Aggregate Annual report on SOEs
Federal State Owned Enterprises
FISCAL YEAR 2024

(July 2023 to June 2024)

Central Monitoring Unit CMU
Finance Division
Government of Pakistan

FOREWARD

This Annual Aggregate Report on the performance of State-Owned Enterprises (SOEs) for FY 2024 provides a 360 degree comprehensive evaluation of federal-level SOEs in Pakistan. The report encompasses an in-depth analysis of financial and non-financial performance, a detailed assessment of fiscal risks utilizing advanced analytics and forward-looking predictive models, a review of business plans, an examination of corporate governance practices, and an evaluation of IFRS compliance along with identified gaps. Together, these components are consolidated into an annual aggregate report that offers a vast perspective for the Cabinet Committee on SOEs (CCOSOEs) and other stakeholders, enabling informed and effective decision-making.

State-Owned Enterprises (SOEs) in Pakistan operate across eight critical sectors: Financial, Oil & Gas, Power, Infrastructure Transport & ICT, Manufacturing Mining & Engineering, Industrial Estate Development, Trading & Marketing, and Miscellaneous. These entities manage extensive assets and liabilities while contributing to the economy through tax revenues, sales taxes, government dividends, and employment generation. However, they also periodically rely on government support in the form of grants, subsidies, equity injections, loans, and guarantees, which impose a fiscal burden on the federal government and challenge fiscal sustainability. Given their significant influence on the national budget and their potential to create sovereign risks, it is crucial to conduct thorough analyses to assess fiscal implications for the Government of Pakistan (GOP).

Building on its earlier reports, the Central Monitoring Unit (CMU) has incorporated advanced analytics and data modeling techniques to deliver high-quality analyses that enhance decision-making. These efforts aim to provide actionable insights and robust evaluations for improving SOE performance and minimizing fiscal risks.

Acknowledgment is extended to the Honorable Finance Minister Muhammad Aurangzeb, Finance Secretary Imdad Ullah Bosal, Additional Finance Secretary (CF) Qumar Sarwar Abbasi, and the Cabinet Committee on SOEs for their unwavering support and guidance to the Central Monitoring Unit, ensuring compliance with the SOE Act 2023 and enhancing SOE governance and performance. Gratitude is also extended my CMU team, including Dr. Qaiser Rafique Yasser PHD, Dr. Khurram Ejaz Chandia PHD, Mr. Babar Bashir Financial Analyst, & Dr. Asif Chishti Technical Advisor for their invaluable contributions and dedication in delivering this comprehensive report within the required timelines

Soofi

Majid Soofi
CPA(US), CA(ANZ), CGMA, CFE
Director General SOE Triage
Central Monitoring Unit
Finance Division , Govt of Pakistan

6th December, 2024

Core structure of Annual Report Fy 2024

1. Executive Summary (abridged form)
2. Risk Report
3. Report on IFRS compliance
4. Report on Business Plans
5. Report on Corporate Governance
6. Financial Performance SOE Wise (Commercial)
7. Financial Performance SOE Wise (Non- Commercial)

EXECUTIVE SUMMARY

Federal SOE Performance Overview Aggregate net losses Rs 30.6 billion

Gross revenues of federal State-Owned Enterprises (SOEs) reached Rs 13,524 billion, reflecting a 5.2% increase YOY. Total aggregate profits were Rs 820 billion a 14.61% increase YOY while loss-making SOEs reported aggregate losses of Rs 851 billion, a 14.03% decrease YOY for the 12 months ending June 2024. These losses include govt. assistance of Rs. 782 billion in subsidies and Rs. 367 Billion in grants added in revenues. Further, removing the PSWF entities the net aggregate losses after offsetting with profit making entities comes to 521.5 billion.

Asset and Liability Growth

The book value of assets rose by 6.37% YOY to Rs 38,434 billion, while liabilities increased by 6.7 % YOY to Rs 32,571 billion, resulting in net equity of Rs 5,863 billion, a 4.47% increase YOY. Low free cash flow and high Weighted Average Cost of Capital (WACC) ranging from 17% to 22% led to a low Return on Equity (ROE) of -0.5 % and Return on Invested Capital (ROIC) of 3.4%.

Economic Value Added (EVA) and Leverage

The Economic Value Added (EVA) of the SOE portfolio stood at - Rs 2,500 billion, indicating the spread of ROIC vs. WACC is –ve and the true value lost. Increased financial leverage (6.2x) and operating leverage (10.6x), combined with high asset betas (above 1), contributed to annualized asset volatility of 7.92%. These factors point to the need for enhanced cash flow management, risk mitigation, and operational efficiency improvements. The challenge of converting accounting profits into liquidity remains significant for these SOEs.

Top Loss-Making SOEs & Aggregate Financial Losses

Several SOEs incurred significant losses during FY 2024. The largest loss was reported by the NHA at Rs 295.5 billion, followed by QESCO Rs. 120.4b, Rs. PESCO 88.7b, Rs. PIA 73.5b, Pakistan Railways Rs. 51.3b, SEPCO Rs. 37b, LESCO Rs. 34.5b, Pakistan Steel Millions Corp. Rs. 31.1b, HESCO Rs. 22.1b, GENCO-II Rs 17.6b, IESCO Rs. 15.8b, Pak Post Office Rs. 13.4b, TESCO Rs. 9.5b, GEPCO Rs. 8.5b, GENCO-III Rs. 7.8b and all others cumulatively Rs. 23.7 billion. Accumulated losses to date stand at a colossal RS 5,748 Billion with the majority in the past 10 years alone.

Profit-Making SOEs

The top 15 profit-making entities was led by OGDCL at Rs 208.9b, Pakistan Petroleum Limited at Rs. 115.4b, National Power Parks at Rs 76.8b, Govt Holding PVT limited Rs 69.1b, Pak Arab Refinery Company Rs 55.0b, Port Qasim Authority Rs. 41b, MEPCO Rs 31.8b, NBP Rs 27.4b, WAPDA Rs 22.2b, KPT Rs. 20.3b, PNSC Rs 20.1b, PSO Rs. 19.6b, State Life Insurance Corp. Rs. 18.3b, PKIC Rs. 15.2b respectively. However, despite these accounting profits, free cash flow remains low and WACC remains high.

Government Fiscal Support for SOEs (Accounting Accrual basis)

To support these losses, the Government of Pakistan extended fiscal support totaling Rs 1,586 billion on IFRS compliant Accrual basis of financial reporting .This was divided into Rs 367 billion in grants, Rs 782 billion in subsidies, Rs 336 billion in loans & Rs 99 billion in equity injections. This was 13% of Federal budget receipts. However, CMU has observed that cash basis amounts differ from accrual amounts which lead to balance sheet in-accuracies of SOEs. Reconciliation needs to be carried out in this area where balance sheet pending support from Govt. either needs to be cleared or removed from their receivables.

SOE Contributions to the National Exchequer

SOEs contributed Rs. 372 billion in taxes, Non-tax revenues, which include sales taxes, royalties, and levies, amounted to Rs 1,400 billion. Dividends Rs. 82 billion and interest paid Rs. 206 billion. Aggregate contribution was Rs. 2,062 Billion.

Circular Debt and Working Capital

The SOE sector faces a liquidity issue caused by a working capital lock-up due to prolonged aged receivables and payables within the supply chain. This has led to pronounced circular debt, which is quantified at Rs 3,600 billion indicating the working capital movement primarily arising from inefficiencies within the power sector, particularly the Distribution Companies (DISCOs) & spreading across the SOE chain. This entrenchment of circular debt has adversely impacted the financial health of otherwise strong entities such as GHPL, OGDCL, PSO, and PPL. The accumulation of inter-company debt is affecting balance sheets and impacting operational efficiency, especially since IFRS 9 with stage 3 provisions on circular debt hasn't been fully implemented. This has significantly increased credit risk exposures, which requires government attention and prompt mitigation strategies to stabilize the sector and prevent further fiscal challenges.

Guarantees and Valuation Methodology

The government has provided guarantees amounting to Rs 1,419 billion. However, the valuation methodology for these guarantees requires significant enhancement to align with international standards. Modern approaches, such as option pricing models, credit risk frameworks, contingent claims analysis, and Monte Carlo simulations, should be adopted to improve accuracy and transparency. Key variables like Probability of Default (PD), Expected Annual Risk (EAR), and Loss Given Default (LGD) must be integrated into the valuation process to provide a more realistic assessment of the associated risks.

SOE Debt Stock and Leverage & Risk metrics

The Government of Pakistan's loans to State-Owned Enterprises (SOEs) include Rs 1,767 billion in Cash Development Loans (CDLs) and Rs 1,747 billion in Foreign Relent Loans (FRLs). In addition, SOEs hold Rs 2,813 billion in loans from private sector banks and bonds/Sukuks, along with Rs 553 billion in other interest-bearing liabilities, such as leases. The rollover costs and accrued interest on these loans amount to Rs 2,333 billion, bringing the total value of outstanding loans, including accrued interest, to Rs 9,195 billion. The SOE portfolio exhibits significant financial risks, with a financial leverage of 6.62x and operating leverage of 10.6x, driven by substantial fixed costs. This results in an overall leverage of approximately 70.12x, making the portfolio highly sensitive to economic fluctuations. The Value at Risk (VaR) for the Government of Pakistan's SOE portfolio is estimated at Rs 4,951 billion with a 95% confidence interval, highlighting the substantial risk exposure. Furthermore, the credit spread of SOE debt stands at 226 basis points over the risk-free rate, reflecting elevated borrowing costs based on structural modeling. Annualized volatility of the portfolio is measured at 7.9%, while the Altman Z-score of 0.29 underscores significant financial distress. These metrics collectively emphasize the need for strategic interventions to manage risks and ensure the financial sustainability of the SOE portfolio.

Business Plan Targets

The Central Monitoring Unit (CMU) reviewed the business plans of SOEs. The results reveal mixed outcomes, with some SOEs, particularly in the oil, gas, and financial sectors, meeting their targets. However, significant challenges persist in sectors like power and infrastructure, which require substantial improvements. Liquidity constraints and negative return ratios highlight inefficiencies in cost management, operational effectiveness, and capital structure. Addressing these issues through targeted strategies such as cost optimization, debt restructuring, and improved financial management is critical to aligning SOE performance with business plan objectives and ensuring sustainable growth. While progress has been made in certain areas, enhancing financial outcomes and increasing shareholder returns remain top priorities for future improvement. Detailed rankings of top 15 SOES with asset size is conducted in the report on business plans ahead.

IFRS transition challenges

The SOE Act mandates that all State-Owned Enterprises (SOEs) prepare their financial statements in accordance with IFRS, with full compliance required by February 2026. This transition is critical for enhancing financial governance and fostering investor confidence. Key IFRS and IAS standards impacting SOEs include IFRS 9 for financial instruments, which applies to sectors like financial services, insurance, oil & gas, and power; IFRS 14, which addresses regulatory deferral accounts for the power and gas sectors; IFRS 15 for revenue recognition, particularly relevant to long-term contracts in oil & gas, power, and telecommunications; and IFRS 16, which requires the recognition of lease liabilities, affecting transport, infrastructure, gas, and power sectors with Power Purchase Agreements (PPAs). Additionally, IFRS 17 impacts insurance contracts, while IAS standards like IAS 19 (employee benefits), IAS 20 (government assistance), and IAS 21 (foreign exchange impacts) are critical for sectors such as infrastructure, export-oriented industries, and companies with significant foreign currency exposure. Adopting these standards will require SOEs to navigate complex operational and financial adjustments to meet both local regulations and international benchmarks.

Conclusion

The Central Monitoring Unit (CMU) is dedicated to the continuous oversight of Federal State-Owned Enterprises (SOEs), ensuring their efficient operation, adherence to best practices in governance and financial management, and meaningful contribution to the national economy, as mandated by the SOE Act 2023. CMU is continually enhancing its reporting and analytics capabilities, providing robust insights to the Cabinet Committee on State-Owned Enterprises (CCOSOEs), the federal government, and other stakeholders to enable informed decision-making. By proactively addressing emerging challenges and driving strategic reforms, CMU plays a crucial role in improving SOE performance and accountability. The collaboration between CMU and CCOSOEs remains central to achieving transformative reforms and promoting sustainable economic growth.

HOILISTIC VIEW OF FEDERAL SOE UNIVERSE

Commercial SOEs: Highlights for FY2024

As On: Monday, 2 December 2024

In Rs Million

SECTOR	Funds Inflow: DIVIDENDS	TAX REVENUE	NON TAX REVENUE	INTEREST ACCRUED	Funds Outflow: GRANTS	SUBSIDIES	EQUITY INJECT.	LOANS	NET FLOWS TO GOP	TOTAL CONTRIBUTIO
OIL & GAS	74,835	233,755	783,765	0	0	313,508	1,124	0	777,723	1,092,355
FINANCIAL	4,241	63,744	0	0	0	0	3,000	0	64,986	67,986
Infrastructure, Transport & ITC	2,891	16,945	0	29,320	68,908	0	0	100,494	(120,247)	49,156
POWER	0	44,353	603,757	165,863	298,111	360,232	95,440	234,973	(174,783)	813,973
Manufacturing, Mining & Engineering	300	7,024	1,958	11,456	0	0	0	1,139	19,599	20,738
Industrial Estate Development	85	1,553	0	0	0	0	0	0	1,638	1,638
Trading & Marketing	401	5,338	11,033	0	0	102,211	0	0	(85,438)	16,772
Miscellaneous	0	145	0	52	0	6,760	0	389	(6,953)	196
TOTAL	**82,753**	**372,857**	**1,400,513**	**206,691**	**367,019**	**782,711**	**99,564**	**336,995**	476,525	**2,062,815**

