

The background image shows an industrial power plant facility. Two prominent tall smokestacks with red and white horizontal bands are visible, with a plume of white smoke rising from the taller one. To the left, there is a complex of metal structures, including pipes and scaffolding. To the right, a large cylindrical storage tank with a green and yellow camouflage pattern is visible. The foreground features a metal railing and some green vegetation. The sky is a clear, pale blue.

# LALPIR POWER LIMITED

Corporate Briefing Session

on Annual Audited Accounts for the Financial Year ended December 2021

# Company Brief

- ❑ Located at Mehmood Kot, Muzaffargarh Punjab
- ❑ Gross capacity: 362 MW
- ❑ Net/ Dependable Capacity: 350 MW
- ❑ Technology: Oil-Fired Steam Turbine
- ❑ Established under the “Power Policy 1994”
- ❑ Incorporated in year 1994
- ❑ Commissioning Date: November 6, 1997
- ❑ Shares listed in year 2013



# Statement of Financial Position As at December 31, 2021

	2021	2020		2021	2020
	(Rupees in thousand)			(Rupees in thousand)	
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<b>SHARE CAPITAL AND RESERVES</b>			<b>NON-CURRENT ASSETS</b>		
Authorised share capital 500,000,000 (2020: 500,000,000) ordinary shares of Rupees 10 each	5,000,000	5,000,000	Fixed assets	5,694,942	6,768,043
Issued, subscribed and paid-up share capital	3,798,387	3,798,387	Investment properties	-	92,767
Capital reserve	107,004	107,004	Long term investment	-	-
Revenue reserve - un-appropriated profit	11,668,299	13,618,955	Long term loans to employees	12,636	15,494
<b>Total equity</b>	<b>15,573,690</b>	<b>17,524,346</b>	Long term security deposits	350	350
				<b>5,707,928</b>	<b>6,876,654</b>
<b>LIABILITIES</b>			<b>CURRENT ASSETS</b>		
<b>NON-CURRENT LIABILITIES</b>			Stores, spare parts and other consumables	913,118	889,650
Long term financing	-	54,453	Fuel stock	2,597,661	1,018,582
Employee benefit - gratuity	26,537	17,284	Trade debts	5,633,622	18,831,180
Deferred income - Government grant	-	1,005	Short term investment	-	5,733
	26,537	72,742	Loans, advances and short term prepayments	363,263	60,834
<b>CURRENT LIABILITIES</b>			Loan to associated company	350,000	350,000
Trade and other payables	370,024	999,793	Other receivables	289,871	478,722
Accrued mark-up / profit	55,346	219,509	Advance income tax	270,442	264,688
Short term borrowings	1,639,669	10,980,235	Accrued interest	3,123	2,496
Current portion of non-current liabilities	55,458	54,776	Sales tax recoverable	1,487,421	951,513
Unclaimed dividend	7,747	7,588	Cash and bank balances	19,969	128,937
	2,128,244	12,261,901		11,928,490	22,982,335
<b>Total liabilities</b>	<b>2,154,781</b>	<b>12,334,643</b>	Non-current assets classified as held for sale	92,053	-
				12,020,543	22,982,335
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,728,471</b>	<b>29,858,989</b>	<b>TOTAL ASSETS</b>	<b>17,728,471</b>	<b>29,858,989</b>



# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	(Rupees in thousand)	
REVENUE FROM CONTRACT WITH CUSTOMER	18,653,788	12,402,237
COST OF SALES	<u>(18,562,969)</u>	<u>(7,378,149)</u>
GROSS PROFIT	90,819	5,024,088
ADMINISTRATIVE EXPENSES	(169,512)	(197,842)
OTHER EXPENSES	(35,244)	(4,546)
OTHER INCOME	<u>49,529</u>	<u>43,630</u>
(LOSS) / PROFIT FROM OPERATIONS	(64,408)	4,865,330
FINANCE COST	<u>(741,875)</u>	<u>(1,313,936)</u>
(LOSS) / PROFIT BEFORE TAXATION	(806,283)	3,551,394
TAXATION	-	-
(LOSS) / PROFIT AFTER TAXATION	<u>(806,283)</u>	<u>3,551,394</u>
OTHER COMPREHENSIVE (LOSS) / INCOME:		
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
REMEASUREMENTS OF DEFINED BENEFIT PLAN	(4,856)	250
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	-	-
	(4,856)	250
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	<u>(811,139)</u>	<u>3,551,644</u>
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>(2.12)</u>	<u>9.35</u>

# Financial Highlights



# Financial Highlights



- ❑ The major reason of net loss for the current year is non-issuance of Capacity Purchase Price invoices amounting to Rs.3.922 billion started from 26-03-21 to 28-11-21, pursuant to PPA Amendment Agreement with CPPA-G.



