss on defined benefit obligation - net of tax	**(4,314)**	4,621
Other comprehensive income for the year	**3,742**	22,571
Total comprehensive (loss) / income for the year	**(557,789)**	2,079,476
Total comprehensive (loss) / income for the year:		
- Continuing operations	**768,575**	1,147,735
- Discontinued operations	**(1,326,364)**	931,741
	(557,789)	2,079,476
Total comprehensive (loss) / income attributable to:		
- Owners of the Holding Company	**(461,073)**	1,686,408
- Non-controlling Interest	**(96,716)**	393,068
	(557,789)	2,079,476

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Mohammad Shamoon Chaudry	Ruhail Muhammad	Nazia Hasan
Chief Executive Officer	Director	Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	Attributable to owners of the Holding Company									
		Capital reserves						Revenue reserves		
	Share capital	Merger reserve	Share premium reserve	Capital redemption reserve	Employee share option compensa-tion reserve	Others	Total	Unappropri-ated profit	Non-Controlling Interest (NCI)	Total
	(Rupees in '000)									
Balance as at January 1, 2022	592,998	10,521	136,865	25,969	11,200	33,311	217,866	15,152,648	1,827,304	17,790,816
Profit for the year	-	-	-	-	-	-	-	1,663,837	393,068	2,056,905
Other comprehensive income	-	-	-	-	-	-	-	22,571	-	22,571
Total comprehensive income for the year	-	-	-	-	-	-	-	1,686,408	393,068	2,079,476
Transactions with owners										
First interim dividend for the year ended December 31, 2022 @ Rs 3.00 per share	-	-	-	-	-	-	-	(177,899)	-	(177,899)
Second interim dividend for the year ended December 31, 2022 @ Rs 4.00 per share	-	-	-	-	-	-	-	(237,199)	-	(237,199)
Employee share option compensation reserve	-	-	-	-	4,513	-	4,513	-	-	4,513
Transfer from employee share option compensation reserve	-	-	-	-	(15,713)	-	(15,713)	15,713	-	-
	-	-	-	-	(11,200)	-	(11,200)	(399,385)	-	(410,585)
Balance as at December 31, 2022 / January 1, 2023	592,998	10,521	136,865	25,969	-	33,311	206,666	16,439,671	2,220,372	19,459,707
(Loss) / Profit for the year	-	-	-	-	-	-	-	(464,815)	(96,716)	(561,531)
Other comprehensive income	-	-	-	-	-	-	-	3,742	-	3,742
Other components of equity (note 8.1)	-	-	-	-	-	(684,982)	(684,982)	-	-	(684,982)
Total comprehensive income for the year	-	-	-	-	-	(684,982)	(684,982)	(461,073)	(96,716)	(1,242,771)
Balance AS AT DECEMBER 31, 2023	592,998	10,521	136,865	25,969	-	(651,671)	(478,316)	15,978,598	2,123,656	18,216,936

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**839,506**	2,519,579
Loss / (profit) before taxation attributable to disposal group and discontinued operations	**539,053**	(1,653,385)
Profit before taxation from continuing operations	**1,378,559**	866,194
Adjustment for non-cash charges and other items:		
Depreciation on operating assets	**26,165**	26,286
Impairment on operating assets	**-**	3,328
Provision for gratuity - net	**1,719**	1,746
Finance cost	**64,504**	87,152
Gain on disposal of operating assets	**(10)**	-
Loss on investments in units of mutual funds	**27,930**	2,328
Share of profit of associate	**(1,347,342)**	(949,873)
Dividend income	**(117,802)**	-
Profit on bank deposits	**(9,087)**	(7,513)
Operating profit before working capital changes	**24,637**	29,648
Decrease / (increase) in current assets		
Trade debts	**967**	(5,365)
Contract assets	**1,119**	37
Loans and advances	**366**	(83)
Deposits, prepayments and other receivables	**(4,344)**	(21,551)
	(1,892)	(26,962)
Increase / (decrease) in current liabilities		
Trade and other payables	**124,641**	(1,978)
Net cash generated from operations	**147,386**	708

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	Note	2023	2022
		------------ (Rupees) ------------	
Net cash generated from operations		**147,386**	708
Gratuity paid		**(3,594)**	(1,977)
Taxes paid		**(290,153)**	(176,531)
Discontinued operations		**(29,519)**	(34,905)
Disposal group		**4,009,476**	2,656,891
Net cash generated from operating activities		**3,833,596**	2,444,187
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(2,352)**	(6,007)
Sale proceeds from disposal of operating assets		**10**	-
Interest received		**8,964**	7,513
Short-term investments		**(1,303,809)**	-
Dividend received		**1,520,576**	1,168,978
Discontinued operations		**-**	8,480
Disposal group		**423,524**	(291,583)
Net cash generated from investing activities		**646,913**	887,381
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		**(20,656)**	(17,903)
Short-term borrowings-net		**-**	(743,805)
Finance costs paid		**(65,744)**	-
Payment of dividend		**(790)**	(411,779)
Disposal group		**(3,992,870)**	(1,513,271)
Net cash used in financing activities		**(4,080,060)**	(2,686,757)
Net increase in cash and cash equivalents		**400,449**	644,811
Cash and cash equivalents at beginning of the year		**2,008,981**	1,364,170
Cash and cash equivalents at end of the year	50	**2,409,430**	2,008,981

The annexed notes from 1 to 54 form an integral part of these consolidated financial statements.

Mohammad Shamoon Chaudry	Ruhail Muhammad	Nazia Hasan
Chief Executive Officer	Director	Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

1.1 Dawood Lawrencepur Limited (the Holding Company) was incorporated in Pakistan in the year 2004, as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the (now repealed) Companies Ordinance, 1984 between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woollen and Textile Mills Limited (LWTM). The shares of the Company are listed on the Pakistan Stock Exchange Limited. The Holding Company manages investments in its subsidiaries and associated company and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers.

The business units of the Holding Company and its subsidiaries include the following:

Business Units	**Geographical Location**
Head Offices (registered offices)	
The Holding Company	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Abrax (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
GreenGo (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Mozart (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Reon Alpha (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Reon Energy Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Tenaga Generasi Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Factories of the Holding Company	
BTM Factory	Dawoodabad, Railway Station Road and Luddan Road Chak 439, E.B, Tehsil Burewala, District Vehari.
LWTM Factory	G.T. Road, Faqirabad, District Attock.
Regional offices of Reon Energy Limited	
Sales Office I	2nd floor, COLABS building 50-N, Gurumangat Road, Gulberg II Lahore.
Sales Office II	4th floor One Expressway Plaza, Gulberg Green Enterchange, Islamabad.
Solar and Wind Power Plants of direct / indirect subsidiaries	
Solar Power Plant of Reon Alpha (Private) Limited	Block II, District Tharparkar, Sindh.
Solar Power Plant of Grid Edge (Private) Limited	Procter and Gamble's facility, Bin Qasim Town, Karachi.
Wind Farm of Tenaga Generasi Limited	KhutiKun Area, Mirpur Sakro, District Thatta, Sindh.

(Amounts in thousand)

1.2 The Holding Company in the years 2007 and 2008 suspended operations of LWTM, BTM, DL and DCM. Land, building, plant and machinery and related assets of DL and DCM were disposed off. Furthermore, plant and machinery and related assets of LWTM and BTM were also disposed off in prior periods. Currently, the Company does not have any industrial unit in production (note 39.5).

1.3 The Holding Company continues to operate the 'Lawrencepur' brand name under a license.

1.4 The "Group" consists of:

Holding Company: Dawood Lawrencepur Limited;

Associated Company: Associated company is an entity over which the Group has significant influence but not control; and

Subsidiary Companies: Companies in which the Holding Company owns over 50% of the voting rights or companies directly controlled by the Holding Company:

	Financial year end	%age of direct holding	
		2023	2022
Reon Energy Limited (note 1.4.1)	December 31	**100%**	100%
Tenaga Generasi Limited (note 1.4.2)	December 31	**75%**	75%
Reon Alpha (Private) Limited (note 1.4.3)	December 31	**100%**	100%
Mozart (Private) Limited (note 1.4.4)	December 31	**100%**	100%
Abrax (Private) Limited (note 1.4.5)	December 31	**100%**	100%
Greengo (Private) Limited (note 1.4.6)	December 31	**100%**	100%
Grid Edge (Private) Limited	December 31	Subsidiary of Reon Energy Limited	
Associated Company			
Dawood Hercules Corporation Limited (note 1.5)	December 31	**16.19%**	16.19%

1.4.1 **Reon Energy Limited**

Reon Energy Limited (REL) was incorporated in Pakistan on September 15, 2014, as a public unlisted company to carry out the business of trading and construction of renewable energy projects, mainly solar projects for commercial and industrial customers.

REL holds 100% shareholding in its subsidiary namely Grid Edge (Private) Limited (GEL). GEL is a private limited company incorporated in Pakistan on August 8, 2018 with the principal business to own and operate electric power generation project and to supply electricity as an independent power producer. It currently holds a generation license of upto 2MW for generation and sale of electricity to Proctor and Gamble Pakistan (Private) Limited (P&G) as a bulk power consumer. As at December 31, 2021, REL (together with its nominee directors) held 100% (2022: 100%) of the share capital of GEL.

1.4.2 **Tenaga Generasi Limited**

Tenaga Generasi Limited (TGL) was incorporated in Pakistan on December 1, 2005 as a public unlisted company to primarily carry out the business of power generation as an independent power producer using wind energy.

TGL has set up a 49.5 MW Wind Power Plant at Gharo, Sindh. The Project achieved 'Financial Close' in March 2015 and has received the Government of Pakistan Guarantee.

(Amounts in thousand)

The Plant commenced commercial operations on October 11, 2016. The electricity initially generated was being transmitted to the National Transmission and Despatch Company (NTDC) under the Energy Purchase Agreement (EPA) until June 18, 2019, subsequent to which the electricity generated was being transmitted to K-Electric Limited under a Short term Power Purchase Agency Agreement (STPPAA). As of September 6, 2021 the STPPAA has expired and now the electricity again is being transmitted to NTDC.

Set out below is summarized financial information for TGL that has Non-Controlling Interest (NCI). The amounts disclosed for TGL are before inter-company eliminations:

	2023	2022
	------------ (Rupees) ------------	
Non-current assets	**13,577,789**	12,931,186
Current assets	**7,786,744**	5,473,900
Total assets	**21,364,533**	18,405,086
Non-current liabilities	**5,405,515**	6,467,655
Current liabilities	**3,925,907**	3,140,971
Total liabilities	**9,331,422**	9,608,626
Revenue	**5,818,681**	3,432,276
Total comprehensive income for the year	**3,409,462**	1,572,270
Total comprehensive income allocated to NCI	**852,365**	393,068
Accumulated NCI	**2,123,656**	2,220,372
Cash and cash equivalents	**2,042,045**	1,815,922
Net cash generated from / (utilized in) :		
- operating activities	**3,365,860**	3,126,919
- investing activities	**184,814**	(11,655)
- financing activities	**(3,324,552)**	(2,243,399)
	226,122	871,865
Proportion of ownership interest held by NCI	**25%**	25%

1.4.3 Reon Alpha (Private) Limited

Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 under the Companies Act, 2017 as a private limited company. The principal business of RAPL is to own and operate electric power generation project and supply of electricity as an independent power producer. Originally, RAPL had to set up a 4 MW solar project which was upgraded to 5 MW through an addendum dated March 11, 2019, at District Thar, in the province of Sindh, to provide clean electricity to Sindh Engro Coal Mining Company (SECMC) under a 15-year Power Purchase Agreement (PPA). The commercial operations date and final acceptance date of the project was April 22, 2020.

1.4.4 Mozart (Private) Limited

Mozart (Private) Limited (MPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage investments in associate company.

MPL is yet to execute its business activities. The Directors have no intention to windup MPL.

1.4.5 Abrax (Private) Limited

Abrax (Private) Limited (APL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage the Holding Company's legacy assets located in Burewala.

APL is yet to execute its business activities. The Directors have no intention to windup APL.

1.4.6 GreenGo (Private) Limited

GreenGo (Private) Limited (GPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company. to manage the Holding Company's legacy assets located in Attock.

GPL is yet to execute its business activities. The Directors have no intention to windup GPL

1.5 Associated Company

The Holding Company also holds investments in Dawood Hercules Corporation Limited (DHCL), an associate the details of which have been provided in note 8.1.

DHCL was incorporated in Pakistan on April 17, 1968 as a public limited company under the Companies Act 1913 (now the Companies Act, 2017) and its shares are quoted on the PSX. The principal activity of DHCL is to manage investments in its subsidiaries and associated companies. The registered office of DHCL is situated at Dawood Center, M.T. Khan Road, Karachi. DHCL. Summarized financial information of DHCL is disclosed in note 8.1.3.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Material accounting policy information

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.2 Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention except as specified in the relevant accounting policies.

The preparation of consolidated financial statements in conformity with the above requirements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The unconsolidated financial statements of the Holding Company and its subsidiaries have been presented separately.

The consolidated financial statements have been prepared on the basis of audited financial statements of the Holding Company and the subsidiary companies.The financial year end of the Holding Company, subsidiaries and associate is December 31, 2023.

2.3 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and

- Provisions and directives issued under the Act.

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

2.4 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees which is the Group's functional currency.

The consolidated financial statements have been prepared on the basis of audited financial statements of the Holding Company and the subsidiary companies.The financial year end of the Holding and subsidiariescompanies is December 31, 2023.

2.5 Initial application of standards and amendments to approved accounting and reporting standards

a) Amendments to approved accounting and reporting standards that became effective during the year

There are certain amendments to approved accounting and reporting standards are applicable to the Company for the financial year beginning on January 1, 2023, however these do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these consolidated financial statements, except for the following:

- Amendment in IAS 1 "Presentation of financial statements" (IAS 1) and IFRS Practice Statement 2: "Making Materiality Judgements"

The amendment provides guidance and examples to help entities apply material judgements in order to determine the accounting policy information which should be disclosed. This amendment aims to help entities in providing accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment only had an impact on the Company's disclosure of accounting policies, but not on the measurement, recognition or presentation of any item in these consolidated financial statements.

b) Standards and amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company

There are certain standards and amendments to approved accounting and reporting standards that are not yet effective and have not been early adopted by the Company for the financial year beginning on January 1, 2023. These are not expected to have any material impact on the Company's financial reporting and, therefore, have not been presented in these consolidated financial statements.

2.6 Basis of consolidation

i) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the relevant activities of the subsidiaries;
- it is exposed to variable returns from the subsidiaries; and
- decision making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-recognized from the date the control ceases. These consolidated financial statements include the Holding Company and all companies in which it directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors (the Subsidiaries).

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the NCI's proportionate share of the acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount of NCI over the fair value of the net identifiable assets acquired and liabilities assumed. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses (unrealized) are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

ii) Transactions with NCI

The Group treats transactions with NCI that do not result in loss of control as transactions with equity owners of the Group. The difference between fair value of any consideration paid / received and the relevant share acquired / disposed off of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses to NCI are also recorded in equity.

iii) Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset depending on the level of influence retained. In addition, any amounts previously recognized in comprehensive income in respect of that entity are accounted for as if the Group had directly disposed off the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2.7 Property, plant and equipment

Property, plant and equipment, except for freehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Freehold land and capital work-in-progress are stated at cost less accumulated impairment losses, if any.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss in the year in which these are incurred.

Depreciation is charged using the straight-line method whereby the cost of an operating asset less its estimated residual value is charged over its estimated useful life. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Depreciation on additions is charged from the month in which an asset is available for use while no depreciation is charged for the month in which an asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount and the resulting impairment loss is recognized in profit or loss. The recoverable amount is higher of fair value, less expected selling expenses, and the value in use. Reversal of impairment is effected in the case of indicators of a change in recoverable amount and is recognized in profit or loss, however, is restricted to the original cost of the asset reduced by depreciation.

Disposal of asset is recognized when significant risks and rewards incidental to ownership have been transferred to the buyer. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of an asset is recognized in the period of disposal in profit or loss.

2.8 Lease liabilities and right-of-use assets

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss and other comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments less any lease incentive receivable, variable lease payments that are based on an index or a rate which are initially measured using the index or rate as at the commencement date, amounts expected to be payable by the Group under residual value guarantees, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants but leased assets may not be used as a security for borrowing purposes. In determining the lease term, management of the Group considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

A change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

The lease liability is remeasured when the Group reassesses the reasonable certainty of exercise of extension or termination option upon occurrence of either a significant event or a significant change in circumstance, or when there is a change in assessment of an option to purchase underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payments. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

The right-of-use asset is initially measured at cost comprising the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and is reduced by accumulated impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities.

The Group applies the practical expedient not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense in profit or loss on a straight line basis over the lease term.

2.9 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses, if any. Impairment losses on goodwill are not reversed subsequently.

2.10 Computer Software

Computer software are recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses, if any.

Costs directly associated with acquiring computer software that have probable economic benefits exceeding one year, are recognised as an intangible asset. Direct costs include purchase cost of computer software and related overhead cost. For internally generated computer softwares, costs attributable to research phase is accounted for as expense and costs that qualifies as development is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent directly attributable costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Costs associated with maintaining computer software are recognised as an expense as incurred.

Computer software are amortized from the month when such assets are available for use on a straight line basis at the rate mentioned in note 7.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.11 Investments in associates

Investment in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the investors' share of profit of loss of the investee after the date of acquisition. The Group's investment in associate includes goodwill identified on acquisition. The Group determines at each reporting date whether there is any objective evidence that the investment in associate is impaired. If this is the case, the Group calculates the impairment loss as the difference between the recoverable amount of associate and its carrying value and recognizes it in profit or loss.

2.12 Financial instruments

2.12.1 Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

- those to be measured at amortized cost.

The classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

b) Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the profit or losswithin other gains / (losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain / (losses) in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. On derecognition of a financial asset, in its entirety, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2.12.2 Financial liabilities

Financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in profit or loss.

2.12.3 Offsetting

Financial assets and liabilities are offset and the net amount is reported in financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.

2.12.4 Impairment of financial assets

The SECP through its update SRO 1177 (I) / 2021.- dated September 13, 2021 had notified that the requirements contained in IFRS 9 "Financial Instruments" with respect to application of Expected Credit Losses (ECL) method will not be applicable to companies till June 30, 2022 for financial assets due from Government of Pakistan. However, such companies are required to follow the relevant requirements of IAS 39 "Financial Instruments: Recognition and Measurement" in respect of such financial assets during the exemption period. Further, as per letter from SECP dated January 09, 2023, the Company received extension in exemption till June 30, 2023. Also, as per SRO 67(I) / 2023. - dated January 20, 2023 exemption is now further extended till December 31, 2024. Therefore the Group does not recognize expected credit losses (ECL) on trade debts and delayed payment charges as they are solely receivable from Government of Pakistan.

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments (other than trade debts) carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Lifetime ECL is recognized when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12month ECL under IFRS 9 'Financial Instruments'.

For trade debts, other than those due from GoP, the Company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade debts other than those due from GoP are grouped based on shared credit risk characteristics and the days past due.

The Group measures ECL of a financial instrument in a way that reflects:

a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcome;

b) the time value of money; and

c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial assets considered irrecoverable are written-off.

2.12.5 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset or a CGU is impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

When the recoverable amount of CGU is less than its carrying amount, an impairment loss is recognised. Intangible assets with indefinite useful lives are tested for impairment annually at year end either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

2.13 Stores and spares

These are valued at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and / or identified as surplus to the Group's requirements, adequate provision is made for any excess book value over estimated residual value.

2.14 Stock-in-trade

Stock-in-trade is valued at the lower of cost and net realizable value. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects are assigned by using the specific identification of their individual costs. For other types of inventory (except for stock in transit), cost is determined using the weighted average method. Stock in transit, on the other hand, is stated at cost (invoice value) plus other charges incurred thereon till the reporting date.

Cost includes applicable purchase cost, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.15 Trade debts and other receivables

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional unless they contain a significant financing component, in which case these are recognized at fair value. The Group holds the trade debts and other receivables with the objective to collect contractual cash flows and, therefore, measures them subsequently at amortized cost using effective interest rate method.

Impairment of trade and other receivables is disclosed in note 2.12.4.

2.16 Contract assets and contract liabilities

A contract asset is recognized for the Group's right to consideration in exchange for goods or services that it has transferred to a customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the amount as a contract asset, excluding any amounts presented as a receivable. A contract asset is assessed for impairment in accordance with note 2.12.4. An impairment of a contract asset is measured, presented and disclosed on the same basis as a financial asset.

A contract liability is recognized for the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

2.17 Loans and deposits

Loans and deposits are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are included in current assets, except for maturities greater than twelve months after the reporting date, in which case they are classified as non-current assets.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, deposits held with banks and other short-term highly liquid investments with less than three months maturity from the date of acquisition. Finance facilities availed by the Group, if any, which are repayable on demand and form an integral part of the Group's cash management are included as part of cash and cash equivalents.

2.19 Assets held for sale

The Group classifies non-current assets as held for sale if the carrying amounts are to be recovered principally through a sale transaction rather than through continuing use, the sale is considered highly probable within one year from the reporting date and the asset is available for immediate sale in the present condition. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Assets classified as held for sale are presented separately in the financial position, a remeasurement loss is recognized for any writedown of the asset to fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative imapirment loss previously recognized.

Assets are not depreciated or ammortized while these are classified as held for sale.

2.20 Employees' share option scheme

Equity-settled share-based payments to employees are measured at fair value at the grant date. The fair value determined at the grant date of the equity settled share-based payments is recognized as an employee compensation expense on a straight-line basis over the vesting period.

Fair value is measured using the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on best estimate for the effects of exercise restrictions.

When a vested option lapses on expiry of the exercise period, employee compensation expense already recognized in profit or loss is transferred to unappropriated profit from employee share option compensation reserve in the consolidated statement of changes in equity.

When the options are exercised, employee share option compensation reserve relating to these options is transferred to share capital and share premium. An amount equivalent to the face value of related shares is transferred to share capital. Any amount over and above the share capital is transferred to share premium.

2.21 Employees' retirement benefits

The Holding company operates a funded defined benefit gratuity plan for its permanent employees and TGL and REL operate unfunded gratuity schemes for their permanent employees who have completed the minimum qualifying period of service of one year. The obligation is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the Projected Unit Credit method, related details of which are given in note 20 to the consolidated financial statements. All remeasurement gains / losses are recognized in other comprehensive income.

2.22 Borrowings

Mark-up bearing borrowings are recognized initially at fair value, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in profit or loss over the period of borrowings on an effective interest rate basis.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2.23 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. These are classified as current liabilities if payment is due within twelve months or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Exchange gains and losses arising from translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

2.24 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

2.25 Warranty provision

The Group recognizes the estimated liability, on an accrual basis, to repair or replace products under warranty at the reporting date, and recognizes the estimated product warranty costs in profit or loss when the sale is recognized.

2.26 Government grant

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to loans received at below market rate are credited to deferred income in non-current liabilities and amortised to other income in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

2.27 Taxation

2.27.1 Current

Provision for current taxation is based on income streams chargeable at current rate of taxation after taking into account tax credits and tax rebates available, if any. The charge for current tax includes adjustments to charge for prior years, if any.

The Group’s profits and gains from power generation are exempt from tax under clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO). The Group is also exempt from minimum tax on turnover under clause 11 A of part IV of the Second Schedule to the ITO. However, the Group's income from other sources is subject to taxation as per the prevailing provisions of the ITO.

2.27.2 Deferred

Deferred tax is recorded for all temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and the tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised only when it is probable that future taxable profits and taxable temporary differences will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is charged or credited in profit or loss, unless it relates to item recognized in equity in which case it is also recognized in equity.

2.28 Revenue and income recognition

2.28.1 Project revenue

Project revenue is recognised with reference to the stage of completion of project activity at the reporting date over the period of time. Stage of completion of a project is determined by applying the ‘cost-to-cost method’. Under this method, the stage of completion of a project is determined with reference to the proportion of project costs incurred to date bear to the total estimated contract costs. Expected losses on projects are recognised as an expense immediately in profit or loss.

2.28.2 Operations and maintenance services

Operation and maintenance fee under various contracts is measured at fair value of the consideration received or receivable and is recognised on accrual basis and when services are rendered i.e. performance obligations are fulfilled in accordance with the terms of agreements.

2.28.3 Sale of goods

Revenue from sale of goods is recognized at a point in time when goods are transferred to the customer and when performance obligations are fulfilled. Goods are considered to be transferred when the control is transferred to the customer, i.e. at the time of dispatch of goods.

2.28.4 Supply of electricity

For supply of electricity to Central Power Purchasing Agency Guarantee Limited (CPPA-G), the Group recognizes revenue when following performance obligations are satisfied i.e. delivery of monthly energy, which includes net delivered energy and non project missed volume (NPMV), to CPPA-G. Invoices are raised at month end, becoming due 30 days after the invoice date.

Energy revenue is recognized based on the rates determined under the mechanism laid down in the Energy Purchase Agreement (EPA). The Group recognizes revenue for NPMV. NPMV is defined in the EPA as a volume of electricity not delivered by the Group due solely to a non-project event (NPE) i.e. events which are outside the control of the Group (e.g. constraints on the grid systems, variations in the grid system frequency or voltage outside technical limits, etc.)