Total Assets	Total SOE's	FY2022-23	Jul-Dec2023	FY2023-24	% Change
Financial	19	11,862,124	11,780,372	12,769,061	8%
Infrastructure, Transport & ITC	16	7,860,814	7,884,637	8,223,211	5%
Manufacturing, Mining & Engineering	13	910,276	915,666	921,281	1%
Oil & Gas	8	7,090,786	7,452,395	7,607,239	7%
Power	23	7,618,358	7,409,773	7,999,282	5%
Industrial Estate Development	5	44,506	46,063	46,004	3%
Trading & Marketing	4	715,816	835,629	832,418	16%
Miscellaneous	6	31,889	31,910	36,345	14%
Total Assets	**94**	**36,134,569**	**36,356,446**	**38,434,841**	6%
TOTAL REVENUE / SALES	**Data Received**	**FY2022-23**	**Jul-Dec2023**	**FY2023-24**	
Financial	17	867,210	434,674	845,597	-2%
Infrastructure, Transport & ITC	15	712,058	374,619	739,060	4%
Manufacturing, Mining & Engineering	8	27,317	13,422	29,419	8%
Oil & Gas	7	7,342,931	3,991,730	7,478,538	2%
Power	23	3,446,778	1,986,218	4,053,678	18%
Industrial Estate Development	4	8,035	5,243	9,326	16%
Trading & Marketing	4	420,994	193,321	340,875	-19%
Miscellaneous	5	23,499	14,795	27,881	19%
Total Revenue / Sales	**83**	**12,848,822**	**7,014,022**	**13,524,374**	5%
TOTAL PROFIT / LOSS	**Data Pending**	**FY2022-23**	**Jul-Dec2023**	**FY2023-24**	
Financial	2	119,890	60,446	92,040	-23%
Infrastructure, Transport & ITC	1	(533,493)	(203,976)	(361,929)	-32%
Manufacturing, Mining & Engineering	5	(15,471)	(9,131)	(20,847)	-35%
Oil & Gas	1	418,182	275,875	481,827	15%
Power	0	(269,677)	(25,713)	(223,838)	-17%
Industrial Estate Development	1	2,206	1,592	3,057	39%
Trading & Marketing	0	5,003	503	(732)	-115%
Miscellaneous	1	(904)	2,087	(225)	-75%
Total Profit / Loss	**11**	**(274,265)**	**101,682**	**(30,648)**	-89%

Commercial Highlights and Comparison

DESCRIPTION	FY 2024	FY 2023	% CHANGE
TOTAL REVENUE	13,524,374	12,848,822	5%
TOTAL NET PROFIT /LOSS	(30,648)	(274,265)	89%
AGGREGATE LOSSES	(851,366)	(990,331)	-14%
AGGREGATE PROFITS	820,718	716,066	15%
TOTAL ASSET BASE	38,434,841	36,134,569	6%
TOTAL LIABILITIES	32,571,448	30,522,218	7%
TOTAL EQUITY	5,863,394	5,612,351	4%
TOTAL TAX REVENUE	372,857	475,574	-22%
TOTAL OTHER TAXES (SALES TAX	1,400,513	1,279,911	9%
TOTAL DIVIDENDS PAID	82,753	64,718	28%
TOTAL EMPLOYEE (in Numbers)	343,884	346,915	-1%
SIZE OF GDP OF PAKISTAN	105,740,766	84,068,755	26%
ANNUAL BUDGET RECEIPTS	12,361,462	9,404,896	31%

NET FLOWS TO GOP (ACCRUAL BASIS)

DESCRIPTION	FY 2024	FY 2023	% CHANGE
DIVIDENDS RECEIVED	82,753	64,718	28%
TAX REVENUE FROM SOES	372,857	475,574	-22%
NON TAX REVENUE (SALES TAX/	1,400,513	1,279,911	9%
INTEREST ACCRUED ON DEBT STOCK	206,691	167,797	0%
TOTAL INFLOW OF FUNDS	**2,062,815**	**1,988,001**	4%
SUBSIDIES	782,711	956,517	-18%
EQUITY INJECTIONS	99,564	287,755	-65%
LOANS	336,995	155,761	116%
GRANTS	367,019	307,829	19%
TOTAL OUTFLOWS	**1,586,290**	**1,707,862**	-7%
NET FLOWS TO GOP	**476,525**	**280,139**	70%

Data Entry %	
%age of SOEs	88%

Financial Statements Audit Status			
PSC Commercial Data Received	Audited	Qualified	Unaudited
83	26	5	52

Commercial Portfolio Profit and Loss

	Name of SOE	Net Profit	Total Assets	Sales / Rev
1	Oil and Gas Development Company Limited	208,976	1,604,254	463,698
2	Pakistan Petroleum Limited	115,477	913,041	291,241
3	National Power Parks Management	76,815	515,082	409,986
4	Government Holdings (Private) Limited	69,150	495,759	137,927
5	Pak Arab Refinery Company	55,085	372,402	1,143,395
6	Port Qasim Authority	41,000	269,465	91,000
7	Multan Electric Power Company Limited	31,879	400,872	597,609
8	National Bank of Pakistan	27,494	7,110,447	206,749
9	Water and Power Development Authority	22,208	1,523,358	73,145
10	Karachi Port Trust	20,304	247,889	48,630
11	Pakistan National Shipping Corporation	20,182	99,894	46,076
12	Pakistan State Oil Company Limited	19,650	1,063,519	3,742,082
13	State Life Insurance Corporation	18,370	2,112,588	522,883
14	Pak Kuwait Investment Company (Private) Li	15,246	1,062,169	24,684
15	Sui Northern Gas Pipelines Limited	10,724	1,975,634	1,233,544
16	National Insurance Company Limited	10,002	138,763	24,059
17	Zarai Taraqiati Bank Limited	8,409	694,530	23,247
18	National Transmission and Despatch Compar	8,049	781,057	71,402
19	GENCO-I: Jamshoro Power Company Limited	4,733	216,311	3,007
20	Saindak Metals Limited	3,467	27,484	3,349
21	National Security Printing Company (Private	2,906	26,280	6,803
22	Sui Southern Gas Company Limited	2,765	1,182,630	466,652
23	Pakistan Mineral Development Corporation	2,640	15,287	4,474
24	Trading Corporation of Pakistan (Private) Lir	2,601	369,316	481
25	Pak China Investment Company Limited	2,312	73,426	4,773
26	Pakistan Reinsurance Company Limited	2,270	73,344	10,172
27	House Building Finance Company Limited	2,238	60,237	5,195
28	Exim Bank of Pakistan Limited	2,231	22,269	2,664
29	Pakistan Industrial Development Corporatio	1,742	24,519	3,254
30	Export Processing Zones Authority	1,506	10,562	5,267
31	National Investment Trust Limited	1,166	16,343	3,153
32	National Engineering Services Pakistan (Priv	1,152	19,350	12,223
33	National Telecommunication Corporation	1,025	14,706	6,306
34	Faisalabad Electric Supply Company Limited	998	395,061	461,024
35	Pak Iran Investment Company	733	38,568	1,810
36	Private Power & Infrastructure Board	704	5,567	1,656
37	National Fertilizer Corporation of Pakistan (	612	7,468	1,226
38	Pak Brunei Investment Company	591	226,538	1,622
39	Saudi Pak Industrial and Agricultural Investr	552	71,680	1,400
40	Overseas Employment Corporation (Private)	541	2,063	633
41	Postal Life Insurance Company Limited	498	85,253	9,646
42	First Women Bank Limited	410	57,503	2,085
43	Power Planning and Monitoring Company (P	353	1,313	799
44	Pakistan Television Corporation Limitec	202	28,543	18,397
45	Power Holding (Private) Limited	187	812,483	205,049
46	Printing Corporation of Pakistan (Private)	153	3,709	1,314
47	Pakistan Infrastructure Development Com	116	3,028	30
48	Railway Constructions Pakistan Limited	78	4,642	1,940
49	Pak Oman Investment Company	61	413,928	1,038
50	Pakistan Railway Advisory and Consultanc	60	949	385
51	STEDEC Technology Commercialization Co	36	168	360
52	Railway Estate Development and Marketin	29	308	89
53	Pakistan Tourism Development Corporatic	14	712	0
54	Pakistan Revenue Automation (Private) Lin	7	1,360	1,855
55	National Construction Limited	3	847	370
56	GENCO Holding Company Limited	3	163	244
	Total Profit	**820,718**		**10,402,101**

	Name of Company	Net Loss	Assets	Reve
1	National Highway Authority	(295,583)	5,809,875	54,151
2	Quetta Electric Supply Company Limited	(120,452)	288,747	157,833
3	Peshawar Electric Supply Company Limited	(88,723)	406,891	327,483
4	PIA Holding Company	(73,594)	389,513	244,665
5	Pakistan Railways	(51,375)	468,540	88,792
6	Sukkur Electric Power Company Limited	(37,096)	210,314	101,179
7	Lahore Electric Supply Company Limited	(34,595)	486,758	657,171
8	Pakistan Steel Mills Corporation (Private) L	(31,195)	824,143	860
9	Hyderabad Electric Supply Company Limite	(22,192)	192,055	163,581
10	GENCO-II: Central Power Generation Comp	(17,644)	156,825	30,968
11	Islamabad Electric Supply Company Limite	(15,800)	391,030	326,352
12	Pakistan Post Office	(13,429)	235,145	9,905
13	Tribal Electric Supply Company Limited	(9,506)	192,270	57,863
14	Gujranwala Electric Power Company Limite	(8,583)	243,991	335,786
15	GENCO-III: Northern Power Generation Co	(7,877)	235,665	38,716
16	Neelum Jhelum Hydro Power Company	(7,050)	441,101	29,860
17	Pakistan Telecommunication Company Lin	(6,635)	643,598	146,738
18	Gawadar Port Authority	(3,316)	35,328	352
19	Utility Stores Corporation (Private) Limited	(2,264)	59,822	84,219
20	Pakistan Agricultural Storage & Services Co	(1,681)	395,813	254,948
21	Pakistan Broadcasting Corporation	(990)	3,667	6,996
22	Pakistan Railway Freight Transportation Co	(791)	332	1
23	Pak Libya Holding Company (Private) Limit	(544)	511,477	417
24	Pakistan Expo Centers (Pvt) Ltd	(194)	10,077	435
25	GENCO-IV: Lakhra Power Generation Comp	(193)	16,726	0
26	Central Power Purchase Agency (Guarante	(56)	85,641	2,964
27	State Engineering Corporation (Private) Lin	(7)	4,862	36
	Total Loss	(851,366)		**3,122,274**

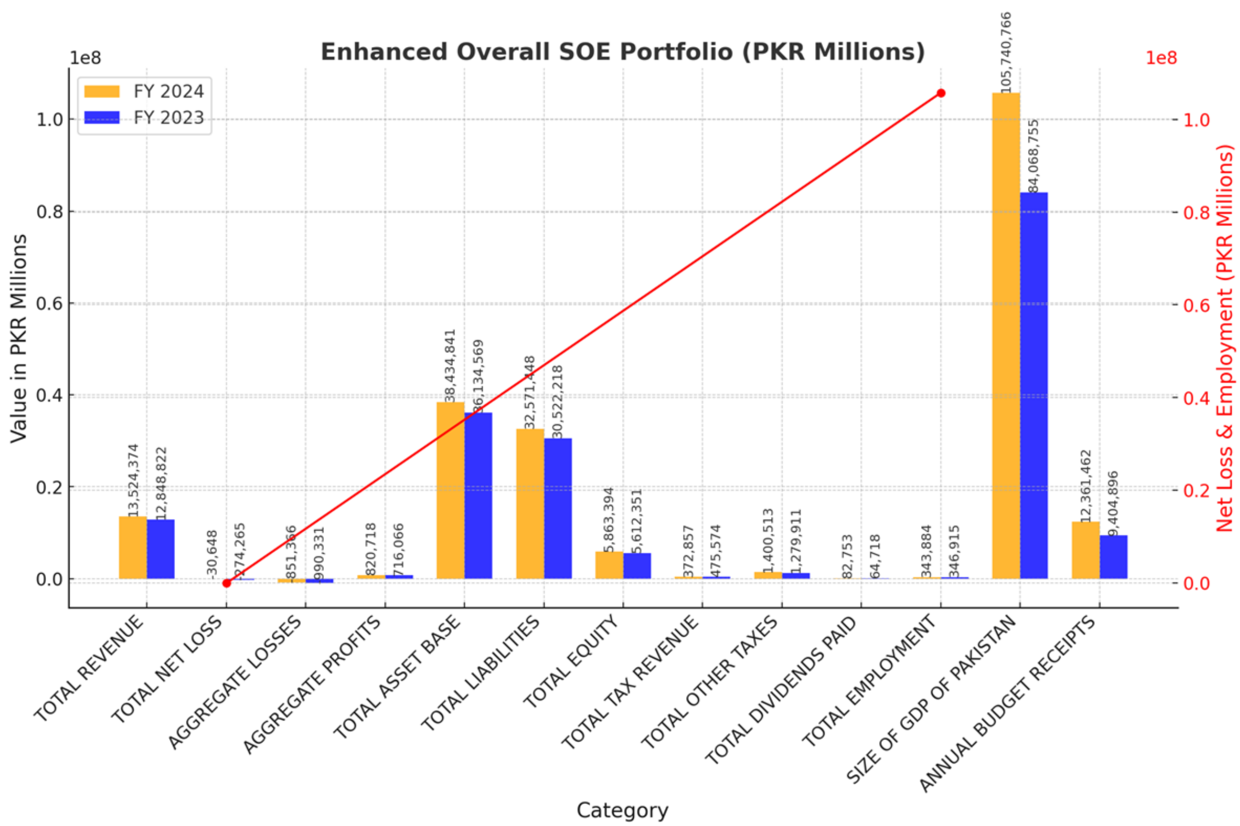
FINANCIAL HIGHLIGHTS AND ANALYTICS

OVERALL SOE PORTFOLIO (PKR MILLIONS)			
DESCRIPTION	**FY 2024**	**FY 2023**	**% CHANGE**
TOTAL REVENUE	13,524,374	12,848,822	5.26%
TOTAL NET LOSS	(30,648)	(274,265)	88.83%
AGGREGATE LOSSES WITH GOVT SUPPORT (GRANTS & SUBSIDIES ADDED IN REVENUES)	(851,366)*	(990,331)	-14.03%
AGGREGATE PROFITS	820,718	716,066	14.61%
TOTAL ASSET BASE	38,434,841	36,134,569	6.37%
TOTAL LIABILITIES	32,571,448	30,522,218	6.71%
TOTAL EQUITY	5,863,394	5,612,351	4.47%
TOTAL TAX REVENUE	372,857	475,574	-21.60%
TOTAL OTHER TAXES (SALES TAX, LEVIES, ROYALTIES)	1,400,513	1,279,911	9.42%
TOTAL DIVIDENDS PAID	82,753	64,718	27.87%
TOTAL EMPLOYMENT	343,884	346,915	-0.87%
SIZE OF GDP OF PAKISTAN	105,740,766	84,068,755	25.78%
ANNUAL BUDGET RECEIPTS	12,361,462	9,404,896	31.44%

Please read Explanatory notes on next page

EXPLANATORY NOTES:

- Total aggregate profits are Rs 820.7 billion (including PWSF entities profits), while loss-making SOEs reported an aggregate loss of Rs 851.3 billion. Removing the PSWF entities the net aggregate loss climbs from Rs. 30.6 Billion to Rs 521.5 Billion.
- Unclaimed tariff differential amounts are added in revenues of Sui companies amounting to Rs. 313.5 Billion, which need to be removed to accurately report net aggregate losses which after removing these come to Rs. 1,164 Billion for overall SOE commercial portfolio.
- *Total Revenues of loss making SOES have Grants amounting to Rs 367,019 Million and Subsidies Rs 782,711 Million added as per IAS 20 (IFRS), Accounting for Grants and Govt. Assistance which should be removed to accurately gauge the losses.
- Also Tax revenues of GOP signify Tax expense of SOEs as per IAS 12 Accounting for income taxes; they do not reflect actual taxes paid as that can vary depending on deferred tax assets/ liabilities as per temporary and permanent differences due to tax accounting.
- IFRS related issues WRT IFRS 9, IFRS 14, IFRS 16, IAS 19, IAS 20 and IAS 21 are addressed in extensive detail in the IFRS report of this document.



