



POWER LIMITED

***ANNUAL REPORT
JUNE 30 2022***



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2022

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sohail Ahmed	Chief Executive
Mr. Asim Ahmed	Director
Mrs. Ghazala Salim	Director
Mrs. Saba Sohail	Director
Mrs. Sana Sohail	Director
Ms. Bina Sohail	Director
Mr. Farhan Sohail	Director

AUDIT COMMITTEE

Ms. Tania Asim	Independent Director
Mr. Sohail Ahmed	Chief Executive
Mrs. Alia Shahid	Independent Director

HR AND REMUNERATION COMMITTEE

Mr. Sohail Ahmed	Chief Executive
Mrs. Alia Shahid	Independent Director
Mrs. Tania Asim	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Muhammad Hasan

AUDITORS

Muniff Ziauddin & Co.
Chartered Accountants

LEGAL ADVISOR

M.J. Panny Associate
Mohsin Tayab & Co.

BANKERS

Summit Bank Limited

SHARES REGISTRAR

M/S F.D. Registrar
Services (SMC-Pvt.) Limited,
Office# 1705, 17th Floor,
Saima Trade Tower
'A', I.I. Chundrigar Road, Karachi.

REGISTERED OFFICE

B-40 S.I.T.E., Karachi.

Review Report by the Chairman on Board's overall

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of S.G. Power Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed.

The Board has recently completed its annual self-evaluation for the year ended June 30, 2022 and I report that:

The overall performance of the Board measured on the basis of approved criteria for the year was satisfactory. The overall assessment as Satisfactory is based on an evaluation of the following integral components, which have a direct bearing on Board's role in achievement of Company's objectives:

1. Vision, mission and values: Board members are familiar with the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.
2. Engagement in strategic planning: Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, Society at large) whom the Company serves. The Board has a strategic vision of how the organization should be evolving over the next three to five years. Further Board sets annual goals and targets for the management in all major performance areas.
3. Diligence: The Board members diligently performed their duties and thoroughly reviewed, discussed and approved Business Strategies, Corporate Objectives, plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to board and committee meetings. The board met frequently enough to adequately discharge its responsibilities.
4. Monitoring of organization's business activities: The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.
5. Diversity and Mix: The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The non-executive and independent directors were equally involved in important board decisions.
6. Governance and Control Environment: The Board has effectively set the tone-at-the-top, by putting in place transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of corporate governance and by promoting ethical and fair behavior across the company.

Karachi dated 06 October 2022.



Mr. Sohail Ahmed
Chief Executive



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 29th Annual General Meeting of the members of M/s S.G. Power Limited will be held on Thursday October 27, 2022 at 10:30am at Company Registered Office at B-40, S.I.T.E., Karachi to transact the following business:

1. To confirm the minutes of 28th Annual General Meeting held on Tuesday October 27, 2021.
2. To receive, consider and adopt audited annual accounts of the company for the year ended June 30, 2022 together with the Directors' and Auditors' report thereon.
3. To appoint auditors for the year 2022-23 and fix their remunerations.
4. To dispose off obsolete generators
5. To transact any other business with the permission of the Chair.

Karachi: October 06, 2022

By Order of the Board

Muhammad Hasan
(Company Secretary)

Notes:

1. The Shares Transfer Books of the Company will remain closed from October 24, 2022 to October 27, 2022 (both days inclusive) for the purpose of the Annual General Meeting.
2. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature shall be submitted along with proxy from the Company. Proxies in order to be effective must reach at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. Members are requested to notify change in their mailing address, if any, immediately to the Share Registrar of the Company M/S F.D. Registrar Services (Private) Limited, Office No. 1705, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi.
4. Members, who have deposited their shares with the Central Depository Company of Pakistan Ltd. (CDC), are requested to bring their original Computerized National Identity Cards along with their account numbers in CDC for verification at the time of the meeting.
5. CDC account holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.



S. G. POWER LIMITED

DIRECTORS' REPORT

The Board of Directors of S.G. Power Limited is pleased to present the 29th Annual Report and Audited Financial Statements of the Company together with Auditors' Report thereon for the year ended June 30, 2022.

S.G Power Limited (the company) is a public limited company incorporated in Pakistan on February 10, 1994, under the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The shares of the company are listed on Pakistan Stock Exchange Limited.

The principal activities of the company is generation of the electric power and supply to its associated company, SG Allied Businesses Limited.

The auditors have given an observation regarding the existence of material un-certainty regarding Company's ability to continue as a going concern. The Company has made improvement in performance therefore the losses were reduced from last year the current figure is Rs. 0.645 million (2021: 2.612 million) during the year and accumulated loss as at June 30, 2022 stood at Rs. 257.136 million (2021: Rs.256.491million). These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. In 2017, the associated company, SG Allied Businesses Limited started new lines of business activities and the Company acquired new generators and w.e.f. May 2017 has restarted to supply electricity to its associated company. In the years of 2018-19 and 2019-20 the company earned profit, however, in the year of 2020-21 and 2021-22 company incurred additional expenses to further restoration of electric generation.

Moreover, the management expects that the company will be able to continue as a going concern and will be able to realize its assets and discharge its liabilities in the normal course of business as the requirements of associate .

FINANCIAL RESULTS

The performance of the Company during the year under review has been on track of recovery due to the factors as mentioned above relating to its only customer and sister concern.

Following are the financial results for the year ended June 30, 2022:

	<u>Rupees</u>
Sale	8,317,868
Generation cost	(7,685,593)
Gross Profit	632,275
Admin & Selling Expenses	(1,277,541)
Loss before taxation	(645,266)
Loss after taxation	(645,266)

KEY PERFORMANCE INDICATORS

- ☒ There is nominal decrees in sale, the short supply of the gas was the reason of less production of electricity, therefor a reduction of Rs.70,103/- were noted.
- ☒ The net loss was reported at Rs. 645,266/- there is improvement in process as the corresponding figure of last year were 2.612 million loss of company.