In case of supply of electricity to SECMC and P&G, the Group recognizes revenue when the performance obligation is satisfied i.e. delivery of energy output at the Energy Delivery Point to SECMC and P&G. Revenue is recognized based on the rates determined under the mechanism laid down in the PPA. Normal payment terms of the group are 30 days.

The Group has assessed that the performance obligation in its contracts with the customers is discharged over time.

2.28.5 Other services

Revenue from other services such as design and engineering services is recognized as and when such services are rendered.

2.28.6 Interest on investments and bank deposits and delayed payment income

Interest income on investments and bank deposits and delayed payment income on overdue trade debts is recognized on an accrual basis.

2.28.7 Dividend income

Dividend income is recognized when the Group's right to receive the dividend is established.

2.28.8 Capital gain

Capital gains / losses arising on sale of investments are included in profit or loss on the date at which the transaction takes place.

2.29 Borrowing costs

Borrowings costs are recognised as an expense in the period in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset, in which case, such costs are capitalised as part of the cost of that asset. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs.

On September 02, 2019, SECP vide SRO 986 (I) 2019 has granted exemption from the requirements of International Accounting Standard 21 'The Effects of Changes in Foreign Exchange Rates' to the extent of capitalization of exchange differences to all

IPPs that have executed their PPAs before January 1, 2019. Accordingly, exchange gains / losses of TGL's foreign currency borrowings have been capitalized in these consolidated financial statements.

2.30 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

a) represents a separate major line of business or geographical area of operations;

b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

c) is a subsidiary acquired exclusively with a view to resale.

2.31 Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at rates of exchange prevailing at the reporting date. Foreign exchange differences are recognized in profit or loss.

2.32 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Holding Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Holding Company and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

2.33 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Holding Company that makes the strategic decisions.

Management has disclosed information as required by IFRS 8 'Operating Segments' in note 46 to these consolidated financial statements.

2.34 Contingent liabilities

Contingent liabilities are disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or

- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

2.35 Transactions with related parties

Sales, purchases and other transactions with related parties are carried out on terms and conditions agreed between the parties.

2.36 Dividends and appropriation to reserves

Dividends and appropriation to reserves are recognized in the consolidated financial statements in the period in which these are approved.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with the applicable accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

3.1 Property, plant and equipment and intangibles

The Group reviews appropriateness of the rates of depreciation / amortization, useful lives and residual values used in the calculation of depreciation / amortization at each reporting date. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

3.2 Stock-in-trade

The Group reviews the net realizable value of stock-in-trade to assess any diminution in the respective carrying values. Net realizable value is determined with reference to estimated selling price less estimated expenditure to make the sales.

3.3 Provision for retirement and other service benefits obligations

The present value of these obligations depend on a number of factors that are determined on actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of these obligations. The present value of these obligations and the underlying assumptions are disclosed in note 20.

3.4 Taxation

In making the estimates for current income taxes payable by the Group, the management considers the applicable laws and the decisions / judgments of appellate authorities on certain issues in the past. Accordingly, the recognition of deferred tax is also made taking into account these judgments and the best estimates of future results of operations of the Group.

Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the assets may be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the asset is utilized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the date of financial position.

3.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3.6 Impairment of investment in associate

In making estimate of recoverable amount of the Holding Company's investment in associate, the management considers future cash flows / dividend stream and estimates discount rate and terminal value of these investments, which are subject to change.

3.7 Provision for warranty

The Group recognizes the estimated liability to replace damaged equipment covered under warranty at the reporting date on the basis of historical claim information. The Group provides manufacturer's warranty on equipment ranging from 1 to 10 years and performance warranty upto 25 years. The ratio of warranty claims filed during the year to previous year's cost of sales is taken into account for determining the estimated liability.

3.8 Impairment of cash generating unit.

The Holding Company assesses at each reporting date whether there exists an indication that a cash generating unit (CGU) may be impaired. If any such indication exists, the Holding Company estimates the recoverable amount, which is higher of assets' fair value less cost to sell and its value-in-use.

In making estimate of recoverable amount of the CGU, the management considers future cash flows / dividend stream and estimates discount rate and terminal value of these CGUs, which are subject to change.

Where the carrying amount of a CGU exceeds its recoverable amount, these are considered impaired and are written down to its recoverable amount. Impairment loss is recognised as an expense in profit or loss.

3.9 Lease accounting

The implementation process to identify and process all relevant data associated with the leases is complex and the measurement of the right-of-use asset and lease liability is based on assumptions such as discount rates and the lease terms, including termination and renewal options. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the Group's incremental borrowing rate is used, being the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

(Amounts in thousand)

3.10 Revenue

The Group estimates the cost to complete the projects in order to determine the Group's progress towards the complete satisfaction of a performance obligation. These costs include the cost of material, infrastructure, labour and the cost of meeting other contractual obligations to the customer.

4. TGL MEMORANDUM OF UNDERSTANDING

On 13 August, 2020, the Company, along with other Independent Private Power Producers ("IPPs") representing the 2006 Power Policy projects (collectively referred to as the "Parties"), signed a Memorandum of Understanding (MoU) with a validity of six months with the Committee for negotiations with IPPs, notified by Government of Pakistan vide notification number F.No.IPPs- 1(12)/2019-20 dated June 03, 2020 (the "Committee"), to alter existing contractual arrangements to the extent of, and strictly with respect to, the matters listed under the MoU. The Parties and the Committee reached an understanding whereby inter-alia concessions have been granted through reduction in return on equity including return on equity during construction and insurance cost. The Parties also agreed to make efforts to reduce O&M cost and spread on debt servicing in addition to increasing debt tenor by 5 years after negotiations with related respective parties. Further, payment of the receivables of the Company are also an integral part of the MoU based on which draft amendments to the Energy Purchase Agreement (EPA) and a master agreement were initialed in early 2021. The finalization of draft amendments to the EPA and master Agreement were subject to approval of the Company's board of directors, sponsors and lenders (the Stakeholders). However, the Stakeholders did not agree to the terms of the draft amendments to the EPA and Master Agreement during the validity period, which ultimately led to the expiry of MoU on February 13, 2021.

TGL is still in negotiations with the Government of Pakistan (GOP) through its lender U.S. International Development Finance Corporation (DFC) in the larger national interest of the Country for reduction in tariff rates in which they have informed GOP that they are willing to reduce the debt component of the tariff by re-structuring their loan through decrease in intertest rate by 50 basis points with a corresponding increase in loan tenor by 5 years. However, DFC is not willing to alter any other contract terms as stated in the initialed master agreement, such as Return on Equity, Insurance and Operations and Maintenance costs. The matter is still under discussion between the lenders, IPPs and the power purchaser.

Therefore since the negotiations have not yet finalized any changes for reduction in tariff rates will require mutual consent between all parties and will be applicable prospectively.

	2023	2022
	------------ (Rupees) ------------	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value (note 5.1)	**13,740,454**	13,147,764
Capital work in progress (CWIP) (note 5.2)	**4,494**	279,148
Capital spares	**191,398**	159,784
	13,936,346	13,586,696
Related to disposal group (note 39.2)	**(13,640,609)**	-
	295,737	13,586,696

(Amounts in thousand)

5.1 Operating assets

	Land		Building									
	Freehold	Leasehold (notes 5.1.3 and 5.1.4)	Freehold	Leasehold	Plant and machinery (note 5.1.2)	Wind measuring equipment	Furniture, fixtures and office equipment	Computers	Tools and equipment	Vehicles	Renewable energy units	Total
	----------	----------	----------	----------	----------	(Rupees)	----------	----------	----------	----------	----------	----------
As at January 1, 2022												
Cost	3,157	38,194	67,719	3,103,701	12,592,480	3,881	136,735	14,679	14,969	26,659	5,643	16,007,817
Accumulated Depreciation	-	(27,670)	(64,788)	(692,687)	(2,764,419)	(2,810)	(105,943)	(12,443)	(7,457)	(21,132)	(3,000)	(3,702,349)
Accumulated impairment	-	-	-	-	(35,815)	-	-	-	(413)	-	-	(36,228)
Net book value	3,157	10,524	2,931	2,411,014	9,792,246	1,071	30,792	2,236	7,099	5,527	2,643	12,269,240
Year ended December 31, 2022												
Net book value at beginning of the year	3,157	10,524	2,931	2,411,014	9,792,246	1,071	30,792	2,236	7,099	5,527	2,643	12,269,240
Additions including transfers from CWIP	-	-	-	1,498	80,784	-	5,498	829	122	4,325	-	93,056
Capitalization adjustment for exchange loss (note 5.1.7)	-	-	-	334,629	1,290,519	-	-	-	-	-	-	1,625,148
Disposals												
Cost	-	-	(1,892)	-	(19,637)	-	(468)	-	-	(2,143)	-	(24,140)
Accumulated depreciation	-	-	1,790	-	5,191	-	468	-	-	1,455	-	8,904
	-	-	(102)	-	(14,446)	-	-	-	-	(688)	-	(15,236)
Impairment loss	-	-	-	-	(3,273)	-	-	-	(55)	-	-	(3,328)
Depreciation charge (note 5.1.6)	-	(648)	(170)	(157,781)	(643,367)	(119)	(16,594)	(279)	(631)	(1,282)	(245)	(821,116)
Net book value at the end of the year	3,157	9,876	2,659	2,589,360	10,502,463	952	19,696	2,786	6,535	7,882	2,398	13,147,764
As at December 31, 2022												
Cost	3,157	38,194	65,827	3,439,828	13,944,146	3,881	141,765	15,508	15,091	28,841	5,643	17,701,881
Accumulated depreciation	-	(28,318)	(63,168)	(850,468)	(3,402,595)	(2,929)	(122,069)	(12,722)	(8,088)	(20,959)	(3,245)	(4,514,561)
Accumulated impairment	-	-	-	-	(39,088)	-	-	-	(468)	-	-	(39,556)
Net book value	3,157	9,876	2,659	2,589,360	10,502,463	952	19,696	2,786	6,535	7,882	2,398	13,147,764
Year ended December 31, 2023												
Net book value at beginning of the year	3,157	9,876	2,659	2,589,360	10,502,463	952	19,696	2,786	6,535	7,882	2,398	13,147,764
Additions including transfers from CWIP	-	-	1,300	18,732	283,720	-	4,176	1,623	865	310	-	310,726
Capitalization adjustment for exchange loss (note 5.1.7)	-	-	-	316,958	1,222,369	-	-	-	-	-	-	1,539,328
Disposals												
Cost	-	-	-	-	(270,543)	-	(654)	(76,103)	-	(693)	-	(347,993)
Accumulated depreciation	-	-	-	-	7,556	-	654	76,103	-	585	-	84,898
	-	-	-	-	(262,987)	-	-	-	-	(108)	-	(263,095)
Impairment loss (note 5.1.8)	-	-	-	-	(2,674)	-	-	-	-	-	-	(2,674)
Depreciation charge (note 5.1.6)	-	(658)	(210)	(195,524)	(778,865)	(119)	(12,963)	(599)	(750)	(1,660)	(246)	(991,616)
Net book value at the end of the year	3,157	9,218	3,749	2,729,526	10,964,026	833	10,909	3,810	6,650	6,424	2,152	13,740,454
AS AT DECEMBER 31, 2023												
Cost	3,157	38,194	67,127	3,775,519	15,179,692	3,881	145,287	(58,972)	15,956	28,458	5,643	19,203,942
Accumulated depreciation	-	(28,976)	(63,378)	(1,045,992)	(4,173,904)	(3,048)	(134,378)	62,782	(8,838)	(22,034)	(3,491)	(5,421,257)
Accumulated impairment	-	-	-	-	(41,762)	-	-	-	(468)	-	-	(42,230)
Net book value	3,157	9,218	3,749	2,729,527	10,964,026	833	10,909	3,810	6,650	6,424	2,152	13,740,455
Annual rate of depreciation	0%	4% to 33%	10%	5% - 6%	5% to 20%	10%	10% to 35%	33%	10% to 33%	20%	10%	

5.1.1 The above include assets with an aggregate carrying value of Rs.10,464 (2022: Rs. 10,464) held as idle assets which relate to discontinued textile units, LWTM and BTM.

5.1.2 The above assets include assets costing Rs. 53,718 (2022: Rs. 54,283) having Nil net book value that are still in use of the Group.

5.1.3 This represents initial cost on allocation of land by Alternate Energy Development Board (AEDB) for setting up of a Wind Power Farm. Possession of the land and the site sub-lease have been obtained by the Group.

5.1.4 The Group's plant and machinery includes following assets held by third parties:

	2023		2022		
Cost of asset	**Cost**	**Net book value**	**Cost**	**Net book value**	**Description**
	-----------------------------(Rupees in `000)			------------------------------	
Plant and machinery	1,390	361	1,390	412	Equipment installed in Kalar Kahar at site of LCC Pakistan (Private) Limited as a proof of concept
Plant and machinery	3,349	1,344	3,349	1,520	Equipment installed at a godown and Attock mill of the Holding Company for research and development purposes
	4,739	1,705	4,739	1,932	

5.1.5 Description and mode of disposal of assets having net book value of more than Rupees 500,000 is as follows:

	Cost	Accumulated depreciation	Net book value (NBV)	Sale proceeds	(Loss) / gain
	---------------------------	-------------	(Rupees)	-------------	---------------------------
Plant and machinery	270,543	7,556	262,987	250,763	(12,224)
Vehicles					
By Group's buy-back option policy to existing / separating employees after retention period of five years at notional net book value	693	585	108	260	152
Office equipment					
By Group's buy-back option policy to existing / separating employees after retention period of two years at notional net book value	833	833	-	18	18
December 31, 2023 (note 35 and 36)	272,069	8,974	263,095	251,041	(12,054)
December 31, 2022 (note 35 and 36)	24,140	8,904	15,236	8,967	(6,269)

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
5.1.6 Depreciation charge for the year has been allocated as follows:		
Cost of revenue (note 32)	**975,304**	803,022
Selling and distribution expenses (note 33)	**2,102**	5,469
Administrative expenses (note 34)	**14,210**	12,625
	991,616	821,116

5.1.7 Represents exchange loss aggregating to Rs.1,539,328 (2022: exchange loss of Rs. 1,625,148) arising on foreign currency borrowings capitalised as cost of the related property, plant and equipment as per the exemption from the application of IAS 21 "The Effects of Changes in Foreign Exchange Rates" granted by the Securities and Exchange Commission of Pakistan via S.R.O. 986 (I) / 2019 dated September 2, 2019 which was partial modification of its previously issued S.R.O. 24 / (1)/2012 dated January 16, 2012.

5.1.8 In November 2023, at TGL site, Earthing Transformer No. 1 suffered a malfunction and subsequent burnout. The transformer was deemed irrepairable by the operations and maintenance contractor during its inspection. A new earthing transformer was installed in its place as a result no business interruption was encountered. An assessment was carried out to determine its fair value less cost to sell to be Rs. 1,265. Consequently, asset's net book value has been written down to its fair value less cost to sell. The resulting impairment loss of Rs. 2,674 has been recognized in profit or loss (note 35).

5.1.9 The details of immovable fixed assets (i.e. land and buildings) are as follows:

Description of location	Address	Total area of land in Acres
BTM Factory	Dawoodabad, Railway Station Road and Luddan Road, Chak 439, E.B, Tehsil Burewala, District Vehari	313.725
LWTM Factory	G.T. Road, Faqirabad, District Attock	230
Leasehold land including wind measuring equipment and building thereon	KhutiKun Area, Gharo, District Thatta, Sindh	4,881

	2023	2022
	------------ (Rupees) ------------	
5.2 Capital work-in-progress		
Balance at beginning of the year	**279,148**	6,485
Additions	**14,621**	274,269
Transfers to operating fixed assets	**(289,275)**	(1,606)
Balance at end of the year	**4,494**	279,148

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
6.	**RIGHT-OF-USE ASSETS**		
	Year ended December 31		
	Balance at beginning of the year	**100,174**	115,831
	Depreciation charge (note 6.1)	**(11,954)**	(15,657)
	Related to disposal group (note 39.2)	**(88,220)**	
	Balance at end of the year	**-**	100,174
	As at December 31,		
	Cost	**181,499**	181,499
	Accumulated depreciation	**(93,279)**	(81,325)
		88,220	100,174
	Related to disposal group (note 39.2)	**(88,220)**	-
	Net book value	**-**	100,174
	Rate of depreciation (% per annum)	**5.56 to 20**	5.56 to 20

		2023	2022
		------------ (Rupees) ------------	
6.1	The depreciation charge for the year has been allocated as follows:		
	Cost of revenue (note 32)	**5,770**	5,748
	Selling and distribution expenses (note 33)	**6,184**	9,909
		11,954	15,657
7.	**INTANGIBLE ASSETS**		
	Goodwill (note 7.1)	**22,834**	22,834
	Computer software (note 7.2)	**9,146**	6,755
	Capital work-in-progress (note 7.3)	**19,509**	19,975
		51,489	49,564
	Related to disposal group (note 39.2)	**(51,489)**	-
		-	49,564

7.1 Goodwill

In year 2008, the Holding Company acquired 100% shareholding of TGL. The business combination with TGL was accounted for by applying the purchase method. The cost of the acquisition was measured at the fair value of equity instruments issued at the date of exchange plus cost directly attributable to acquisition. Identified assets acquired, liabilities (including contingent liabilities) assumed or incurred were measured at fair value at the acquisition date. The excess cost of acquisition over the fair value of identifiable net assets acquired was recognized as goodwill in the consolidated financial statements.

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		2023	2022
		------------ (Rupees)	------------
7.2	**Computer software**		
	Cost		
	Balance at beginning of the year	**49,960**	45,542
	Transfers from CWIP (note 7.3)	**11,499**	4,418
	Balance at end of the year	**61,459**	49,960
	Accumulated amortization		
	Balance at beginning of the year	**(43,205)**	(34,955)
	Amortization (note 7.2.2)	**(9,108)**	(8,250)
	Balance at end of the year	**(52,313)**	(43,205)
	Carrying amount	**9,146**	6,755

7.2.1 TThe cost of above intangible assets is being amortized over a period of 3 years.

7.2.2 The amortization charge for the year has been allocated as follows:

		2023	2022
		------------ (Rupees)	------------
	Selling and distribution expenses (note 33)	**9,108**	72
	Administrative expenses (note 34)	**-**	8,178
		9,108	8,250
7.3	**Capital work-in-progress**		
	Balance at beginning of the year	**19,975**	13,053
	Additions during the year (note 7.3.1)	**11,033**	11,340
	Transfer to computer software (note 7.2)	**(11,499)**	(4,418)
	Balance at end of the year	**19,509**	19,975

7.3.1 This relates to two internally generated softwares, Spark - an intelligent indigenised cloud based data analytics and asset performance management software and BESS - energy storage and management solution software.

(Amounts in thousand)

		2023	2022
		------------- (Rupees) ------------	
8.	**LONG-TERM INVESTMENTS**		
	Investment in associate (note 8.1)	**10,640,906**	11,358,451
	Other investments (note 8.3)	**15,199**	11,579
		10,656,105	11,370,030
8.1	**Investment in associate (quoted)**		
	Dawood Hercules Corporation Limited (DHCL)		
	Balance at beginning of the year	**11,358,451**	11,556,438
	Add:		
	- Share of profit after taxation	**1,347,342**	949,873
	- Share of other comprehensive income	**22,869**	21,118
	- Share of other components of equity (note 8.1.2)	**(684,982)**	-
		685,229	970,991
	Less: Dividend received	**(1,402,774)**	(1,168,978)
		10,640,906	11,358,451

8.1.1 The Holding Company has invested in DHCL with ownership of 16.19% (2022: 16.19%) comprising of 77,931,896 (2021: 77,931,896) fully paid ordinary shares of Rs. 10/- each, having a market value of Rs. 8,388,589 (2022: Rs. 7,364,564) as at the reporting date.

8.1.2 This includes shares purchased by Engro Corporation Limited (ECL) for cancellation and transfer from unappropriated profit to maintainance reserve.

(Amounts in thousand)

8.1.3 The summary of financial information / reconciliation of DHCL is as follows:

	2023	2022
	------------- (Rupees) ------------	
Revenue	**482,488,902**	356,642,844
Profit after tax	**36,364,637**	42,920,401
Other comprehensive income - net of tax	**377,500**	335,840
Total comprehensive income	**36,742,137**	43,256,241
Total comprehensive income attributable to:		
- Owners of DHCL	**8,463,315**	5,996,587
- NCI of DHCL	**28,278,822**	37,259,654
	36,742,137	43,256,241
Non-current assets	**457,434,075**	447,559,333
Current assets	**356,832,750**	317,978,924
Assets classified as held for sale	**1,525,396**	-
Total assets	**815,792,221**	765,538,257
Less:		
Non-current liabilities	**254,201,841**	240,032,092
Current liabilities	**328,693,108**	276,845,949
Total liabilities	**582,894,949**	516,878,041
Net assets	**232,897,272**	248,660,216
Net assets attributable to:		
- Owners of DHCL	**65,731,052**	70,162,014
- NCI of DHCL	**167,166,220**	178,498,202
	232,897,272	248,660,216
Group's share in %	**16.19%**	16.19%

	2023	2022
	------------- (Rupees) ------------	
Share of net assets	**10,641,857**	11,359,230
Others	**(951)**	(749)
Carrying amount	**10,640,906**	11,358,481

8.1.4 The Holding Company holds 16.19% of the voting power in DHCL, however due to representation of its Directors on the Board of Directors of DHCL and participation in policy making processes including participation in decisions about dividends or other distributions, it has significant influence over DHCL.

(Amounts in thousand)

8.2 The Holding Company has pledged ordinary shares of its associate and subsidiaries as security against financing facilities availed by itself and its subsidiaries from various commercial banks the details of which are as follows:

Particulars	Shares pledged	AS AT DECEMBER 31, 2023 Number of shares pledged	Face value of shares pledged	Market value of pledged shares	As at December 31, 2022 Number of shares pledged	Face value of shares pledged	Market value of pledged shares
			-----(Rupees)-----			-----(Rupees)-----	
Pledged against short-term financing and other facilities availed by the Holding Company and its subsidiaries							
Bank AL Habib Limited (note 30.1.11 and 8.2.1)	Dawood Hercules Corporation Limited	6,200,000	102,000	667,368	10,200,000	102,000	963,900
MCB Bank Limited (note 30.1.11 and 8.2.1)		-	-	-	210,000	2,100	19,845
United Bank Limited (note 30.1.11 and 8.2.1)		27,900,000	279,000	3,003,156	-	-	-
Habib Bank Limited (note 30.1.11 and 8.2.1)		-	-	-	28,350,000	283,500	2,679,075
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (note 30.1.11 and 8.2.1)	Reon Alpha (Private) Limited	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi Limited	34,599,995	346,000	-*	34,599,995	346,000	-*

**Tenaga Generasi Limited is an unlisted company and Reon Alpha (Private) Limited is a private company.*

8.2.1 During the year 28,350 and 4,000 shares were released from Habib Bank Limited, MCB Bank Limited and Bank Al Habib and 27,900 shares of Dawood Hercules Corporation Limited (DHCL) have been pledged on account of an arrangement of Stand-By Letter of Credit (SBLC) in favor of Tenaga Generasi Limited (TGL) with United Bank Limited.

8.3 Other investments

2023	2022	Name of Investee	2023	2022
Units / Number of Shares			------------ (Rupees) ------------	
		Listed securities		
200,000	200,000	National Investment (Unit) Trust (note 8.3.1)	15,184	11,564
		Un-listed securities		
1,500	1,500	Asian Co-operative Society Limited (note 8.3.1)	15	15
201,500	201,500		15,199	11,579

8.3.1 Reconciliation between fair value and cost of investments

	2023	2022
	------------ (Rupees) ------------	
Fair value of investments	**15,199**	11,579
Surplus on remeasurement of investments as at year end	**(12,744)**	(9,124)
Cost of investments	**2,455**	2,455

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		2023	2022
9.	**LONG-TERM DEPOSITS**	------------- (Rupees)	------------
	Deposits for utilities	**2,778**	2,778

10.	**LONG-TERM LOANS TO EMPLOYEES - Secured, considered good**		
	Long-term loans to employees (notes 10.1 and 10.2)	**4,346**	796
	Related to disposal group:		
	Current portion (note 15)	**(3,977)**	(427)
	Non-current portion (note 39.2)	**(369)**	-
		(4,346)	(427)
		-	369
10.1	**Reconciliation of the carrying amount of loans to employees**		
	Balance at beginning of the year		
	Disbursement	**796**	1,912
	Repayment	**6,261**	1,050
	Balance at end of the year	**(2,711)**	(2,166)
		4,346	796

10.2 These represent interest free loans to employees as per Group's policy. These are repayable in equal monthly instalments over a period of two years and are secured against gratuity balances of employees. The maximum aggregate amount due from employees at the end of any month during the year was Rs. 4,346 (2022: Rs. 796).

