

DIRECTORS' REPORT

The Directors' of your company presented before you the report of the company for the 1st Quarter ended September 30, 2013.

The turnover of the company for the period is NIL. The operations of the company remained close as agreement with FESCO has not been materialized and approval from NEPRA is also pending. The company suffered loss of Rs. 6.740 during the period under review as against loss of Rs. 7.561 million in the corresponding period.

The next quarter seems to be depressed due to absence of agreement with FESCO.

The Directors are grateful of the continuous support of shareholders, lenders and other financial institutions of the company and also thankful to all the employees for their enthusiasm in running the project efficiently and do hope for the same determination in future.

For and on behalf of the Board

Lahore
October 31, 2013

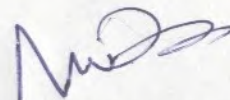

Chief Executive


KOHINOOR POWER COMPANY LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER, 2013

	Note	September 2013 Rupees	June 2013 Rupees		Note	September 2013 Rupees	June 2013 Rupees
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized capital				Property, plant and equipment		218,609,355	221,729,817
20,000,000 (June 2012: 20,000,000)				Long term deposits		-	-
ordinary shares of Rs. 10/- each		<u>200,000,000</u>	<u>200,000,000</u>				
Issued, subscribed and paid-up capital		126,000,000	126,000,000				
Reserves		269,500,000	269,500,000				
Accumulated (loss) / profit		(105,166,875)	(98,426,063)				
		290,333,125	297,073,937				
NON-CURRENT LIABILITIES				CURRENT ASSETS			
Liabilities against assets subject to finance lease		-	-	Stores and spares		24,679,474	24,708,002
Deferred liabilities		6,300,698	6,120,598	Stock-in-trade		19,979,970	19,979,970
				Loans and advances		10,503,743	10,790,845
CURRENT LIABILITIES				Trade deposits and short term prepayments		1,432,369	1,961,549
Trade and other payables		6,189,844	6,430,688	Tax refunds due from Government		16,615,173	16,612,289
Mark-up accrued on loans		27,291	-	Cash and bank balances		12,979,403	16,291,280
Liabilities against assets subject to finance lease		1,948,529	2,448,529			86,190,132	90,343,935
		8,165,664	8,879,217				
CONTINGENCIES AND COMMITMENTS 3							
		<u>304,799,487</u>	<u>312,073,752</u>			<u>304,799,487</u>	<u>312,073,752</u>

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


CHIEF EXECUTIVE


DIRECTOR

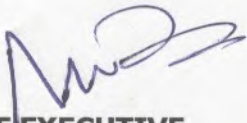
KOHINOOR POWER COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED 30TH SEPTEMBER , 2013

	Note	Seotember 30, 2013 Rupees	Seotember 30, 2012 Rupees
Sales		-	-
Cost of sales		-	-
Gross (loss) / profit		-	-
Operating expenses			
Administrative	5	6,731,305	7,231,856
Operating (loss) / profit		(6,731,305)	(7,231,856)
Finance cost		45,517	470,904
Other operating income		36,010	141,208
		(6,740,812)	(7,561,552)
Other operating expenses		-	-
(Loss) / profit before taxation		(6,740,812)	(7,561,552)
Taxation		-	-
(Loss) / profit after taxation		(6,740,812)	(7,561,552)
Accumulated profit brought forward		(98,426,063)	(45,990,470)
Accumulated (loss) / profit carried forward to balance sheet		(105,166,875)	(53,552,022)
Earnings per share - basic and diluted	7	(0.53)	(0.60)