During the financial year following were the directors of the company

<u>S. No</u>	<u>Name of Directors</u>
1	Mr. Sohail Ahmed
2	Mr. Asim Ahmed
3	Mr. Farhan Ahmed
4	Ms. Saba Sohail
5	Ms. Bina Sohail
6	Ms. Sana Sohail
7	Mrs. Ghazala Saleem

During the financial year there was no such risk was faced by the company

FUTURE OUTLOOK

Alhamdo Lillah company's operations are running smoothly as business activities of SG Allied Businesses Limited is growing, management is hopeful for increased sale of the company in upcoming financial year 2022-23.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

In accordance with the requirement of the Code of Corporate Governance Regulation 2017, issued by the Securities and Exchange Commission of Pakistan, the Directors hereby confirm that:

- ☒ The Financial Statements for the year ended June 30, 2022 have been prepared by the management present fairly its state of affairs, the results of its operation, cash flow and change in equity.
- ☒ Proper books of accounts of the Company have been maintained.
- ☒ International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- ☒ Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- ☒ The Company is in the process of implementing internal control.
- ☒ There has been no material departure from the best practice of Code of Corporate Governance as detailed in the listing regulations.
- ☒ The Directors, Chief Executive and their spouses and minor children did not carry out any transaction in the shares of the Company during the year.
- ☒ Compliance of Code of Corporate Governance is annexed.
- ☒ Certain non-compliances mentioned in the Auditors' Review Report are due to the fact that the associated Company is in the process of revamping its business process and certain compliances remained unadhered as at the year end.

The Board has four meeting during the year. The attendance by each Director was as follows:

<u>Name of Director</u>	<u>No. of meetings attended.</u>
Mr. Sohail Ahmed	4
Mr. Asim Ahmed	4
Mr. Farhan Ahmed	4
Mrs. Ghazala Ahmed	4
Ms. Saba Sohail	4
Ms. Bina Sohail	3
Ms. Sana Sohail	4

AUDIT COMMITTEE

The meetings of Audit Committee were held during the year ended June 30, 2019 as required by the Code of Corporate Governance for review of Quarterly/Half-yearly/Annual Accounts and the related matters. The meetings were also attended by the External Auditors as and when required. The composition of the Committee is as follows:

Mr. Asim Ahmed	Chairman
Mr. Sohail Ahmed	Member
Mrs. Ghazala Ahmed	Member

AUDITORS

The present Auditors M/S Muniff Ziauddin & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment. Audit Committee has recommended for their re-appointment for the year ending June 30, 2020.

ACKNOWLEDGEMENT

The Directors of your Company offer their sincere gratitude to the shareholders, for their support and assistance.

SHAREHOLDINGS PATTERN

The Pattern of Shareholding as on June 30, 2022 is annexed.

On behalf of the
Board of Directors



Sohail Ahmed
(Chief Executive)

Karachi. October 06, 2022.

ایس جی پاور لمیٹڈ

ڈائریکٹرز کی رپورٹ

ایس جی پاور لمیٹڈ کے بورڈ آف ڈائریکٹرز کو 30 جون 2022 کو ختم ہونے والے سال کے لیے آڈیٹرز کی رپورٹ کے ساتھ کمپنی کی 29 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشواروں کو پیش کرنے پر خوشی ہے۔

ایس جی پاور لمیٹڈ (کمپنی) ایک پبلک لمیٹڈ کمپنی ہے جو پاکستان میں 10 فروری 1994 کو منسوخ شدہ کمپنیز آرڈیننس، 1984 (کمپنیز ایکٹ، 2017 کے نفاذ کے ساتھ منسوخ) کے تحت قائم کی گئی تھی۔ کمپنی کے حصص پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج ہیں۔

کمپنی کی بنیادی سرگرمیاں الیکٹرک پاور کی پیداوار اور اس سے منسلک کمپنی ایس جی الائیڈ بزنسز لمیٹڈ کو سپلائی کرنا ہے۔

آڈیٹرز نے جاری تشویش کے طور پر کمپنی کے جاری رکھنے کی صلاحیت کے بارے میں مادی غیر یقینی صورتحال کے بارے میں ایک مشاہدہ دیا ہے۔ کمپنی نے کارکردگی میں بہتری لانی ہے اس لیے نقصانات گزشتہ سال سے کم ہوئے جو موجودہ اعداد و شمار روپے ہے۔ سال کے دوران 0.645 ملین (2021: 2.612 ملین) اور 30 جون 2022 تک جمع شدہ نقصان روپے رہا۔ 257.136 ملین (2021: روپے 256.491 ملین)۔ یہ شرائط ایک مادی غیر یقینی صورتحال کی موجودگی کی نشاندہی کرتی ہیں جو کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت پر اہم شکوک پیدا کر سکتی ہے اور اس وجہ سے، یہ اپنے اثاثوں کا ادراک کرنے اور کاروبار کے معمول کے دوران اپنی ذمہ داریوں کو ادا کرنے سے قاصر ہو سکتی ہے۔ 2017 میں، منسلک کمپنی، ایس جی الائیڈ بزنسز لمیٹڈ نے کاروباری سرگرمیوں کی نئی لائنیں شروع کیں اور کمپنی نے نئے جنریٹرز اور ڈبلیو ای ایف حاصل کیے۔ مئی 2017 نے اپنی متعلقہ کمپنی کو بجلی کی فراہمی دوبارہ شروع کر دی ہے۔ 2018-19 اور 2019-20 کے سالوں میں کمپنی نے منافع کمایا، تاہم، 2020-21 اور 2021-22 کے سال میں کمپنی نے بجلی کی پیداوار کو مزید بحال کرنے کے لیے اضافی اخراجات اٹھائے۔

مزید برآں انتظامیہ کو توقع ہے کہ کمپنی ایک جاری تشویش کے طور پر جاری رکھ سکے گی اور اپنے اثاثوں کا ادراک کرسکے گی اور اپنی ذمہ داریوں کو کاروبار کے معمول کے دوران ایسوسی ایٹ کی ضروریات کے مطابق ادا کرسکے گی۔

مالیاتی نتائج

زیر نظر سال کے دوران کمپنی کی کارکردگی ریکوری کے راستے پر رہی ہے کیونکہ اوپر بیان کردہ عوامل اس کے واحد کسٹمر اور بہن کی تشویش سے متعلق ہیں۔

30 جون 2022 کو ختم ہونے والے سال کے مالی نتائج درج ذیل ہیں:

8,317,868	روپے فروخت
(7,685,593)	جنریشن لاگت
632,275	مجموعی منافع
(1,277,541)	ایڈمن اور سیلنگ اخراجات
(645,266)	ٹیکس سے پہلے نقصان
(645,266)	ٹیکس کے بعد نقصان

کارکردگی اہم اشارے • فروخت میں برائے نام حکمنامے ہیں، گیس کی کم فراہمی بجلی کی کم پیداوار کی وجہ تھی، اس لیے 70,103/- روپے کی کمی نوٹ کی گئی۔

• خالص نقصان روپے میں رپورٹ کیا گیا۔ 645,266/- عمل میں بہتری آئی ہے کیونکہ پچھلے سال کے اسی اعداد و شمار میں کمپنی کا 2.612 ملین خسارہ تھا۔ مالی سال کے دوران کمپنی کے ڈائریکٹرز مندرجہ ذیل تھے۔