		2023	2022
11.	**STORES AND SPARES**	------------- (Rupees)	------------
	Stores and spares	**1,784**	1,784
	Provision for slow moving and obsolete items	**(892)**	(892)
		892	892
12.	**STOCK-IN-TRADE**		
	Renewable energy		
	Finished goods	**694,710**	705,179
	Stock in transit	**749,989**	292,234
		1,444,699	997,413
	Textile		
	Finished goods	**6,102**	10,426
	Provision for slow moving and obsolete items (note 12.1)	**(1,684)**	(1,684)
		4,418	8,742
		1,449,117	1,006,155
	Related to disposal group (note 39.2)	**(1,444,699)**	-
		4,418	1,006,155

(Amounts in thousand)

		2023	2022
		------------- (Rupees) ------------	
12.1	The movement in provision during the year is as follows:		
	Balance at beginning of the year	**1,684**	2,029
	Reversal (note 32)	**-**	(345)
	Balance at end of the year	**1,684**	1,684
13.	**TRADE DEBTS**		
	- Secured, considered good		
	Alternate energy (notes 13.1 and 13.2)	**3,665,581**	2,215,968
	- Unsecured, considered good		
	Renewable energy (notes 13.3, 13.4 and 13.5)	**819,070**	850,572
		4,484,651	3,066,540
	- Considered doubtful		
	Renewable energy	**133,060**	62,160
	Others	**1,052**	1,052
		134,112	63,212
		4,618,763	3,129,752
	Allowance for expected credit loss (note 13.7)	**(70,656)**	(63,212)
	Related to disposal group (note 39.2)	**(4,542,443)**	-
		5,664	3,066,540

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

13.2 Trade debts from alternate energy represents amounts aggregating to:

- Rs. 502,468 (2022: Rs. 157,276) which have not been billed.

- Rs. 811,063 (2022: Rs.116,396) which are neither past due nor impaired.

- Rs. 2,352,050 (2022: Rs. 1,942,296) which are overdue by upto 113 days (2022: upto 150 days) but not impaired. These carry markup at the rate of 3 months KIBOR plus 4.5% per annum.

13.3 As at December 31, 2023, trade debts aggregating to Rs. 793,926 (2022: Rs. 728,557) were past due but not impaired. These include receivables in respect of sale of goods and rendering of services in respect of various procurement contracts and engineering and construction services contracts and sale of electricity. The aging analysis of these debts is as follows:

	2023	2022
	------------- (Rupees) ------------	
Upto 2 months	**271,243**	56,876
More than 2 months	**522,683**	671,681
	793,926	728,557

(Amounts in thousand)

13.4 These include trade debts from the following related parties in respect of projects executed and inventory sold by the Group, the aging analysis of which is given below:

	2023	2022
	(Rupees)	
Neither past due nor impaired		
Enfrashare (Private) Limited	**54,802**	77,709
Past due but not impaired		
Engro Energy Limited	**1,172**	1,534
Enfrashare (Private) Limited	**115,961**	214,779
Dawood Hercules Corporation Limited	**-**	395
Engro Eximp F.Z.E.	**3,779**	-
Engro Vopak Terminal Limited	**668**	590
	121,580	217,298
	176,382	295,007
The aging analysis of above past due but not impaired is as follows:		
Upto 2 months	**13,179**	67,225
More than 2 months	**108,401**	150,073
	121,580	217,298

13.5 The maximum aggregate amount due from related parties at the end of any month during the year was Rs. 176,382 (2022: Rs. 295,007).

13.6 For renewable energy projects, customers are billed upon partial or complete fulfillment of milestones, as agreed upon in contract. Once contractual milestones are raised, the Group expects to receive the amount within 3 to 30 days. Energy sales invoices are raised monthly and are due for settlement in 30 days.

13.7 As at December 31, 2023, trade debts aggregating to Rs. 70,656 (2022: Rs. 63,212) were deemed to have been impaired and were provided for. These include balances that were outstanding for more than 6 months. The movement in allowance for expected credit loss is as follows:

	2023	2022
	(Rupees)	
Balance at beginning of the year	**63,212**	41,674
Allowance	**7,444**	21,538
Balance at end of the year	**70,656**	63,212

14. CONTRACT ASSETS

	2023	2022
Contract costs incurred plus recognized profits less recognized losses	**5,705,058**	6,357,010
Less: Progress billings	**(4,221,672)**	(4,776,493)
Amount unbilled	**1,483,386**	1,580,517
Allowance for expected credit loss	**(37,851)**	(37,851)
	1,445,535	1,542,666
Related to disposal group (note 39.2)	**(1,440,693)**	-
	4,842	1,542,666

(Amounts in thousand)

		2023	2022
		------------- (Rupees) ------------	
14.1	These include contract assets in respect of following related parties:		
	Enfrashare (Private) Limited	**283,827**	579,656
	Engro Energy Limited	**3,392**	3,392
		287,219	583,048
15.	**LOANS AND ADVANCES**		
	- Secured, considered good		
	Loans and advances to employees (note 15.1)	**9,873**	15,399
	Current portion of long-term loans to employees (note 10)	**3,977**	427
		13,850	15,826
	- Unsecured, considered good		
	Advances to suppliers	**121,722**	380,631
		135,572	396,457
	Related to disposal group (note 39.2)	**(133,568)**	-
		2,004	396,457

15.1 This includes interest free loans to employees in accordance with their terms of employment and advances to employees provided for business travelling and various other expenses as per Group's policy and are secured against staff retirement gratuity.

		2023	2022
		------------- (Rupees) ------------	
16.	**DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**		
	Security deposits (note 16.1)	**179,665**	351,158
	Prepayments	**152,175**	17,923
	Delayed payment charges (note 16.2)	**1,578,129**	1,171,519
	Sales tax refundable	**232,430**	282,596
	Workers' profit participation fund (note 26.5)	**251,201**	200,131
	Others (note 16.3 and 16.4)	**33,153**	47,022
		2,426,753	2,070,349
	Related to disposal group (note 39.2)	**(2,375,830)**	-
		50,924	2,070,349

16.1 These includes Rs. 147,376 (2022: Rs. 304,187) for cash margin blocked against advance payment and performance guarantees for various engineering, procurement and construction contracts.

16.2 This includes:

- Rs. 278,158 (2022: Rs. 175,099) related to delayed payment interest which is not yet billed by the Company.
- Rs. 353,551 (2022: Rs. 357,811) which is overdue by upto 318 days (2022: 324 days) but not impaired.
- Rs. 946,420 (2022: Rs. 638,609) is overdue by 365 days or more.

(Amounts in thousand)

16.3 The amount due and maximum aggregate amount due from related parties at the end of any month during the year is as follows:

	Amount outstanding		Maximum month end balance	
	2023	2022	**2023**	2022
	(Rupees)			
Sach International (Private) Limited	**32,211**	27,250	**33,095**	32,759
Engro Fertilizers Limited	**280**	257	**280**	257
Dawood Foundation	**662**	1,546	**1,546**	1,546
	33,153	29,053	**34,921**	34,562

16.4 As at December 31, 2023, receivables from related parties aggregating to Rs. 33,153 (2022: Rs. 29,053) were past due but not impaired. The aging analysis of these receivables is as follows:

	2023	2022
	(Rupees)	
Upto 3 month	**2,078**	2,249
3 to 6 months	**1,249**	539
More than 6 months	**29,826**	26,265
	33,153	29,053

17. SHORT-TERM INVESTMENTS

	2023	2022
At amortized cost		
Term deposit receipts (notes 17.1 and 17.2)	**33,835**	33,399
At fair value through profit or loss		
Investment in units of mutual fund (note 17.3)	**154,445**	-
Investment in listed equity securities (note 17.4)		
- 2,500,000 shares of MCB Bank Limited	**431,375**	-
- 800,000 shares of Pakistan Petroleum Limited	**92,024**	-
- 1,550,000 shares of United Bank Limited	**275,652**	-
- 847,457 shares of Systems Limited	**358,949**	-
	1,158,000	
	1,346,280	33,399
Related to disposal group (note 39.2)	**(42,471)**	-
	1,303,809	33,399

17.1 The aforementioned investments have been placed under lien with various banks as security against unfunded financing facilities obtained therefrom.

17.2 Term deposit receipts amounting to Rs. 11,254 have been maintained with Habib Metropolitan Bank Limited. These carry markup at 19.5% (2022: 13.75%) per annum and are rolled forward at the end of each month.

Certificates of investment amounting to Rs. 22,581 have been placed with Pak Oman Investment Company Limited (POICL) at rates ranging from 14.75% to 22.30% (2022: 7.60% to 16.35%) and maturing on various dates with latest being Febraury 28, 2024. This also includes Rs. 13,708 (2022: Rs. 11,117) placed under the long-term loan agreement from POICL under State Bank of Pakistan (SBP) Renewable Energy Scheme on roll-over basis for the tenure of the loan.

17.3 This represents investment in 3,060,262 units of Pakistan Cash Management Fund having cost of Rs. 154,445 and Net Asset Value of Rs. 50.4678 / unit.

(Amounts in thousand)

		2023	2022
		---------------- Rupees ---------------	
17.4	Reconciliation between fair value and cost of investments		
	Fair value of investments	**1,158,000**	-
	Deficit on remeasurement of investments as at year end	**31,550**	-
	Cost of investments	**1,189,550**	-
18.	**CASH AND BANK BALANCES**		
	Cash in hand	**400,424**	100,393
	Cash at banks		
	- In current accounts	**335,718**	154,953
	- In deposit accounts - local currency (note 18.1)	**1,635,948**	1,725,852
	- In deposit accounts - foreign currency (note 18.2)	**37,340**	27,783
		2,009,006	1,908,588
		2,409,430	2,008,981
	Related to disposal group (note 39.2)	**(2,263,533)**	-
		145,897	2,008,981

18.1 These represent deposits with commercial banks and carry profit at the rates ranging from 10% to 20.50% (2022: 6.00% to 14.79%) per annum.

18.2 These carry return at the rate of 5.38% (2022: 1.58%) per annum.

19. SHARE CAPITAL

19.1 Authorized capital

2023	2022		2023	2022
-----(Number of shares) -----			---------- (Rupees) ---------	
75,000,000	75,000,000	Ordinary shares of Rs.10/- each	**750,000**	750,000

(Amounts in thousand)

19.2 Issued, subscribed and paid up capital

2023	2022		2023	2022
---(Number of shares) ---			---------- (Rupees) ---------	
2,204,002	2,204,002	**Ordinary shares of Rs.10/- each** fully paid in cash	**22,040**	22,040
12,805,118	12,805,118	Issued for consideration other than cash (note 19.2.4)	**128,051**	128,051
44,048,739	44,048,739	Fully paid as bonus shares	**440,487**	440,487
130,520	130,520	Issued as right shares as per the Court Order (note 19.2.5)	**1,305**	1,305
111,430	111,430	Issued as bonus shares as per the Court Order (note 19.2.5)	**1,115**	1,115
59,299,809	59,299,809		**592,998**	592,998

19.2.1 Associates' holding of the Holding Company's share capital is as under:

	2023	2022
	------- (Number of shares) --------	
Dawood Corporation (Private) Limited	**32,521,794**	32,515,564
The Dawood Foundation	**2,979,324**	2,979,324
Dawood Investments (Private) Limited (formerly Patek (Private) Limited)	**4,443,661**	4,443,661
Cyan Limited	**2,965,095**	2,965,095
Sach International (Private) Limited	**3,776**	3,776
	42,913,650	42,907,420

19.2.2 During the year, the Holding Company paid dividends to the aforementioned associated companies amounting to Nil (2022: Rs. 300,352).

19.2.3 The Holding Company has a single class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the Holding Company. All shares rank equally with regard to the Holding Company's residual assets.

19.2.4 Shares issued for consideration other than cash represent shares issued to the shareholders of the amalgamating companies in accordance with the share-swap ratio stipulated in the Scheme of Arrangement for Amalgamation (note 1.1).

19.2.5 In compliance with the orders passed by the Honorable Sindh High Court (note 27), the Holding Company had issued 241,950 shares (denoting 130,520 shares as right issue and 111,430 as bonus issue) to National Investment (Unit) Trust [managed by National Investment Trust Limited (NIT)] on May 12, 2020.

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	

20. STAFF RETIREMENT BENEFITS

	2023	2022
Defined benefit plans		
- Gratuity fund	**3,506**	4,759
- Unfunded gratuity scheme	**79,852**	74,367
	83,358	79,126
Related to disposal group (note 39.2)	**(79,852)**	-
	3,506	79,126

The details of staff retirement benefit obligations based on actuarial valuations carried out by independent actuaries as at December 31, 2023 under the Projected Unit Credit Method are as follows:

20.1 Principal actuarial assumptions used in the actuarial valuations

	2023		2022	
	Gratuity fund	Unfunded gratuity schemes	Gratuity fund	Unfunded gratuity schemes
	---------- % ----------			
Financial assumptions:				
Discount rate used for year end obligations	14.75	15.5	14.5	12.25
Expected rate of salary increase	13.75	15.5	13.5	14.5
Expected return on plan assets	11.52	-	11.52	-
Demographic assumptions:				
Expected withdrawal rate	Age-based	Age-based	Age-based	Age-based
Expected retirement age	Age 60	Age 60	Age 60	Age 60
Expected mortality rate	SLIC 2001 - 2005 (Set back 1 year)	SLIC 2001 - 2005 (Set back 1 year)	SLIC 2001 - 2005 (Set back 1 year)	SLIC 2001 - 2005 (Set back 1 year)

	2023		2022	
	Gratuity fund	Unfunded gratuity schemes	Gratuity fund	Unfunded gratuity schemes
	---------- (Rupees) ----------			
Consolidated statement of financial position reconciliation				
Present value of defined benefit obligation (note 20.3)	8,284	79,852	8,950	74,368
Fair value of plan assets (note 20.4)	(4,778)	-	(4,191)	-
Net Liability at end of the year	3,506	79,852	4,759	74,368
Movement in present value of defined benefit obligation				
Present value of defined benefit obligation at beginning of the year	8,950	74,368	8,476	81,611
Current service cost	1,298	23,015	1,512	25,966
Interest cost	1,029	8,481	880	7,787
Liability transferred from other group company	906	4,867	-	-
Liability transferred to other group company	(218)	(5,582)	-	-
Benefits paid	(3,595)	(31,464)	(1,977)	(34,361)
Benefits due but not paid	-	-	-	-
Remeasurement (gains) / losses from:				
- changes in demographic assumptions	-	2,372	-	1,119
- changes in financial assumptions	5	312	34	491
- experience adjustments	(91)	3,483	25	(8,245)
Present value of defined benefit obligation at end of the year	8,284	79,852	8,950	74,368

(Amounts in thousand)

		2023		2022	
		Gratuity fund	Unfunded gratuity schemes	Gratuity fund	Unfunded gratuity schemes
		---(Rupees)---			
20.2	**Consolidated statement of financial position reconciliation**				
	Present value of defined benefit obligation (note 20.3)	8,284	79,852	8,950	74,368
	Fair value of plan assets (note 20.4)	(4,778)	-	(4,191)	-
	Net liability at end of the year	3,506	79,852	4,759	74,368
20.3	**Movement in present value of defined benefit obligations**				
	Present value of defined benefit obligation at beginning of the year	8,950	74,368	8,476	81,611
	Current service cost	1,298	23,015	1,512	25,966
	Interest cost	1,029	8,481	880	7,787
	Liability transferred from other group company	906	4,867	-	-
	Liability transferred to other group company	(218)	(5,582)	-	-
	Benefits paid	(3,595)	(31,464)	(1,977)	(34,361)
	Benefits due but not paid	-	-	-	-
	Remeasurement (gains) / losses from:				
	- changes in demographic assumptions	-	2,372	-	1,119
	- changes in financial assumptions	5	312	34	491
	- experience adjustments	(91)	3,483	25	(8,245)
	Present value of defined benefit obligation at end of the year	8,284	79,852	8,950	74,368
20.4	**Movement in fair value of plan assets**				
	Fair value of plan assets at beginning of the year	4,191	-	3,779	-
	Contributions made	3,595	-	1,977	-
	Interest income	608	-	444	-
	Benefits paid	(3,595)	-	(1,977)	-
	Remeasurement loss on plan assets excluding interest income	(21)	-	(32)	-
		4,778	-	4,191	-
20.5	**Expense recognized in profit or loss**				
	Current service cost	1,298	23,015	1,512	25,966
	Interest cost on defined benefit obligation	1,029	8,481	880	7,787
	Interest income on plan assets	(608)	-	(444)	-
		1,719	31,496	1,948	33,753
20.6	**Remeasurement gains / (losses) on defined benefit obligation recognized in other comprehensive income**				
	Remeasurements of plan obligations				
	- Demographic adjustments	-	(2,373)	-	(1,119)
	- Experience adjustments	91	(3,484)	(25)	8,245
	- Changes in financial assumptions	(5)	(312)	(34)	(491)
		86	(6,169)	(59)	6,635
	Return on plan assets, excluding interest income	(21)	-	(32)	-
		65	(6,169)	(91)	6,635
20.7	**Net recognized liability**				
	Net liability at beginning of the year	4,759	74,368	4,697	81,611
	Expense recognized in profit or loss	1,719	31,496	1,948	33,753
	Remeasurement (gains) / losses recognized in other comprehensive income	(65)	6,169	91	(6,635)
	Benefits paid	(3,595)	(31,464)	(1,977)	(34,361)
	Net liability transferred from / (to)	688	(716)	-	-
		3,506	79,852	4,759	74,368

(Amounts in thousand)

20.8 Plan assets comprise of investments in units of mutual funds.

20.9

Sensitivity analysis for assumptions	Change in assumption	2023 Gratuity fund	2023 Unfunded gratuity schemes	2022 Gratuity fund	2022 Unfunded gratuity schemes
		Present value of defined benefit obligation due to change in assumption			
		(Rupees)			
Discount rate	+1%	7,438	70,745	8,377	67,661
Discount rate	-1%	9,256	73,630	9,608	80,286
Future salary increase rate	+1%	9,268	73,933	9,615	80,449
Future salary increase rate	-1%	7,413	70,428	8,361	67,406

The sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability for gratuity recognized within the financial position.

20.10 Maturity profile

Distribution of timing of benefit payments **Times in years**	**2023** -- (Rupees) --
1	**31,319**
2	**27,824**
3	**23,337**
4	**19,873**
5	**16,861**
6	**15,048**
7	**11,637**
8	**11,263**
9	**8,164**
10	**33,732**
11+	**247,465**

20.11 The scheme exposes the Group to the following risks:

- Final salary risk - This is the risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as the salary increases.

- Mortality risk - This is the risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- Withdrawal risk - This is the risk that actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

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- Investment risk - This is the risk of investments underperforming and not being sufficient to meet the liabilities.

20.12 Historical information of staff retirement benefits

	2023	2022	2021	2020	2019
			(Rupees)		
Gratuity fund					
Present value of defined benefit obligation	(8,284)	(8,950)	(8,476)	(6,341)	(4,843)
Fair value of plan assets	4,778	4,191	3,779	3,586	3,366
Deficit	(3,506)	(4,759)	(4,697)	(2,755)	(1,477)
Unfunded gratuity schemes					
Present value of defined benefit obligation	(79,852)	(74,368)	(81,611)	(57,820)	(41,017)
Fair value of plan assets	-	-	-	-	-
Deficit	(79,852)	(74,368)	(81,611)	(57,820)	(41,017)

20.13 The weighted average duration of the defined benefit obligations is between 2 - 11 years.

20.14 Expected future cost for the year ending December 31, 2024 is Rs. 1,387 and Rs. 27,772 for the gratuity fund and the unfunded gratuity schemes respectively.

	2023	2022
	(Rupees)	
21. DEFERRED GOVERNMENT GRANT		
Balance at beginning of the year	**-**	3,056
Amortization	**-**	(3,056)
Balance at end of the year	**-**	-
22. DEFERRED TAXATION		
Taxbale temporary differences		
- accelerated tax depreciation / amortization	**-**	6,727
- right-of-use assets	**3,942**	5,735
- investment in associate accounted for using equity method	**2,643,918**	1,869,320
	2,647,860	1,881,782
Deductible temporary differences		
- allowance for expected credit losses on trade debs and contract assets	**(30,411)**	(28,252)
- lease liabilities against right-of-use assets	**(5,024)**	(6,699)
- defined benefit liabilities	**(22,712)**	(21,307)
- provision for warranty	**(15,202)**	(17,149)
- unutilized tax depreciation / amoritsation	**(2,752)**	-
- provision for onerous contract	**(13,822)**	(13,822)
- minimum tax	**(215,113)**	(126,241)
- unused tax losses including unclaimed depreciation (note 22.1)	**(133,880)**	(189,960)
	(438,916)	(403,430)
	2,208,944	1,478,352
Related to disposal group (note 39.2)	**434,974**	-
	2,643,918	1,478,352

(Amounts in thousand)

22.1 Deferred income tax asset is recognised for tax losses available for carry-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The aggregate tax losses available for carry-forward as at December 31, 2023 amount to Rs. 461,657 (2022: Rs. 655,031). The Group based on projections of future taxable profits expects to utilise these losses in future years.

Deferred tax asset on minimum tax credit amounting to Rs. 11,000 (2022: Rs. 11,000) has not been recognised in these financial statements expiring in tax year 2025.

23. LONG-TERM BORROWINGS - secured

	2023	2022
	------------- (Rupees) ------------	
Foreign currency borrowings (notes 23.1 and 23.2)	**6,745,237**	7,029,453
Local currency borrowings (notes 23.3 to 23.7)	**1,853,599**	2,295,612
	8,598,836	9,325,065
Transaction costs		
Transaction cost to date	**(314,506)**	(314,506)
Accumulated amortization	**239,098**	209,948
	(75,408)	(104,558)
	8,523,428	9,220,507
Related to disposal group (note 39.2)	**(8,276,252)**	-
Current portion shown under current liabilities	**(23,826)**	(1,995,064)
	223,350	7,225,443

23.1 TGL entered into a financing agreements with two international financial institutions for a total of US Dollars 66,000 and with a consortium comprising of local financial institutions amounting to Rs. 2,400,000. The foreign finance attributable to IFC carries markup at the rate of three months LIBOR plus 5% payable quarterly over a period of ten years, whereas the foreign finance attributable to U.S International Development Finance Corporation (DFC), initially carried markup at the rate of three months LIBOR plus 5% payable quarterly over a period of ten year, however, effective as of July 15, 2023, the base rate has been transitioned from LIBOR to Secured Overnight Financing Rate (SOFR) due to the industry-wide discontinuation of LIBOR. The revised applicable interest rate is calculated as three months term SOFR + 4.70% plus Credit Adjustment Spread (CAS) of 0.26161 %. The local finance carries markup at the rate of three months KISOR plus 3% payable quarterly over the period of ten years. The principal is repayable in twenty semi-annual installments commencing from July 2017. As at December 31, 2023, the outstanding balance of the borrowing was US Dollars 23,885 (2022: US Dollars 30,980) for foreign currency borrowings.

Aforementioned borrowings are secured by an equitable mortgage on the immovable property and the hypothecation of current and future assets of TGL.

As at December 31, 2023, the amount payable within one year to DFC, International Finance Corporation, a related party, Habib Bank Limited and Soneri Bank Limited amounted to Rs. 1,414,033 (2022: Rs. 1,073,237), Rs. 707,017 (2022: Rs. 536,618), Rs. 203,894 (2022: Rs. 180,648) and Rs. 101,947 (2022: Rs. 90,324) respectively.

23.2 This includes loan from International Finance Corporation, a related party, amounting to Rs. 2,248,412 (2022: Rs. 2,343,151).

23.3 During the year 2022, REL entered into long-term loan agreements with Bank Al-Habib amounting Rs. 532,251 under the State Bank of Pakistan Renewable Energy Financing Scheme. The Holding Company has provided corporate guarantee amounting to Rs. 670,000 to secure funded facility provided to REL.

(Amounts in thousand)

23.4 Grid Edge (Pvt) Limited (GEL) has obtained long-term loan from Pak-Oman Investment Company Limited (POICL) under State Bank of Pakistan (SBP) Renewable Energy Scheme dated July 22, 2020, amounting to Rs. 136,709 to finance 80% of the project. The tenure of the loan is 10 years, carrying mark-up at the rate of 5% payable on quarterly basis. The principal amount is repayable in nineteen (19) semi-annual instalments which commenced from February 1, 2022.

The aforementioned loan is secured through hypothecation charge over the present and future fixed assets (excluding land and building) and assignment of receivables of the Group in favor of POICL. Transaction cost is amortized over the tenure of the loan.

REL has provided a corporate guarantee amounting to Rs. 144,000 in favour of POICL to secure the financing facility of GEL.

23.5 As at December 31, 2023, GEL had breached financial ratios (covenants) as specified in clause 8.1 of the Re-Term Finance Agreement (the Agreement) with POICL. Such breach falls under clause 9.1.1 (ii) of the Agreement where GEL has a period of 21 days to rectify the breach from the earlier of the date the GEL receives notice from the lender or GEL becoming aware of the default. In 2022, POICL had provided waiver in respect of non-compliance with the financial ratios for the financial year 2022 upon undertaking by GEL to comply with them by June 30, 2023. However, no correspondence has been received from POICL after June 30, 2023 in this regard. In view of the aforementioned situation, the management believes that no event of default has occurred as at the year end and as such no adjustments with respect to classification of loan have been made in these consolidated financial statements.