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CHIEF EXECUTIVE


DIRECTOR

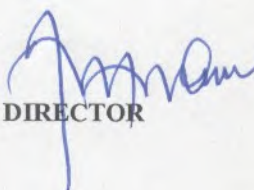
KOHINOOR POWER COMPANY LIMITED

**CASH FLOW STATEMENT
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013**

Note	Un-Audited September 30, 2013 Rupees	Un-Audited September 30, 2012 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(6,740,812)	(7,561,552)
Adjustments for :		
Depreciation	3,120,462	3,167,151
Gratuity provision	276,000	330,882
Financial charges	45,517	470,904
	<u>(3,298,833)</u>	<u>(3,592,615)</u>
Operating profit before working capital changes		
(Increase) / decrease in stores and spares	28,528	57,833
(Increase) / decrease in stock in trade	-	(14,765,033)
(Increase) / decrease in trade debts	-	3,822,232
(Increase) / decrease in loans and advances	287,102	30,490,030
(Increase) / decrease in trade deposits and short term prepayments	29,180	315,296
(Increase) / decrease in refunds due from government	(307)	(2,437,502)
Increase / (decrease) in trade and other payables	(240,844)	(1,044,115)
	<u>103,659</u>	<u>16,438,741</u>
Cash (used in) from operations	<u>(3,195,174)</u>	<u>12,846,126</u>
Gratuity paid	(95,900)	(187,504)
Income tax paid	(2,577)	(17,083)
Financial charges paid	(18,226)	(1,762,568)
Net cash (used in) from operating activities	<u>(3,311,877)</u>	<u>10,878,971</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Capital Expenditure	-	-
Sale proceeds of fixed assets	-	-
Securities deposits released	500,000	-
Net cash (used in) from investing activities	<u>500,000</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease	(500,000)	(576,479)
Repayment of short term loans	-	(34,961,983)
Net cash (used in) from financing activities	<u>(500,000)</u>	<u>(35,538,462)</u>
Net decrease in cash and cash equivalents	<u>(3,311,877)</u>	<u>(24,659,491)</u>
CASH AND CASH EQUIVALENTS - At the beginning of the year	<u>16,291,280</u>	<u>25,699,564</u>
CASH AND CASH EQUIVALENTS - At the end of the year	<u>12,979,403</u>	<u>1,040,073</u>

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


CHIEF EXECUTIVE


DIRECTOR

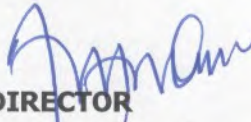
KOHINOOR POWER COMPANY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER, 2013**

	2013 Rupees	2012 Rupees
(Loss) / profit for the quarter	(6,740,812)	(7,561,552)
Other comprehensive income	-	-
Total comprehensive (loss) / income for the quarter	(6,740,812)	(7,561,552)

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


CHIEF EXECUTIVE


DIRECTOR

KOHINOOR POWER COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER, 2013

	Share Capital	Reserves		Total (Rupees)	
		Capital	Revenue		
		Share premium	General Accumulated profit/(loss)		
Balance as at 30 June, 2013	126,000,000	34,000,000	235,500,000	(98,426,063)	297,073,937
Total comprehensive (loss) for the year	-	-	-	(6,740,812)	(6,740,812)
Balance as at 30 September, 2013	126,000,000	34,000,000	235,500,000	(105,166,875)	290,333,125

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


CHIEF EXECUTIVE


DIRECTOR

KOHINOOR POWER COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013

1 STATUS AND NATURE OF BUSINESS

Kohinoor Power Company Limited was incorporated in Pakistan on December 8, 1991 as a Private Limited Company and Subsequently converted into Public Limited Company on May 10, 1992. Its shares are quoted on Karachi, Lahore and Islamabad Stock Exchanges. The registered office of the company is situated at 17-Aziz Avenue, Canal Bank, Gulberg-V, Lahore, Pakistan. The principal activity of the company is to generate and sell electric power.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these financial statements are the same as applied in the preparation of published annual accounts for the year ended June 30, 2013.

3 CONTINGENCIES AND COMMITMENTS

- 3.1 An amount of Rs. 2.3 Million was imposed as tax on bonus shares. The matter is in sub-judice at the Lahore High Court. The refund will arise as and when the departmental decision is revised by Honourable Court. Provision is raised for the tax expense in June 2013.
- 3.2 Appeal against levy of sales tax Rs. 3.471 Million was rejected by Federal Excise and Sales Tax Appellate Tribunal vide appellate order dated January 20, 2009. The company is directed to pay sale tax liability along with penalty and additional tax. The matter agitated in reference in Honourable Lahore High Court is yet pending and legal advisor vide his letter dated September 14, 2013 has stated that there is likely hood of successful resolution of the matter in favour of company. Estimated additional tax and penalty is amounting to Rs. 5.829 Million. Taxes and penalties aggregating to Rs. 9.300 Million are not provided in these accounts.

4 AGGREGATE TRANSACTION WITH ASSOCIATED COMPANIES

	Sep-13 (Rupees)	Sep-12 (Rupees)
Lease Rent	975,000	975,000

5 ADMINISTRATIVE EXPENSES

Non operating expenses of Rs. 4.195 Million included in administrative expenses.
(Sep-2012 Rs.4.393 Million)