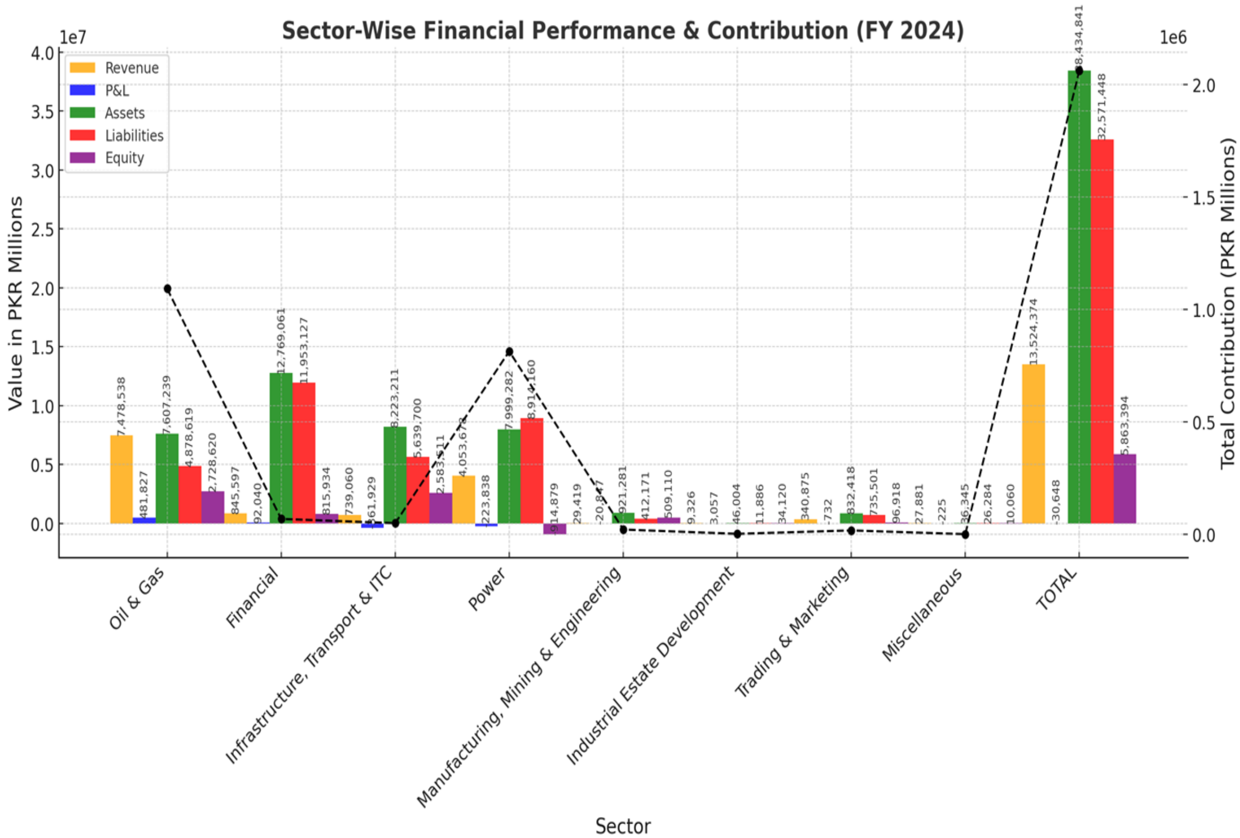
POWERED BY

PYTHON MATPLOTLIB ANALYTIC

SECTOR WISE FINANCIAL PERFORMANCE & CONTRIBUTION
PKR MILLIONS (FY 2024)

SECTOR	REVENUE	P&L	ASSETS	LIABILTIES	EQUITY
Oil & Gas	7,478,538	481,827	7,607,239	4,878,619	2,728,620
Financial	845,597	92,040	12,769,061	11,953,127	815,934
Infrastructure, Transport & ITC	739,060	(361,929)	8,223,211	5,639,700	2,583,511
Power	4,053,678	(223,838)	7,999,282	8,914,160	(914,879)
Manufacturing, Mining & Engineering	29,419	(20,847)	921,281	412,171	509,110
Industrial Estate Development	9,326	3,057	46,004	11,886	34,120
Trading & Marketing	340,875	(732)	832,418	735,501	96,918
Miscellaneous	27,881	(225)	36,345	26,284	10,060
TOTAL	13,524,374	(30,648)	38,434,841	32,571,448	5,863,394

SECTOR	DIVIDENDS PAID	INTEREST PAID	TAX REVENUE	OTHER TAXES	TOTAL CONTRIBUTION PKR MILLIONS
Oil & Gas	74,835	0	233,755	783,765	1,092,355
Financial	4,241	0	63,744	0	67,986
Infrastructure, Transport & ITC	2,891	29,320	16,945	0	49,156
Power	0	165,863	44,353	603,757	813,973
Manufacturing, Mining & Engineering	300	11,456	7,024	1,958	20,738
Industrial Estate Development	85	0	1,553	0	1,638
Trading & Marketing	401	0	5,338	11,033	16,772
Miscellaneous	0	51	145	0	196
TOTAL	82,753	206,691	372,857	1,400,513	2,062,815



POWERED BY

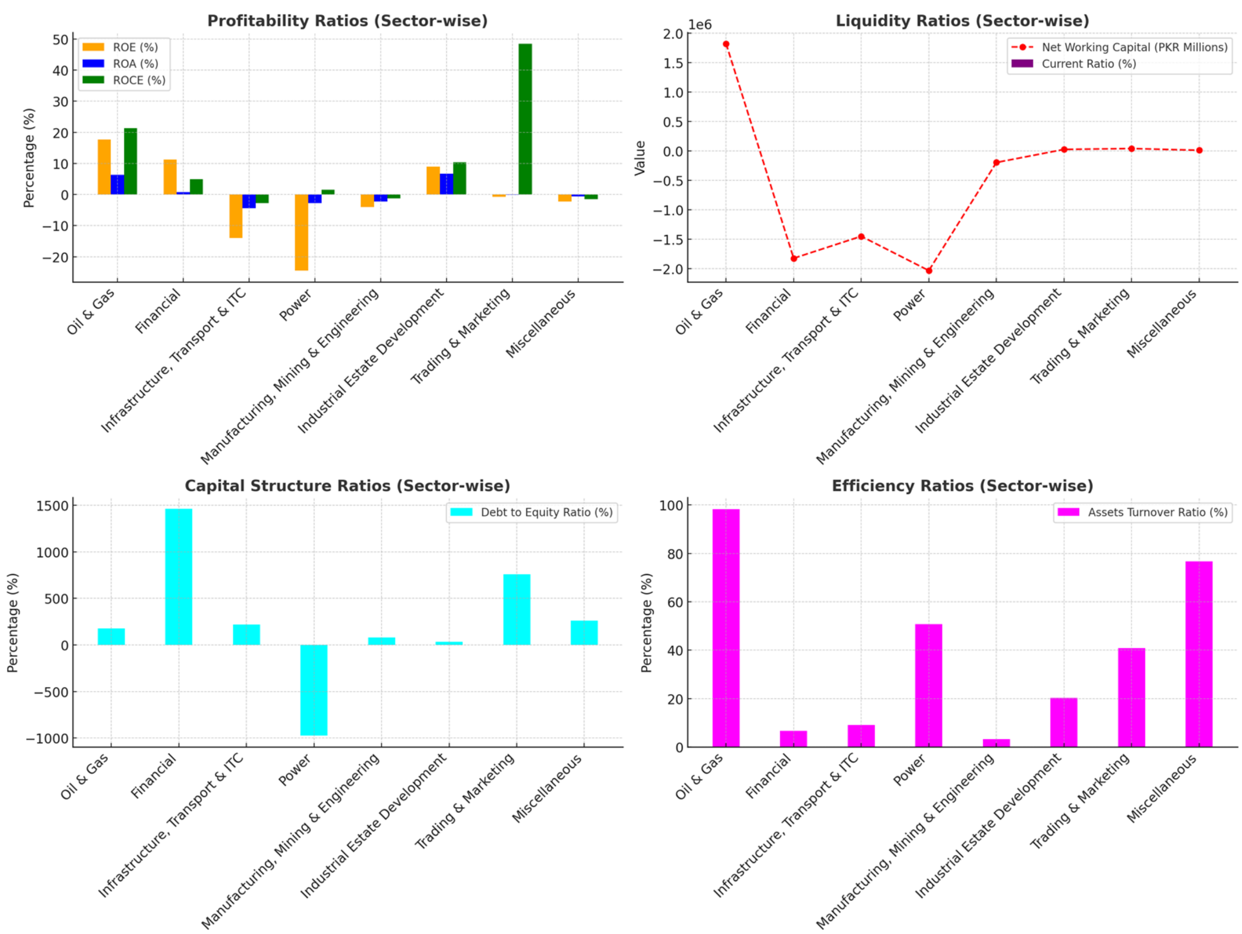
PYTHON MATPLOTLIB ANALYTICS

FINANCIAL HEALTH CHECK SECTOR WISE

	PROFITABILITY		
SECTOR	ROE	ROA	ROCE
Oil & Gas	17.66%	6.33%	21.33%
Financial	11.28%	0.72%	4.87%
Infrastructure, Transport & ITC	-14.01%	-4.40%	-2.72%
Power	-24.47%	-2.80%	1.48%
Manufacturing, Mining & Engineering	-4.09%	-2.26%	-1.25%
Industrial Estate Development	8.96%	6.65%	10.35%
Trading & Marketing	-0.76%	-0.09%	48.51%
Miscellaneous	-2.24%	-0.62%	-1.47%

	LIQUIDITY PKR MILLIONS				
SECTOR	Capital Employed	Current Ratio	Net Working Capital	Current Assets	Current Liabilities
Oil & Gas	3,402,247	143.28%	1,820,111	6,025,103	4,204,992
Financial	1,503,947	9.23%	(1,826,167)	185,742	2,011,908
Infrastructure, Transport & ITC	5,507,588	46.52%	(1,452,186)	1,263,437	2,715,623
Power	2,527,984	62.80%	(2,035,237)	3,436,060	5,471,297
Manufacturing, Mining & Engineering	620,860	33.79%	(198,909)	101,512	300,421
Industrial Estate Development	41,303	591.68%	23,123	27,825	4,703
Trading & Marketing	105,093	105.19%	37,761	765,087	727,325
Miscellaneous	23,750	168.23%	8,594	21,188	12,595
TOTAL	13,732,772		-3,622,910	11,825,954	15,448,864

	CAPITAL STRUCTURE	EFFICIENCY
SECTOR	DEBT / EQUITY	ASSETS TURNOVER RATIO
Oil & Gas	178.79%	98.3%
Financial	1464.96%	6.6%
Infrastructure, Transport & ITC	218.30%	9.0%
POWER	-974.35%	50.7%
Manufacturing, Mining & Engineering	80.96%	3.2%
Industrial Estate Development	34.83%	20.3%
Trading & Marketing	758.89%	40.9%
Miscellaneous	261.27%	76.7%