23.6 In the year 2019, RAPL has obtained long-term loan from Faysal Bank Limited (FBL) under a Musharaka Agreement dated March 4, 2019 amounting to Rs. 309,000 to finance 75% of the project. The tenure of the loan is 10 years, carrying mark-up at the rate of three months KIBOR plus 2% payable on quarterly basis. The principal amount is repayable in forty (40) quarterly instalments commencing from December 25, 2019. The loan is secured through hypothecation charge over the present and future fixed assets (excluding land and building) and assignment of receivables of the Company in favor of FBL. Transaction cost on borrowings is amortized over the tenure of the loan.

23.7 In light of the relief granted by the State Bank of Pakistan (SBP) vide Banking Policy and Regulation Department (BPRD) Circular Letter No. 13 of 2020 dated March 26, 2020, RAPL sought relaxation in repayment terms in respect of its long term loan facilities. The principal repayments of this loan which were due from June 2020 to March 2021 have been deferred for a period of one year thereby extending the overall maturity of this loan by the same period. However, interest continues to be paid on quarterly basis during the deferment time. The Holding Company has provided a corporate guarantee amounting to Rs. 206,000 in favour of FBL to secure the musharaka financing facility of RAPL.

As at year end, RAPL was not in compliance with minimum loan life coverage ratio, debt service coverage ratio, total leverage ratio and debt to equity ratio, as specified in section 8 of the Musharika Agreement with FBL.

23.8 Following are the changes in the long-term borrowings for which cash flows have been classified as financing activities in the statement of cash flows:

	2023	2022
	(Rupees)	
Balance at beginning of the year	**9,220,507**	8,628,307
Loan disbursed	**-**	592,251
Amortization of transaction costs (note 37)	**29,531**	29,531
Amortization of deferred government grant (note 21)	**-**	3,056
Loan repaid	**(2,265,938)**	(1,657,786)
Exchange loss (note 5.1.7)	**1,539,328**	1,625,148
Balance at end of the year	**8,523,428**	9,220,507

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24. LEASE LIABILITIES

	2023	2022
	(Rupees)	
Non-current portion	**116,502**	120,232
Current portion	**20,134**	18,168
	136,636	138,400
Related to disposal group (note 39.2)	**(136,636)**	-
Total lease liability as at December 31	**-**	138,400

24.1 TGL's weighted average incremental borrowing rate is 13.05% per annum. The remaining term of the lease is 14 years. This relates to leasehold land acquired for the purpose of installation of the wind power plant.

24.2 The movement in the balance of lease liability is as follows:

	2023	2022
	(Rupees)	
Balance at beginning of the year	**138,400**	143,689
Accretion of interest	**18,921**	8,625
Lease rentals paid	**(20,685)**	(13,914)
Balance at end of the year	**136,636**	138,400

25. SHORT-TERM BORROWINGS

	2023	2022
Short-term running finance under mark-up arrangement (notes 25.1, 25.2 and 25.3)	**853,654**	845,503
Short-term finances	**-**	341,192
	853,654	1,186,695
Related to disposal group (note 39.2)	**(853,654)**	-
	-	1,186,695

25.1 This includes short-term facility amounting to Rs. 600,000 (2022: Rs. 600,000) obtained by the Group from Bank Al Habib Limited for meeting working capital requirements of which Rs 109,240 (2022: Rs. 2,336) remained unutilised as at December 31, 2023. The facility carries mark-up at the rate of three months KIBOR plus 1% per annum and is secured by way of pari passu hypothecation charge over stock-in-trade and trade debts of the Group. The principal amount is a revolving credit line payable on demand while mark-up is payable on a quarterly basis.

25.2 This includes short-term facility amounting to Rs. 250,000 (2022: Rs. 250,000) obtained by the Group from JS Bank Limited for meeting working capital requirements of which Nil (2022: Rs. 2,161) remained unutilised as at December 31, 2023. The facility carries mark-up at the rate of three months KIBOR plus 2% per annum and is secured by way of pari passu hypothecation charge over stock-in-trade and trade debts of the Group. The principal amount is a revolving credit line payable on demand while mark-up is payable on a quarterly basis.

25.3 This includes short-term facility amounting to Rs. 300,000 obtained by the Group from MCB Bank Limited for meeting working capital requirements of which Rs. 186,000 remained unutilised as at December 31, 2023. The facility carries mark-up at the rate of three months KIBOR plus 2% per annum and is secured by way of pari passu hypothecation charge over stock-in-trade and trade debts of the Group.

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
26. TRADE AND OTHER PAYABLES		
Creditors	**1,248,465**	1,244,807
Payable to related parties (note 26.1)	**49,920**	82,990
Accrued liabilities	**926,761**	686,488
Due to Islamic Development Bank (note 26.2)	**25,969**	25,969
Deposits (note 26.3)	**489**	489
Warranty obligation (note 26.4)	**52,421**	59,137
Workers' profits participation fund (note 26.5)	**180,929**	82,784
Provision for onerous contract (note 26.6)	**47,661**	47,661
Withholding tax	**10,999**	5,431
Advance against disposal of REL (note 26.7)	**100,004**	-
Others	**27,077**	11,611
	2,670,695	2,247,367
Related to disposal group (note 39.2)	**(2,479,505)**	-
	191,190	2,247,367

26.1 This represents amounts due to following related parties:

	2023	2022
Dawood Hercules Corporation Limited	**45,904**	53,254
The Dawood Foundation	**4,016**	29,736
	49,920	82,990

26.2 This represents amount payable against the preference shares issued before amalgamation in the year 2004 by one of the merged entities to Islamic Development Bank with a right to redeem. The merged entity had served notice to the Bank for redemption before the scheme of amalgamation and redemption reserve had been created.

26.3 All deposits are interest free and are payable on demand. These amount include Rs. 346 (2022: Rs. 346) utilized as per the agreement with the respective parties. The balance is not kept in a separate bank account.

	2023	2022
	------------ (Rupees) ------------	
26.4 Warranty obligation		
Balance at beginning of the year	**59,137**	86,401
Charge (note 33)	**28,251**	-
Reversal of excess provision (note 36)	**-**	(27,264)
Utilization during the year	**(34,967)**	-
Balance at end of the year	**52,421**	59,137

26.5 This represents workers' profits participation fund liability. The Company has also recognized corresponding asset being a pass-through item under EPA. The movement in workers' profits participation fund payable is as follows:

	2023	2022
	------------ (Rupees) ------------	
Balance at beginning of the year	**82,784**	67,107
Allocation for the year	**173,113**	79,528
Interest on fund utilized in TGL's business	**4,560**	3,256
	260,457	149,891
Less: Payments	**(79,528)**	(67,107)
Balance at end of the year	**180,929**	82,784

26.6 This pertains to operation and maintenance contract with related party Reon Alpha (Private) Limited. Expected period for outflow of these economic benefits is 13 years.

26.7 This represents amount received from Juniper International FZ LLC against Group's net assets related to REL classified as held for sale (note 39.1.1). The amount has been kept in a separate escrow account.

27. PROVISIONS

In 1975, LWTM offered 130,520 right shares to National Investment (Unit) Trust, managed by National Investment Trust Limited (NIT), where the offer was accepted by NIT and acknowledged by LWTM. These events took place during the validity of the Consent Order dated January 2, 1976 issued by the Controller of Capital Issues. However, payment for the said shares was made by NIT after the expiry of the Consent Order based on which LWTM contended that it was no longer obliged to issue shares to NIT.

On October 3, 1998 a decree was passed by the High Court of Sindh (HCS) in favour of NIT wherein NIT was declared the owners of the right shares along with other consideration. The Holding Company filed an appeal in the HCS which suspended the operation of the impugned order. In 2016, the HCS decided the case in favour of NIT whereby the Holding Company was ordered to release the unissued shares, bonus shares, dividend accrued and interest till the date of the Decree of the HCS. In 2018, NIT filed an Execution Application before the HCS for the Order passed by HCS, whereby NIT expressed a disagreement on the amount of dividend payable thereto as communicated to it by the Holding Company.

On September 16, 2019, the Holding Company received an Order from the HCS wherein it was directed to deposit Rs. 8,235 with the Nazir for onward payment to NIT as originally agreed between the two parties and to transfer the underlying 241,950 shares of DCM to NIT. The Company obtained a correction in this Order from the HCS wherein the name of DCM was changed to Dawood Lawrencepur Limited and the word “transfer” of shares was changed to “issue” thereof. Moreover, the Holding Company obtained a concurrence of the Securities and Exchange Commission of Pakistan (SECP) upon the matter that the issue of aforesaid shares by the Holding Company to NIT in terms of the Order of the HCS dated October 3, 1998 did not attract applicability of section 83 of the Companies Act, 2017 and was, hence, allowed to proceed with the share issue in terms of section 344 thereof. In the year 2021, in compliance with the order of HCS, Holding Company has issued 241,950 shares as stated in note 19.2.5.

The Holding Company has estimated the total provision in respect of mark-up and dividend payments due to NIT to be Rs. 15,595 out of which the Holding Company has deposited Rs. 8,235 with the Nazir of High Court pursuant to the Court Order for onward payment to NIT. The Company anticipates that the remaining provision amounting to Rs. 7,360 maintained in these consolidated financial statements is sufficient to meet the remaining obligation of the Holding Company in respect of this matter.

(Amounts in thousand)

	2023	2022
	------------- (Rupees) ------------	

28. CONTRACT LIABILITIES

	2023	2022
Contract liabilities against energy projects denote:		
Progress billing	**3,930,970**	4,075,479
Contract costs incurred plus recognized profits	**(3,420,965)**	(3,420,965)
	510,005	654,514
Advances from customers	**351,976**	517,309
	861,981	1,171,823
Related to disposal group (note 39.2)	**(861,981)**	-
	-	1,171,823

28.1 The Group expects the amount disclosed above to be recognized as revenue within 3 to 9 months.

28.2 Contract liabilities include balances due to Engro Vopak Terminal Limited, a related party amounting to Rs. 220.

29. ACCRUED MARK-UP

	2023	2022
	------------- (Rupees) ------------	
Mark-up on long-term borrowings	**218,460**	196,756
Mark-up on short-term borrowings	**46,890**	44,973
	265,350	241,729
Related to disposal group (note 39.2)	**(264,598)**	-
	752	241,729

30. CONTINGENCIES AND COMMITMENTS

Contingencies

30.1 The Holding Company

30.1.1 Allocation of expenses (Tax year 2004 and 2005)

The Additional Commissioner Inland Revenue (ACIR) in his order dated January 1, 2011, amended the amount of allocation of expenses from business income to capital gain and dividend income to Rs. 62,500 from the original allocation of Rs. 136,105. The Holding Company filed an appeal where disallowances of Rs. 62,500 were upheld by Commissioner Inland Revenue Appeals [CIR(A)]. On July 30, 2013, the Holding Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which decided the matter in favour of the Holding Company on December 18, 2018. On March 01, 2019 the department has filed a reference application before the High Court of Sindh (HCS) for the allocation of common expenses which is pending adjudication. Total increase in incidence of tax was Rs. 25,762. Based on the opinion of the tax advisor, the Holding Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these consolidated financial statements.

30.1.2 Dividend income offset against business losses (Tax years 2006, 2008 and 2009)

Previously, the ACIR in his order dated May 6, 2014 had disallowed to set off dividend income against business losses for tax years 2008 and 2009 having a tax impact of Rs. 13,926. On March 29, 2013, an appeal was filed with the ATIR who decided the matter in favour of the Holding Company on December 18, 2018. On March 01, 2019, the ACIR has filed a reference application before the HCS for the allocation of common expenses and minimum tax which is pending adjudication. Based on the opinion of the tax advisor, the Holding Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these consolidated financial statements.

30.1.3 Assessment of annual tax return (Tax year 2014)

The income tax return of the Holding Company was selected for tax audit by the department through computer ballot on October 27, 2015. The Company submitted the relevant information requested after which the department issued a show cause notice to the Holding Company on May 16, 2016 citing several factual and legal issues in the assessment for tax year 2014. The Company subsequently challenged the aforementioned proceedings in the HCS and obtained an interim stay.

During the tax year 2020, the HCS vacated the stay petition and decided the case in favour of the department upon which the DCIR through an order dated October 28, 2020 raised a demand of Rs. 421,567. The Holding Company filed an appeal before the CIR(A) on November 9, 2020 who passed an order dated January 14, 2021 in the Holding Company's favour and remanded back the case to the assessing officer on basis of legal grounds since the Holding Company was not provided the opportunity of being heard. Based on the opinion of the tax advisor, the Holding Company is confident that the matter will be decided in its favour. Hence, no provision has been recognized in these consolidated financial statements.

30.1.4 Assessment of annual tax return (Tax years 2015 and 2016)

The assessment of annual tax return was initiated by the department on April 19, 2019, the Holding Company received a show cause notice from the ACIR citing several factual and legal issues in the assessment for tax years 2015 and 2016 in response to which the Holding Company submitted documentary evidence. On September 13, 2019, the ACIR issued orders against the Holding Company wherein a net tax demand of Rs 1,384 and Rs 1,577 were raised in respect of tax years 2015 and 2016 respectively.

During October 2019, the Holding Company filed an appeal against the aforesaid orders with the CIR(A) who passed an order on November 29, 2019 confirming the impugned orders of the learned ACIR on the issue of minimum tax. In response, the Holding Company has filed an appeal before ATIR on December 10, 2019. During the year, remand back proceedings were initiated on the remaining issues not contested before ATIR and order was passed, which has been again challenged before CIR(A). Based on the opinion of the tax advisor, the Holding Company is confident that the matter will be decided in its favour. Hence, no provision has been recognised in these consolidated financial statements.

30.1.5 Assessment of annual tax return (Tax year 2017)

The Holding Company received an order from the Additional Commissioner Inland Revenue (ACIR) dated December 10, 2018 for Tax Year 2017 wherein a demand of Rs. 43,726 was raised. The ACIR stated that the recovery of demand to the extent of Super Tax amounting to Rs. 42,329 would not be pursued as per the direction of the HCS, whereas, the remaining balance demanded was adjusted against refunds of the tax year 2016. On December 24, 2018, the Holding Company filed an appeal against the order with the [CIR(A)] who passed an order on April 15, 2019 confirming the impugned orders of the ACIR. In response, the Holding Company has filed an appeal before the ATIR on May 28, 2019 which is pending for hearing.

Furthermore, the Holding Company had filed a constitutional petition before the SHC against the levy of super tax for tax year 2017 based on the contention that Super Tax, passed by a money bill through the Finance Act, 2015 and subsequently extended through the Finance Acts 2016 and 2017, was required to be approved by the Senate.

The SHC had initially granted an interim order in favour of the Holding Company. However, via its order dated July 21, 2020, the SHC has disposed off other cases involving the same matter in favor of the department. The Holding Company had already recognised a provision amounting to Rs. 37,342 in respect of the aforementioned order in prior years. However, during the year, the department had reinitiated the proceedings and again passed the aforementioned order, which had been challenged before CIR(A).

On April 23, 2020, the Holding Company received an order for tax year 2017 from the Assistant Commissioner Inland Revenue (ACIR) raising a demand of Rs. 87,492 including default surcharge and penalty amounting to Rs. 29,645 and Rs. 2,755 respectively. The order was raised primarily on account of taxability of supplies made by the Holding Company as exempt and related inadmissible input sales tax. The Holding Company filed an appeal on June 03, 2020 against the aforementioned order before the Commissioner Inland Revenue (Appeals) [CIR(A)] who, vide an order dated July 22, 2020, upheld the demand of the ACIR to the extent of Rs. 112 on account of inadmissible input tax deduction and remanded back the remaining matters contained in the order to the ACIR for fresh consideration against which the department filed an appeal with ATIR which is pending for hearing. During March 2022, department has initiated remand back proceedings on the remaining issues and vide order dated June 30, 2022 raised a tax demand of Rs. 41,640 by treating exempt supplies as taxable, for which the Holding Company has filed appeal before CIR(A). Based on the opinion of the tax advisor, the Holding Company is confident that the matter will be decided in its favour. Hence, no further provision has been recognised in these consolidated financial statements.

30.1.6 Sales tax audit

Sales tax audit was initiated for the periods from July 2010 to June 2011 in which the Holding Company received an order dated May 22, 2014 from the Deputy Commissioner Inland Revenue (DCIR) raising an erroneous demand of Rs. 5,880. The order related mainly to inadmissible input taxes, non-payment of sales tax on scrap scales and non-payment of withholding sales tax. The Holding Company filed an appeal against the order before the CIR(A) who upheld the demand of the DCIR. Subsequently, the Holding Company again filed an appeal before ATIR which has been remanded back to the department on May 15, 2019 to revisit the grounds on which demand order was issued. The Holding Company is confident of the favourable outcome, hence no provision has been recognised in these consolidated financial statements.

30.1.7 Assessment of annual tax return (Tax year 2019)

On November 30, 2020, the Holding Company received an order from the department relating to the recoverability of super tax for the tax year 2019 amounting to Rs. 12,779. The Holding Company has filed an appeal before CIR(A) which is pending for adjudication. Further, the Holding Company paid 50 percent of the tax demand amounting to Rs. 6,389 and had made a provision for the remaining amount in prior years.

Super Tax under section 4C of Income Tax Ordinance, 2001

In accordance with section 4C 'Super tax on high earning persons' introduced in the Income Tax Ordinance, 2001 (the Ordinance) through the Finance Act, 2022, a super tax at 10% has been imposed on the specified sectors (including the textile sector) in case the income exceeds Rs. 300,000 for the year ended December 31, 2021 (tax year 2022) while for other sectors super tax was levied at 4%.

The Holding Company filed a petition against the imposition of super tax before the Sindh High Court (SHC) which is pending adjudication. The Holding Company's management based on the advice of its legal advisor has recorded a provision of super tax at the rate of 4% amounting to Rs. 24,980 in these financial statements on prudent basis and, considers that the chances of additional super tax levy of 6% amounting to Rs. 37,470 are remote and therefore no provision is recorded thereagainst in these consolidated financial statements.

30.1.9 Tax on undistributed profits

The Holding Company obtained a stay order from the High Court of Sindh dated August 2, 2017 with regards to the amendment inserted through the Finance Act, 2017 relating to the taxation of undistributed profits as stated in section 5A of Income Tax Ordinance, 2001 [substituted through section 4(3) of the Finance Act, 2017]. The said interim order is still operating in favour of the Company. On April 30, 2021, HCS passed an order in favour of the companies appellant of this constitution petition and struck down this subject section of the ITO 2001. However, on July 01, 2021, FBR has filed a constitutional appeal against the aforementioned matter with the Honourable Supreme Court of Pakistan, which is pending for hearing. The Holding Company is confident of the favourable outcome, hence no provision has been recognised in these consolidated financial statements.

30.1.10 Applicability of Super Tax

The Holding Company has filed a petition before the Islamabad High Court on the ground that, tax on income falling under the Final Tax Regime is deducted at the time of receipt of income and is deemed full and final, therefore, no further tax should be applicable on such income.

Accordingly, the Holding Company has obtained a stay order on the aforementioned petition and therefore, on prudence basis, the Holding Company has recorded a provision for super tax in these consolidated financial statements.

30.1.11 Guarantees issued in respect of subsidiaries

In respect of Tenaga Generasi Limited (TGL)

The Holding Company has arranged a Stand-by Letter of Credit (SBLC) amounting to USD 7,425 in favor of the lenders of Tenaga Generasi Limited. The said facility is secured by way of a first pari passu charge on immovable property and pledge over the Company's investments in related party, as explained in note 8.2.

In respect of Reon Energy Limited (REL)

The Holding company has provided the following corporate guarantees:

- Rs. 300,000 to MCB Bank Limited to secure unfunded facility provided to REL for the import / purchase of plant, machinery, stores, and spares;

- Rs. 500,000 to Karandaaz Pakistan through JS Bank Limited against financing facilities for REL;

- Rs. 600,000 to Bank Al Habib Pakistan Limited to secure a long-term running facility for REL.

In respect of Reon Alpha (Private) Limited (RAPL)

The Holding Company has provided a corporate guarantee amounting to Rs. 206,000 in favour of FBL to secure the musharika financing facility of RAPL of Rs. 309,000. Furthermore, the Holding Company has also pledged shares of RAPL as stated in note 8.2.

30.2 Tenaga Generasi Limited (TGL)

30.2.1 Sales tax audit

On April 27, 2018, the Officer Inland Revenue (OCIR) through an order raised a sales tax demand of Rs. 97,283 along with a default surcharge arising due to inadmissibility of input sales tax credit related to civil works carried out on account of building and foundation of wind turbines. TGL filed an appeal before the CIR(A) on May 14, 2018 on the grounds that sales tax at 14% was paid on services for installation of wind project which is related to the core taxable activity for the business and is, therefore, admissible as per law. During the year, CIR(A) has passed the order and confirmed the demand raised by the OCIR. Subsequent to which TGL has filed an appeal before ATIR against the order passed by CIR(A). During the current year, ATIR has passed the order whereby case has been remanded back for reconsideration. However, no remand back proceeding has been initiated yet. Since the Case has been remanded back, the management of TGL, based on the advice of its tax consultants has not recorded any provision in the consolidated financial statements.

30.2.2 On August 31, 2022, the Deputy Commissioner Inland Revenue (DCIR) issued an order for tax year 2019 in relation to monitoring under section 161(1) amounting to Rs. 18,837 with the default surcharge and penalty amounting to Rs. 9,388 and Rs. 1,884 respectively. The reconciliation for payment of withholding taxes was duly submitted which was not considered by the department while passing the impugned order. Therefore, the rectification request and the appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] have been filed. Therefore, based on the advice of its tax consultants, is confident of a favorable outcome of this matter. Accordingly, no provision has been recognized in this respect in these consolidated financial statements.

30.2.3 On December 06, 2023, the Additional Commissioner Inland Revenue (ACIR) issued an order u/s 122(5A) for the tax year 2018 was passed wherein tax demand of Rs. 6,334 has been raised by disallowing adjustment of refunds of prior year, credit of section 65B, and adjustment of business loss to be offset against income from other sources. An appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)) has been filed on January 2, 2024. Therefore, based on advice of its tax consultant, has not recognised any provision as reasonable grounds exist to successfully contest this matter in appeals.

30.2.4 On January 9, 2024, the ACIR issued an order, under section 122(5A), modifying the assessment for the tax year 2023 whereby tax demand of Rs. 8,895 was determined by disallowing the income from other sources, amounting to Rs. 63,048 to be off set against the current year business losses. Further the tax assessed above is only adjusted against the advance taxes deducted at source and the refunds of tax year 2022 were disallowed based on the fact that these can only be allowed after verification by the department. An appeal against the said order is yet to be filed and the management, based on the advice of its tax consultants has not recognized any provision in these consolidated financial statements.

30.3 Other contingencies - Bank Guarantees

The Group is contingently liable for bank guarantees amounting to Rs. 178,274 (2022: Rs. 1,018,992) favouring the government and various other parties. These have been issued against mobilization advances and performance in respect of sale of goods and rendering of services for a tenure varying from three months to three years.

30.4 Reon Energy Limtied (REL)

30.4.1 During the year, REL filed an appeal before Commissioner Inland Revenue (CIRA) under Section 45B of the Sales Tax Act, 1990 (the Act) against Order-In-Original No. 89 of 2022 dated May 12, 2022 passed by Deputy Commissioner - Inland Revenue (DCIR) whereby sales tax demand of Rs. 163,836 was established along with penalty of Rs. 8,191 and default surcharge on account of erroneous apportionment of input tax for the period from July 2020 to June 2021 under applicable provisions of the Act and thereagainst REL has obtained a stay order from Honorable High Court of Sindh.

REL in view of the tax consultant's advice is expecting a favourable outcome of the appeal. Consequently, no provision has been recorded in these consolidated financial statements.

30.4.2 During the year, REL has filed an appeal before CIRA under Section 45B of the Act against Order-In-Original No.12 of 2022 dated June 28, 2022 passed by DCIR whereby sales tax demand of Rs. 19,049 is established along with penalty of Rs 960 and default surcharge of Rs 4 on account of multiple allegations formed thereunder including adjustment of inadmissible input tax and short payment of sales tax for the period from January 2016 to December 2016. The main appeal was heard and reserved for order.

REL in view of the tax consultant's advice is expecting a favourable outcome of the appeal. Consequently, no provision has been recorded in these consolidated financial statements.

30.4.3 During the year, REL has recognised provision amounting to Rs. 1,732 (2022: Rs. 99,215), against potential exposure of Rs. 35,303 (2022: Rs. 255,500) in respect of claims received / expected, based on management's best estimate and correspondence with customers.

30.4.4 The Subsidiary Company has committed to generate and transmit 31,667,129 KwH of energy (2022: 34,353,607 KwH of energy) over the span of next twelve years.