ڈائریکٹرز کا نام

1	جناب سہیل احمد
2	جناب عاصم احمد
3	مسٹر فرحان احمد
4	محترمہ صبا سہیل
5	محترمہ بینا سہیل
6	محترمہ ثنا سہیل
7	مسز غزالہ سلیم

مالی سال کے دوران کمپنی کو ایسا کوئی خطرہ نہیں تھا۔

مستقبل کا آؤٹ لک الحمد للہ کمپنی کے آپریشنز خوش اسلوبی سے چل رہے ہیں، جیسا کہ ایس جی الائیڈ بزنسز لمیٹڈ کی کاروباری سرگرمیاں بڑھ رہی ہیں، انتظامیہ آئندہ مالی سال 2022-23 میں کمپنی کی فروخت میں اضافے کے لیے پر امید ہے۔

کوڈ آف کارپوریٹ گورننس

کے ساتھ تعمیل سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے جاری کردہ کوڈ آف کارپوریٹ گورننس ریگولیشن 2017 کی ضرورت کے مطابق، ڈائریکٹرز اس بات کی تصدیق کرتے ہیں: مناسب کتابیں رکھی گئی ہیں۔

بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے۔

مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلوں پر مبنی ہیں۔

کمپنی اندرونی کنٹرول کو نافذ کرنے کے عمل میں ہے۔ کوڈ آف کارپوریٹ

گورننس کے بہترین طریقہ کار سے کوئی مادی اخراج نہیں ہوا جیسا کہ فہرست سازی کے ضوابط میں سازی کے ضوابط میں تفصیل ہے۔

ڈائریکٹرز، چیف ایگزیکٹو اور ان کی شریک حیات اور نابالغ بچوں نے سال کے دوران کمپنی کے شیئرز میں کوئی لین دین نہیں کیا۔

کوڈ آف کارپوریٹ گورننس کی تعمیل منسلک ہے۔

• آڈیٹرز کی جائزہ رپورٹ میں ذکر کردہ کچھ غیر تعمیلات اس حقیقت کی وجہ سے ہیں کہ متعلقہ کمپنی اپنے کاروباری عمل کو بہتر بنانے کے عمل میں ہے اور سال کے آخر میں کچھ تعمیلات کی پابندی نہیں کی گئی تھی۔

سال کے دوران بورڈ کے چار اجلاس ہوتے ہیں۔ ہر ڈائریکٹر کی حاضری حسب ذیل تھی:

اجلاس میں شرکت کرنے والے ڈائریکٹر کا نام۔

4	جناب سہیل احمد
4	جناب عاصم احمد
4	فرحان احمد صاحب
4	مسز غزالہ احمد
4	محترمہ صبا سہیل
3	محترمہ بینا سہیل
4	محترمہ ثنا سہیل

آڈٹ کمیٹی

حساب کتاب کا گروہ یا لوگ کے اجلاس 30 جون 2019 کو ختم ہونے والے سال کے دوران منعقد کیے گئے تھے جیسا کہ کوڈ آف کارپوریٹ گورننس کے مطابق سہ ماہی/ششماہی/ سالانہ اکاؤنٹس اور متعلقہ امور کا جائزہ لیا گیا تھا۔ اجلاسوں میں ضرورت پڑنے پر بیرونی آڈیٹرز نے بھی شرکت کی۔ کمیٹی کی تشکیل حسب ذیل ہے:

جناب عاصم احمد چیئرمین
جناب سہیل احمد ممبر
مسز غزالہ احمد ممبر

آڈیٹرز

موجودہ آڈیٹرز M/S منف ضیاء الدین اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہونے اور اہل ہونے کے بعد، خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ آڈٹ کمیٹی نے 30 جون 2020 کو ختم ہونے والے سال کے لیے ان کی دوبارہ تقرری کی سفارش کی ہے۔

اعتراف

آپ کی کمپنی کے ڈائریکٹرز شیئر ہولڈرز کے تعاون اور مدد کے لیے ان کا تہہ دل سے شکریہ ادا کرتے ہیں۔

شیئر ہولڈنگز پیٹرن

30 جون 2022 تک شیئر ہولڈنگز کا پیٹرن منسلک ہے۔

بورڈ آف ڈائریکٹرز
کی جانب سے



سہیل احمد

(چیف ایگزیکٹو)

Karachi. October 06, 2022.



VISION STATEMENT

To be nationally & internationally recognized as trendsetter of polyester filament yarn. Producing and introducing new varieties of highly value added Products to our customers both in Pakistan & abroad.

MISSION STATEMENT

Our mission is to exceed the expectations of our customers in producing highest quality product.

With determination of greater returns to shareholders and good opportunities to employees. To make the company a high flyer of all times.

CORPORATE OBJECTIVES & DEVELOPMENT STRATEGY

From the beginning we have been producing exceptionally high quality products. Every time we introduced new varieties in the market which was followed by others later on.

Alhamdulillah we become the only exporter of polyester filament yarn from Pakistan. We wish to strive continuously to achieve higher levels of excellence by employing most Modern manufacturing technology Operational & Financial Management. To extend our maximum contribution to our beloved Country in almost all possible Fields specially to National exchequer.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICE ON TRANSFER PRICING

The Company has fully complied with the best practice on Transfer Pricing as contained in the regulation No. 38 of the Karachi Stock Exchange (G) Limited.

On behalf of the Board of Directors

Sohail Ahmed
(Chief Executive)



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

For the year ended June 30, 2022

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations 2019 (CCG / Regulations) for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

S.G. Power Limited ("the company") has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are 7 (Seven) as per the following:

- a. Male : 3
- b. Female : 4

2. The composition of the Board is as follows:

Category	Names
Independent Director	-
Executive Director	Mr. Sohail Ahmed
	Mr. Farhan Sohail
	Mr. Asim Ahmed
Non-Executive Director	Ms. Ghazala Salim
	Ms. Saba Sohail
	Ms. Sana Sohail
	Ms. Bina Sohail
Female Directors	Ms. Ghazala Salim
	Ms. Saba Sohail
	Ms. Sana Sohail
	Ms. Bina Sohail

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;

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

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



9. No Director's Training Program were held during the year .

10. The Board has approved appointment of chief financial officer and company secretary, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

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

a) Audit Committee

Ms. Ghazala Salim	Chairman
Ms. Saba Sohail	Member
Ms. Sana Sohail	Member

b) HR and Remuneration Committee

Mr. Asim Ahmed	Chairman
Ms. Ghazala Salim	Member
Ms. Saba Sohail	Member

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

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

a) Audit Committee;	4 Quarterly Meetings
b) HR and Remuneration Committee;	2 Half Yearly Meetings

15. The board is in the process of setting up an effective internal audit function, as the operations of the company are being revived;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

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

18. We confirm that all requirements of regulations 3, 7, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Reg.	Explanation
9	A director acting as both CEO and Chairman of the Board of Directors because elected for the position of Chairman was not held by the company a chairperson will be appointed in upcoming BOD meeting.
24	Same person holds office of chief financial officer and the company secretary of the company as the company secretary was left and new appointment for the position of company secretary is under process.
28	Since there are no independent directors in the company, consequently the human resource and remuneration committee does not have at least one independent director as a member. Furthermore, the Chairman of the committee is not an independent director.
31	The board is in the process of setting up an effective internal audit function, as the operations of the company are being revived.