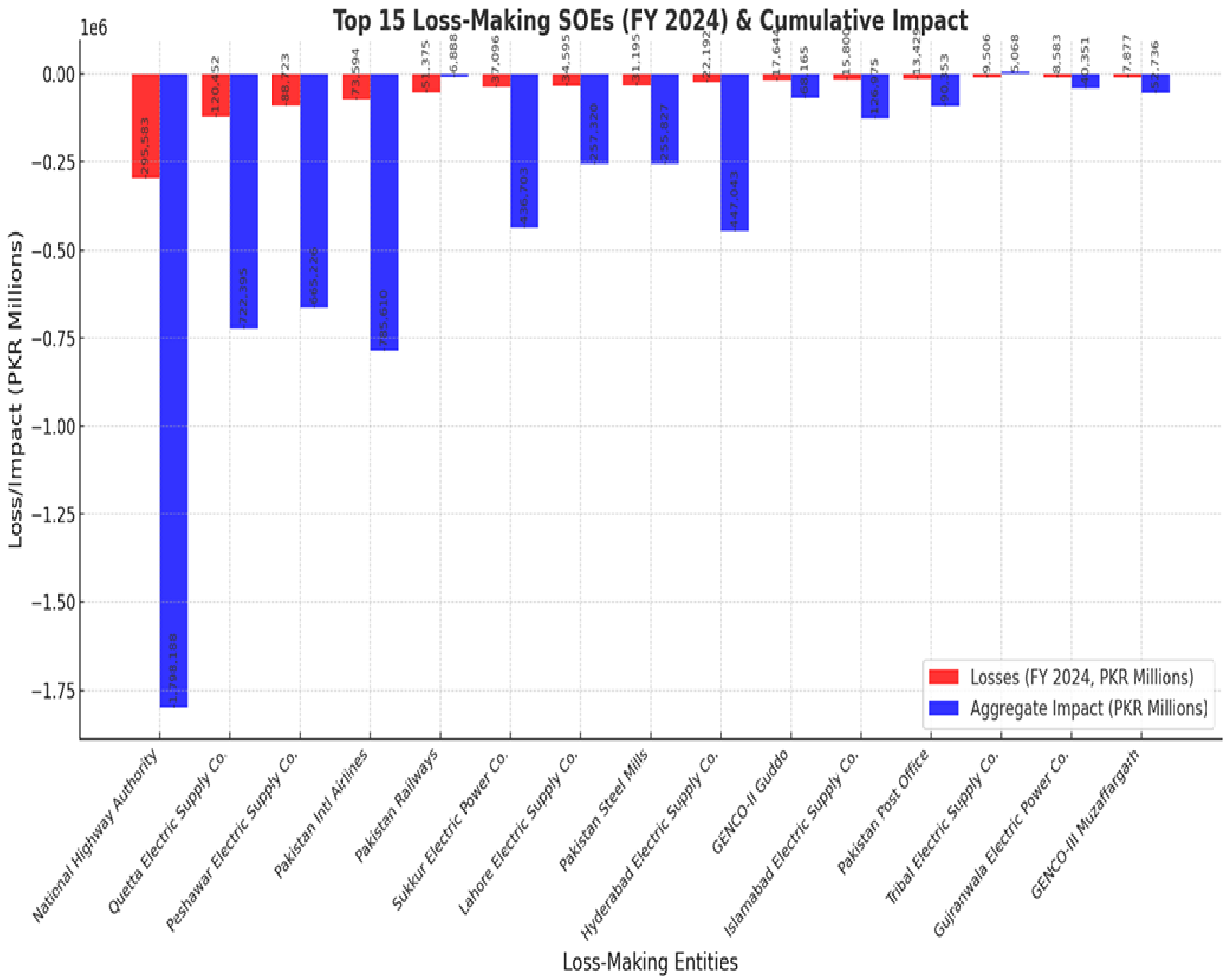
POWERED BY

PYTHON MATPLOTLIB ANALYTICS

TOP 15 LOSS MAKING SOES FY 2024 & CUMMULATIVE IMPACT

S.no	LOSS MAKING ENTITIES	Loss for FY2024 PKR MILLIONS	Aggregate Profit / Loss (FY24) PKR MILLIONS
1	National Highway Authority	(295,583)	(1,798,188)
2	Quetta Electric Supply Company Limited	(120,452)	(722,395)
3	Peshawar Electric Supply Company Limited	(88,723)	(665,226)
4	Pakistan International Airlines Corporation	(73,594)	(785,610)
5	Pakistan Railways	(51,375)	(6,888)
6	Sukkur Electric Power Company Limited	(37,096)	(436,703)
7	Lahore Electric Supply Company Limited	(34,595)	(257,320)
8	Pakistan Steel Mills Corporation (Private) Limited	(31,195)	(255,827)
9	Hyderabad Electric Supply Company Limited	(22,192)	(447,043)
10	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	(17,644)	(68,165)
11	Islamabad Electric Supply Company Limited	(15,800)	(126,975)
12	Pakistan Post Office	(13,429)	(90,353)
13	Tribal Electric Supply Company Limited	(9,506)	5,068
14	Gujranwala Electric Power Company Limited	(8,583)	(40,351)
15	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	(7,877)	(52,736)
	All Other losses	(23,721)	
	Total	(851,366)	(5,748,712)

Note: Accumulated losses to date Rs 5.7 trillion with the majority in the past 10 years



POWERED BY

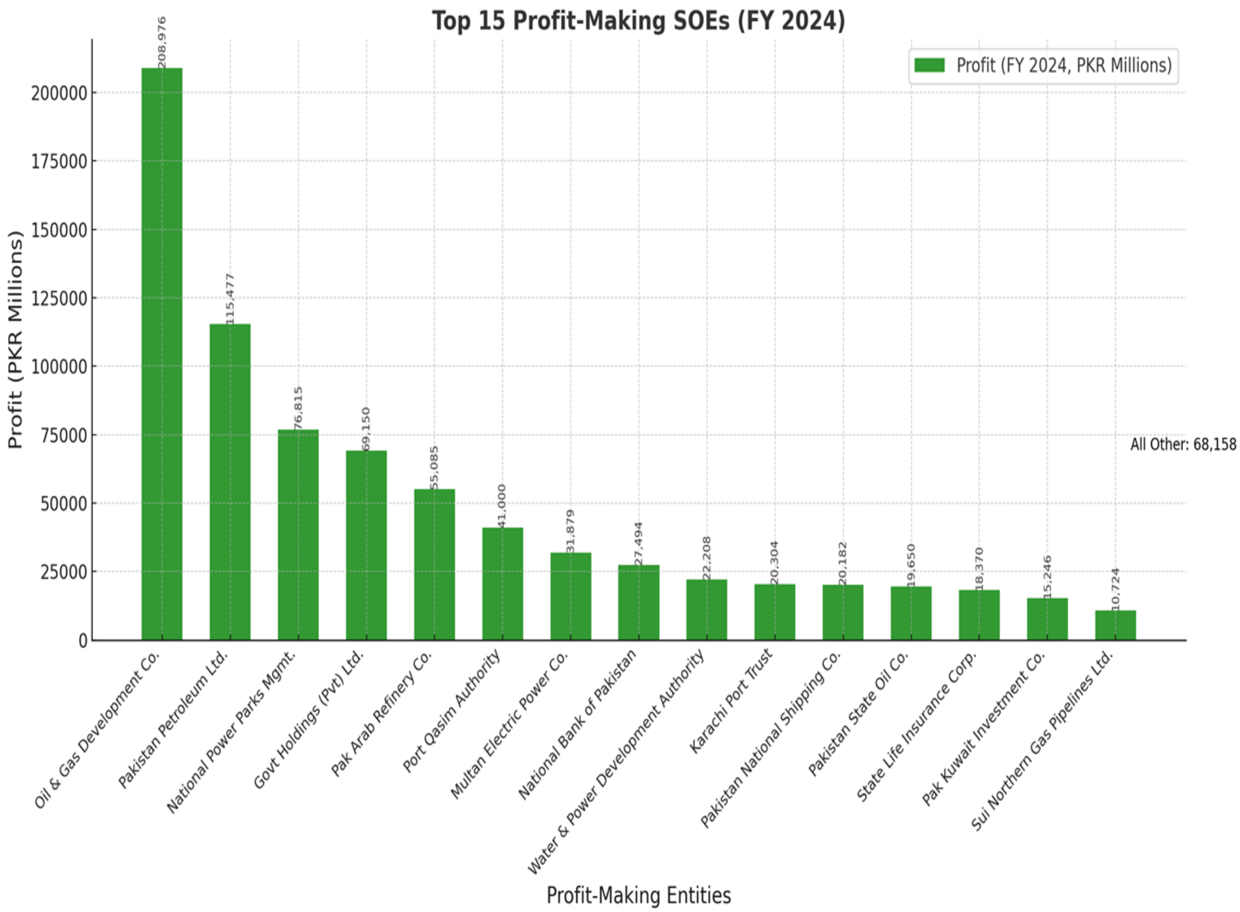
PYTHON MATPLOTLIB ANALYTICS

TOP 15 PROFIT MAKING SOES FY 2024

S.no	PROFIT MAKING ENTITIES	Profit for FY2024 PKR MILLIONS
1	Oil and Gas Development Company Limited	208,976
2	Pakistan Petroleum Limited	115,477
3	National Power Parks Management	76,815
4	Government Holdings (Private) Limited	69,150
5	Pak Arab Refinery Company	55,085
6	Port Qasim Authority	41,000
7	Multan Electric Power Company Limited	31,879
8	National Bank of Pakistan	27,494
9	Water and Power Development Authority	22,208
10	Karachi Port Trust	20,304
11	Pakistan National Shipping Corporation	20,182
12	Pakistan State Oil Company Limited	19,650
13	State Life Insurance Corporation	18,370
14	Pak Kuwait Investment Company (Private) Limited	15,246
15	Sui Northern Gas Pipelines Limited	10,724
	All other	68,158
	Total	820,718

Note:

Most of the profits are accounting profits, while free cash flow remains low suppressing valuations and intrinsic value of profitable SOES due to circular debt impact from loss making SOES into profitable sectors. Also EVA is –ve due to WACC > ROIC on overall SOE portfolio.



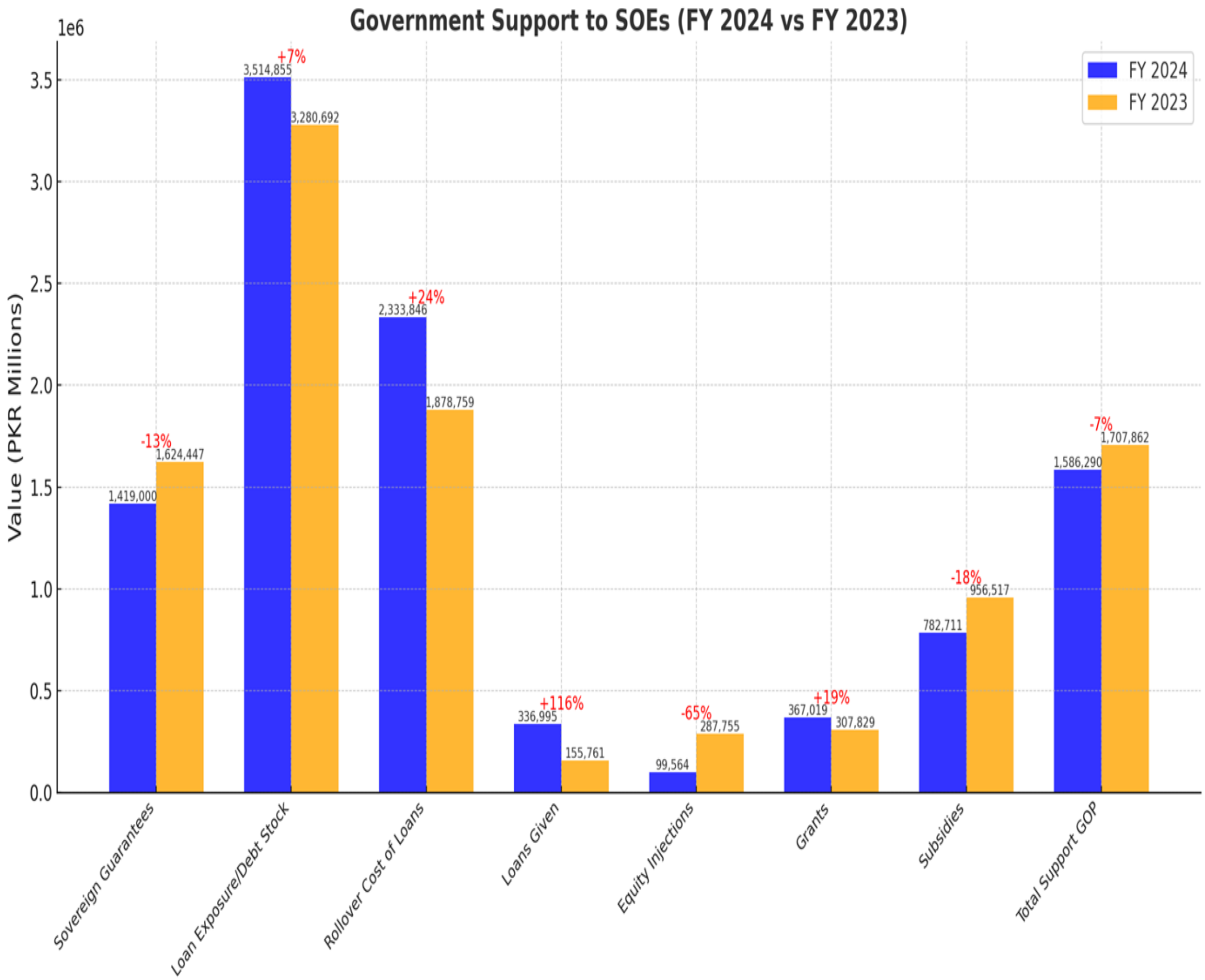
POWERED BY

PYTHON MATPLOTLIB ANALYTICS

GOVT. SUPPORT TO SOES FY 2024 (PKR MILLIONS) ACCRUAL BASIS OF ACCOUNTING			
DESCRIPTION	FY 2024	FY 2023	% CHANGE
SOVERIGN GUARANTEES TO DATE	1,419,000	1,624,447	-13%
LOAN EXPOSURE / DEBT STOCK TO DATE (CDL+FRL) Cash development loans and foreign re-lent loans	3,514,855	3,280,692	7%
ROLLOVER COST OF LOANS (current year addition Rs 455,154m)	2,333,846	1,878,759	24%
LOANS GIVEN	336,995	155,761	116%
EQUITY INJECTIONS	99,564	287,755	-65%
GRANTS	367,019	307,829	19%
SUBSIDIES	782,711	956,517	-18%
TOTAL SUPPORT GOP	1,586,290	1,707,862	-7%
TOTAL SUPPORT AS A PERCENTAGE OF FEDERAL BUDGET RECEIPTS	12.83%	18.16%	-29%
TOTAL SOVERIGN GUARANTESS AS A PERCENTAGE OF GDP	1.34%	1.93%	-31%
TOTAL DEBT STOCK TO GDP %	3.32%	3.90%	-15%

Note:

Cash basis govt. support is different (lower) than full accrual basis, the remaining is reflecting in receivables on balance sheets of SOEs. Reconciliations need to be carried out here.