30.5 Reon Alpha Private Limited (RAPL)

Under section 6.7 of Power Purchase Agreement (PPA) between the Company and Sindh Engro Coal Mining Company (SECMC), upon expiry of the operating year, if Energy Output supplied by RAPL is less than the Minimum Energy Output (MEO), the Company is liable to pay the Alternate Energy Cost (AEC) to SECMC which is a pass through item under section 6.2 of the Operations and Maintenance agreement between RAPL and REL.

During the year, RAPL was not able to meet MEO resulting in a shortfall of 1,136,589 KWh. The management is of the view that since the underlying amount to be paid is based on tariff which has not been intimated by SECMC, a reliable estimate can not be made against the same as at the reporting date and accordingly no provision against the said amount has been recognized in these unconsolidated financial statements.

Commitments

30.6 Commitments made to International Finance Corporation

The Holding Company is committed, as a Sponsor, to purchase shares of Tenaga Generasi Limited (TGL) from International Finance Corporation (IFC) on the exercise of put option by IFC under the Shareholders' Agreement entered into among the Holding Company, TGL and Dawood Corporation (Private) Limited as the shareholders of TGL under conditions: (i) at any time during the period beginning on the seventh anniversary of the first subscription until Liquidity date; or (ii) in the event that TGL and the Holding Company breach any of the obligations set out in the Shareholders' Agreement.

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
30.7 Reon Energy Limited (REL)		
30.7.1 Commitments in respect of future purchases		
REL has commitments in respect of:		
- Purchase orders	**225,395**	339,386
- Letter of credit (note 30.7.2)	**1,252,509**	55,301
	1,477,904	394,687

30.7.2 Commitments in respect of local purchases as at December 31, 2023 amounting to Rs. 1,252,509.

30.8 Reon Alpha (Private) Limited (RAPL)

RAPL has committed to generate and transmit 83,908,289 KwH (2022: 91,568,678 KwH) of energy and pay its operation and maintenance contractor, Reon Energy Limited Rs. 131,265 (2022: Rs.139,840) over the span of next twelve years.

	2023	2022
	------------ (Rupees) ------------	
31. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Renewable and alternate energy		
Timing of revenue recognition:		
- Over time (notes 31.1 to 31.3)	**12,383,172**	15,214,151
- At a point in time (note 31.4)	**2,008,977**	524,829
	14,392,149	15,738,980
Less: Sales tax		
- sales tax	**(1,253,165)**	(1,978,508)
- advance income tax	**(1,845)**	(1,672)
- electricity duty	**(310)**	(308)
- provision for penalty charges	**(1,732)**	(99,215)
	13,135,097	13,659,277
Textile		
- At a point in time	**4,776**	6,095
Less: Sales tax	**(725)**	(886)
	4,051	5,209
	13,139,148	13,664,486
Related to discontinued operations (note 39.5)	**(4,051)**	(5,209)
Related to disposal group (note 39.3)	**(13,074,130)**	(13,587,276)
	60,967	72,001

31.1 Includes REL project revenue in respect of sale of goods and rendering of B2313services amounting to Rs. 5,490,869 (2022: Rs. 8,885,040) and Rs. 293,249 (2022: Rs. 2,221,260) respectively. Net revenue includes Rs. 2,660,747 (2022: Rs. 2,850,640) relating to projects in progress.

31.2 Includes revenue in respect of TGL non-project missed revenue amounting to Rs. 24,524 (2022: Rs. 14,698) to be reclaimed and includes 7.5% withholding tax on dividends amounting to Rs. 8,438 (2022: Nil) which will be invoiced once determined by the National Electric Power Regulatory Authority (NEPRA).

31.3 Includes revenue in respect of RAPL energy sales to Sindh Engro Coal Mining Company (SECMC).

31.4 Includes income arising on trading solar equipment and other renewable energy components.

31.5 Revenue during the year amounting Rs. 1,097,135 (2022: Rs. 1,184,158) includes opening balance of the contract liability.

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
32. COST OF REVENUE		
Renewable energy		
Stock-in-trade - at beginning of the year	**-**	345
Purchases and related expenses	**5,196,515**	8,010,825
Salaries and allowances	**253,497**	219,984
Contracted services	**203,036**	454,843
Depreciation on operating assets (note 5.1.6)	**43,342**	39,083
Travelling expenses	**71,971**	106,700
Transportation and handling charges	**66,242**	162,077
Fees and subscription	**9,308**	8,672
Reversal of provision for slow moving and obsolete items (note 12.1)	**-**	(345)
Miscellaneous expenses	**101,802**	110,293
	5,945,713	9,112,477
Alternate energy		
Depreciation on property, plant and equipment (note 5.1.6)	**931,962**	763,939
Depreciation on right-of-use assets (note 6.1)	**5,770**	5,748
Insurance	**106,191**	62,652
Travelling expenses	**3,998**	2,759
Fuel	**3,942**	558
Repair and maintenance	**667**	7,302
Operations and maintenance cost	**646,094**	521,316
Energy import charges	**19,533**	10,672
Others (note 32.1)	**27,815**	2,400
	1,745,972	1,377,346
Textile - Finished goods		
Stock-in-trade - at beginning of the year	**10,426**	15,946
Stock-in-trade at end of the year	**(6,102)**	(10,425)
	4,324	5,521
	7,696,009	10,495,344
Related to discontinued operations (note 39.5)	**(4,324)**	(5,521)
Related to disposal group (note 39.3)	**(7,666,201)**	(10,464,414)
	25,483	25,409

32.1 This amount includes Rs. 24,651 (2022: Nil) for security services at plant site.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
33.	**SELLING AND DISTRIBUTION EXPENSES**		
	Salaries and allowances (note 33.1)	**217,070**	182,420
	Depreciation on operating assets (note 5.1.6)	**2,102**	5,469
	Depreciation on right-of-use assets (note 6.1)	**6,184**	9,909
	Conveyance and travelling	**17,987**	36,832
	Fees and subscription	**8,650**	11,905
	Postage and telephone	**1,462**	1,979
	Electricity, gas and water	**984**	130
	Rent, rates and taxes (note 33.2)	**2,603**	3,818
	Printing and stationery	**127**	323
	Repairs and maintenance	**2,027**	25,423
	Freight and insurance	**1,332**	651
	Amortization (note 7.2.2)	**9,108**	72
	Advertisement	**26,131**	12,870
	Legal and professional charges	**6,240**	4,379
	Warranty obligation - net (note 26.4)	**28,251**	-
	Entertainment	**1,247**	924
	Miscellaneous	**8,175**	798
		339,680	297,902
	Related to discontinued operations (note 39.5)	**(41)**	(52)
	Related to disposal group (note 39.3)	**(339,639)**	(297,850)
		-	-

33.1 This includes Rs. 8,800 (2022: Rs. 17,900) in respect of staff retirement benefits.

33.2 This represents rentals paid under short-term leasing arrangements.

		2021	2020
34.	**ADMINISTRATIVE EXPENSES**	------------ (Rupees) ------------	
	Salaries and allowances (note 34.1)	**280,646**	294,622
	Legal and professional	**90,389**	30,899
	Rent, rates and taxes (note 34.2)	**40,440**	31,890
	Electricity and gas	**37,752**	22,579
	Depreciation on operating assets (note 5.1.6)	**14,210**	12,625
	Amortization (note 7.2.2)	**-**	8,178
	Printing and stationery	**3,289**	2,521
	Fees and subscription	**108,530**	97,399
	Insurance	**3,725**	5,548
	Conveyance and travelling	**12,618**	16,120
	Repairs and maintenance	**27,057**	18,824
	Postage and telephone	**5,929**	3,747
	Entertainment	**7,053**	9,336
	Provision for doubtful debts - net	**3,364**	-
	Auditors' remuneration (note 34.3)	**18,390**	31,321
	Miscellaneous (note 34.4)	**23,808**	24,765
		677,200	610,374
	Related to discontinued operations (note 39.5)	**(95,515)**	(83,800)
	Related to disposal group (note 39.3)	**(501,868)**	(453,070)
		79,817	73,504

(Amounts in thousand)

34.1 Salaries and allowances include Rs. 10,095 (2022: Rs. 17,880) in respect of staff retirement benefits.

34.2 This represents short term leases or leases of low-value assets.

	2023	2022
34.3 Auditor's remuneration	------------ (Rupees)	------------
The aggregate amount charged in respect of auditors' remuneration is as follows:		
- annual audit	**5,043**	3,027
- half yearly review	**1,160**	973
- consolidated financial statements	**388**	432
- special purpose audit	**-**	2,700
- certification and other advisory services	**4,271**	1,325
- taxation services	**4,605**	17,761
- other assurance services	**402**	120
Reimbursement of expenses	**2,521**	4,983
	18,390	31,321

34.4 This includes Rs. 2,882 (2022: Nil) given to Friends of Education for renovation, operations and maintenance of a school in village Faqeer Muhammad Rajero, Sindh and Rs. 3,200 (2022: Rs. 3,510) given to Business and Conservation Group for Mangroves Plantation in the vicinity of the Plant.

35. OTHER EXPENSES

Impairment loss on operating assets (note 35.1)	**2,674**	3,618
Write-off of operating assets	**-**	14,447
Demurrage and detention of imports	**57,444**	-
Exchange loss	**9,213**	255,188
Allowance for expected credit loss (note 13.7)	**7,444**	21,538
Loss on disposal of operating assets (note 5.1.5)	**12,224**	-
Others	**291**	6,496
	89,290	301,286
Related to disposal group (note 39.3)	**(88,847)**	(286,340)
	443	14,947

35.1 Pertains to renewable and alternative energy segment of the Group.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

	2023	2022
	------------ (Rupees) ------------	
36. OTHER INCOME - Net		
Income from financial assets		
Dividend income on investments	**118,037**	-
Profit on bank deposits	**252,882**	70,561
Exchange gain	**24,923**	-
Loss on remeasurement of investments at fair value through profit or loss	**(27,930)**	(2,328)
Interest income on short-term investments	**14,297**	5,032
	382,209	73,265
Income from non-financial assets and others		
Royalty income	**38,800**	28,340
Insurance claim (note 36.1)	**214,532**	88,094
Reversal of warranty provision (note 26.4)	**-**	27,264
Amortization of deferred government grant (note 21)	**-**	3,056
Rental income	**47,400**	43,339
Gain on disposal of operating assets (note 5.1.5)	**170**	8,177
Others	**58,764**	49,624
	359,666	247,894
	741,875	321,159
Related to discontinued operations (note 39.5)	**(94,893)**	(52,445)
Related to disposal group (note 39.3)	**(506,484)**	(222,994)
	140,498	45,720

36.1 INSURANCE CLAIM / SETTLEMENT RECEIVED

36.1.1 On January 16, 2022, the TGL Wind Turbine Generator No-33 tripped off due to fire originated from Compact Substation (CSS-07) Switch Gear Room and then spread out to transformer chamber. Transformer external devices / apparatus were found damaged with fire. A new compact substation (CSS) was installed and energized on October 13, 2022 as a replacement of damaged CSS.

The replacement amount and loss of revenue due to business interruption were covered under the Company's insurance policy. During 2022, the insurance company had disbursed partial claim amounting to Rs. 84,332 in lieu of plant damage and loss of revenue due to business interruption. During the year, upon finalisation of the claim, the insurance company has disbursed the remaining claim of Rs. 137,781 in lieu of plant damage and loss of revenue due to business interruption. The fair value less cost of disposal of the damaged equipment was determined to be Nil. Accordingly, the Company had written down the said asset equal to its net book value of Rs. 10,045 in 2022.

36.1.2 On November 02, 2021, the Company's Earthing Transformer No-02 tripped off due to differential relay operation. During the inspection, flash marks were seen on the earthing transformer phase-A winding. The transformer was deemed irrepairable by the operations and maintenance contractor during the initial inspection. Following the failure of earthing transformer No-2, the Company transferred all the wind farm load to earthing transformer No-1. This meant that no business interruption was encountered as a result of the subject incident. However, the new earthing transformer was procured and energized on March 20, 2022. The fair value less cost of disposal of the damaged equipment was determined to be Nil. Accordingly, the Company has written down the said asset equal to its net book value of Rs. 4,401 The Company had filed an insurance claim with the insurer last year and the same has been received during the year. Therefore, the Company had recorded insurance income receivable amounting to Rs. 3,405 in the year 2022.

(Amounts in thousand)

During the year 2019, TGL had entered into an insurance arrangement for Wind Production with Adamjee Insurance Company Limited. In 2021, TGL raised a claim for maximum amount payable under the policy amounting to US Dollars 1,000. In 2022, the said claim was rejected by the insurance company. During the year, TGL reached a settlement of the claim for an amount of US Dollars 266. Subsequently, in July 2023, the insurance company has disbursed an amount of Rs. 76,751 equivalent to US Dollars 266.

		2023	2022
		------------ (Rupees) ------------	
37.	**FINANCE COST**		
	Mark-up on long-term borrowings	**1,121,574**	768,538
	Amortization of transaction costs (note 23.8)	**29,531**	29,531
	Interest on Workers' Profits Participation Fund liability	**4,560**	3,256
	Interest expense on lease liability	**18,921**	16,754
	Mark-up on short-term borrowings	**209,350**	201,193
	Other financial and bank charges	**159,736**	96,214
		1,543,672	1,115,486
	Less: Delayed payment charges of overdue trade debts	**(456,509)**	(404,453)
		1,087,163	711,033
	Related to disposal group (note 39.3)	**(1,022,659)**	(623,493)
		64,504	87,540
38.	**TAXATION**		
	Current		
	- for the year (notes 38.1 and 38.2)	**614,023**	367,663
	- for prior year - net (note 38.3)	**69,410**	24,980
		683,433	392,643
	Deferred	**717,603**	70,031
		1,401,036	462,674
	Related to disposal group (note 39.3)	**(124,596)**	(72,987)
		1,276,440	389,687

38.1 The income of TGL and RAPL being derived from Electric Power Generation Project is exempt from the levy of tax under clause 132 of the Second Schedule to the Income Tax Ordinance, 2001. The income is also exempt from minimum tax on turnover under clause 11 A of part IV of the Second Schedule to the Income Tax Ordinance, 2001.

38.2 Includes minimum tax charged under section 113 of the Income Tax Ordinance, 2001 on REL's turnover for the year.

38.3 Includes Rs. 180,264 at the rate of 10% in respect of tax year 2024 (2022: Rs. 46,273 at the rate of 4% in respect of tax year 2023) for current year provision and Rs. 69,410 at the rate of 6% in respect of tax year 2023 (2022: Rs. 24,980 at the rate of 4% in respect of tax year 2023) for prior year provision made by the Company in accordance with the section 4C, 'Super Tax' on high earning persons' introduced in the Income Tax Ordinance, 2001 through Finance Act, 2022.

(Amounts in thousand)

		2023	2022
		------------ (Rupees) ------------	
38.4	**Relationship between tax expense and accounting profit**		
	Profit for the year before taxation	**1,378,559**	866,196
	Tax at the applicable tax rates of 29% (2022: 29%)	**399,782**	251,197
	Prior year tax	**69,410**	24,980
	Tax effect of:		
	- share of profit on associate	**790,673**	209,188
	Tax chargeable at lower rate of tax	**(40,680)**	-
	Effect of income and expenses not chargeable to tax	**57,255**	(95,678)
		1,276,440	389,687

39. (LOSS)/ PROFIT FROM DISPOSAL GROUP AND DISCONTINUED OPERATIONS

39.1 DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

39.1.1 On March 22, 2023, the Board of Directors of the Holding Company approved sale of 100% shareholding in REL followed by which a share purchase agreement (SPA) was signed between the Company and Juniper International FZ LLC stipulating a maximum consideration of Rs. 300,000 subject to certain adjustments. On May 30, 2023, the sale of REL was approved by the shareholders in the Annual General Meeting. Accordingly, the Company has classified its investment in REL as held for sale. During the year, the Holding Company has signed an addendum to the SPA at revised consideration of Rs.100,000.

The completion of sale transaction is subject to replacement of the Company's corporate guarantees (note 30.1.11) issued in favour of the lenders of REL which the management expects to acheive in the next year.

39.1.2 On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers.

The management of the Company based on the high probability of approval from the International Finance Corporation (IFC) and the shareholders of the Company in respect of the proposed sale transaction has classified the Company's investment in TGL as held for sale.

Subsequent to the year end, the Company has entered into a SPA with Artistic Milliners (Pvt) Limited specifying a consideration of US Dollars 30,900 for 100% stakes, subject to various potential adjustments. Further, IFC which holds 25% shareholding in TGL has also in its letter dated March 11, 2024 agreed to tag along with the said transaction under section 4.06(b) of the TGL's Shareholder's Agreement. The management expects to complete the sale transaction within 2024.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

(Amounts in thousand)

39.2 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	2023
Assets classified as held for sale	
Non-current assets	
Property, plant and equipment	13,640,609
Right-of-use assets	88,220
Intangible assets	51,489
Deferred taxation - net	434,974
Long-term loans	369
	14,215,661
Current assets	
Stock-in-trade	1,444,699
Trade debts	4,542,443
Contract assets	1,440,693
Loans and advances	133,568
Deposits, prepayments and other receivables	2,375,830
Taxation - net	165,645
Short-term investments	42,471
Accrued return	257
Sales tax receivable	69,330
Cash and bank balances	2,263,533
	12,478,469
Impairment loss (note 39.3.1)	(4,499,518)
TOTAL ASSETS OF DISPOSAL GROUP	22,194,612
Liabilities directly associated with assets classified as held for sale	
Non-current liabilities	
Staff retirement benefits	79,852
Long-term finances	5,758,936
Lease liabilities	116,502
	5,955,290
Current liabilities	
Current portion of:	
Long-term finances	2,517,316
Lease liabilities	20,134
Trade and other payables	2,479,505
Contract liabilities	861,981
Short-term finances	853,654
Accrued mark-up	264,598
Taxes payable	43,207
	7,040,395
TOTAL LIABILITIES	12,995,685
NET ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	9,198,927

(Amounts in thousand)

39.3 FINANCIAL PERFORMANCE OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	2023	2022
FOR THE YEAR ENDED DECEMBER 31, 2022	------------ (Rupees)	------------
Revenue from contracts with customers - net (note 31)	**13,074,130**	13,587,276
Cost of revenue (note 32)	**(7,666,201)**	(10,464,414)
Gross profit	**5,407,929**	3,122,862
Selling and distribution expenses (note 33)	**(339,639)**	(297,850)
Administrative expenses (note 34)	**(501,868)**	(453,070)
Other expenses (note 35)	**(88,847)**	(286,340)
Other income (note 36)	**506,484**	222,994
Profit from operations	**4,984,059**	2,308,597
Finance cost (note 37)	**(1,022,659)**	(623,493)
Impairment loss (note 39.3.1)	**(4,499,518)**	-
Profit before taxation	**(538,117)**	1,685,104
Taxation	**(124,596)**	(72,987)
Profit after taxation	**(662,714)**	1,612,117
(Loss) / profit for the year	**(662,714)**	1,612,117

39.3.1 Represents impairment recognised in the carrying value of related assets for the following Cash Generating Units:

	2023
Tenaga Generasi Limited (TGL)	**3,796,326**
Reon Energy Limited (REL)	**703,192**
	4,499,518

The recoverable amount of assets of the cash generating units, TGL and REL, aggregated to Rs. 9,098,240 and Rs. 100,000, respectively. The recoverable amount of these assets was based on fair value less cost of disposal. The fair value measurement (Level 3) was determined based on multiple bids received from market participants, which were further corroborated using the management internal model based on discounted cashflow approach.

Discount rate

The discount rates applied to the cashflow projections of the CGUs range from 19% to 23% which have been calculated using Capital Asset Pricing Model. The discount rates reflect the current market assessment of the rates of return required for the business and the specific risks of each CGU.

Exchange rate

The exchange rate devaluation considered at the rate of 9% per annum. This is based on management forecast using historic trends and outlook from market experts.

		2023	2022
39.4	**CASHFLOWS GENERATED BY DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE**	------------ (Rupees)	------------
	Net cash generated from operating activities	**4,009,476**	2,656,891
	Net cash generated from investing activities	**423,524**	(291,583)
	Net cash used in financing activities	**(3,992,870)**	(1,513,271)
	Net increase in cash and cash equivalents generated	**440,130**	852,037
39.5	**LOSS FROM DISCONTINUED OPERATIONS**		
	Revenue - net (note 31)	**4,051**	5,209
	Cost of revenue (note 32)	**(4,324)**	(5,521)
	Gross loss	**(273)**	(312)
	Selling and distribution expenses (note 33)	**(41)**	(52)
	Administrative expenses (note 34)	**(95,515)**	(83,800)
	Other income (note 36)	**94,893**	52,445
	Net loss from discontinued operations	**(936)**	(31,719)

40. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

40.1 Basic EPS has been calculated by dividing the profit attributable to equity holders of the Holding Company by weighted average number of ordinary shares in issue during the year.

40.2 As at December 31, 2023, there is no dilutive effect on the basic earnings per share of the Holding Company.

		2023	2022
40.3	**Continuing operations**		
	Profit for the year attributable to the ordinary equity holders of the Holding Company	**102,119**	476,509
	Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
	Earnings per share (Rupees)	**1.72**	8.04
40.4	**Disposal group and discontinued operations**		
	(Loss) / profit for the year (attributable to the ordinary equity holders of the Holding Company (note 40.4.1 and 40.4.2)	**(566,935)**	1,187,330
	Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
	(Loss) / earnings per share (Rupees)	**(9.56)**	20.02

	2023	2022
	------------ (Rupees) ------------	
40.4.1 Disposal group		
(Loss) / profit for the year attributable to the ordinary equity holders of the Holding Company	**(565,998)**	1,219,049
Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
(Loss) / earnings per share (Rupees)	**(9.54)**	20.56
40.4.2 Discontinued operations		
Loss for the year attributable to the ordinary equity holders of the Holding Company	**(936)**	(31,719)
Weighted average number of ordinary shares (in thousands)	**59,299**	59,299
Loss per share (Rupees)	**(0.02)**	(0.53)

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

41.1 The aggregate amounts charged during the year in respect of remuneration, including all benefits, to the chief executive, directors of the Holding Company and executives of the Group are as follows:

	2023			2022		
	Directors		Executives	Directors		Executives
	Chief Executive	Others		Chief Executive	Others	
	---------------- (Rupees) ----------------			---------------- (Rupees) ----------------		
Managerial remuneration	20,737	-	180,625	25,591	-	229,852
Bonus	-	-	991	414	-	6,252
Medical allowance	972	-	9,618	1,240	-	10,893
Fuel allowance	989	-	18,242	25	-	7,903
Vehicle maintenance allowance	1,176	-	26,156	1,776	-	31,703
Retirement benefits	-	-	-	4,863	-	-
Fees	-	1,850	-	-	1,650	-
Other benefits	-	-	1,477	197	-	3,775
Total	23,874	1,850	237,109	34,106	1,650	290,378
Number of persons, including those who worked part of the year	2	17	67	2	9	97

(Amounts in thousand)

		2023	2022
42.	**FINANCIAL INSTRUMENTS BY CATEGORY**	------------ (Rupees)	------------
42.1	***Financial assets at fair value through profit or loss***		
	Long-term investments	**15,184**	11,564
	Financial assets at fair value through other comprehensive income		
	Long-term investments	**15**	15
	Financial assets at amortized cost		
	Long-term deposits	**2,778**	2,778
	Trade debts	**5,664**	3,066,540
	Loans to employees	**1,754**	16,195
	Deposits and other receivables	**46,149**	1,769,829
	Accrued Interest	**46**	474
	Short-term investments	**1,303,809**	33,399
	Cash and bank balances	**145,897**	2,008,891
		1,506,097	6,898,106
42.2	**Financial liabilities as per consolidated statement of financial position**		
	At amortized cost		
	Long-term borrowings	**247,176**	9,220,507
	Short-term borrowings	**-**	1,186,695
	Trade and other payables	**281,617**	2,052,354
	Unclaimed and unpaid dividend	**78,046**	78,836
	Accrued mark-up	**752**	241,729
		607,591	12,780,121

43. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- **Level 1**: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

- **Level 2**: Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- **Level 3**: Inputs for the asset or liability that are not based on observable market data.

(Amounts in thousand)

The Group held the following financial assets measured at fair values:

	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Non-current assets	------------------ (Rupees) ------------------			
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	**-**	**15,184**	**-**	**15,184**
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	**-**	**-**	**15**	**15**
Current assets				
Financial liability at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	**1,158,000**	**-**	**-**	**1,158,000**
- Short-term investments (investments in units of mutual funds)	**-**	**145,809**	**-**	**145,809**
	1,158,000	**160,993**	**15**	**1,319,008**

	As at December 31, 2022			
	Level 1	Level 2	Level 3	Level 4
	------------------ (Rupees) ------------------			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	11,564	-	11,564
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	-	11,564	15	11,579

As at December 31, 2023 and 2022, the carrying values of the remaining financial assets and liabilities of the Group reflected in these consolidated financial statements approximate their fair values.

Level 2 fair values have been determined on the basis of closing Net Asset Values for Mutual Fund Units.

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

44. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's risk management program focuses on unpredictability of the financial markets for having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to the shareholders. Risk management is carried out by the Holding Company's finance department under the policies approved by the Holding Company's Board of Directors.