Chairman

Chief Executive



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF S.G. POWER 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 **S.G. Power Limited** (the Company) for the year ended June 30, 2022 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 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 Director's 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.

Note reference Description

- | | |
|----|---|
| 2 | The Company does not have any independent directors. |
| 2 | The executive directors are more than one third of the Board. |
| 12 | Since there are no independent directors in the company as stated above, the audit committee does not have at least one independent director, consequently, the Chairman of the audit committee is also not an independent director. Furthermore, no member of the committee falls under the definition of 'financial literate' under regulation 27 of the Regulations. |

Based on our review, except for the above instances of non-compliance, 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 Regulations as applicable to the Company for the year ended June 30, 2022.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the note/paragraph reference where these are stated in the Statement of Compliance:

Reg.	Explanation
9	A director acting as both CEO and Chairman of the Board of Directors because elected for the position of Chairman was not held by the company.
24	Same person holds office of chief financial officer and the company secretary of the company as the company is not operating sufficiently yet and the company believes that there is no need of separate person for both positions.
28	Since there are no independent directors in the company, consequently the human resource and remuneration committee does not have at least one independent director as a member. Furthermore, the Chairman of the committee is not an independent director.
31	The board is in the process of setting up an effective internal audit function, as the operations of the company are being revived.

Karachi. October 06, 2022.

CHARTERED ACCOUNTANTS



Independent Auditors' Report To the Members of S.G. Power Limited

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of **S.G. Power Limited** (the Company), which comprise the statement of financial position as at **30 June 2022**, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Material Uncertainty relating to Going Concern

We draw attention to note 2 in the financial statements, which indicates that the Company incurred a loss of Rs. 645,266 (2021: 2,611,657) and the Company's accumulated loss as at June 30, 2022 stood at Rs. 257.136 million (2021: 256.491 million). Furthermore, as at the year end the current liabilities exceeded the current assets by Rs. 3,112,265 (2021: 2,921,701). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Our report is not qualified in respect of this matter.

Key Audit Matters

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

Key Audit Matters	How our audit addressed the Key Audit Matters
1. Revenue recognition Refer note 5.8 to the financial statements relating to the revenue recognition. The company generates revenue from generation and supply of the electric power to its associated company, of SG Allied Businesses Limited. The company recognized revenue of Rs. 8.317 million for the year ended June 30, 2022. We identified revenue recognition as Key audit matter as it is one the Key performance indicators of the Company and because of the Potential risk that revenue transactions may not being recognized in appropriate period and risk of misapplication of the new accounting standard IFRS-15 'Revenue from contract with customers'.	Our procedures included: We obtained an understanding of assessed and tested the design and operating effectiveness of controls designed to ensure that revenue is recognized in appropriate accounting period; We assessed the appropriateness of the company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; We compared on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the appropriate accounting period; We received management's IFRS-15 assessment to verify the reasonableness, accuracy and completeness of the impact on the financial statements of the company; and We obtained an understanding of the nature of the revenue contracts entered into by the company, tested a sample of sales contracts to confirm our understanding and assessed whether or not management's application of IFRS-15 requirements was in accordance with the standard.
2. Contingencies The Company is subject to material litigations involving different courts pertaining to taxation and other matters, which requires management to make assessment and judgements with respect to likelihood and impact of such litigations. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, contingencies is complex and is a matter of most significance in our audit because of the judgements required to determine the level of certainty on these matters. The details of contingencies along with management's assessment and the related provisions are disclosed in note 12 to the financial statements.	In response to this matter, our audit procedures included: Discussing legal cases with the legal department to understand the management's view point and obtaining and reviewing the litigation documents in order to assess the facts and circumstances. Obtaining independent opinion of legal advisors dealing with such cases in the form confirmations. We also evaluated the legal cases in line with the requirements of IAS 37: Provisions, contingent liabilities and contingent assets. The disclosures of legal exposures and provisions were assessed for completeness and accuracy.

Information other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

The engagement partner on the audit resulting in this independent auditors' report is Muhammad Moin Khan.

Chartered Accountants
Karachi: 06 October, 2022

UDIN:



S.G POWER LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
SHARE CAPITAL AND RESERVES			
Authorised			
20,000,000 Ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid up capital	6	178,332,670	178,332,670
Capital reserve			
Share premium		89,116,330	89,116,330
Revenue reserve			
Accumulated loss		(257,136,571)	(256,491,305)
		10,312,429	10,957,695
NON CURRENT LIABILITIES			
Deferred liabilities	7	-	-
CURRENT LIABILITIES			
Trade and other payables	8	718,311	1,811,740
Loan from director	9	46,262	46,262
Unclaimed dividend	10	1,297,283	1,297,283
Due to associated undertaking	11	1,071,700	1,071,700
		3,133,556	4,226,985
CONTINGENCIES AND COMMITMENTS			
	12	13,445,985	15,184,680
NON CURRENT ASSETS			
Property, plant and equipment	13	8,124,694	8,579,396
Long term deposit	14	5,300,000	5,300,000
CURRENT ASSETS			
Current portion of long term receivable	15	-	-
Trade debts	16	-	-
Accrued interest	17	-	-
Cash and bank balances	18	21,291	1,305,284
		21,291	1,305,284
		13,445,985	15,184,680

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



S.G POWER LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Rupees	2021 Rupees
Sales	19	8,317,868	9,018,898
Generation cost	20	<u>(7,685,593)</u>	<u>(8,056,662)</u>
Gross profit		632,275	962,236
Administrative and selling expenses	21	<u>(1,277,541)</u>	<u>(4,181,754)</u>
Operating loss		(645,266)	(3,219,518)
Loss before taxation		<u>(645,266)</u>	<u>(3,219,518)</u>
Taxation	22	-	607,861
Loss after taxation		<u>(645,266)</u>	<u>(2,611,657)</u>
Other comprehensive income		-	-
Total comprehensive loss for the year		<u><u>(645,266)</u></u>	<u><u>(2,611,657)</u></u>
Loss per share - basic and diluted	23	<u><u>(0.036)</u></u>	<u><u>(0.146)</u></u>