POWERED BY

PYTHON MATPLOTLIB ANALYTICS

GOVT. SUPPORT FY2024 FOR SOES SECTOR WISE PKR MILLIONS ACCRUAL BASIS OF ACCOUNTING							
SECTOR	GUARTANTEES TO DATE	LOANS TO DATE	LOANS DURING THE YEAR	EQUITY INJECTIONS	GRANTS	SUBSIDIES	TOTAL SUPPORT
Oil & Gas	170,000	-	-	1,124	-	313,508	314,632
Financial	65,000	-	-	3,000	-	-	3,000
Infrastructure, Transport & ITC	247,000	2,370,357	100,494	-	68,908	-	169,403
Power	897,000	1,015,959	234,973	95,440	298,111	360,232	988,756
Manufacturing, Mining & Engineering	40,000	123,648	1,139	-	-	-	1,139
Industrial Estate Development	-	-	-	-	-	-	-
Trading & Marketing	-	888	-	-	-	102,211	102,211
Miscellaneous	-	4,004	389	-	-	6,760	7,149
TOTAL	1,419,000	3,514,855	336,995	99,564	367,019	782,711	1,586,290

SOE WISE LIST

Loan During the Year

S.no.	SOE Name	FY2024, in Rs. Million
1	Water and Power Development Authority	67,814
2	Multan Electric Power Company Limited	298
3	Pakistan Broadcasting Corporation	389
4	GENCO-I: Jamshoro Power Company Limited	8,383
5	Quetta Electric Supply Company Limited	2,207
6	PIA Holding Company	7,000
7	Karachi Port Trust	4,852
8	Peshawar Electric Supply Company Limited	1,612
9	Islamabad Electric Supply Company Limited	5,345
10	Hyderabad Electric Supply Company Limited	73,347
11	National Highway Authority	88,643
12	State Engineering Corporation (Private) Limited	29
13	National Transmission and Despatch Company	75,966
14	Pakistan Steel Mills Corporation (Private) Limited	1,109
	Total	**336,995**

Loans Outstanding

S.no.	SOE Name	FY2024, in Rs. Million
1	Water and Power Development Authority	298,192
2	Pakistan Television Corporation Limited	59
3	Multan Electric Power Company Limited	14,359
4	Pakistan Broadcasting Corporation	3,945
5	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	6,512
6	GENCO-IV: Lakhra Power Generation Company Limited	14
7	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	1,770
8	GENCO-I: Jamshoro Power Company Limited	140,238
9	Faisalabad Electric Supply Company Limited	5,541
10	Saindak Metals Limited	15,734
11	Gujranwala Electric Power Company Limited	8,215
12	Tribal Electric Supply Company Limited	19,233
13	Quetta Electric Supply Company Limited	28,729
14	PIA Holding Company	168,000

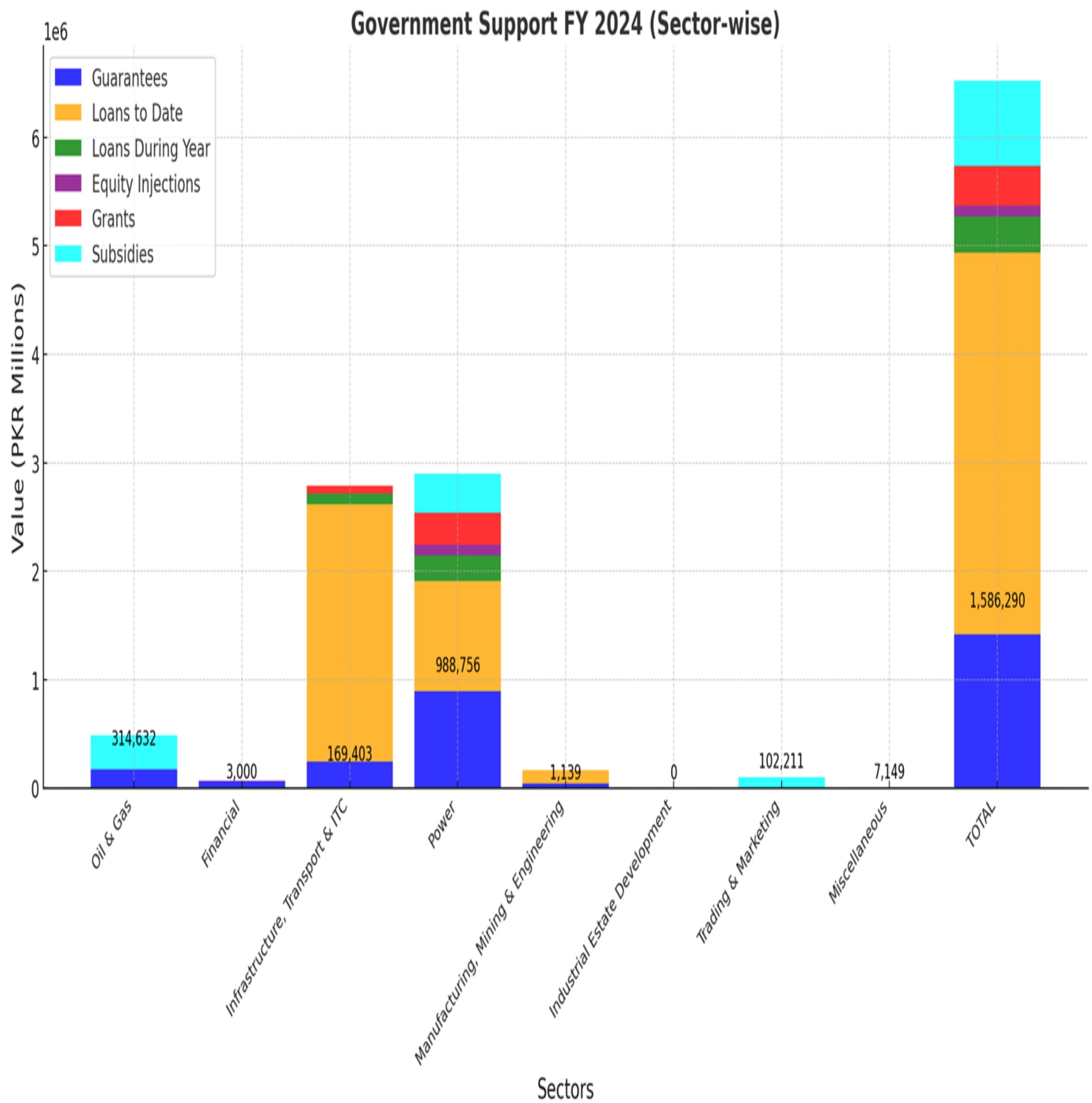
15	Lahore Electric Supply Company Limited	8,047
16	Karachi Port Trust	19,421
17	Peshawar Electric Supply Company Limited	13,230
18	Islamabad Electric Supply Company Limited	18,511
19	Trading Corporation of Pakistan (Private) Limited	388
20	Hyderabad Electric Supply Company Limited	9,325
21	National Highway Authority	2,182,936
22	State Engineering Corporation (Private) Limited	288
23	National Transmission and Despatch Company	276,427
24	Printing Corporation of Pakistan (Private) Limited	2,519
25	Pakistan Steel Mills Corporation (Private) Limited	105,108
26	Utility Stores Corporation (Private) Limited	500
27	Neelum Jhelum Hydro Power Company	167,615
	Total	**3,514,855**

Subsidy

S.no.	SOE Name	FY2024, in Rs. Million
1	Multan Electric Power Company Limited	74,717
2	Pakistan Broadcasting Corporation	6,760
3	Faisalabad Electric Supply Company Limited	26,249
4	Pakistan Agricultural Storage & Services Corporation Limited	56,638
5	Gujranwala Electric Power Company Limited	25,916
6	Tribal Electric Supply Company Limited	12,527
7	Quetta Electric Supply Company Limited	35,525
8	Lahore Electric Supply Company Limited	22,817
9	Sukkur Electric Power Company Limited	25,235
10	Peshawar Electric Supply Company Limited	20,595
11	Islamabad Electric Supply Company Limited	72,313
12	Trading Corporation of Pakistan (Private) Limited	13,818
13	Sui Southern Gas Company Limited	69,831
14	Hyderabad Electric Supply Company Limited	44,337
15	Sui Northern Gas Pipelines Limited	243,677
16	Utility Stores Corporation (Private) Limited	31,754
	Total	**782,711**

Equity Injection		
S.no.	SOE Name	FY2024, in Rs. Million
1	Multan Electric Power Company Limited	6,220
2	Faisalabad Electric Supply Company Limited	4,098
3	Gujranwala Electric Power Company Limited	2,335
4	Exim Bank of Pakistan Limited	3,000
5	Quetta Electric Supply Company Limited	24,733
6	Lahore Electric Supply Company Limited	13,311
7	Sukkur Electric Power Company Limited	15,190
8	Peshawar Electric Supply Company Limited	24,766
9	Islamabad Electric Supply Company Limited	4,787
10	Government Holdings (Private) Limited	1,124
	Total	**99,564**

Grants		
S.no.	SOE Name	FY2024, in Rs. Million
1	Water and Power Development Authority	42,658
2	Power Holding (Private) Limited	255,453
3	National Highway Authority	11,837
4	Pakistan Railways	51,375
5	Gawadar Port Authority	3,537
6	Pakistan Telecommunication Company Limited	2,159
	Total	**367,019**

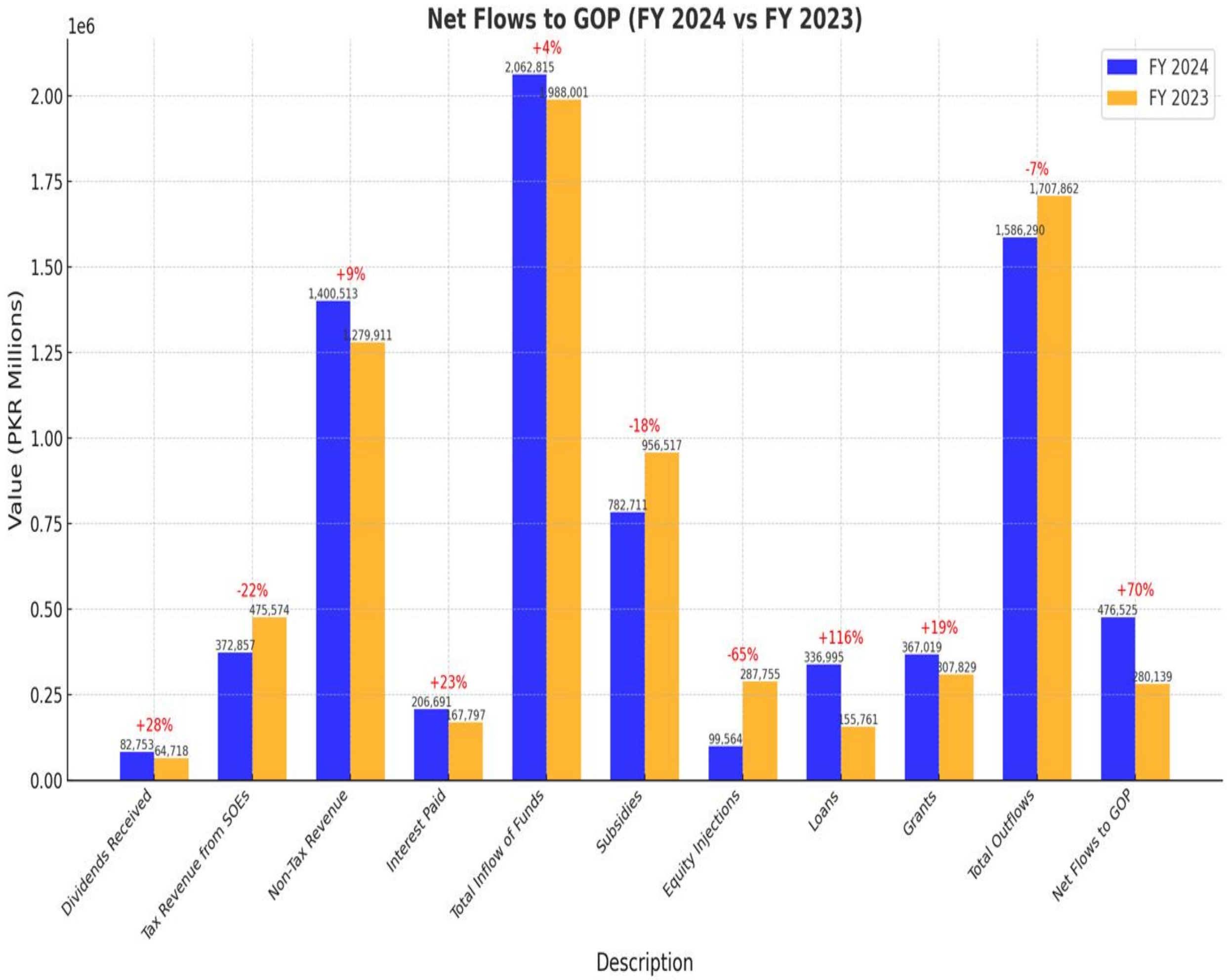


POWERED BY

PYTHON MATPLOTLIB ANALYTICS

NET FLOWS TO GOP PKR MILLIONS ACCRUAL BASIS OF ACCOUNTING			
DESCRIPTION	FY 2024	FY 2023	% CHANGE
DIVIDENDS RECEIVED	82,753	64,718	28%
TAX REVENUE FROM SOES	372,857	475,574	-22%
NON TAX REVENUE (SALES TAX/OTHER TAXES/LEVIES/ROYALTIES)	1,400,513	1,279,911	9%
INTEREST (Note: This is paid interest)	206,691	167,797	23%
TOTAL INFLOW OF FUNDS	2,062,815	1,988,001	4%
SUBSIDIES	782,711	956,517	-18%
EQUITY INJECTIONS	99,564	287,755	-65%
LOANS	336,995	155,761	116%
GRANTS	367,019	307,829	19%
TOTAL OUTFLOWS	1,586,290	1,707,862	-7%
NET FLOWS TO GOP	476,525	280,139	70%

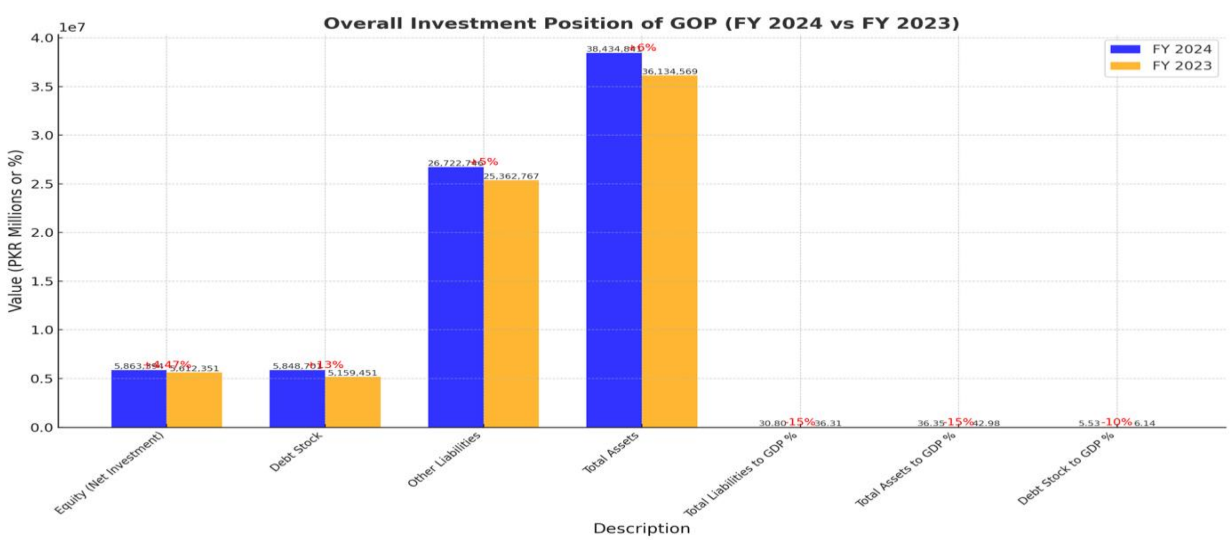
SECTOR	DIVIDENDS	TAX REVENUE	NON TAX REVENUE	INTEREST PAID	GRANTS	SUBSIDIES	EQUITY INJECT.	LOANS	NET FLOWS TO GOP
OIL & GAS	74,835	233,755	783,765	-	-	313,508	1,124	-	777,723
FINANCIAL	4,241	63,744	-	-	-	-	3,000	-	64,986
Infrastructure, Transport & ITC	2,891	16,945	-	29,320	68,908	-	-	100,494	(120,247)
POWER	-	44,353	603,757	165,863	298,111	360,232	95,440	234,973	(174,783)
Manufacturing, Mining & Engineering	300	7,024	1,958	11,456	-	-	-	1,139	19,599
Industrial Estate Development	85	1,553	-	-	-	-	-	-	1,638
Trading & Marketing	401	5,338	11,033	-	-	102,211	-	-	(85,438)
Miscellaneous	-	145	-	52	-	6,760	-	389	(6,953)
TOTAL	82,753	372,857	1,400,513	206,691	367,019	782,711	99,564	336,995	476,525