44.1 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. It comprises the following risks:

i) Currency risk

Currency risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Group has no material exposure to currency risk as its transactions are carried out primarily in Pakistani Rupees.

ii) Interest rate risk

Interest rate risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The Group analyses its interest rate exposure on a regular basis by monitoring existing facilities against prevailing market interest rates and taking into account various other financing options available. For borrowing at variable rates, the rates are determined in advance for stipulated periods with reference to KIBOR and LIBOR.

The Group's interest rate risk arises from interest bearing financial assets namely overdue but not impaired receivables, cash at bank in deposit accounts and interest bearing financial liabilities namely short-term and long-term borrowings. These are benchmarked to variable rates which expose the Group to cash flow interest rate risk. The Group's exposure to interest rate risk on long-term borrowings for the alternate energy business is limited as the unfavourable fluctuation in interest rates of long-term borrowings from financial institutions is recovered through adjustment in tariff as per the EPA. At December 31, 2023, if interest rates on the Group's short-term borrowings, long-term borrowings of renewable energy business, receivables and cash at bank in deposit accounts had been 1% higher / lower with all other variables held constant, post-tax profit for the year would have been higher / lower by Rs. 17,963 (2022: lower / higher by Rs. 18,851).

The Group also maintains balances with banks in local and foreign currency deposit accounts that are interest bearing which expose it to fair value interest rate risk which is not expected to be material.

TGL's Plan - Transition of LIBOR to alternative arrangements

TGL has certain foreign borrowings which are subject to interest rate benchmark reforms, which have yet to transition. The consultation between the Company and lenders will commence in due course and transition will be completed by the mid of the 2024 as per agreed plan.

However, during the year, DFC has charged interest rate on SOFR based on mutual consent, however, the formal transition is to happen in due course.

iii) Other price risk

Price risk represents the risk that the fair values or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to price risk mainly on account of investments held in units of mutual funds the rates of which are based on the rates announced by the issuer on the Mutual Funds Association of Pakistan and investments held in quoted shares of listed securities. As at December 31, 2023, in case of a 1% increase / decrease in applicable fair values of the mutual fund units and respective listed equity securities, the resulting impact on profit before tax would not have been material.

(Amounts in thousand)

44.2 Credit risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge their obligations.

Credit risk arises from deposits with banks and financial institutions, trade debts, loans, deposits and other receivables. The maximum exposure to credit risk is equal to the carrying amount of financial assets. The carrying value of financial assets, exposed to credit risk are as follows:

	2023	2022
	------------ (Rupees) ------------	
Long-term deposits	**2,778**	2,778
Trade debts	**5,664**	3,066,540
Loans to employees	**1,754**	16,195
Deposits and other receivables	**46,149**	1,769,829
Accrued interest	**46**	474
Short-term investments	**1,303,809**	33,399
Bank balances	**145,737**	1,908,588
	1,505,937	6,797,803

Balances with banks

The credit risk arising on balances with banks as these denote depositories / investee entity having reasonably high credit ratings the analysis of which is given below:

	2023		
Asset management Company* / Bank	**Rating agency**	**Short-term**	**Long-term**
Bank AL Habib Limited	PACRA	A-1+	AAA
Habib Bank Limited	JCR - VIS	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
Faysal Bank Limited	PACRA	A-1+	AA
National Bank of Pakistan	JCR - VIS	A-1+	AAA
Citibank N.A.	Moody's	P-1	Aa3
Standard Chartered Bank (Pakistan) Limited	PACRA	A-1+	AAA
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+
Al Baraka Bank Limited	JCR - VIS	A-1	A+
JS Bank Limited	PACRA	A-1+	AA-
National Investment Trust Limited*	PACRA	-	AM1
United Bank Limited	VIS	A-1+	AAA
Dubai Islamic Bank Pakistan Limited	VIS	A-1+	AA
Meezan Bank Limited	JCR - VIS	A-1+	AAA
Pak Oman Investment Company Limited	JCR - VIS	A-1+	AA+

(Amounts in thousand)

Asset management Company* / Bank	2022 Rating agency	Short-term	Long-term
Bank AL Habib Limited	PACRA	A-1+	AAA
Habib Bank Limited	JCR - VIS	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
Faysal Bank Limited	PACRA	A-1+	AA
National Bank of Pakistan	JCR - VIS	A-1+	AAA
Citibank N.A.	Moody's	P-1	Aa3
Standard Chartered Bank (Pakistan) Limited	PACRA	A-1+	AAA
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+
Al Baraka Bank Limited	JCR - VIS	A-1	A+
JS Bank Limited	PACRA	A-1+	AA-
National Investment Trust Limited*	PACRA	-	AM1
Meezan Bank Limited	JCR - VIS	A-1+	AAA

Other financial assets

The remaining financial assets of the Group are either not material to these financial statements or, being amounts due from related parties, were considered to have low credit risk.

44.3 Liquidity risk

Liquidity risk represents the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Group's liquidity management involves projecting cash flows and consider the level of liquid funds necessary to meet these, monitoring balance sheet liquidity ratios against external regulatory requirements and maintaining debt financing plans. These objectives are achieved by maintaining sufficient cash and readily marketable securities and availability of funding through committed credit facilities. Due to dynamic nature of the business, the Group maintains flexibility in funding by maintaining committed credit lines available.

The table below analyses the Company’s financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the undiscounted contractual cash flows. The running finance facility of Rs. 600,000 remained unutilized during the year.

	2023			2022		
	Maturity upto one year	Maturity after one year	Total	Maturity upto one year	Maturity after one year	Total
	(Rupees)					
Financial liabilities						
Long-term borrowings	23,825,933	228,023,034	251,848,967	1,995,064	7,330,001	9,325,065
Lease liabilities	-	-	-	18,168	120,232	138,400
Short-term borrowings	-	-	-	1,186,695	-	1,186,695
Trade and other payables	281,617	-	281,617	2,052,354	-	2,052,354
Accrued mark-up	752	-	752	241,729	-	241,729
Unclaimed dividend	78,046	-	78,046	73,454	-	73,454
Unpaid dividend	-	-	-	5,382	-	5,382
	24,186,348	228,023,034	252,209,382	5,572,846	7,450,233	13,023,079

(Amounts in thousand)

45. CAPITAL RISK MANAGEMENT

The objective of the Group when managing capital, i.e. its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders or issue new shares.

The management of the Group at all times seeks to earn returns higher than its weighted average cost of capital, by increasing efficiencies in operations, so as to increase overall profitability.

The Group manages its capital by maintaining gearing ratio at certain level. The ratio is calculated as net debt divided by total capital. Total capital is calculated as 'equity' in the consolidated statement of financial position plus net debt. The gearing ratio as at December 31 is as follows:

	2023	2022
	------------ (Rupees)	------------
Long-term borrowings	**247,176**	9,220,507
Short-term borrowings	**-**	1,186,695
Total debt	**247,176**	10,407,202
Total equity	**18,216,938**	19,459,707
Total capital	**18,464,114**	29,866,909
Gearing ratio	**1.34%**	34.85%

The Group finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

46. SEGMENT REPORTING

46.1 A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined the operating segments based on the information that is presented to the Board of Directors of the Group for the allocation of resources and the assessment of performance. Based on internal management reporting structure and products produced and sold, the Group is organized into the following operating segments:

Type of segments	**Nature of business**
Renewable energy solutions	This part of the business represents power generation and sale of electricity in Pakistan using solar energy.
Textile	This was legacy business of the Group and has been discontinued in prior years.
Other operations	It mainly includes management of investment in associate by the Holding Company.

(Amounts in thousand)

Management monitors the operating results of the abovementioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in table below, is measured differently from profit or loss in the consolidated financial statements. Segment results and assets include items directly attributable to a segment.

46.2 The following information presents operating results regarding operating segments for the year ended December 31, and financial position regarding operating segments as at December 31:

Segment analysis is as under:

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	----- (Rupees) -----							
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Revenue from contract with customers - net								
Timing of revenue recognition								
- At a point in time	-	-	4,051	5,209	-	-	4,051	5,209
- Over time	60,967	72,002	-	-	-	-	60,967	72,002
	60,967	72,002	4,051	5,209	-	-	65,018	77,211
Cost of revenue	(25,483)	(25,409)	(4,324)	(5,521)	-	-	(29,807)	(30,930)
Segment gross profit / (loss)	35,484	46,593	(273)	(312)	-	-	35,211	46,281
Selling and distribution expenses	-	-	(41)	(52)	-	-	(41)	(52)
Administrative expenses	(9,292)	(6,469)	(95,515)	(83,800)	(70,525)	(67,035)	(175,332)	(157,304)
Other expenses	-	-	-	-	(443)	(14,947)	(443)	(14,947)
Other income	972	1,667	94,893	52,445	139,526	44,052	235,390	98,164
Finance cost	(62,093)	(44,561)	-	-	(2,411)	(42,979)	(64,504)	(87,540)
Share of profit from associate	-	-	-	-	1,347,342	949,873	1,347,342	949,873
Taxation	(282)	(436)	-	-	(1,276,158)	(389,251)	(1,276,440)	(389,687)
Impairment loss	-	-	-	-	-	-	-	-
Segment net profit / (loss)	(35,211)	(3,206)	(936)	(31,719)	137,331	479,712	101,184	444,788
Segment assets								
Property, plant and equipment	277,173	302,127	10,464	10,464	8,101	8,670	295,738	321,261
Right-of-use assets	-	-	-	-	-		-	-
Intangible assets	-	-	-	-	-	-	-	-
Long-term investments	-	-	-	-	10,656,105	11,370,030	10,656,105	11,370,030
Long-term deposits	-	-	2,778	2,778	-	-	2,778	2,778
Long-term loans to employees	-	-	-	-	-	-	-	-
Stores and spares	-	-	892	892	-	-	892	892
Stock-in-trade	-	-	4,418	8,742	-	-	4,418	8,742
Trade debts	5,664	10,681	-	-	-	-	5,664	10,681
Contract assets	4,842	5,961	-	-	-	-	4,842	5,961
Loans and advances	405	771	1,599	2,915	-	-	2,004	3,686
Deposits, prepayments and other receivables	23,391	31,248	-	-	27,533	25,813	50,924	57,061
Accrued interest	-	-	-	-	44	109	44	109
Short-term investments	-	-	-	-	1,303,809	-	1,303,809	-
Cash and bank balances	2,141	1,825	-	-	143,756	64,951	145,897	66,776
Total segment assets	313,616	352,613	20,152	25,791	12,139,348	11,469,573	12,473,114	11,847,977

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Amounts in thousand)

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	(Rupees)							
	2023	2022	2023	2022	2023	2022	2023	2022
Segment liabilities								
Long-term borrowings	247,176	266,973	-	-	-	-	247,176	266,973
Staff retirement benefits	-	-	-	-	3,506	4,579	3,506	4,579
Deferred government grant	-	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-
Deferred taxation	-	-	-	-	2,643,918	1,723,671	2,643,918	1,723,671
Short-term borrowings	-	-	-	-	-	-	-	-
Tax payable	690	554	-	-	282,467	57,408	283,157	57,962
Unclaimed dividend	-	-	-	-	78,046	73,454	78,046	73,454
Unpaid dividend	-	-	-	-	-	5,382	-	5,382
Provision	-	-	-	-	7,360	7,360	7,360	7,360
Trade and other payables	45,999	15,149	13,316	17,143	131,875	23,898	191,190	56,190
Accrued mark-up	752	711	-	-	-	2,279	752	2,990
Total segment liabilities	294,617	283,387	13,316	17,143	3,147,172	1,898,031	3,455,105	2,198,561

47. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

47.1 The Group in the normal course of business carries out transactions with various related parties. Related parties comprise of subsidiary companies, associated companies and undertakings, directors, key management personnel, retirement benefit funds and others. Amounts due from and to other related parties, directors, retirement benefit funds and key management personnel are shown under respective notes. Transactions with related parties are carried out at agreed terms. Remuneration of directors and key management personnel is disclosed in note 41 and is as per their terms of employment.

47.2 Following are the names of associated companies, related parties or undertakings with whom the Group had entered into transactions or had agreements and / or arrangements in place during the year:

Name of Related parties	Percentage of shareholding into the Holding Company	Relationship
Dawood Corporation (Private) Limited	54.84%	Major shareholder
The Dawood Foundation	5.02%	Common directorship
Cyan Limited	5.00%	Common directorship
Dawood Investments (Private) Limited	7.49%	Common directorship
Sach International (Private) Limited	0.01%	Associated company
International Finance Corporation	N/A	Associated Company through TGL
Engro Energy Limited	N/A	Associated Company through REL
Engro Vopak Terminal Limited	N/A	Associated Company through REL
Enfrashare (Private) Limited	N/A	Associated Company through REL
Dawood Hercules Corporation Limited	N/A	Associated company
Tenaga Generasi Limited	N/A	Associated company
Reon Energy Limited	N/A	Associated company
Reon Alpha (Private) Limited	N/A	Associated company
Mozart (Private) Limited	N/A	Associated company
Abrax (Private) Limited	N/A	Associated company
Greengo (Private) Limited	N/A	Associated company
Grid Edge (Private) Limited	N/A	Associated company
Shahid Hamid Pracha	0.00%	Shareholding of directorship
Hussain Dawood	8.58%	Company's Sponsor
Kulsum Dawood	1.05%	Sponsor's family member
Shahzada Dawood	1.77%	Company's sponsor / director
Abdul Samad Dawood	0.00%	Sponsor's family member

(Amounts in thousand)

Name of Related parties	Percentage of shareholding into the Holding Company	Relationship
Ayesha Dawood	0.05%	Sponsor's family member
Azmeh Dawood	2.01%	Sponsor's family member
Muhammad Jawaid Iqbal	0.00%	Director
Ruhail Muhammad	0.00%	Director
Mohammad Shamoon Chaudry	0.00%	Director
Shafiq Ahmed	0.00%	Director
Zamin Zaidi	0.00%	Director
Sabrina Dawood	1.96%	Director
Mujtaba Haider Khan	0.00%	Key management personnel
Staff retirement benefit - gratuity scheme	N/A	Post Employment Benefits
Jahangir Piracha	N/A	Director of group company
Javed Akbar	N/A	Director of group company
Nauman Zafar	N/A	Key management personnel
Hafeez Ur Rehman	N/A	Key management personnel
Imran Chagani	N/A	Key management personnel
Nazia Hasan	N/A	Key management personnel
Fawad Munir	N/A	Key management personnel
Saqib Zaidi	N/A	Key management personnel
Salman Saeed Khalilli	N/A	Key management personnel

47.3 Balances with related parties have been disclosed in the respective notes to these consolidated financial statements. Details of transactions with related parties, other than those disclosed elsewhere in these consolidated financial statements, are as follows:

Relationship	Nature of business	2023	2022
		------------ (Rupees)	------------
Associated companies			
Dawood Hercules Corporation Limited	Expenses reimbursable by the Group	**57,822**	43,689
	Expenses reimbursable to the Group	**113,198**	783
	Dividend income	**1,402,774**	1,168,978
Sach International (Private) Limited	Expenses reimbursable to the Group	**1,132**	276
	Royalty charged	**38,800**	28,340
	Rental income	**660**	660
	Penalty charged	**-**	1,278
	Sale of fabric	**-**	529
The Dawood Foundation	Expenses reimbursable by the Group	**26,576**	20,869
Engro Energy Limited	Operations and maintenance expenses	**659,932**	521,316
	Reimburseable expenses by the Group	**8,996**	7,651
	Payments	**887,294**	198,240
Other related parties			
International Finance Corporation	Borrowing cost charged to the	**256,266**	157,573
	Group	**7,766**	433,582
	Supervision fees	**119,010**	5,797
	Accrued mark-up	**607,848**	50,646
	Repayment of loan	**246,343**	129,773
	Payments made against interest	**6,993**	5,100
Post employment benefits	contributions made	**3,595**	1,977

(Amounts in thousand)

47.4 Remuneration of key management personnel area as per terms of employeemnt. Remuneration of directors and key mangement personnel is disclosed in note 41.

47.5 During the year, the Holding Company paid dividends to its directors / sponsors amounting to Nil (2022: Rs. 65,125).

47.6 Following is the name of an associated company incorporated outside Pakistan with whom the Group had entered into transaction or had agreements and arrangements in place during the year:

Name of party	Country of incorporation	Relationship	Holding in the subsidiary
International Finance Corporation	United States of America	Associated company / Lender	25%

47.7 Transactions with related parties are carried out on commercial terms and conditions.

48. CAPACITY AND PRODUCTION

	2023	2022
	------ (MWh) ------	
Renewable energy		
Maximum generation possible (note 48.1)	**11,106**	11,134
Production	**9,486**	11,069
Alternate energy		
Maximum generation possible (note 48.2)	**154,910**	154,910
Net electrical output	**129,561**	110,532

48.1 Maximum forecasted generation possible from solar power plant is based on electrical output at CUF 19%. Output produced by the plant is dependent on the plant's efficiency and higher solar irradiation fall.

48.2 Maximum generation possible is based on electrical output at P-50 level. Output produced by the plant is dependent on the load demanded by NTDC, wind speed and the plant availability. The energy generation of is subject to seasonal fluctuations because of weather conditions in the region. Energy generation is at peak during the high wind season, which primarily occurs between April to October. In the remaining period, the wind power plant gets generally lower wind potential.

49. NUMBER OF EMPLOYEES

	2023	2022
	------------ (Rupees) ------------	
Total number of management employees as at December 31	**88**	120
Average number of management employees during the year	**36**	153

	2023	2022
	------------ (Rupees) ------------	

50. CASH AND CASH EQUIVALENTS

	2023	2022
Cash and bank balances (note 18)	**2,409,430**	2,008,981
	2,409,430	2,008,981

51. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation the effects of which are not material.

52. NON-ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors in its meeting held on April 29, 2024 has proposed a final cash dividend of Rs. Nil (2022: Nil) per share for the year ended December 31, 2023 amounting to Nil (2022: Nil), for approval of the members at the Annual General Meeting to be held on May 29, 2024. This is in addition to interim cash dividends of Rs. Nil (2022: Rs 3.0 and Rs. 4.0) resulting in a total dividend of Rs. Nil per share for the year 2023 (2022: Rs. 7 per share).

53. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on April 29, 2024 by the Board of Directors of the Holding Company.

54. GENERAL

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

Mohammad Shamoon Chaudry Chief Executive Officer	Ruhail Muhammad Director	Nazia Hasan Chief Financial Officer

Pattern of Shareholding

AS AT DECEMBER 31, 2023

Number of Shareholders	Shareholdings'Slab			Total Shares Held
2,777	1	to	100	112,359
1,639	101	to	500	409,872
439	501	to	1000	326,129
522	1001	to	5000	1,177,953
67	5001	to	10000	463,302
26	10001	to	15000	311,625
13	15001	to	20000	219,929
8	20001	to	25000	185,509
5	25001	to	30000	143,718
1	30001	to	35000	32,367
3	35001	to	40000	111,909
3	40001	to	45000	130,575
2	45001	to	50000	98,710
1	70001	to	75000	73,634
1	80001	to	85000	84,630
2	85001	to	90000	171,453
1	155001	to	160000	158,600
1	345001	to	350000	350,000
1	515001	to	520000	517,545
1	555001	to	560000	556,539
1	570001	to	575000	573,000
1	615001	to	620000	620,000
1	1045001	to	1050000	1,046,843
1	1075001	to	1080000	1,075,136
1	1160001	to	1165000	1,160,396
1	1185001	to	1190000	1,189,597
1	2965001	to	2970000	2,965,095
1	2975001	to	2980000	2,979,324
1	4440001	to	4445000	4,443,661
1	5085001	to	5090000	5,088,605
1	32520001	to	32525000	32,521,794
5,524				**59,299,809**

Pattern of Shareholding

AS AT DECEMBER 31, 2023

Catagory of Shareholders	Number of Shareholders	Number of Shares Held	Percentage
Directors, CEO and their spouse and minor children	8	1,196,779	2.02%
Associated companies, undertakings and related parties	5	42,913,650	72.37%
Investment Corporation of Pakistan	8	804	*
Banks, Development Financial Institutions, Non-Banking Financial Institutions	17	99,113	0.17%
Insurance Companies	4	557,315	0.94%
Modarabas and Mutual Funds	2	567,545	0.96%
Shareholders holding 10% or more	1	32,521,794	54.84%
General Public			
a. Local	4,939	12,063,460	20.34%
b. Foreign	26	27,642	0.04%
Foreign Companies	1	1,075,136	1.81%
Others	514	798,365	1.35%
Total (Excluding: Shareholder holding 10% or more)	5,524	59,299,809	100%

*   Negligible

Pattern of Shareholding

AS AT DECEMBER 31, 2023

Shareholders' Category	Number of Shareholders	Number of Shares Held
Associated Companies, undertakings and related parties		
DAWOOD CORPORATION (PVT.) LTD.	1	32,521,794
DAWOOD INVESTMENTS (PRIVATE) LIMITED	1	4,443,661
DAWOOD FOUNDATION	1	2,979,324
CYAN LIMITED	1	2,965,095
SACH INTERNATIONAL (PRIVATE) LIMITED	1	3,776
Mutual Funds		
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	517,545
CDC - TRUSTEE GOLDEN ARROW STOCK FUND	1	50,000
Directors and their spouses and minor children		
MR. RUHAIL MUHAMMAD	1	1,079
MR. ABDUL SAMAD DAWOOD	1	1,000
MRS. AYESHA DAWOOD (w/o Mr. Abdul Samad Dawood)	1	30,000
MS. SABRINA DAWOOD	1	1,160,396
MR. SHAFIQ AHMED	1	1,154
MR. MUHAMMED AMIN	1	1,000
MR. MUHAMMAD BILAL AHMED	1	1,000
MR. MOHAMMAD SHAMOON CHAUDRY	1	1,150
	1	
Executives	-	-
Public Sector Companies & Corporation	14	597,524
Banks, DFIs, NBFIs, Insurance Companies Takaful, Modarabas & Pension Funds	15	59,708
Shareholders holding five percent or more voting rights		
DAWOOD CORPORATION (PVT.) LTD.	1	32,521,794
HUSSAIN DAWOOD	1	5,088,605
DAWOOD INVESTMENTS (PRIVATE) LIMITED	1	4,443,661
DAWOOD FOUNDATION	1	2,979,324
CYAN LIMITED	1	2,965,095

کی کامیابیاں اور مستقبل میں اس کی اسٹریٹجک حیثیت اندرون ملک اور بیرون ملک مستقل ترقی کرنے اور قابل تجدید توانائی کے سیکٹر میں جدت لانے کے اس کے عہد کو اجاگر کرتی ہیں۔

ہوا سے توانائی کے منصوبے (Wind Energy Project)

ہمارے شیئر ہولڈروں کی آمدنیوں پر منفی اثر ڈالنے والا سب سے بڑا ایشو توانائی کے سیکٹر میں سرکلر ڈیٹ ہے جو گزشتہ کئی برسوں سے مستقل درپیش ہے۔ بجلی کے خریدار کی جانب سے ادائیگیوں کی صورت حال میں بہتری آنے کے باوجود مستقل گردشی قرضہ شیئر ہولڈروں کے لئے آمدنی پیدا کرنے میں ہمارے لئے مستقل رکاوٹ ثابت ہو رہا ہے۔ ادائیگیوں کی صورت حال میں بہتری بجلی کے ٹیرف میں اضافے کے سبب ممکن ہو سکی ہے جس سے شیئر ہولڈروں کو کسی حد تک نقدی مل سکی ہے۔

ہوا سے بجلی پیدا کرنے کے پلانٹوں میں تخفیف میں اس سال کافی اضافہ دیکھنے میں آیا۔ معلوم ہوا ہے کہ گھارو اور جھمپیر، دونوں ونڈ پاور پلانٹس میں یہ تخفیف مستقبل قریب میں بھی جاری رہے گی۔ اس تخفیف میں ایک ممکنہ کمی گھارو کے پلانٹ کی کے الیکٹرک کو منتقلی ہے کیونکہ علاقے میں اس کا خالی کرنے کا انفرااسٹرکچر موجود ہے۔ قریب واقع پلانٹس (ہائیڈرو۔ چائنا داؤد اور ذیفائر) کی معیت میں کمپنی نے CPPA اور وزارت توانائی سے مذاکرات شروع کر دیئے ہیں کہ ہمارے کنکشن NTDC سے کے الیکٹرک کو منتقل کر دیئے جائیں۔ اس طرح ہمیں ایک جانب تو مستقل کنکشن میسر آجائے گا اور دوسری جانب تخفیف میں کمی/ خاتمہ بھی ممکن ہو سکے گا۔ دونوں ادارے اس منتقلی کے قابل ہیں تاہم اس سلسلے میں دفتری کارروائی حتمی فیصلے کے وقت کے تعین میں رکاوٹ ہے۔

کمپنی TGL اور REL کی فروخت کی کارروائی مکمل کر رہی ہے۔ ان سودوں سے حاصل ہونے والی رقم ایسے مواقع پر استعمال میں لائی جائیں گی جو کمپنی کو شیئر ہولڈروں کی آمدنی اور قدر بڑھانے کے قابل کر سکیں۔