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



S.G POWER LIMITED
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	2022 Rupees	2021 Rupees
CASH FLOW FROM OPERATION ACTIVITIES		
Loss before taxation	(645,266)	(3,219,518)
Adjustment for non cash items:		
Depreciation	454,702	481,875
Cash flow from operating activity before working capital changes	(190,564)	(2,737,643)
Changes in working capital		
(Increase) / decrease in current assets		
Trade debts	-	4,595,205
	(190,564)	1,857,562
Increase / (decrease) in current liabilities		
Accrued Liabilities	-	-
Trade and other payable	(1,093,429)	578,525
Due to associated undertaking	-	-
	(1,283,993)	2,436,087
Finance charges paid	-	-
Tax paid	-	-
Net cash (used in) / generated from operating activities	(1,283,993)	2,436,087
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of fixed assets	-	-
Additions in fixed assets	-	(1,519,400)
Net cash used in investing activities	-	(1,519,400)
CASH FLOW FROM FINANCING ACTIVITIES		
Net cash from financing activities	-	-
Net (decrease) / increase in cash and cash equivalents	(1,283,994)	916,686
Cash and cash equivalents at the beginning of the year	1,305,284	388,598
Cash and cash equivalents at the end of the year	21,291	1,305,284

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



S.G. POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

	SHARE CAPITAL	CAPITAL RESERVE	REVENUE RESERVE	
	Issued, subscribed and paid up capital	Share Premium	Accumulated loss	Total
	----- Rupees -----			
Balance as at July 1, 2020	178,332,670	89,116,330	(253,879,648)	13,569,352
Loss for the year	-	-	(2,611,657)	(2,611,657)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year ended June 30, 2021	-	-	(2,611,657)	(2,611,657)
Balance as at June 30, 2021	178,332,670	89,116,330	(256,491,305)	10,957,695
Loss for the year	-	-	(645,266)	(645,266)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year ended June 30, 2022	-	-	(645,266)	(645,266)
Balance as at June 30, 2022	178,332,670	89,116,330	(257,136,571)	10,312,429

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer



S.G. POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND OPERATIONS

S.G Power Limited (the company) is a public limited company incorporated in Pakistan on February 10, 1994, under the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The shares of the company are listed on Pakistan Stock Exchange Limited.

The principal activities of the company is generation and supply of the electric power to its associated company, S.G Allied Businesses Limited.

Major business units including mills/plants of the Company are as under:

KARACHI	Purpose
B-40, S.I.T.E., Karachi	The registered office of the company

2 GOING CONCERN ASSUPMTIONS

During the year the Company incurred a loss of Rs. 645,266 (2021: 2,611,657) and the Company's accumulated loss as at June 30, 2022 stood at Rs. 257.136 million (2021: 256.491 million). Furthermore, as at the year end the current liabilities exceeded the current assets by Rs. 3,112,265 (2021: 2,921,701) . These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

In 2017, the associated company, SG Allied Businesses Limited started new lines of business activities and the Company acquired new generators and w.e.f. May 2017 has restarted to supply electricity to its associated company. Moreover, the Directors and its associated company will provide the finance to the Company as and when needed. Based on the above facts, management expects that company will be able to continue as a going concern and will be able to realize its assets and discharge its liabilities in the normal course of business.

3 BASIS OF PREPARATION

3.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Standards issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for items as disclosed in the relevant accounting policies below.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is also the functional currency of the Company. All amounts have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

3.4 Key judgements and estimates

The preparation of financial statements in confirmation with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition it require management to exercise judgement policies. The area involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes and related primarily to;

- depreciation method of property, plant and equipment (refer note 5.1 & 13)
- Impairment of non-financial assets(refer note 5.2)
- Provision for expected credit losses
- Estimation of contingent liabilities (refer note 5.14 & 12)
- Estimation of provisions (refer note 5.7)
- provision for current tax recognition of deferred tax (refer note 5.10 & 24)

4 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

4.1 Standards and interpretations that are effective in the current year

There were certain amendments to accounting and reporting standards which became effective for the Company for the year ended 30.06.2019. Management has assessed the impact of these standards and interpretations and concluded that they are not expected to be relevant or to have any significant impact on the Company's financial statements and, therefore, have not been disclosed in these financial statements.

4.2 Standards and interpretations that are not yet effective and have not been early adopted by the Company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are expected to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to all years presented in these financial statements, except in changes as indicated below.

5.1 Operating Fixed Asset

- a Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment loss (if any).
- b Depreciation is charged on assets by applying diminishing balance method at the rates specified in note 13.
- c Depreciation is charged on assets from the month of purchase or from the month of commercial production for additions in respect of additions made during the year while proportionate depreciation is charged on assets disposed off during the year till the month of disposal.
- d Major renewals and replacement are capitalized.
- e An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and as recognised on as other income in the statement of profit or loss. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. 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.

f. or loss on disposal of fixed asset are reflected in the Profit and Loss account.

Judgements and estimates

The useful lives, residual values and depreciation method⁰ are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Impairment

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.

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment loss (if any).

5.2 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non financial assets (other than stock in trade and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

5.3 Stores, spares and loose tools

These are valued at the cost, determined on weighted average cost less allowance for obsolete and slow moving items. in transit are valued at invoice value plus other charges incurred thereon.

5.4 Trade debts and other receivables

Trade debts and other receivables represents the company's right to an amount of consideration (i.e., only the passage of time is required before payment of the consideration is due)

5.5 Cash and cash equivalents

Cash and cash equivalents on the statement of financial position comprises cash at banks and on hand. For cash flow and cash equivalents comprise cash on hand and deposit held with banks.

5.6 Trade and other payables

Liabilities for trade and other payables are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

5.7 Provisions

Provisions are recognized when the Company has a present 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 obligation can be made. As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amount of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of the cost of as asset.

5.8 Revenue Recognition

Revenue from contracts with customers is recognised at the point in time when performance obligation is satisfied i.e. control of the goods is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled to on exchange of those goods.

Revenue from supply of electricity is recognized on issue of bills on monthly basis.

Profit on bank deposits is recognized on accrual basis.

5.9 Borrowing Costs

Borrowing costs are recognized 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 capitalized as part of the cost of that asset.