POWERED BY

PYTHON MATPLOTLIB ANALYTICS

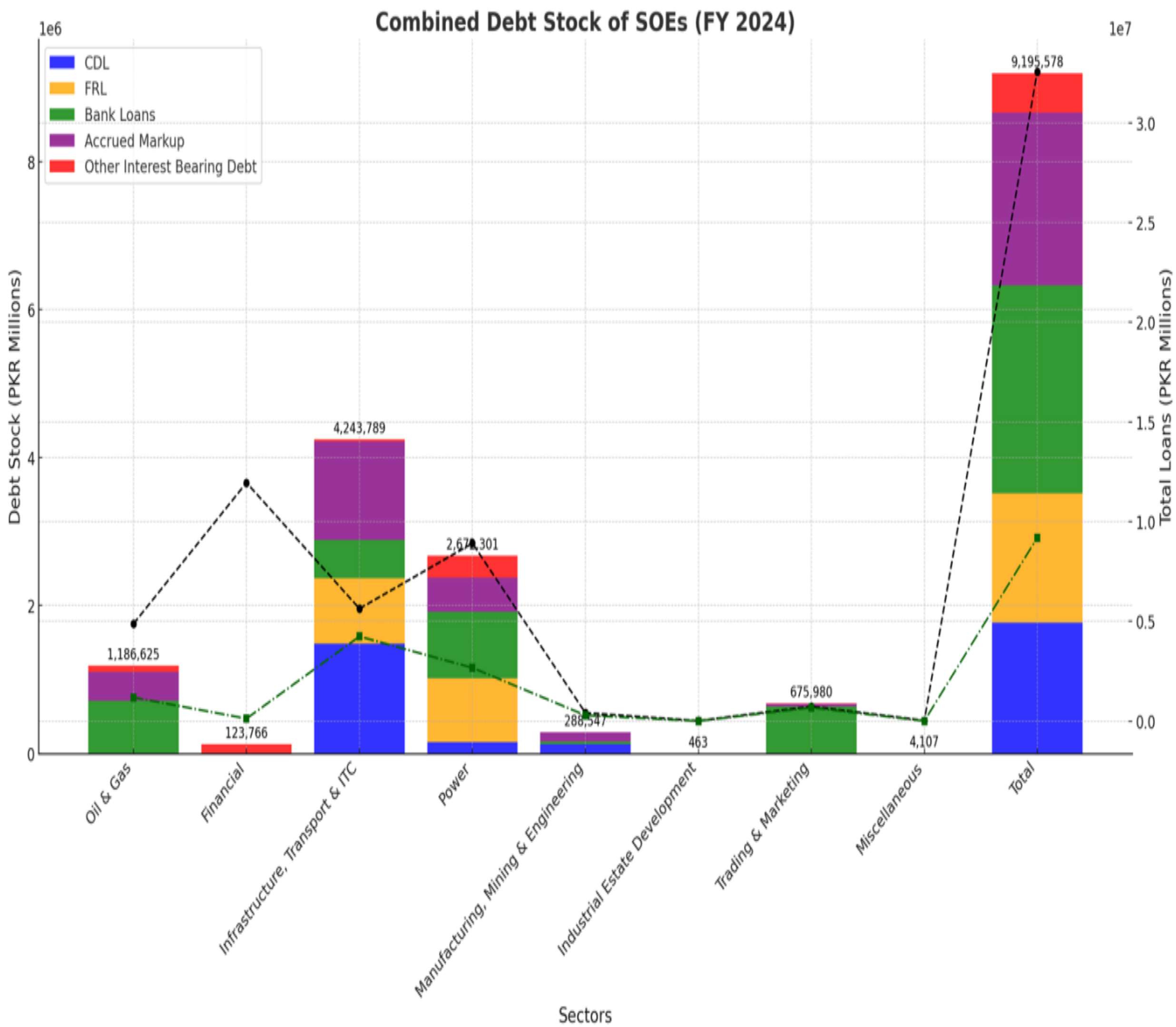
OVERALL INVESTMENT POSITION OF GOP PKR MILLIONS			
DESCRIPTION	FY 2024	FY 2023	% CHANGE
EQUITY (NET INVESTMENT POSITION/ Including asset revaluations)	5,863,394	5,612,351	4.47%
DEBT STOCK (CDL + FRL + Accrued Interest)	5,848,701	5,159,451	13%
OTHER LIABILTIES	26,722,746	25,362,767	5%
TOTAL ASSETS	38,434,841	36,134,569	6%
TOTAL LIABILTIES TO GDP %	30.80%	36.31%	-15%
TOTAL ASSETS TO GDP %	36.35%	42.98%	-15%
TO DEBT STOCK TO GDP %	5.53%	6.14%	-10%



POWERED BY

PYTHON MATPLOTLIB ANALYTICS

COMBINED DEBT STOCK OF SOES FY 2024 PKR MILLIONS							
SECTOR	Cash Development Loan CDL	Foreign Relent Loan FRL	Bank Loans	Accrued Markup/ rollover cost	Other Interest bearing debt (Leases etc.)	Total Loans	Total Liabilities
Oil & Gas	-	-	716,215	389,574	80,837	1,186,625	4,878,619
Financial	-	-	-	-	123,766	123,766	11,953,127
Infrastructure, Transport & ITC	1,484,771	885,586	519,278	1,328,212	25,941	4,243,789	5,639,700
Power	154,532	861,428	902,751	455,745	297,846	2,672,301	8,914,160
Manufacturing, Mining & Engineering	123,648	-	38,230	124,709	1,961	288,547	412,171
Industrial Estate Development	-	-	-	-	463	463	11,886
Trading & Marketing	888	-	637,035	35,606	2,451	675,980	735,501
Miscellaneous	4,004	-	-	-	103	4,107	26,284
Total	1,767,841	1,747,014	2,813,508	2,333,846	533,368	9,195,578	32,571,448



POWERED BY

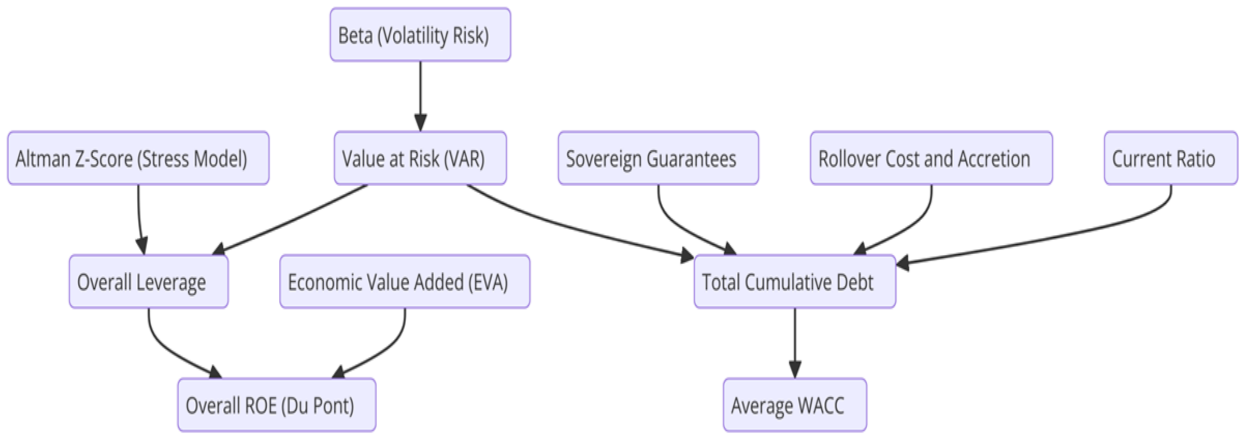
PYTHON MATPLOTLIB ANALYTICS

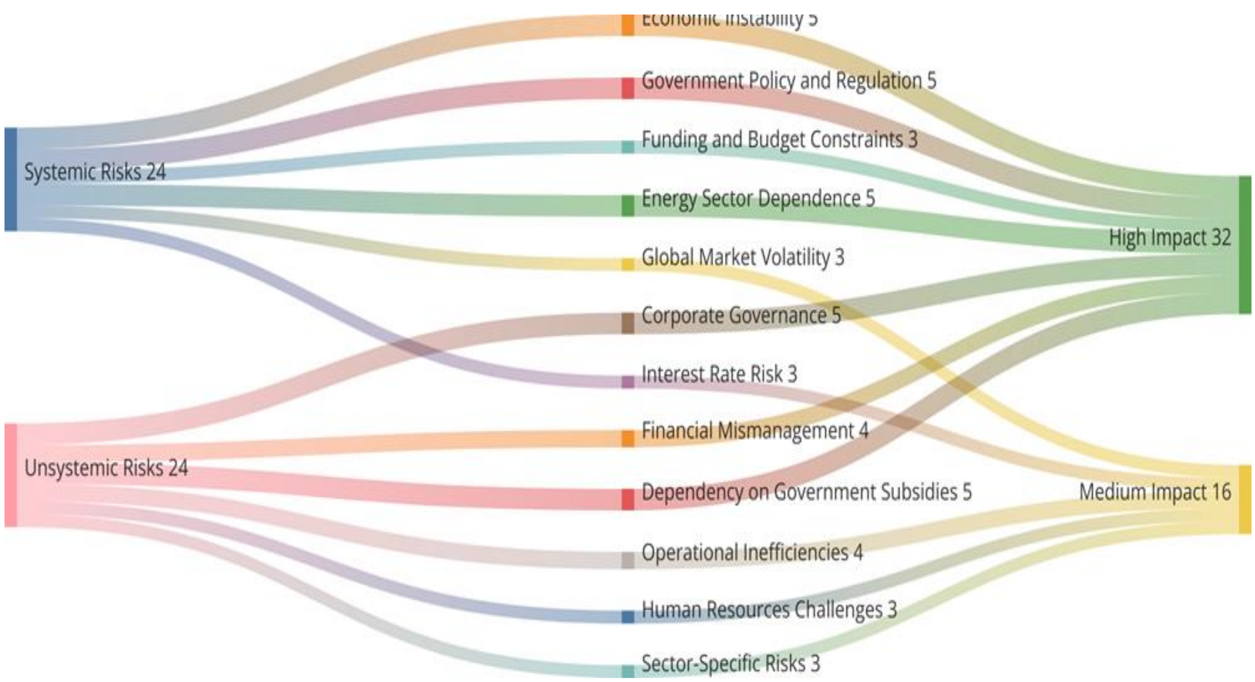
RISK SUMMARY

SOE PORTFOLIO RISK ANALYTICS

DESCRIPTION	QUANTIFICATION
EVA (Economic Value Added) (Value loss)	Rs -2,500,000 Million
EVA (Economic Value Added) Accretion	4%
Financial Leverage (RISK)	6.62 x
Operating Leverage (RISK)	10.6x
Overall Leverage (RISK)	70.12 x
Overall Leverage (RISK) Accretion multiplier	5.59 x
VAR (Value at Risk) (RISK)	Rs 4,951,000 Million
VAR (Value at Risk) Accretion	+33%
Overall ROE (Du Pont) (PROFITABLITY)	-0.5% (-0.22 x 0.35 x 6.62)
Overall Profitability (NP/Sales) (PROFITABLITY)	-0.22%
Overall Asset efficiency (Sales /Total Assets)	35%
Equity multiplier (LEVERAGE)	6.62 X
Overall ROIC (PROFITABLITY)	3.40%
Average WACC	17 to 22%
Asset Volatility (RISK)	7.92%
Asset Volatility (RISK) Accretion	-12.9%
Beta (RISK)	1+
Credit Spread of overall Debt over RFR (RISK)	226 Basis
Credit Spread of overall Debt over RFR (RISK) Accretion	-15%
Overall Interest Coverage (RISK)	Negative
Altman Z Score (Stress model) (RISK) below 1.8 high stress	0.29
Current Ratio (overall) (RISK)	0.76
Rollover cost (RISK)	Rs 2,333,846 Million
Rollover Accretion rate (RISK)	+24%
Total Cumulative debt (RISK)	Rs 9,195,587 Million
Sovereign Guarantees (RISK)	Rs 1,419,000 Million