# Operational Highlights

Capacity Utilization (%age)  
2021 vs 2020



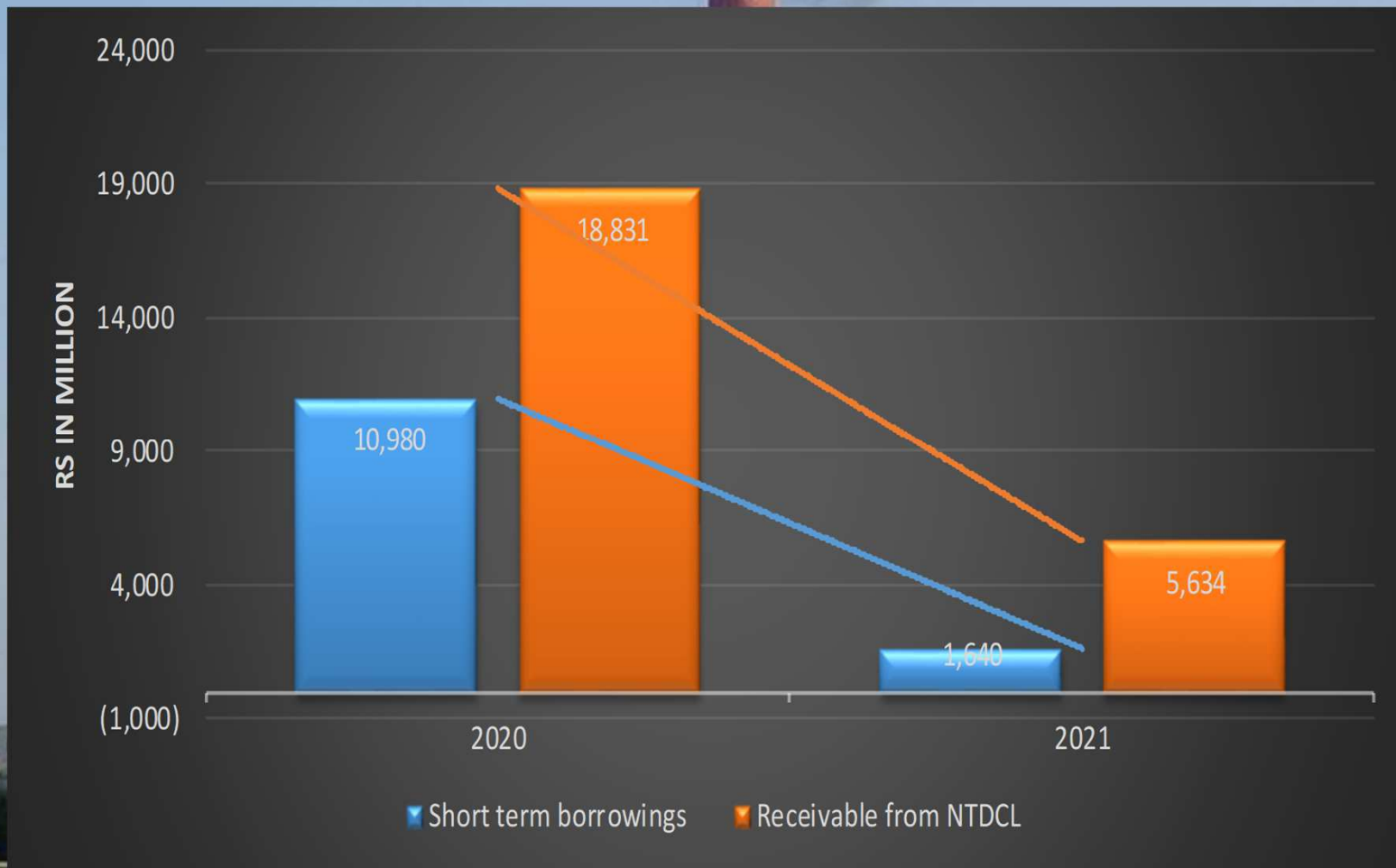
# Strategic/Operational Developments

- ❑ In response to load demanded by CPPA-G, the Lalpir plant operated at capacity factor of 26.7% with a load factor of 74.1% and an availability of 99.5% and dispatched 817.545 GWh of electricity during the year. Continuous efforts are being made to improve the plant performance and to ensure its long term integrity and maximum availability for its customer CPPA-G.





# Challenges



# Challenges



Although the Company received a significant amount of Rs.34.656 billion on account of overdue receivables from CPPA-G during the current year including the two installments totaling Rs.15.483 billion, under the settlement agreement, however, our sole customer, CPPA-G remains unable to meet its obligations in accordance with the Power Purchase Agreement (PPA) which are secured under a sovereign guarantee of Government of Pakistan. As on 31 December 2021, an amount of Rupees 5.634 billion was outstanding against CPPA-G. We feel the overdue receivables may surmount once again, in future, if CPPA-G continues to default in making payments of overdue invoices on timely basis, due to the circular debt problem plaguing power sector of the country.

# Business Outlook

- Due to induction of new power generation plants based on hydel energy, coal, renewable and RLNG at a lower price, it is expected that Lalpir will only be dispatched in peak demand seasons, in case of interruption in supply of RLNG or in low water months. This will help Company minimize its fuel losses.





A photograph of an industrial facility, likely a power plant or refinery, featuring several tall, red and white striped smokestacks. The sky is clear and blue. In the foreground, there is a metal railing and some greenery. The text "Questions and Answers" is overlaid in the center in a blue font.

# Questions and Answers

A photograph of an industrial facility, likely a power plant or refinery, featuring several tall, cylindrical smokestacks with red and white horizontal bands. The stacks are emitting a plume of white smoke. In the foreground, there is a metal railing and some green vegetation. The background shows various industrial structures and a clear blue sky.

Thank You