ان سودوں کی تکمیل کے بعد کمپنی اپنے سرپلس فنڈز کو قلیل اور وسط مدت میں کیپٹل مارکیٹ میں استعمال کرنے پر غور کر رہی ہے۔

س۔ اظہار تشکر

بورڈ اپنے حصص یافتگان سے اُن کے اعتماد اور حمایت کے لیے اظہار تشکر کرتا ہے۔ ہم اپنے تمام اسٹیک ہولڈرز، بشمول تمام مالیاتی اداراں اور دیگر کے بھی مشکور ہیں جو مسلسل ہماری مدد اور حمایت کے لیے ہمارے ساتھ شریک رہے ہیں۔ ہم اُنہیں یقین دلاتے ہیں کہ ان کے مفادات کا خیال رکھا جائے گا۔

ہم کمپنی کی ترقی و خوشحالی کے لیے مخلصانہ کاوشوں پر کمپنی کی انتظامیہ اور ملازمین کا بھی شکریہ ادا کرتے ہیں۔

محمد شمعون چوہدری
چیف ایگزیکٹو آفیسر

روہیل محمد
چیئرمین

کراچی:
مورخہ: 29 اپریل 2024

ڈائریکٹرز کا مشاہرہ

بورڈ آف ڈائریکٹرز نے **''بورڈ کے ڈائریکٹرز اور بورڈ کے مقرر کردہ افراد کے مشاہرے کے تعین کی پالیسی''** کی منظوری دی ہے جس کے خاص خاص پہلو ذیل میں بیان کیے گئے ہیں:

ا۔ بورڈ آف ڈائریکٹرز کا مشاہرہ، کمپنی کے مالی حجم اور آپریشنل پیچیدگی کے حوالے سے مسابقتی اور موزوں ہوگا اور اس کا مقصد کمپنی کو کامیابی سے چلانے کے لیے درکار ارکان کو کمپنی کے ساتھ کامیابی سے منسلک رکھنا، قدر میں اضافے کی حوصلہ افزائی کرنا اور کشش پیدا کرنا ہے۔ مشاہرہ کسی بھی طرح ڈائریکٹرز کی خودمختاری پر نہ تو اثر انداز ہونے کی کوشش ہے اور نہ ہی سمجھوتہ ہے۔

۲۔ بورڈ، اگر مناسب سمجھے، اپنے ڈائریکٹرز کے مشاہرے کی مناسب سطح کو تعین کرنے کے لیے کسی آزاد مشیر کی خدمات حاصل کر سکتا ہے۔

۳۔ بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے ایگزیکٹو ڈائریکٹرز اور ڈی ایچ گروپ کے دیگر اداروں کے ملازمین نان-ایگزیکٹو ڈائریکٹر کو کوئی مشاہرہ ادا نہیں کیا جائے گا۔

۴۔ بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے سلسلے میں ڈائریکٹرز کی جانب سے کیے جانے والے کسی سفری یا دیگر ضروری اخراجات اصل کی بنیاد پر ادا کیے جائیں گے۔

ڈائریکٹرز کی تربیت کا پروگرام

ڈائریکٹرز کے تربیتی پروگرام کے تحت درکار تمام سرٹیفکیٹ کے ضمن میں کمپنی تعمیل کر چکی ہے۔

متعلقہ پارٹیوں سے معاملات

زیر جائزہ سال کے دوران ایسوسی ایٹڈ کمپنیوں/متعلقہ پارٹیوں کے ساتھ کئے گئے تمام تر سودوں کی سفارشات بورڈ کی آڈٹ کمیٹی نے کیں جن کی منظوری کمپنی کے بورڈ آف ڈائریکٹرز نے دی۔ متعلقہ پارٹیوں کے ساتھ کئے گئے تمام سودے آزادانہ اور خودمختارانہ بنیادوں (arm's length basis) پر کئے گئے۔

بعدازاں ہونے والے واقعات

مالی سال کے اختتام اور زیر نظر رپورٹ کی تیاری کی تاریخ کے درمیان ایسی کوئی مادّی تبدیلی عمل میں نہیں آئی یا ایسے معاہدے نہیں کئے گئے جو کمپنی کی مالی حیثیت پر اثر انداز ہو سکیں۔

ر۔ مستقبل کا منظرنامہ

شمسی توانائی

حکومت پاکستان کی جانب سے سولر پی وی کے 10GW کے حصول کے پلان اور روایتی توانائی کی ٹیرفوں میں اضافے کے سبب ملکی مارکیٹ کا مستقبل امید افزاء ہے جو قابل تجدید توانائی کے وسائل اختیار کرنے کی حوصلہ افزائی ہے۔ یہ منظرنامہ REL کے لئے ایک ایسا حوصلہ افزاء ماحول پیدا کرتا ہے جس میں وہ بالخصوص بڑے صنعتی صارفین کی قابل تجدید توانائی کی بڑھتی ہوئی طلب سے فائدہ اٹھا سکتی ہے۔ مزید یہ کہ دبئی میں منعقدہ COP28 کے نتائج توانائی کے مستقل منبع کی جانب منتقلی کی عالمی خواہش کو اجاگر کرتے ہیں اور 100 سے زائد ملکوں نے 2030 تک توانائی کے روایتی وسائل سے قابل تجدید وسائل کی جانب منتقلی کے اہداف مقرر کر لئے ہیں۔ CATL اور BYD جیسے بڑے نام کی جانب سے بیٹریوں کی قیمتوں میں کمی لانے کی توقعات بھی قابل تجدید توانائی کی جانب منتقلی کی تحریک کی رفتار تیز کریں گی جو عالمی مارکیٹ میں REL کے لئے ایک سنہرا موقع ثابت ہوگی۔ اپنی مہارتوں میں اضافہ کر کے اور دیگر اداروں کے ساتھ اسٹریٹجک شراکت کر کے REL دنیا بھر میں قابل تجدید توانائی کے حل اختیار کرنے میں ایک اہم کردار ادا کرنے کے لئے پوری طرح تیار ہے۔ مختصر یہ کہ 2023 میں REL

انسانی وسائل اور مشاہرہ کمیٹی (HR&RC)

مؤرخہ 31 دسمبر، 2023ء کو ختم ہونے والے سال کے دوران، انسانی وسائل اور مشاہرہ کمیٹی (HR&RC) کے دو (02) اجلاس منعقد ہوئے۔ ان اجلاسوں میں حاضری کی صورت حال ذیل کے مطابق رہی:

کمیٹی کے موجودہ اراکین

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب روہیل محمد	1	1
جناب عبدالصمد داؤد	2	2
جناب محمد امین	-	-

کمیٹی کے سبکدوش ہونے والے ممبران

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب محمد جاوید اقبال	1	-
جناب ضامن زیدی	1	1

ڈائریکٹرز کی ذمہ داری کا بیان

کمپنی کے ڈائریکٹرز، درج ذیل کے مطابق، پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کے تحت کارپوریٹ اور فنانشل رپورٹنگ فریم ورک کی تعمیل کی تصدیق کرتے ہیں:

ا۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالی گوشوارے کمپنی کے معاملات، اس کے آپریشنز، نقدی کے بہاؤ (cash flow) اور ایکویٹی میں تبدیلی کی صورت حال درست طور سے پیش کرتے ہیں۔

۲۔ کمپنی کے کھاتے (books of account) موزوں انداز میں مرتب کئے گئے ہیں۔

۳۔ مالی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا اطلاق تسلسل کے ساتھ کیا گیا ہے اور حسابی تخمینے (accounting estimates) مناسب اور محتاط تخمینوں پر مبنی ہیں۔

۴۔ مالی گوشواروں کی تیاری میں پاکستان پر قابل اطلاق بین الاقوامی مالی رپورٹنگ کے معیارات کا خیال رکھا گیا ہے اور ان سے کسی قسم کے انحراف کا مناسب انداز میں انکشاف کیا گیا ہے۔

۵۔ کمپنی کے اندرونی کنٹرول کا نظام اپنے ڈیزائن کے اعتبار سے مضبوط ہے اور اس پر مؤثر انداز میں عمل درآمد کے ساتھ اسے مانیٹر بھی کیا جاتا ہے۔

۶۔ کمپنی کے معاملات کے معمول کے مطابق جاری رہنے کے بارے میں کسی قسم کے شکوک وشبہات نہیں پائے جاتے ہیں۔

۷۔ لسٹنگ ریگولیشنز میں تفصیلاً بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی ماڈی انحراف نہیں پایا جاتا ہے۔

۸۔ گزشتہ چھ (06) برسوں کے دوران کا آپریٹنگ اور مالی ڈیٹا، خلاصے کی شکل میں، اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ آڈٹ کمیٹی کے اجلاس

بورڈ آف ڈائریکٹرز نے، کوڈ آف کارپوریٹ گورننس کی تعمیل میں، ایک آڈٹ کمیٹی قائم کی ہے جو اندرونی انضباط اور اس پر عمل درآمد کی نگرانی کرتی ہے۔ یہ کمپنی اپنے قیام کے وقت سے ہی نہایت عمدگی سے کام کرتی رہی ہے۔ بورڈ کے سامنے پیش کرنے اور اشاعت سے قبل، آڈٹ کمیٹی نے مالی گوشواروں کا، سہ ماہی، ششماہی اور سالانہ بنیادوں پر جائزہ لیا۔ آڈٹ کمیٹی نے، انتظامیہ کے نام ان کے مراسلے سمیت، مختلف مسائل پر بھی ایکسٹرنل آڈیٹرز کے ساتھ تفصیلی بات چیت کی۔ آڈٹ کمیٹی نے انٹرنل آڈیٹرز کی دریافتوں کا جائزہ بھی لیا اور، کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق، انٹرنل اور ایکسٹرنل آڈیٹرز کے ساتھ الگ الگ ملاقاتیں بھی کی ہیں۔

مؤرخہ 31 دسمبر، 2023ء کو ختم ہونے والے سال کے دوران، بورڈ کی آڈٹ کمیٹی کے کل چار (04) اجلاس منعقد ہوئے۔ اپنی متعلقہ مدت کے حساب سے حاضری کی صورت حال ذیل کے مطابق رہی:

کمیٹی کے موجودہ اراکین

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب محمد امین	1	1
جناب شفیق احمد	4	3
جناب محمد بلال احمد	-	-

جناب محمد امین، بورڈ کی آڈٹ کمیٹی میں بحیثیت چیئرمین، 5 ستمبر 2023 کو شامل ہوئے اور جناب محمد بلال نے بحیثیت ممبر BAC میں 27 اکتوبر 2023 کو شمولیت اختیار کی۔

کمیٹی کے سبکدوش ہونے والے ممبران

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب روہیل محمد	3	3
جناب محمد شمعون چوہدری	3	3

جناب روہیل احمد نے بحیثیت چیئرمین بورڈ آڈٹ کمیٹی اپنی نشست 6 ستمبر 2023 کو خالی کی کیونکہ آپ بورڈ کے چیئرمین منتخب ہوئے جبکہ جناب محمد شمعون چوہدری نے کمپنی کے چیف ایگزیکٹو آفیسر کا عہدہ سنبھالنے کے سبب BAC کی نشست خالی کر دی۔

بورڈ آف ڈائریکٹرز کے اجلاس

مؤرخہ 31 دسمبر، 2023ء کو ختم ہونے والے سال کے دوران، بورڈ آف ڈائریکٹرز کے کل 5 اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی، اپنی متعلق مدت کے دوران، حاضری ذیل کے مطابق رہی:

موجودہ بورڈ

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب روہیل محمد	5	5
جناب عبدالصمد داؤد	5	3
محترمہ سبرینہ داؤد	5	3
جناب شفیق احمد	5	3
جناب محمد امین	2	2
جناب محمد بلال احمد	1	1
جناب محمد شمعون چوہدری	5	4

جناب محمد امین بورڈ میں مورخہ 5 ستمبر 2023 کو شامل ہوئے اور جناب بلال احمد مورخہ 27 اکتوبر 2023 کو۔ دونوں ڈائریکٹر حضرات نے سال کے دوران جناب محمد جاوید اقبال اور جناب ضامن زیدی کے استعفوں کے سبب خالی ہو جانے والی نشستیں پُر کی ہیں۔ چیف ایگزیکٹیو آفیسر جناب مجتبیٰ حیدر خان کی خالی ہونے والی نشست جناب محمد شمعون چوہدری نے مورخہ 4 اکتوبر 2023 کو پُر کی۔

سبکدوش ہونے والے ڈائریکٹرز

ڈائریکٹر کا نام	اجلاس	
	منعقد ہوئے	شریک ہوئے
جناب محمد جاوید اقبال	2	1
جناب ضامن زیدی	4	3
جناب مجتبیٰ حیدر خان	3	3

جناب محمد جاوید اقبال کمپنی کے بورڈ سے مورخہ 9 جون 2023 اور جناب ضامن زیدی نے مورخہ 27 اکتوبر 2023 کو مستعفی ہوئے جبکہ جناب مجتبیٰ حیدر خان نے چیف ایگزیکٹیو آفیسر کے عہدے سے مورخہ 4 اکتوبر 2023 کو استعفیٰ دیا۔ ہم گزشتہ برسوں کے دوران کمپنی کے لئے ان حضرات کی گراں قدر خدمات کے لئے سپاس گزار ہیں۔

کارپوریٹ گورننس

کمپنی کی انتظامیہ عمدہ کارپوریٹ گورننس اور بہترین طریقہ کار پر عمل درآمد کی پابند ہے۔ پاکستان اسٹاک ایکسچینج کی جانب سے کوڈ آف کارپوریٹ گورننس سے اپنی قواعد کی کتاب (Rule Book) میں طے کیے گئے قواعد اور فہرست کے ضوابط پر عمل درآمد یقینی بنایا جاتا ہے۔ اس بارے میں ایک بیان، اس رپورٹ کیساتھ منسلک ہے۔

کاروباری ضابطہ اخلاق

بورڈ نے کاروباری ضابطہ اخلاق اختیار کیا ہے جس سے تمام ملازمین آگاہ ہیں اور اُنھوں نے اس بیان پر دستخط بھی کیے ہیں۔ اس ضابطہ اخلاق پر، پورے ادارے میں سختی سے عمل کیا جاتا ہے اور تمام ملازمین اُس میں بیان کردہ کاروباری اصولوں پر عمل کرتے ہیں۔

نظریہ اور مقصد

کمپنی کے نظریہ اور مقصد کی عکاسی کرنے والا بیان اس رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی، اپنی ذیلی کمپنیوں کے توسط سے سبز اور قابل تجدید توانائی کے ذرائع پر منتقلی کے ذریعے ماحولیات پر مثبت اثر پیدا کرنے کے ساتھ ساتھ مقامی برادریوں پر بھی اپنا اثر ڈالنے کی کوشش کر رہی ہے۔ سال کے دوران کمپنی کی ایک ذیلی کمپنی نے گھارو، سندھ میں واقع ایک مقامی اسکول کو گود لیا ہے۔ برادری کی بنیاد پر چلائے جانے والا یہ منتخب کردہ اسکول ونڈ پلانٹ کے قرب و جوار میں واقع چھ دیہاتوں کے 250 خاندانوں والی آبادی کو خدمات فراہم کر رہا ہے۔ اس اسکول کا انفرااسٹرکچر بہتر بنایا گیا اور اساتذہ بھرتی کرنے اور مرمت و دیکھ بھال سمیت اسکول چلانے کی ذمہ داری ایک مقامی این جی او کو سونپی گئی۔

بورڈ آف ڈائریکٹرز

ڈائریکٹرز کی کل تعداد میں درج ذیل شامل ہیں:

مرد ڈائریکٹرز	6
خاتون ڈائریکٹر	1

بورڈ کے ارکان کی ترکیب درج ذیل ہے:

خود مختار ڈائریکٹرز	2
نان-ایگزیکٹو ڈائریکٹرز	3
ایگزیکٹو ڈائریکٹرز	1
خاتون ڈائریکٹر (نان-ایگزیکٹو)	1

آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ اجلاس عام کے اختتام پر سبکدوش ہو رہے ہیں اور دوبارہ تقرری کے لیے اپنی خدمات پیش کرتے ہیں۔ آڈٹ کمیٹی نے میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی، کمپنی کے آڈیٹرز کی حیثیت سے، برائے سال اختتام 31 دسمبر، 2024ء کے لیے دوبارہ تقرری کی سفارش کی ہے اور بورڈ نے بھی اس سفارش کی توثیق کی ہے۔

حصص کا کاروبار، اوسط قیمتیں اور پاکستان اسٹاک ایکسچینج

سال کے دوران پاکستان اسٹاک ایکسچینج میں کمپنی کے 338,900 حصص کا کاروبار ہوا۔ روزانہ کاروباری دن کے اختتام کی شرح کی بنیاد پر کمپنی کے حصص کی اوسط قیمت 227.12 روپے رہی جبکہ 2023ء کے دوران، 52 ہفتوں کے دوران زیریں و بلند کی بنیاد پر، یہ قیمت بالترتیب 283.0 روپے سے 186.21 روپے فی حصص رہی۔

حصص یافتگی کا رجحان

مؤرخہ 31 دسمبر، 2023ء کو کمپنی کی حصص یافتگی کے رجحان کے ساتھ دیگر ضروری معلومات، اس رپورٹ کے آخر میں، نمائندگی کے فارم (Proxy Form) کے ہمراہ دستیاب ہیں۔

مارکیٹ میں سرمایہ کاری اور بہی قدر (Market Capitalization & Book Value)

سال کے اختتام پر، مارکیٹ میں کمپنی کی سرمایہ کاری 12,779 ملین روپے (2022: 12,453 ملین روپے) تھی اور مارکیٹ میں اس کی قدر 215.50 روپے فی حصص (2022: 210.00 روپے فی حصص) رہی جبکہ بریک اپ ویلیو 71.85 روپے فی حصص (2022: 56.38 روپے فی حصص) رہی۔

اہم آپریٹنگ اور مالی اعداد و شمار

گزشتہ چھ (06) برسوں کے دوران کا آپریٹنگ اور مالی ڈیٹا مختصر طور پر، اس رپورٹ کے ساتھ منسلک ہے۔

گریجویٹی فنڈ

کمپنی کے ملازمین کی مالی اعانت کے لئے فنڈز سے حاصل ہونے والے ریٹائرمنٹ کے فوائد کا سال میں ایک مرتبہ آڈٹ کیا جاتا ہے اور مناسب سرمایہ کاری کے ذریعے اُنھیں محفوظ بنایا جاتا ہے۔ 31 دسمبر، 2023ء تک فنڈ کے ذریعے فراہم کردہ فوائد کے تحت گریجویٹی منصوبے کے اثاثوں کی قدر 4.778 ملین روپے تھی (2022: 4.191 ملین روپے)۔

خطرات کا انتظام

کمپنی کی رسک مینجمنٹ پالیسیاں کمپنی کو درپیش مالی خطرات کی نشاندہی اور تجزیئے کے لیے اور خطرات کی مناسب حدود طے کرنے اور اُنھیں کنٹرول کرنے نیز حدود کی پابندی پر نگاہ رکھنے کے لیے تشکیل دی گئی ہیں۔ مارکیٹ کے حالات اور کمپنی کی سرگرمیوں پر ردعمل ظاہر کرنے کے لیے رسک مینجمنٹ پالیسیوں اور نظاموں کا باقاعدگی سے جائزہ لیا جاتا ہے۔

لانے میں اپنا کردار ادا کیا جا سکے۔اس کے ساتھ ساتھ TGL نے اس شعبہ میں ریاستی پالیسی کے نمایاں رسوخ کے پیش نظر کمپنی کو اپنے اسٹیک ہولڈروں کو منتظم کرنے کی صلاحیت حاصل کرنے کا موقع فراہم کیا۔کمپنی کی قابل تجدید توانائی کی حکمت عملی کو زندگی بخشنے کی غرض سے ٹیمیں تیار کی گئیں؛ تاہم چند ایک اہم خطرات نے ہماری تخلیق قدر کی کوششوں کو متاثر کیا۔اول یہ کہ پاکستان کو ہوا کی کمی کا سامنا رہا جس نے بجلی کی پیداوار میں کمی کی۔دوئم یہ کہ کاروباری ماڈل سنگل پارٹی ایکسپوژر پر مبنی ہے اور ہماری پیداواری کوششوں کی مناسبت سے موزوں گرڈ تیار نہیں ہو سکا ہے۔اور آخر میں یہ کہ توانائی سیکٹر کو لاحق سرکلر ڈیٹ کی دیرینہ بیماری کی شدت میں سال بہ سال اضافہ ہوتا رہا ہے جس سے اس سیکٹر کے کاروباروں کی جانب نقدی کے بہاؤ میں رکاوٹیں پیدا ہوئیں اور کام کرنے اور کاروبار کو توسیع دینے کی اسکی صلاحیت میں نمایاں کمی آئی۔ان خطرات کے نتیجے میں TGL میں ہماری سرمایہ کاری شیئر ہولڈروں کے لئے زیادہ آمدنی مہیا نہ کر سکی جسے دیکھتے ہوئے بورڈ آف ڈائریکٹر نے یہاں سے سرمایہ نکالنے پر غور کرنا شروع کر دیا۔18 دسمبر 2023 کو کمپنی کے بورڈ آف ڈائریکٹرز نے TGL میں اپنے تمام تر شیئرز فروخت کر دینے کا اسٹریٹجک فیصلہ کیا۔اس فیصلے کے بعد شیئرز کی فروخت کا ایک جامع طریقہ اپنایا گیا اور ممکنہ خریداروں سے non-binding پیشکشیں وصول کی گئیں۔سال کے اختتام پر کمپنی Artistic Milliner (Pvt) Limited کے ساتھ شیئر پرچیز ایگریمنٹ (SPA) میں داخل ہوگئی ہے جس کے تحت TGL میں کمپنی کے تمام تر شیئرز فروخت کر دیئے جائینگے۔

د۔ مالیاتی رپورٹ

مالی کارکردگی

جاری آپریشنوں سے گروپ کی مجموعی آمدنی 61 ملین روپے رہی جو گزشتہ برس کی اسی مدت کے دوران، 72 ملین روپے رہی تھی۔سال 2023ء کے لیے گروپ کا انضمام شدہ خام مجموعی منافع 35 ملین روپے رہا جبکہ گزشتہ برس، اسی عرصے کے دوران، یہ منافع 47 ملین روپے تھا۔ایسوسی ایٹ کمپنی سے حاصل ہونے والا منافع 1,347 ملین روپے تھا جس میں گزشتہ برس کے مقابلے میں 397 ملین روپے کا اضافہ دیکھا گیا۔مبلغ 1,276 ملین روپے کے ٹیکس کے بعد، جاری آپریشنز سے، بعد از ٹیکس منافع 102 ملین روپے حاصل ہوا جو سال 2022ء میں حاصل ہونے والے 375 ملین روپے کے منافع سے کم تھا۔منقطع کئے گئے آپریشنوں اور ڈسپوزل گروپ سے ہونے والا نقصان 644 ملین روپے رہا جبکہ گزشتہ سال کی اسی مدت کے دوران 1,580 ملین روپے کا منافع ریکارڈ کیا گیا تھا۔اس کمی کی بڑی وجہ ڈسپوزل گروپ کے اثاثہ جات کی از سرنو تخمینہ کاری تھی جو 4,499 ملین روپے مالیت کے تھے۔

انفرادی طور پر، کمپنی کی آمدنی صفر (0) رہی جبکہ، گزشتہ برس، اسی عرصے کے دوران، یہ محاصل 0.06 ملین روپے تھی۔سال کے دوران کمپنی کو اپنی متعلقہ کمپنی کی جانب سے 1,402.7 ملین روپے کا منافع منقسمہ بھی موصول ہوا جبکہ گزشتہ برس 1,168.9 ملین روپے حاصل ہوا تھا۔دوران سال کمپنی کو اپنی ذیلی کمپنی TGL کی جانب سے اسکی شروعات کے بعد پہلی بار 112.5 ملین روپے کا منافعہ منقسمہ بھی حاصل ہوا۔

فی حصص کمائی

سنہ 2023ء کے لیے غیر انضمام شدہ کمائی فی حصص 15.48 روپے رہی جبکہ سال 2022ء میں 2.31 روپے کا فی حصص خسارہ ہوا تھا۔منافع کی بڑی وجہ ایسوسی ایٹڈ کمپنی سے حاصل ہونے والے منافع میں اضافہ تھی۔ سال 2023 کے لئے ہولڈنگ کمپنی کے مالکان سے قابل نسبت فی حصص کمائی 1.72 روپے تھی جو گزشتہ برس کی اسی مدت کے دوران 8.04 روپے فی حصص تھی۔سال 2023 کے لئے ہولڈنگ کمپنی کے مالکان سے قابل نسبت ڈسپوزیبل گروپ اور منقطع کئے گئے آپریشنوں سے ہونے والا انضمام شدہ فی شیئر خسارہ 9.56 روپے تھا جبکہ گزشتہ برس کی اسی مدت کے دوران 20.02 روپے فی حصص کمائی ہوئی تھی۔

شمسی توانائی کا پلانٹ

صوبہ سندھ کے ضلع تھر میں واقع یہ پلانٹ ایگریمنٹ کے مطابق صارف کو آلودگی سے پاک بجلی بدستور مہیا کر رہا ہے۔