5.10 Taxation

Current

Profits derived by the company from electric power generation project are exempt from tax under clause 132 of Part -1 of the Second Schedule to the Income Tax Ordinance 2001

The company is also exempt from minimum tax on turnover under section 113 as per clause 15 of the part-IV of the Second Schedule to the Income Tax Ordinance 2001

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemption available, if any.

Deferred

Deferred income tax is provided using the liability method for all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In this regard, the effects on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirements of Technical Release-27 of the Institute of Chartered Accountants of Pakistan.

5.11 Foreign currency translations

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies, except for those covered under forward foreign exchange contracts, if any, are retranslated into Pak Rupees at the foreign exchange rates approximately those prevailing at the reporting date. Forward foreign exchange contracts, if any, are translated at contracted rates exchange differences, if any, are charged on statement of profit or loss.

5.12 Financial Instruments

Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on de-recognition are recognised directly in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently premeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent transfer of gains and losses to profit or loss following the de-recognition of the investment.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

In the light of ongoing COVID-19 pandemic, the company has review its exposure to business risk and has not identified any risk that could materially impact the financial performance or position of the company. Consequently, there was no significant impact of COVID-19 pandemic on the company's operations or recognition and measurement of assets and liabilities during the year ended June 30,2021.

Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

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

A financial liability is derecognised 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 de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

5.13 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount reported in the balance sheet . If the company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.14 Contingent liabilities

Contingent liability is disclosed when:

There is 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.

5.15 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as liability on the period in which the dividends are approved by the company's shareholders.

5.16 Share capital

Share capital is classified as equity and recognized at the face value. Incremental costs net of tax and directly attributable to the issue of new shares are shown as a deduction in equity

5.17 Basic and diluted earnings per share

The company presents basic and diluted earnings per share (EPS) for its shareholders. 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

			2022 Rupees	2021 Rupees	
6	ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
	17,883,267 Ordinary shares of Rs.10/- each fully paid in cash.		178,332,670	178,332,670	
	Shares held by the related parties of the company				
		2022 No. of shareholders	2022 Shareholding Percentage	2021 No. of shareholders	2021 Shareholding Percentage
	Directors, CEO, & their spouse and minor children				
	Mst. Zubaida Khatoon	3,484,572	19.54	3,484,572	19.54
	Mr. Sohail Ahmed	3,484,572	19.54	3,484,572	19.54
	Mr. Asim Ahmed	3,511,072	19.54	3,511,072	19.69
7	DEFERRED LIABILITY				
	Staff Gratuity				
	Movement in liability recognized in the balance sheet is as follows:				
	Liability as at July 01		113,040	113,040	
	Charge to profit or loss		-	-	
			113,040	113,040	
	Payments made during the year		-	-	
	Transferred to current liabilities in respect of employees left		-	-	
	Liability as at June 30		113,040	113,040	
7.1	ee in the company as at year end and no actuarial valuation was carried out.				
	Staff gratuity		113,040	113,040	
	Less: Provision against staff gratuity		(113,040)	(113,040)	
			-	-	
8	TRADE AND OTHER PAYABLE				
	Accrued Liabilities		698,496	1,084,564	
	Tax deducted at source		19,815	19,815	
	Provision for sale tax liability		-	707,361	
			718,311	1,811,740	
9	LOAN FROM DIRECTOR		46,262	46,262	
9.1	erest free loan from sponsoring directors. This will be repaid on demand.				

10 UNCLAIMED DIVIDEND

Unclaimed dividend	<u>1,297,283</u>	<u>1,297,283</u>
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11 DUE TO ASSOCIATED UNDERTAKING

	<u>1,071,700</u>	<u>1,071,700</u>
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11.1 s the amount of rent payable and utilities to SG Allied Businesses Limited.

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
1		Sindh High Court	Based on the legal opinion in respect of non applicability of Worker's Profit Participation Act.1968, on the company, provision made to workers profit participation, fund and interest thereon amounting Rs. 20,711,654/- up to June 30, 2002 has been transferred back to shareholder's equity in the accounts for the year ended 30, June 2003. No provision has been made thereafter from the financial year ended June 30, 2003 to June 30, 2006 for an amount of Rs.12,685,253. The contention of the company is that since there are no workers as defined in the Act, and accordingly the said Act does not apply to the company. No provision is being made under this head since the year 2002-2003. The Company has filed petition before High Court of Sindh, Karachi challenging the levy in this respect. The management is confident that no liability will arise on this account. However, in the Finance Act, 2006 amendments have been made in the Act which is effective from July 01, 2006. These changes may require the company to pay 5% of its profits to the fund from the Fiscal year beginning July 01, 2006. However in these years the Company has incurred losses.	Pending
2		Sales Tax Appellate Tribunal	The collectorate of Sales Tax and Central Excise (west) Karachi has served a show cause notice requiring the repayment of inaccurate input tax adjustments and additional tax amounting to Rs.13,247,743/ and Rs.3,248,501/ - respectively, in respect of financial years ended June 30, 2000 and 2001.The Company has filed an appeal against such order in the Sales Tax Appellate Tribunal. Management of the company expects a favorable outcome and no provision has been made in these financial statements.	Pending

12.2 Commitments

There are no commitments as at year end (2022: Nil)

13 OPERATING ASSET - OWNED

2022

Particulars	Cost		Depreciation			WDV	
	As on July 01, 2021	Addition / (Disposal)	Disposal	For the year	Impairment	As on June 30, 2022	As on June 30, 2022
	Rupees					Rupees	
Generators	194,705,828	-	-	404,292	-	187,024,275	7,681,553
Air Handling Unit	475,420	-	-	3,072	-	447,773	27,647
Electric fitting	531,990	-	-	5,881	-	479,060	52,930
Gas installation	1,101,542	-	-	7,117	-	1,037,489	64,053
Equipment	2,533,157	-	-	32,230	-	2,243,086	290,071
Vehicles	1,782,700	-	-	2,110	-	1,774,261	8,439
Total Owned Assets	201,130,637	-	-	454,702	-	193,005,944	8,124,694

*ained on rent from SG Allied Businesses Limited, an associated company.

Depreciation for the year ended has been allocated as under:

	Note	2022	2021
Generation cost	20	452,592	479,238
Administration expenses		2,110	2,637
		<u>454,702</u>	<u>481,875</u>

During the year no assets were disposed-off to Chief Executive , Director, Executive or a Shareholder not less than ten percent of the voting shares of the Company or any related party.