RISK ANALYTICS





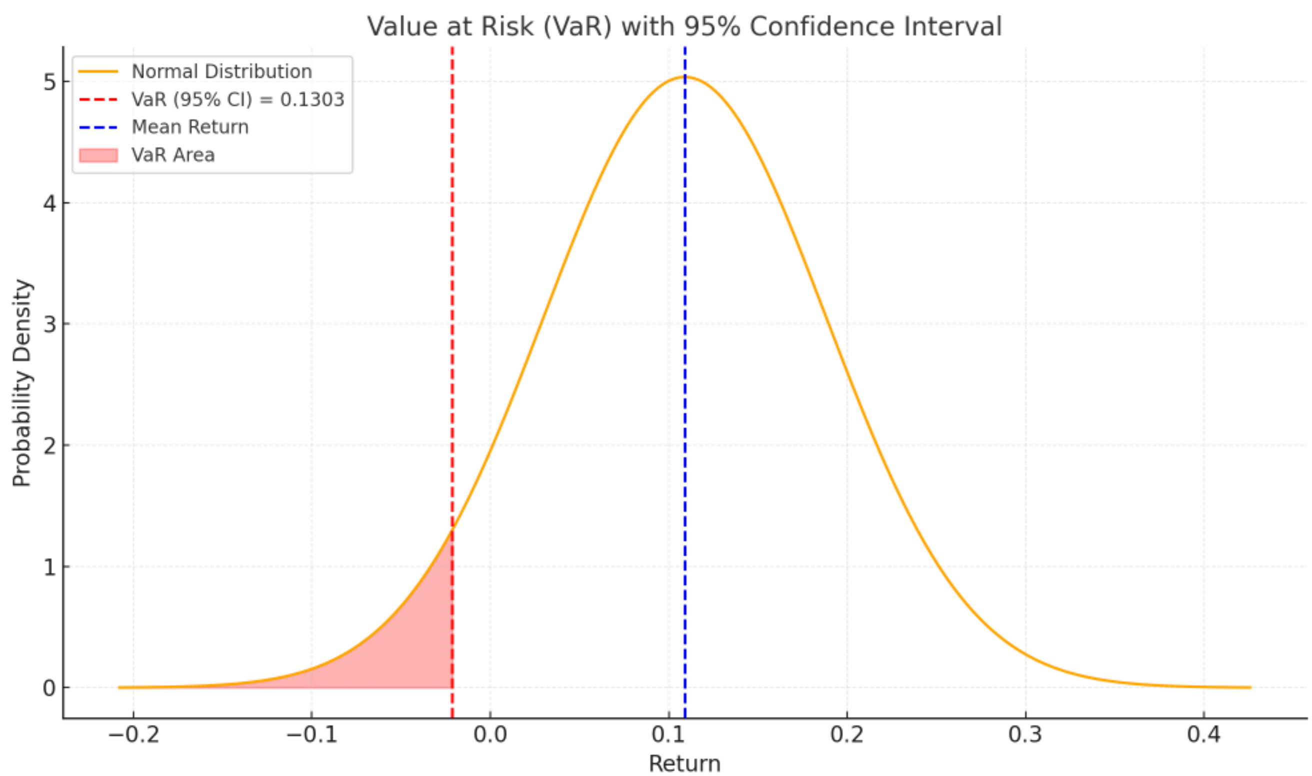
RISK IMPACT ANALYSIS

Risk Type	Specific Risk	Likelihood	Impact	Comments
Systemic Risks	**Economic Instability**	High	High	Frequent economic volatility in Pakistan leads to significant risk for SOEs.
	Government Policy and Regulation	High	High	Changes in policy can directly affect SOE operations and profitability.
	Funding and Budget Constraints	Medium	High	SOEs often face budget cuts, affecting their operations and expansion plans.
	Energy Sector Dependence	High	High	Many SOEs depend on the energy sector, which is volatile.
	Global Market Volatility	Medium	Medium	SOEs involved in trade are exposed to global market risks.
	Interest Rate Risk	Medium	Medium	High debt levels make SOEs vulnerable to interest rate fluctuations.
Unsystemic (Idiosyncratic) Risks	**Corporate Governance**	High	High	Poor governance is a widespread issue in Pakistani SOEs.
	Operational Inefficiencies	High	Medium	Outdated processes and technologies hamper efficiency and competitiveness.
	Human Resources Challenges	Medium	Medium	Hurdles in hiring and retention lead to skill gaps.
	Financial Mismanagement	Medium	High	Mismanagement of funds can lead to liquidity crises.
	Dependency on Government Subsidies	High	High	Reduction in subsidies can threaten the viability of some SOEs.
	Sector-Specific Risks	Medium	Medium	Certain industries have unique risks that can significantly impact SOEs

VAR, CREDIT SPREAD AND LEVERAGE OF SOE PORTFOLIO

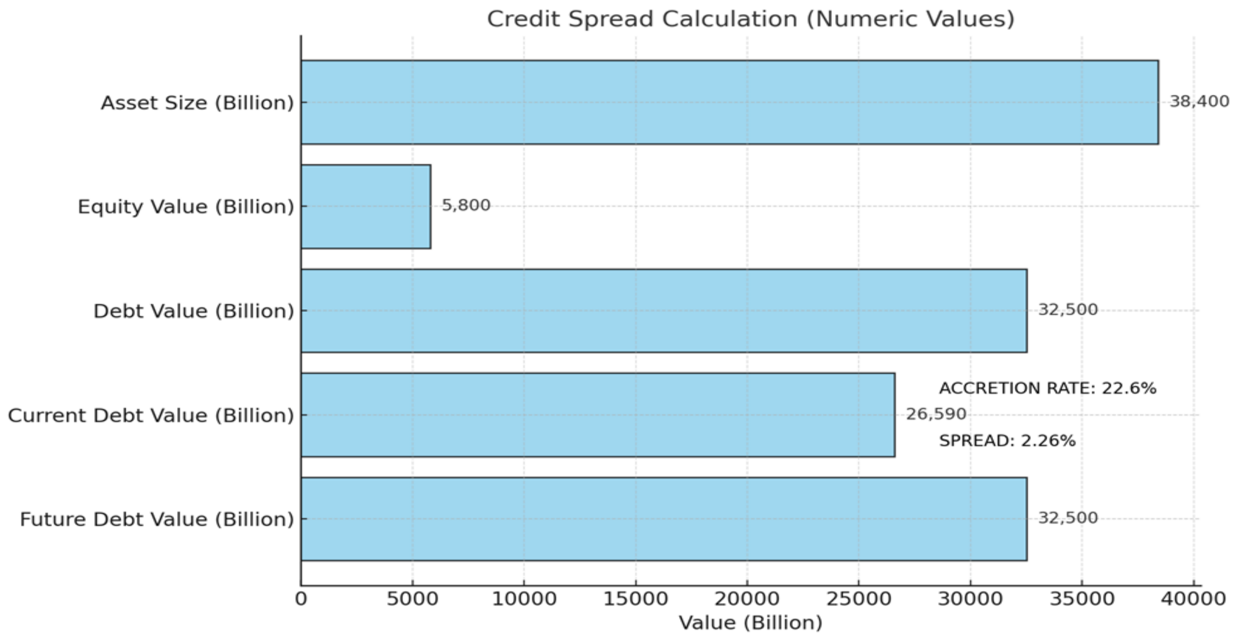
S.No	Calculation	Result
Asset Values (billions)	28,000, 30,000, 36,000, 38,000	
Return 1	(30,000 - 28,000) / 28,000	0.0714
Return 2	(36,000 - 30,000) / 30,000	0.2
Return 3	(38,000 - 36,000) / 36,000	0.0556
Mean Return	(0.0714 + 0.2 + 0.0556) / 3	0.1090
Variance	(0.0714 - 0.1090)^2 + (0.2 - 0.1090)^2 + (0.0556 - 0.1090)^2) / 2	0.0063
Standard Deviation	sqrt(Variance)	0.0792
Z-Score (95%)	1.645	1.645
VaR (Percentage)	1.645 * Standard Deviation	0.1303
Latest Asset Value	38,000	38,000
VaR (Absolute)	VaR Percentage * Latest Asset Value	4,951.4 billion

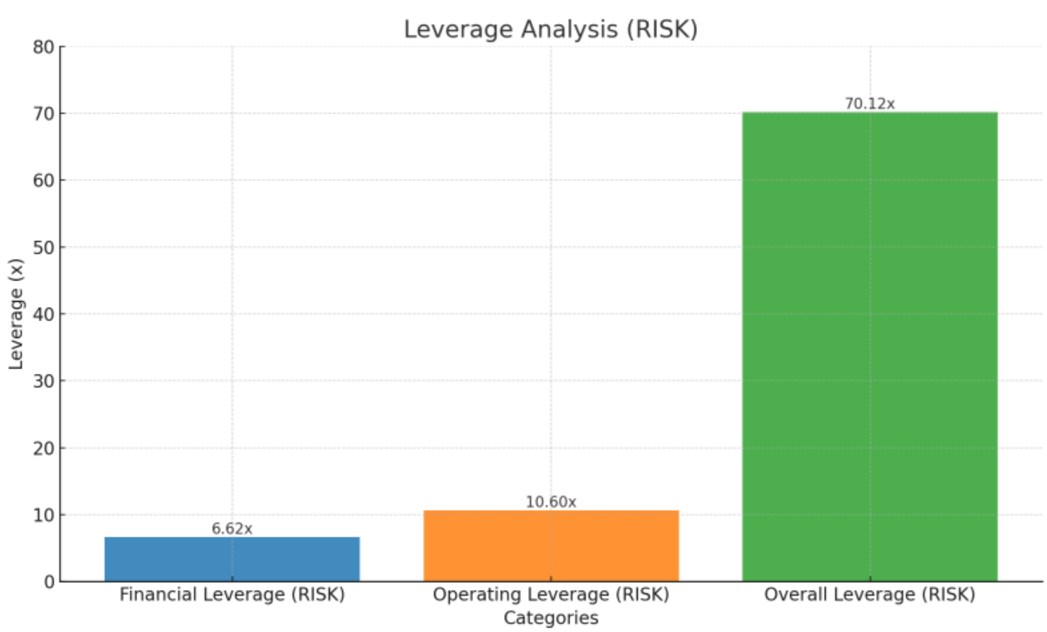
VALUE AT RISK GRAPHICS



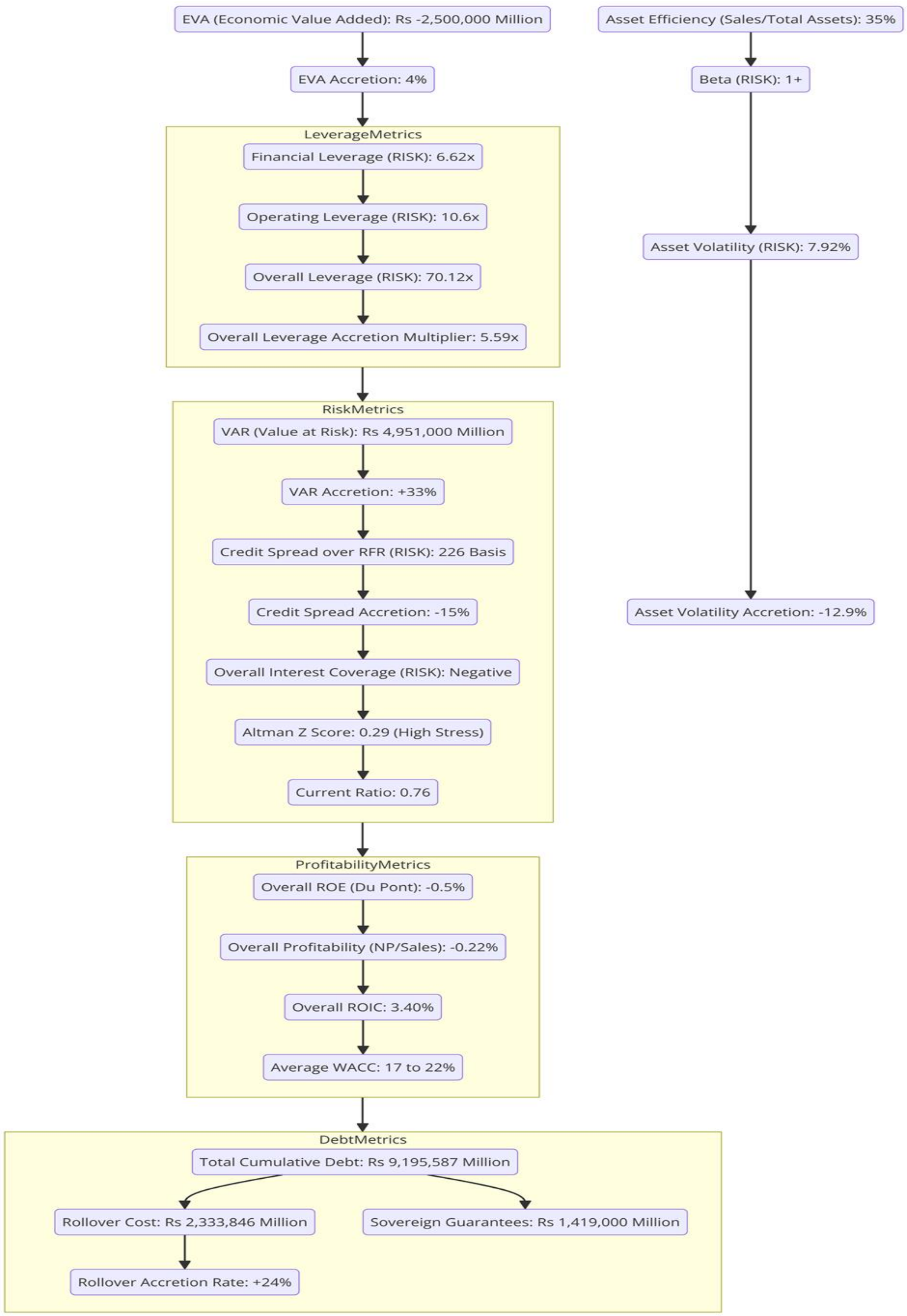
DISCLAIMER: VAR IS A HYPOTHETICAL MATHEMATICAL MODEL BASED ON ASSUMPTIONS, ONLY FOR ESTIMATION PURPOSES

STRUCTURAL CREDIT RISK





RISK FLOW


EVA (Economic Value Added): Rs -2,500,000 Million
EVA Accretion: 4%
LeverageMetrics
Financial Leverage (RISK): 6.62x
Operating Leverage (RISK): 10.6x
Overall Leverage (RISK): 70.12x
Overall Leverage Accretion Multiplier: 5.59x
RiskMetrics
VAR (Value at Risk): Rs 4,951,000 Million
VAR Accretion: +33%
Credit Spread over RFR (RISK): 226 Basis
Credit Spread Accretion: -15%
Overall Interest Coverage (RISK): Negative
Altman Z Score: 0.29 (High Stress)
Current Ratio: 0.76
ProfitabilityMetrics
Overall ROE (Du Pont): -0.5%
Overall Profitability (NP/Sales): -0.22%
Overall ROIC: 3.40%
Average WACC: 17 to 22%
DebtMetrics
Total Cumulative Debt: Rs 9,195,587 Million
Rollover Cost: Rs 2,333,846 Million
Rollover Accretion Rate: +24%
Sovereign Guarantees: Rs 1,419,000 Million
Asset Efficiency (Sales/Total Assets): 35%
Beta (RISK): 1+
Asset Volatility (RISK): 7.92%
Asset Volatility Accretion: -12.9%

Sector Risks, Impacts, and Mitigation Strategies

Oil & Gas Sector Risks

Risk	Impact	Mitigation Strategies
Overreliance on Oil Prices & Lack of Hedging	Financial losses and disrupted budget forecasts.	Develop comprehensive hedging strategies and utilize advanced financial instruments.
Working Capital Lockups	Constrained liquidity and increased borrowing costs.	Enhance working capital management and improve receivables collection processes.
Delays in Brownfield to Greenfield Upgrades	Increased costs and lost revenue opportunities.	Streamline regulatory approvals and invest in workforce training for efficient project execution.
High UFG Losses	Revenue leakage and increased operational costs.	Implement advanced metering infrastructure and predictive maintenance technologies.
WACOG Pricing Inefficiencies & High Subsidies	Fiscal burdens and inefficient resource allocation.	Reform WACOG pricing mechanism and foster transparent pricing practices.
High Degree of Estimation in Revenues	Financial misstatements and impaired strategic planning.	Adopt accurate forecasting models and leverage historical data for better predictions.
Tariff Differential Subsidies (Pending)	Inflated revenues and receivables for SNGPL and SSGPL.	Resolve pending TDS and reassess financial statements for accurate representation.