ہوا سے توانائی کا منصوبہ (Wind Energy Project)

Tenaga Generasi Limited (TGL) کا 4.9MW پلانٹ تسلی بخش انداز میں کام کر رہا ہے اور دستیابی اور BOP کے نقصانات کے متوقع اہداف پورے کر رہا ہے۔ زیر جائزہ مدت کے دوران BOP نقصانات 1.8% رہے جبکہ ہدف 2.5% تھا اور پلانٹ کی دستیابی 97.0% کے مقرر کردہ ہدف کے برخلاف 99.15% فیصد رہی۔ صحت، تحفظ اور ماحول (HSE) کو ترجیح حاصل رہی اور COD کے بعد 2,638 دن محفوظ انداز سے کام ہوا جو 640,919 محفوظ انسانی گھنٹے کے مساوی ہے۔ جبکہ TRIR اور حادثات کی شرح صفر رہی۔

زیر جائزہ مالی سال کے دوران اس پاور پلانٹ کی مالیاتی کارکردگی مثبت اور منفی واقعات کا مجموعہ رہی۔ مثبت بات یہ رہی کہ پلانٹ کو بھرپور ہوا میسر رہی جسکے نتیجے میں اسے شروعات اب تک بجلی کی سب سے زیادہ فروخت کا موقع میسر آیا۔ گزشتہ برس کے مقابلے میں اس سال بجلی کے خریدار کی جانب سے ادائیگیوں کی صورتحال میں بہتری آئی جس سے نقدی کی صورت حال بھی بہتر ہوئی۔ تاہم یہ فوائد شرح مبادلہ میں کمی، بڑھتی ہوئی مہنگائی اور ٹرانسمیشن کے مسائل جیسے چیلنجوں کی وجہ سے نقدی کی صورت میں حصص یافتگان تک پوری طرح سے پہنچائے نہیں جا سکے۔

زیر جائزہ سال کے دوران ٹرانسمیشن میں رکاوٹوں اور ملک کے جنوبی حصے میں معمول سے زیادہ پیداوار کی بدولت WPPs کو سخت تخفیف کا سامنا کرنا پڑا۔ چونکہ زیادہ تر تخفیف ہوا کم ہونے کے دوران کی گئی لہٰذا بجلی پیدا کرنے والوں کو اس سے معنی خیز فائدہ پہنچا۔

دوران سال خطے کو ہوا بہت اچھی رفتار میں میسر رہی تاہم پہلی اور چوتھی سہ ماہی کے دوران تخفیف بہت زیادہ ہوئی۔ 28 اپریل 2023 کو گھارو میں 12 ٹرانسمیشن ٹاور گر گئے جسکے نتیجے میں گرڈ مکمل طور سے بند ہوا اور 25 مئی تک یہاں سے قومی گرڈ کو بجلی مہیا نہیں کی جا سکی۔ N-1 لائن، جو EPA کے تحت لازمی شرط ہے، کی عدم دستیابی کے سبب گھارو کے پلانٹ لگ بھگ ایک مہینے تک قومی گرڈ کو بجلی سپلائی نہیں کر سکے۔ حالیہ EPA کی رو سے نقصان کا جزوی دعویٰ بطور NPMV دائر کر دیا گیا ہے؛ تاہم نقصان کے بقیہ حصے کا دعویٰ نہیں کیا جا سکتا۔ پھر بھی اس واقعہ سے متاثر ہونے والے گھارو کے تین پلانٹوں نے مشترکہ طور سے وزارت توانائی، نیپرا اور CPPA کو خطوط لکھے اور بعد ازاں بالمشافہ ملاقاتیں بھی کیں تاکہ یہ ایشو مستقل طور سے حل کیا جا سکے اور نقصانات کا موزوں طور سے ازالہ ہو سکے۔ ہم اس معاملے پر نظر رکھے ہوئے ہیں اور ضوابط کاروں کی جانب سے جواب کا انتظار کر رہے ہیں۔

2023 کے دوران فروخت کی جانے والی بجلی کی مقدار (129.57 GWh) تھی جو بجٹ اور P90 بینچ مارک سے کافی زیادہ ہے۔ زیر جائزہ سال کے دوران تخفیف زیادہ ہونے کے باعث NPMV کی مقدار 42.61GWh رہی جو گزشتہ برس کی اسی مدت کے دوران 2.59 GWh رہی تھی۔

ستمبر کے مہینے میں کمپنی نے 150 ملین روپے کے عبوری منافع منقسمہ کا اعلان کیا۔

TGL اچھے پروجیکٹوں کی تیاری کی شاندار علامت ہے جو گروپ کو بیرمی انجینئرنگ کی صلاحیت مہیا کرتی ہے تاکہ پاکستان کو درپیش توانائی کے چیلنجوں کی شدت میں کمی

مستقل بڑھوتی کی غرض سے سنجیدہ کوششوں کی ضرورت ہے۔اصلاحات کا پختہ عہد اور میکرو اکنامک کا پُر مغز اور محتاط انتظام، اقتصادی بحالی کی رفتار قائم رکھنے اور طویل مدتی ترقیاتی مقاصد کے حصول کیلئے انتہائی اہمیت کے حامل ہیں۔

ج۔ کاروباری جائزہ

قابل تجدید توانائی کا کاروبار

درپیش چیلنجوں کے باوجود 2023 میں کمپنی کے شمسی توانائی کے شاندار سنگ میل عبور کئے۔اس کاروبار نے 7,264 ملین روپے کی ٹاپ لائن آمدنی اور اپنی تاریخ کا سب سے زیادہ 259 ملین روپے کا منافع حاصل کیا۔اس کی قابل ذکر کامیابیوں میں ECP پروجیکٹوں کے 34 میگاواٹ کا حصول شامل ہیں، ایک بڑے موبائل نیٹ ورک آپریٹر اور ایک اہم انرجی سروس کمپنی (ESCO) کے ساتھ ڈیل کروانا؛ اور لکی سیمنٹ کے پیزو پلانٹ میں سب سے بڑے بیٹری انرجی اسٹوریج سسٹم (BESS) کی تنصیب۔اس کے ساتھ ساتھ REL نے عالمی سطح پر اپنی موجودگی میں اضافہ کرتے ہوئے SPARK کے ساتھ 4500 سائٹوں کا ہدف حاصل کیا اور Allen Dick Company اور طوال (Tawal) جیسے مشہور و معروف عالمی اداروں کے ساتھ پارٹنر شپ کی۔ایسیٹ پرفارمنس مینجمنٹ (APM) ڈویژن نے شاندار ترقی کرتے ہوئے اپنا پورٹ فولیو 136MWh سے بڑھا کر 228MWh تک پہنچایا مارکیٹ کی طلب کے مطابق خود کو ڈھالنے اور بلند ترین بچتوں والے مواقع سے بھرپور فائدہ اٹھانے کی کمپنی کی صلاحیت کا مظہر ہے۔

پاکستان کے زرمبادلہ کے ذخائر کی صورتحال میں بہتری آنے کے باوجود بالخصوص سولر پینل سے متعلق اسکینڈل کے سبب اسٹیٹ بینک آف پاکستان کی جانب سے نگرانی میں مزید سختی لائے جانے سے بھی مشکلات پیدا ہوئیں۔تاہم REL نے نے لیٹرز آف کریڈٹ (LCs) حاصل کر لئے جو کاروبار کرنے کے معاملات میں اس کی لچک اور ضوابط پر عمل درآمد کی صلاحیت کو ظاہر کرتا ہے۔یہ کامیابی REL کے مالیاتی انتظام اور قواعد پر عمل درآمد کو ظاہر کرتی ہے جو مستقل بڑھوتی اور اسٹیک ہولڈروں کے لئے تخلیق قدر کو یقینی بناتی ہیں۔

داؤد لارنس پور جب اس کاروبار میں داخل ہوئی تو کمپنی نے بجا طور سے متعدد اہم عوامل یعنی قابل تجدید توانائی کے وسائل میں مسابقت کا بڑھنا، مالیات کی دستیابی کی صورتحال میں بہتری، مارکیٹ کا وسیع ہونا، تجربہ کار ٹیم کے تقرر کی ہماری صلاحیت، کاروبار حاصل کرنے کے لئے ہمارے گروپ کی شہرت کو کام میں لانا، وغیرہ کا اندازہ لگایا۔نتیجے میں REL نے ممتاز کامیابی حاصل کی کہ اب وہ پاکستان میں شمسی توانائی کی ایک اہم اور بڑی کمپنی کی حیثیت سے جانی جاتی ہے جو ترقی کے قابل تعریف ریکارڈ کی حامل اور ایسے قابل قدر مستقل گاہک رکھتی ہے جو شمسی توانائی کے حصول کیلئے ہمارے گروپ کی صلاحیتوں پر بھروسہ اور اعتماد کرتے ہیں۔تاہم مارکیٹ میں مسابقت کے بڑھنے اور اسکے نتیجے میں مسابقت کاروں کے مارکیٹ میں داخلے میں آسانی پیدا ہوجانے کا اندازہ نہیں لگایا جاسکا۔اس صورت حال نے ہمارے کاروبار کو بیرونی جھٹکوں کا شکار کیا جن میں اجناس کی قیمتوں میں اتار چڑھاؤ، شرح مبادلہ میں کمی، اور شرح سود میں اضافہ شامل ہیں۔یہ تجربہ ہمیں ایک اہم سبق دیتا ہے کہ ترقی ایک مضبوط کاروبار کیلئے موافق تو ہے لیکن ایک کمزور کاروبار کیلئے مشکلات کھڑی کرسکتی ہے۔اور سب سے بڑھ کر یہ طیران پذیر بیرونی عوامل بشمول شرح مبادلہ میں کمی اور افراط زر نے اس کاروباری ماڈل کے ذریعے قدر تخلیق کرنے کی کمپنی کی صلاحیت کو متاثر کیا۔اس صورتحال کے پیش نگاہ سرمایہ نکالنے کی کارروائی شروع کرنے کا فیصلہ کیا گیا اور 22 مارچ 2023 کو کمپنی کے بورڈ آف ڈائریکٹرز نے REL میں اپنے 100 فیصد شیئرز فروخت کرنے کی منظوری دی جس کے بعد کمپنی اور Juniper International FZ LLC کے درمیان شیئرز کی خریداری کا معاہدہ (SPA) ہوا۔30 مئی 2023 کو سالانہ اجلاس عام میں شیئر ہولڈروں نے REL کی فروخت کی منظوری دی جس نے انتظامیہ کو بھرپور اعتماد بخشا۔اب داؤد لارنس پور لمیٹڈ کی اسٹریٹجک پلاننگ میں حاصل کئے گئے مذکورہ بالا تمام اسباق شامل کئے جائینگے تاکہ متحرک اور بڑھتی ہوئی مارکیٹ میں ہماری حیثیت مضبوط تر کی جاسکے۔

داؤد لارنس پور لمیٹڈ
ڈائریکٹرز رپورٹ
برائے اختتام سال 31 دسمبر 2023

داؤد لارنس پور لمیٹڈ (''کمپنی'') کے ڈائریکٹرز مسرت کے ساتھ 31 دسمبر، 2023ء کو ختم ہونے والے سال کے لئے سالانہ رپورٹ اور آڈٹ شدہ مالی گوشوارے پیش کرتے ہیں۔

ا۔ مرکزی سرگرمی

کمپنی کی مرکزی سرگرمی اپنی ذیلی اور شریک کار کمپنیوں میں سرمایہ کاری کو منظم کرنا ہے اور کمپنی تجارتی اور صنعتی صارفین کے ساتھ قابلِ تجدید توانائی، بلخصوص ہوا کی توانائی اور شمسی توانائی کے حل کی تجارت اور مارکیٹنگ کر رہی ہے۔

ب۔ کاروباری رپورٹ

2023 کے دوران سیاسی، حکمرانی، اور ماحولیات سے متعلق پیچیدہ چیلنجوں کے مجموعے سمیت حالیہ تاریخ میں ملک کو شدید ترین اقتصادی بحران کا سامنا رہا۔

پاکستان نے آئی ایم ایف کے اسٹینڈ بائی آرینجمنٹ (SBA) کے تحت اقتصادی اصلاحات کی شروعات کیں جس کا مقصد اندرونی اور بیرونی توازن کو قابو میں لانا اور کثیر القومی اور دوقومی شراکت داروں کی جانب سے مالیاتی اعانت کیلئے ایک فریم ورک فراہم کرنا تھا۔ آئی ایم ایف کے ایگزیکٹیو بورڈ کی جانب سے پہلے جائزے کی کامیاب تکمیل اس بات کا اشارہ ہے کہ انہیں ضروری اصلاحات کے نفاذ میں پاکستان کی سنجیدگی پر اعتماد ہے۔ پاکستان کی میکرو اکنامک صورتحال نے بہتری کی بہت ابتدائی نشانیاں دی ہیں اور تخمینہ لگایا گیا ہے کہ سال 2024 میں نمو کی شرح 1.9 فیصد رہے گی۔

یہ نمو سال کے اختتام پر ہونے والی معمولی سی بہتری سے منسوب کی گئی ہے۔ مزید یہ کہ مالی سال 2024 کی پہلی سہ ماہی میں مالیاتی صورتحال میں استحکام دیکھا گیا اور بنیادی سرپلس حاصل کر لئے گئے، جو مستحکم مجموعی آمدنیوں کے مرہون منت تھے۔ افراط زر یا مہنگائی زیادہ رہی لیکن توقع کی جا رہی ہے کہ سخت زرّی پالیسی کی بدولت یہ جون 2024 کے اختتام تک کم ہو کر 18.5 تک گر جائیگی۔ مہنگائی کو اعتدال پر لانے کی غرض سے اسٹیٹ بینک آف پاکستان نے سخت رویہ اپنا رکھا ہے۔

خام ذخائر دسمبر 2023 میں بڑھ کر 8.2 بلین ڈالر تک پہنچے جو جون میں 4.5 بلین ڈالر رہے تھے۔ زرمبادلہ کے ذخائر میں یہ اضافہ بیرونی سیکٹر میں بہتری کا اشارہ ہے۔ ایسی کوششوں کے نتیجے میں کہ زرح مبادلہ مارکیٹ متعین کرے تاکہ بیرونی جھٹکوں کو برداشت اور زرمبادلہ کی کمی کو ختم جا سکے سال کے اختتام پر شرح مبادلہ زیادہ تر مستحکم رہی۔ بہتری کے باوجود مشکلات موجود ہیں جن میں آمدنی کو مسلسل گردش میں رکھنے کی ضرورت، مالیاتی انضباط، اور ڈھانچہ جاتی اصلاحات شامل ہیں۔ بالخصوص نان فائلروں اور کم ٹیکس دینے والے سیکٹروں سے ہونے والی اضافی آمدنیوں کو کام میں لانے کی کوششیں، سماجی اور ترقیاتی اخراجات کے لئے مالیاتی آرام گاہ تخلیق کرنے کیلئے لازمی قرار دی گئیں۔

میکرو اکنامک میں مرحلہ وار بہتری اور توانائی کی ٹیرف بڑھائے جانے کے باوجود توانائی سیکٹر میں سرکلر ڈیٹ اب 5.5 ٹریلین روپے تک پہنچ رہا ہے جس کی بڑی وجہ توانائی کی پیداواری لاگت میں اضافہ اور توانائی سیکٹر میں ڈھانچہ جاتی مسائل ہیں۔ اسکے باوجود کہ حکومت اس سیکٹر میں اصلاحات کو ترجیح دے رہی ہے تاہم اصلاحات وضع کرنے اور ان کے نفاذ کی رفتار کافی سست ہے۔ مختصر یہ کہ اگرچہ اقتصادی بہتری کی کئی ابتدائی علامتیں ظاہر ہیں لیکن معیشت کو مستحکم کرنے، عدم توازن پر قابو پانے، اور اشتمالی اور

PHYSICAL SHAREHOLDERS

Bank Account Details for Payment of Cash Dividend
(Mandatory Requirement as per the Companies Act, 2017)

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Please note that giving bank mandate for dividend payments is mandatory and in order to comply with this regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide the following information:

	Details of Shareholder
Name of shareholder	
Folio No.	
CNIC No.	
Cell number of shareholder	
Landline number of shareholder, if any	
Title of Bank Account	**Details of Bank Account**
International Bank Account Number (IBAN) **"Mandatory"**	**PK __________________________ (24 digits)** (Kindly provide your accurate IBAN number after consulting with your respective bank branch since in case of any error or omission in given IBAN, the company will not be held responsible in any manner for any loss or delay in your cash dividend payment).
Bank's name	
Branch name and address	
It is stated that the above-mentioned information is correct and in case of any change therein, I / we will immediately intimate Participant / Share Registrar accordingly. ____________________ Signature of shareholder	

You are requested to kindly send photocopy of this letter immediately duly filled in and signed by you along with legible photocopy of your valid CNIC at the Company's Share Registrar Office, **CDC Share Registrar Services Limited, CDC House, 99-B, Block B, Main Shahrah-e-Faisal, Karachi. 74400, Pakistan.**

CDS SHAREHOLDERS

Bank Account Details for Payment of Cash Dividend
(Mandatory Requirement as per the Companies Act, 2017)

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank accounts of entitled shareholder as designated by them. In pursuance of the direction given by Securities and Exchange Commission of Pakistan (SECP), kindly immediately contact your relevant CDC Participant/CDC Investor Account Services Department and provide them your bank mandate information including International Bank Account Number (IBAN) which is now mandatory for all cash dividend payments.

In order to comply with regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide requisite bank mandate information to your respective Participant/CDC Investor Account Services Department immediately.

ELECTRONIC TRANSMISSION CONSENT FORM

The Securities & Exchange Commission of Pakistan through SRO 787(I)/2014 of September 8, 2014 allowed the Company to circulate its Annual Statement of Financial Position and Statement of Profit or Loss, auditor's report and directors' report etc. (Audited Financial Statements) along with the Company's Notice of Annual General Meeting to its shareholders through email. Those shareholders who wish to receive the Company's Annual Report through email are requested to complete the requisite form below.

CDC shareholders are requested to submit their Electronic Transmission Consent Form along with their CNIC directly to their broker (participant)/CDC; while shareholders having physical shares are to send the forms and a copy of their CNIC to the Company's Share Registrar, Messrs. CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shahra-e-Faisal, Karachi.

Electronic Transmission Consent Form

Pursuant to the directions given by the Securities & Exchange Commission of Pakistan through its SRO 787(I)/2014 of September 8, 2014, I Mr. / Ms. ____
S/o, D/o, W/o ____ hereby consent to have the Dawood Lawrencepur Limited Audited Financial Statements and Notice of Annual General Meeting delivered to me via email on my email address provided below:

Folio /CDC Account No.	
Postal Address:	
Email Address:	
Contact No:	
CNIC No.:	

It is stated that the above mentioned information is true and correct and that I shall notify the Company and its Share Registrar in writing of any change in my email address or withdrawal of my consent to email delivery of the Company's Audited Financial Statements and Notice of the Meeting.

Dear Shareholder,

REQUEST FORM FOR HARD COPY OF
ANNUAL AUDITED ACCOUNTS

The Securities and Exchange Commission of Pakistan, vide S.R.O 470(I)/2016 dated May 31, 2016, has allowed companies to circulate their Annual Statement of Financial Position, Statement of Profit or Loss , auditor's report, directors' report and ancillary statements/notes/documents ("Annual Audited Accounts") along with notice of general meeting to the registered addresses of its shareholders in electronic form through CD/DVD/USB.

However, Shareholders may request a hard copy of the Annual Audited Accounts along with notice of general meetings to be sent to their registered address instead of receiving the same in electronic form on CD/DVD/USB. If you require a hard copy of the Annual Audited Accounts, please fill the following form and send it to our Share Registrar or Company Secretary at the address given below.

Date: ______________

I/We ________________________________ request that a hard copy of the Annual Audited Accounts along with notice of general meetings be sent to me through post. My/our particulars in this respect are as follows:

Folio /CDC A/c No.	
Postal Address:	
Email Address:	
Contact No:	
CNIC No.	
Signature	

The form may be sent directly to Dawood Lawrencepur Limited Share Registrar or Company Secretary at the following address:

CDC Share Registrar Services Limited
CDC House, 99-B, Block "B", S.M.C.H.S
Main Shahra-e-Faisal, Karachi, Pakistan
Tel: +92 (21) 111-111-500
Website: http://www.cdcsrsl.com

Dawood Lawrencepur Limited
Dawood Centre, M.T. Khan Road
Karachi -75530, Pakistan
Tel: +92-21-35686001-16
Email: company.secretary@dawoodhercules.com
Website: www.dawoodlawrencepur.com

If you are a CDC Account Holder, you should submit your request directly to your CDC Participant through which you maintain your CDC account.

Proxy Form

I/We ____ of ______________________

, being member of Dawood Lawrencepur Limited and holder of ______________________

Ordinary Shares, as per:

Share Register Folio No.____________ and/or

CDC Participant ID No. ___________ Sub A/c No. ___________

hereby appoint ___________________________________ of _________ as my/our proxy to attend, speak, and vote for me/us and on my/our behalf, at the Annual General Meeting (AGM) of the Company to be held on Wednesday, May 29, 2024 at 11:00 AM at the Karachi School for Business Leadership (KSBL) situated at National Stadium Road, opp. Liaquat National Hospital, Karachi - 74800, Karachi and via video link facility, and at any adjournment thereof.

Signed this _________ day of _____________ 2024

WITNESSES:

1. Signature: ________________
   Name: ________________
   Address: ________________
   ____
   CNIC No. or ________________
   Passport No. ________________

2. Signature: ________________
   Name: ________________
   Address: ________________
   ____
   CNIC No. or ________________
   Passport No. ________________

Signature on Revenue Stamps of Rupees Five

Signature should agree with the specimen signature with the Company

IMPORTANT:

1. This Proxy Form, duly completed, must be deposited at the Company's Registered Office, not less than forty-eight (48) hours before AGM.

2. CDC shareholders and their proxies are each requested to attach and attested photocopy of their valid Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.

3. All proxies attending the AGM are requested to bring their original CNIC/Passport for identification.

AFFIX
CORRECT
POSTAGE

The Company Secretary
Dawood Lawrencepur Limited
Head Office/Registered Office:
Dawood Centre, M.T. Khan Road, Karachi-75530.
Tel: +92-21-35686001-16, Fax: +92-21-35644147
Website: www.dawoodlawrencepur.com
Email: company.secretary@dawoodhercules.com

نمائندگی کا فارم

میں رہم ____________________ ساکن ____________________

بحیثیت ممبر داؤد لارنس پور لمیٹڈ کے رکن وحامل ____________ عام حصص بمطابق شیئر رجسٹرڈ فولیو نمبر ____________ اور رِیا سی ڈی سی

کے شراکتی آئی ڈی نمبر ____________ اور ذیلی کھاتہ نمبر ____________ محترم رمحترمہ ____________________

____________________ ساکن ____________ یا بصورتِ دیگر محترم رمحترمہ

____________________ ساکن ____________________ کو بروز بدھ

مورخہ ۲۹ مئی ۲۰۲۴ بوقت ۱۱:۰۰ بجے صبح بمقام کراچی اسکول آف بزنس اینڈ لیڈر شپ (KSBL) نیشنل اسٹیڈیم روڈ، بالمقابل لیاقت نیشنل ہسپتال، کراچی-74800 میں ویڈیو لنک کی سہولت کے ساتھ منعقد یا ملتوی ہونے والے سالانہ اجلاسِ عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا/ کرتی ہوں۔

دستخط ____________ بروز ____________ ۲۰۲۴

گواہ (۱)

دستخط گواہ: ____________

نام: ____________

پتہ: ____________

قومی شناختی کارڈ نمبر یا: ____________

پاسپورٹ نمبر: ____________

مطلوبہ (پانچ روپے کا)
ریوینیو ٹکٹ چسپاں کریں اور دستخط کریں

دستخط کمپنی کے پاس پہلے سے محفوظ دستخطی نمونہ کے مطابق ہونے ضروری ہیں

گواہ (۲)

دستخط گواہ: ____________

نام: ____________

پتہ: ____________

قومی شناختی کارڈ نمبر یا: ____________

پاسپورٹ نمبر: ____________

نوٹ:

- تمام نامزدگیاں اسی صورت میں موثر ہوں گی جب پراکسی فارم بنام کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقررہ وقت سے ۴۸ گھنٹے قبل موصول ہوں۔
- سی ڈی سی شئیر ہولڈرز اوران کے نمائندوں سے فرداً فرداً درخواست ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقل یا پاسپورٹ، نمائندگی فارم داخل کرنے سے قبل اس کے ساتھ منسلک کریں۔
- تمام پراکسی ہولڈرز اپنی شناخت کے لئے اجلاس کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ ضرور پیش کریں۔

AFFIX
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The Company Secretary
Dawood Lawrencepur Limited
Head Office/Registered Office:
Dawood Centre, M.T. Khan Road, Karachi-75530.
Tel: +92-21-35686001-16, Fax: +92-21-35644147
Website: www.dawoodlawrencepur.com
Email: company.secretary@dawoodhercules.com

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