2021

Particulars	Cost		Depreciation			WDV	
	As on July 01, 2020	Addition / (Disposal)	Disposal	For the year	Impairment	As on June 30, 2021	As on June 30, 2021
	Rupees		Rupees			Rupees	
Generators	193,186,428	1,519,400	-	425,571	-	186,619,983	8,085,845
Air Handling Unit	475,420	-	-	3,413	-	444,701	30,719
Electric fitting	531,990	-	-	6,535	-	473,179	58,811
Gas installation	1,101,542	-	-	7,908	-	1,030,372	71,170
Equipment	2,533,157	-	-	35,811	-	2,210,856	322,301
Vehicles	1,782,700	-	-	2,637	-	1,772,151	10,549
Total Owned Assets	199,611,237	1,519,400	-	481,875	-	192,551,242	8,579,396

	Note	2022 Rupees	2021 Rupees
14 LONG TERM DEPOSIT			
Long term deposit	14.1	5,300,000	5,300,000
14.1	held by M/s Sui Southern Gas Company limited against the supply of Gas.		
15 LONG TERM RECEIVABLE			
Unsecured and Considered good			
Less: Allowance for expected credit loss	15.1	65,287,512 (65,287,512)	65,287,512 (65,287,512)
		-	-
15.1	SECP vide order dated 19th July, 2013 directed the Company to make provision against the receivable from the associated . Accordingly the same was provided for during the year ended June 30, 2013.		
16 TRADE DEBTS			
Unsecured and Considered good			
Electricity bill receivable		-	-
Associated Company- SG Allied Businesses Ltd		94,036,243	94,036,243
Less: Allowance for expected credit loss	16.1	(94,036,243)	(94,036,243)
		-	-
16.1	SECP vide order dated 19th July, 2013 directed the Company to make provision against the receivable from the associated aingly the same has been provided for during the year ended June 30, 2013.		
17 INTEREST ACCRUED			
Considered good			
Interest on loan to associated company -SG Allied Businesses Limited	17.1	10,654,243 (10,654,243)	10,654,243 (10,654,243)
Less: Provision for doubtful debt		-	-
		-	-
17.1	This represents interest accrued on long term receivable from the associated company, SG Allied Businesses Limited , charged as per the direction issued by SECP vide Order dated April 6, 2006. During year ended June 30, 2013 SECP vide order dated 19th July, 2013 directed the Company to make provision against the receivable from the associated undertaking being doubtful of recovery. Accordingly the same has been provided for.		
18 CASH & BANK BALANCE			
Cash on hand		400	400
Cash at bank-current accounts		20,891	1,304,884
		21,291	1,305,284
19 SALES			
Sales of electricity	19.1	8,317,868	9,018,898
		8,317,868	9,018,898
19.1	The Company has done away with the policy of charging late payment surcharge on delayed receipt of payment from the associated undertaking for sale of electricity.		

	Note	2022 Rupees	2021 Rupees
20 GENERATION COST			
Gas consumed		7,233,001	7,577,424
Depreciation	13	452,592	479,238
		<u>7,685,593</u>	<u>8,056,662</u>
21 ADMINISTRATION & SELLING EXPENSES			
Depreciation	13	2,110	2,637
Bank charges		640	-
Advertisement expense		-	23,837
Fuel expense		703,419	1,654,460
Legal and professional		118,712	790,126
Printing and stationery		-	31,515
Auditor's remuneration		175,000	150,000
Provision for sale tax liability		-	707,361
Repairs and maintenance		277,660	821,818
		<u>1,277,541</u>	<u>4,181,754</u>
22 TAXATION			
Current		-	-
Prior year		-	(607,861)
Deferred		-	-
		<u>-</u>	<u>(607,861)</u>

The relationship between tax expense and accounting profit has not been presented in these financial statements as the income derived by the Company from electric power generation project is exempt from tax under clause 132 of Part 1 of the Second Schedule.

23 LOSS PER SHARE- basic and diluted			
Loss for the year		(645,266)	(2,611,657)
Weighted average number of ordinary shares outstanding during the year		17,833,267	17,833,267
Loss per share - basic		<u>(0.036)</u>	<u>(0.146)</u>

There is no dilutive effect on loss per share of the Company (2021: Nil).

24 TRANSACTIONS WITH RELATED PARTIES

and directors. Transactions with associated undertaking are as follows:

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY	TRANSACTIONS	2022	2021
SG Allied Businesses Ltd	Associated Company	Electricity sales to SG Allied Businesses Ltd	8,317,868	9,018,898
SG Allied Businesses Ltd	Associated Company	Amount received from SG Allied Businesses Ltd	8,317,868	13,614,103
BALANCES				
SG Allied Businesses Ltd	Associated Company	Rent payable	1,071,700	1,071,700

25 REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

	2022	2021	2022	2021	2022	2021
	Chief Executive		Directors		Executives	
Remuneration	-	-	-	-	-	-
House Rent	-	-	-	-	-	-
Retirement Benefits	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
	-	-	-	-	-	-
Number of directors	1	1	6	6	-	-

In order to improve financial position of the company, the directors of the Company have decided to forgo fees, remuneration and other perquisites.

	2022	2021
	Electricity (KWH)	Electricity (KWH)
	2022	2021
26 PLANT CAPACITY AND ACTUAL PRODUCTION		
Annual Capacity	1,576,800	1,576,800
Actual Generation	501,050	501,050
26.1 Output produced by the generators is dependent on the load demanded.		
27 FINANCIAL INSTRUMENTS BY CATEGORY	2022	2021
	Rupees	Rupees
Financial assets		
At amortized cost		
Long term deposit	5,300,000	5,300,000
Cash and bank balances	21,291	1,305,284
	5,321,291	6,605,284
Financial liabilities		
At amortized cost		
Trade and other payables	698,496	1,084,564
Loan from director	46,262	46,262
Unclaimed dividend	1,297,283	1,297,283
Due to associated undertaking	1,071,700	1,071,700
	3,113,741	3,499,809

28 FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risk, market risk, credit risk and liquidity risk. The company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earning volatility and provide maximum return to shareholders

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The board is also developing and monitoring the Company's risk management policies.

28.1 Market Risk

Market risk is the risk that changes in market prices, 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

28.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. As at June 30, 2022, the company is not exposed to currency risk.

28.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate risk arises from long and Short term borrowings from financial institutions. As at June 30, 2022, the interest rate risk profile of the Company's doesn't have any interest-bearing financial instrument.

28.4 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting the market. As at June 30, 2022 the Company is not exposed to price risk.

28.5 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk arises from cash equivalents, deposits with banks, as well as credit exposures to customers and other counterparties which include loans and advances, trade debts and other receivables.

For trade debts, credit risk assessments process determines the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilization of credit limit is regularly monitored. Accordingly, the credit risk is minimal and the company also believes that it is not exposed to major concentration of credit risk.

In respect of other counter parties, due to the company's long standing business relationship with them, management does not expect non-performance by these counter parties on their obligations to the company.

re to credit risk as at June 30, 2022, along with comparative is tabulated below:

	2022 Rupees	2021 Rupees
Financial Assets		
Long term deposit	5,300,000	5,300,000
Bank balances	20,891	1,304,884
	<u>5,320,891</u>	<u>6,604,884</u>

28.6 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities, excluding the impact of netting agreements:

ities in accordance with their contractual maturities are presented below:

2022	On demand	within one year	More than one year	Total
Trade and other payables	-	698,496	-	698,496
Due to associated undertaking	-	1,071,700	-	1,071,700
Loan from director	46,262	-	-	46,262
Unclaimed dividend	1,297,283	-	-	1,297,283
Total	<u>1,343,545</u>	<u>1,770,196</u>	<u>-</u>	<u>3,113,741</u>
2021	On demand	within one year	More than one year	Total
Trade and other payables	-	1,084,564	-	1,084,564
Due to associated undertaking	-	1,071,700	-	1,071,700
Loan from director	46,262	-	-	46,262
Unclaimed dividend	1,297,283	-	-	1,297,283
Total	<u>1,343,545</u>	<u>2,156,264</u>	<u>-</u>	<u>3,499,809</u>

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

*s reflected in the financial statements approximates to their fair values.

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 reflected in the financial statements approximate to their fair values.

Fair value hierarchy;

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

a prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 June, 2022, the company has no financial instruments that falls into any of the above category. There were no transfer between level 1, 2 and 3 in the year.

30 CAPITAL RISK MANAGEMENT

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

The company manage its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions consistent with others in the industry. The company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders.

*0, 2022 and 2021, the company had surplus reserves to meet its requirements.

The gearing ratio as at June 30, 2022 and June 30, 2021 is as follows:

	June 30, 2022	June 30, 2021
	-----Rupees-----	
Total Debts*	2,415,245	2,415,245
Cash and bank balances	(21,291)	(1,305,284)
	2,393,954	1,109,961
Share capital	178,332,670	178,332,670
Share premium	89,116,330	89,116,330
Revenue reserve	(257,136,571)	(256,491,305)
Equity	10,312,429	10,957,695
Debt + Equity	12,706,383	12,067,656
Gearing ratio (debt / (debt + Equity))	18.8%	9.2%

loan from director, due to associated undertaking and unclaimed dividend.

31 NUMBER OF EMPLOYEES

	2022	2021
Number of employees at the year-end	-	-
Average number of employees	-	-

32 CORRESPONDING FIGURES

Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison with the accounting and reporting standards as applicable in Pakistan.

33 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue on 06 October, 2022 by the Board of Directors of the Company.



Chief Executive



Director



Chief Financial Officer



NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2022

Number of Shareholders	Shareholdings		Total Shares held
	From	To	
173	1	100	17,300
943	101	500	271,400
125	501	1000	127,600
212	1001	5000	597,500
48	5001	10000	373,600
21	10001	15000	271,100
8	15001	20000	145,400
3	20001	25000	71,500
3	25001	30000	89,000
4	30001	35000	126,500
1	35001	40000	35,500
1	40001	45000	44,500
6	45001	50000	287,500
2	55001	60000	113,200
1	65001	70000	68,000
2	95001	100000	196,900
1	170001	175000	175,000
1	655001	660000	656,480
2	1740001	1745000	3,685,071
2	3480001	3485000	6,969,144
1	3510001	3515000	3,511,072
1560			17,833,267

Categories of Shareholder	Numbers	Shares held	Percentage
Directors, CEO, Their Spouses & Minor Childre	7	8,713,430	48.86
Individuals	1,547	8,383,757	47.01
National Investment Trust	1	656,480	3.68
Financial Institutions	3	51,000	0.29
Investment Companies	2	28,600	0.16
Total	1,560	17,833,267	100.00



NOTES TO THE FINANCIAL STATEMENTS
DETAILS OF CATIGORIE OF SHAREHOLDERS
FOR THE YEAR ENDED JUNE 30, 2022

	No. of Share Holders	Total
National Investment Trust	1	656,480
Investing Companies	2	
Aims Investment Advisory Co. (Pvt) Ltd		1,100
Investment Corporation of Pakistan		27,500
	3	685,080
Financial Institutions		
Pak Libya Holding Co. (Pvt) Ltd		44,000
Crescent Investment Bank		1,500
Guardian Leasing Modarba		5,500
	3	51,000
DIRECTORS, CEO, THEIR SPOUSES AND MINOR CHILDREN		
Sohail Ahmed		4,537,894
Asim Ahmed		2,431,250
Ghazala		1,742,286
Saba Sohail		500
Sana Sohail		500
Bina Sohail		500
Farhan Sohail		500
	7	8,713,430
Individual		8,383,757
Total		17,833,267

Shareholders Holding 10% or More Voting interest in the company
as at June 30, 2022

DIRECTORS, CEO, THEIR SPOUSES AND MINOR CHILDREN

Sohail Amed	4,537,894	25%
Asim Ahmed	2,431,250	14%
Ghazala	1,742,286	10%



FORM OF PROXY

The Secretary

B-40, S.I.T.E.,
Karachi.

I/We _____ of _____ being a member of _____, and holder
Of _____ Ordinary shares hereby appoint _____ of
_____ as _____ me/our proxy to attend and vote for me/our behalf at
the 29th Annual General Meeting of the Company to be held on Thursday the October 27, 2022. 10:30a.m and at
Any adjournment thereof;

In witness my/our hand seal this _____ day of _____ 2022

Signed by _____

**Please affix
Rs. 5/-
Revenue
Stamp**

In the presence of _____

Signature of Member _____

Folio No. _____

IMPORTANT

1. This proxy form duly completed and signed, must be received at the Registered Office of the Company, B-40, S.I.T.E., Karachi, not less than 48 hours before the time of holding the meeting and must be duly signed and witnessed.
2. A Proxy need not be a member of the Company.
3. If a member appoint more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders / Corporate Entities::

1. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
2. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
3. The proxy shall produce his/her original passport at the time of the meeting.
4. In case of Government of Pakistan, State Bank of Pakistan, Corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the compan



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**The Company Secretary
S.G. Power Limited
B-40, S.I.T.E.
Karachi**

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POWER LIMITED

B-40 S.I.T.E
Karachi-Pakistan
Tel: (92-21) 32593411
(92-21) 32593500
Website: www.sglyne.com