Power Sector Risks

Risk	Impact	Mitigation Strategies
PHPL Guarantees & High LD Charges	Budgetary strain and reduced maintenance funds.	Strengthen contractual management and renegotiate terms to align with fiscal realities.
Unfavorable PHPL Grants Repayment Method	Continuous pressure on federal finances.	Revise amortization models to optimize repayment schedules.
Large Equity Injections for DISCOs	Strained public finances.	Enhance operational efficiency and explore private sector participation.
High Fiscal Drain over TDS	Limited government investment capacity.	Gradually phase out subsidies and implement cost-reflective tariffs.

Working Capital Issues in GENCOs	Operational disruptions and inefficiencies.	Improve working capital management and secure short-term financing.
Overreliance on Hydrocarbon Power	Unpredictable costs and environmental risks.	Diversify energy mix and increase investments in renewable energy sources.
High Capacity Payments of IPPs	Financial inefficiencies and higher costs.	Renegotiate IPP contracts to align capacity payments with actual generation.
Poor Collection/Recovery at DISCOs	Strained financial health and liquidity.	Deploy advanced metering infrastructure and enforce stricter payment policies.
Lack of NTDC Distribution Upgrades	Transmission losses and inefficiencies.	Modernize the grid and adopt smart grid technologies.
Guarantees for SOEs (WAPDA, GHPL, NTDC, PHCL)	Financial strain and risk of defaults.	Reduce reliance on guarantees and explore alternative financing mechanisms.

Infrastructure, Transport, and ICT Sector Risks

Risk	Impact	Mitigation Strategies
BOT Contracts on Unfavorable Terms	Higher costs and reduced profitability.	Review and renegotiate BOT contracts; incorporate performance-based incentives.
High Debt in PIA Holding Company	Increased borrowing costs and insolvency risks.	Implement debt restructuring and seek strategic partnerships.
NHA Debt & Interest Accrued	Limited funding for new projects.	Develop sustainable debt management plans and enhance revenue through toll collection.
PTCL High Leverage	Reduced financial flexibility.	Reduce leverage through asset sales and operational improvements.
Unknown Pension Liability of Railways	Unexpected financial obligations.	Conduct actuarial assessments and secure government funding.
Substandard Financial Accounting in Railways	Financial misstatements and lack of transparency.	Implement IFRS standards and enhance internal controls.

Financial Sector Risks

Risk	Impact	Mitigation Strategies
Low ADRs and High IDRs	Limited credit growth and economic development.	Encourage balanced lending and promote regulatory incentives for

		diversification.
DFIs Overinvesting in Government Securities	Hindered economic development and reduced private sector credit.	Reorient DFIs towards developmental financing and improve the regulatory framework.
Weak Business Models in NBFIs	Financial instability and market inefficiencies.	Strengthen business models and leverage technology for improved service delivery.
Insurance Sector Poor Portfolio Mix	Lower returns and increased risk exposure.	Diversify portfolio investments and adopt sophisticated asset management strategies.

Trading & Marketing Sector Risks

Risk	Impact	Mitigation Strategies
Ineffective Grant and Subsidy Utilization	Increased financial burden on the government.	Implement transparent allocation processes and conduct regular performance audits.
PASSCO High Subsidies and Leverage	Financial inefficiencies and reduced flexibility.	Enhance subsidy management and improve operational efficiency.
TCP High Liabilities	Increased financial costs and reduced profitability.	Develop debt management strategies and improve financial planning.

Manufacturing, Mining & Engineering Sector Risks

Risk	Impact	Mitigation Strategies
Financial Imbalance at Pakistan Steel	Financial instability and operational disruptions.	Implement debt restructuring, improve cash flow management, and explore privatization.
High Leverage at Pakistan Steel	Risk of default and operational inefficiencies.	Review and restructure debt, and consider public-private partnerships to boost financial health.

<u>Latest Debt Position as on 30 June, 2024 PKR MILLIONS unless specified otherwise</u>

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
1	Government Holdings (Private) Limited	65,000			71,899		**71,899**	6,134	5.7
2	Sui Southern Gas Company Limited	12,000			42,541	19,147	**61,688**	37,857	(1.5)
3	Pakistan State Oil Company Limited	30,000			428,997	5,425	**434,422**	7,808	1.3
4	Sui Northern Gas Pipelines Limited	63,000			164,961	365,002	**529,963**	28,960	0.9
5	Faisalabad Electric Supply Company Limited			5,541		6,111	**11,652**		(9.0)
6	Hyderabad Electric Supply Company Limited			9,325		11,542	**20,867**		(9.5)
7	Quetta Electric Supply Company Limited		15,441	13,288		23,293	**52,023**		(11.6)
8	Tribal Electric Supply Company Limited			19,233			**19,233**		
9	Peshawar Electric Supply Company Limited		125	13,105		4,748	**17,978**		(108.1)
10	Lahore Electric Supply Company Limited			8,047		6,088	**14,135**		(50.1)
11	Islamabad Electric Supply Company Limited			18,511		12,595	**31,106**		(5.6)
12	Gujranwala Electric Power Company Limited			8,215		13,613	**21,828**		(8.3)
13	Multan Electric Power Company Limited		797	13,562		11,208	**25,567**		9.4
14	House Building Finance Company Limited	11,000							2.1
15	GENCO-I: Jamshoro Power Company Limited		19,615	120,623		32,776	**173,013**		
16	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	7,000	6,512			2,296	**8,808**	7,416	(8.9)
17	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	9,000	1,770			3,108	**4,879**	8,601	(2.5)
18	GENCO-IV: Lakhra Power Generation Company Limited		14		6,133	12	**6,159**		

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
19	Pakistan Telecommunication Company Limited				95,536		**95,536**	2,065	0.1
20	National Transmission and Despatch Company	59,000	11,376	265,051	64,838	57,564	**398,829**	156	1.2
21	Pakistan Electric Power Company (Private) Limited								
22	Water and Power Development Authority	128,000	79,734	218,459	103,300	7,276	**408,768**	217,298	0.5
23	Zarai Taraqiati Bank Limited	54,000						54,462	1.0
24	National Bank of Pakistan							69,304	0.5
25	Pakistan Steel Mills Corporation (Private) Limited	40,000	105,108		38,230	123,374	**266,711**	1,961	(0.7)
26	Saindak Metals Limited		15,734				**15,734**		
27	Trading Corporation of Pakistan (Private) Limited		388		281,225	15,525	**297,137**		(257.5)
28	Utility Stores Corporation (Private) Limited	0	500				**500**	2,451	(61.0)
29	Pakistan Agricultural Storage & Services Corporation Limited				355,810	20,081	**375,891**		1.0
30	Pakistan Broadcasting Corporation		3,945				**3,945**		
31	Printing Corporation of Pakistan (Private) Limited		2,519			1,335	**3,854**		0.8
32	Pakistan Television Corporation Limited		59				**59**		3.1
33	Pakistan Revenue Automation (Private) Limited							103	3.5
34	Karachi Port Trust			19,421			**19,421**		6.6
35	PIA Holding Company	247,000	168,000		420,920	85,458	**674,379**	23,861	(0.1)
36	Pakistan National Shipping Corporation				2,821		**2,821**	15	15.5
37	National Highway Authority		1,316,771	866,165		1,242,754	**3,425,690**		(1.1)

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
38	Pak Arab Refinery Company				6,551		**6,551**	78	13.9
39	National Power Parks Management	11,000			45,227		**45,227**	34,313	2.3
40	Central Power Purchase Agency (Guarantee) Limited								1.0
41	Pakistan Expo Centers (Pvt) Ltd							463	(6.2)
42	Power Holding (Private) Limited	683,000		0	683,253	128,594	**811,848**		1.0
43	GENCO Holding Company Limited								7.4
44	Private Power & Infrastructure Board							61	
45	State Engineering Corporation (Private) Limited		288				**288**		
46	Pakistan Petroleum Limited				1,266		**1,266**		87.6
47	Neelum Jhelum Hydro Power Company		19,147	148,468		134,919	**302,534**	30,000	0.5
	Total	**1,419,000**	**1,767,841**	**1,747,014**	**2,813,508**	**2,333,846**	**8,662,210**	**533,368**	

Total debt stock Rs. 9,195,578 Million (Rs 8,662,210 + Rs 533,368) Million

The debt challenges faced by some State-Owned Enterprises (SOEs) are both critical and multifaceted. A major concern is the prevalence of negative interest coverage ratios, which reflect these entities' inability to generate sufficient earnings to meet their interest obligations, underscoring financial instability and operational inefficiencies. Compounding this issue is the high cost of rolling over existing debt, as weakened credit profiles force these SOEs to refinance under unfavorable terms, further escalating their financial burden. Additionally, the failure to account for interest expenses in compliance with International Financial Reporting Standards (IFRS) adds another layer of complexity. This non-compliance not only obscures the true financial position of these entities but also undermines transparency and accountability in financial reporting, leading to potentially flawed strategic decisions and diminishing stakeholder confidence. Addressing these challenges is essential to ensure the sustainable financial health and operational resilience of these enterprises.

	Inter Company Receivable as on June 2024 (Selected SOEs) PKR MILLIONS							
Entity	**Entity name**	**Abbreviation**	**Notes**	**Sr.**	**SOE/Dept**	Jun-24	**Jun-23**	
1	Government Holdings (Private) Limited	GHPL	40.2.2	1	SNGPL	60,757	53,774	
1	Government Holdings (Private) Limited	GHPL		2	SSGCL	150,905	125,042	
1	Government Holdings (Private) Limited	GHPL		3	PARCO	2,918	1,946	
1	Government Holdings (Private) Limited	GHPL		4	ENAR	78	76	
1	Government Holdings (Private) Limited	GHPL		5	OGDCL	1,262	1,825	
1	Government Holdings (Private) Limited	GHPL		6	PPL	67	195	
1	Government Holdings (Private) Limited	GHPL		7	Attock Refinery	5,438	6,732	
1	Government Holdings (Private) Limited	GHPL		8	National Refinery	289	288	
1	Government Holdings (Private) Limited	GHPL		9	Pakistan Refinery Limited	926	1,679	
1	Government Holdings (Private) Limited	GHPL		10	Others	286	149	
1	Government Holdings (Private) Limited	GHPL	41	11	GOP	71,899	75,995	
						294,825	267,701	
4	Oil and Gas Development Company Limited	OGDCL	36.1.3	1	ENAR	3,780	4,280	
4	Oil and Gas Development Company Limited	OGDCL		2	Pakistan Refinery	4,574	4,558	

					Limited			
4	Oil and Gas Development Company Limited	OGDCL		3	PARCO	9,031	4,802	
4	Oil and Gas Development Company Limited	OGDCL		4	SNGPL	265,898	219,058	
4	Oil and Gas Development Company Limited	OGDCL		5	SSGCL	248,009	219,785	
						531,292	452,483	
5	Pakistan Petroleum Limited	PPL	10.1	1	GENCO -II	4,180	6,620	
5	Pakistan Petroleum Limited	PPL		2	SNGPL	265,418	251,135	
5	Pakistan Petroleum Limited	PPL		3	SSGPL	291,453	238,068	
5	Pakistan Petroleum Limited	PPL		4	PRL	170	980	
5	Pakistan Petroleum Limited	PPL		5	PARCO	1,428	662	
5	Pakistan Petroleum Limited	PPL		6	ENAR	185	169	
5	Pakistan Petroleum Limited	PPL		7	OGDCL	45	1	
						562,879	497,635	
12	Pakistan State Oil Company Limited	PSO	14.6	1	GENCO	70,618	71,922	
12	Pakistan State Oil Company Limited	PSO		2	SNGPL	335,078	343,864	
12	Pakistan State Oil Company Limited	PSO		3	PIA	15,727	13,617	
12	Pakistan State Oil Company Limited	PSO		4	K-Electric	2,754	4,368	
12	Pakistan State Oil Company Limited	PSO		5	PR	5,176	4,036	
12	Pakistan State Oil Company Limited	PSO		6	OGDCL	713		

12	Pakistan State Oil Company Limited	PSO		7	PPL	11	52	
12	Pakistan State Oil Company Limited	PSO		8	SSGCL	8	1	
12	Pakistan State Oil Company Limited	PSO		9	PNSC		2	
12	Pakistan State Oil Company Limited	PSO						
						430,085	437,862	
13	Sui Northern Gas Pipelines Limited	SNGPL	Notes Not Available	1	GENCO, IPP & SSGCL (Unsecured)	211	211,314	
13	Sui Northern Gas Pipelines Limited	SNGPL	Analyst	2	GOP	1,182,865	953,480	Either through subsidy or future gas rate hike
13	Sui Northern Gas Pipelines Limited	SNGPL	Estimates	3	secured	111,000	111,981	
13	Sui Northern Gas Pipelines Limited	SNGPL	Use with Caution					
						1,294,076	1,276,774	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	1	KE	45,705	45,705	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	2	PSML	25,170	25,170	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	3	GOP	437,997	437,997	Either through subsidy or future gas rate hike
9	Sui Southern Gas Company Limited	SSGC	Mar-23	4	SNGPL	123,363	123,363	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	5	FBR	72,785	72,785	
						705,020	705,020	
30	National Transmission	NTDC	8	1	CPPA-G			

	and Despatch Company		&10			58,233	84,773	
30	National Transmission and Despatch Company	NTDC		2	FBR	32,791	18,437	
30	National Transmission and Despatch Company	NTDC		3	Northern Power Generation Company Limited	939	1,003	
30	National Transmission and Despatch Company	NTDC		4	Power Planning and Monitoring Company	133	471	
30	National Transmission and Despatch Company	NTDC		5	Lakhra Power Generation Company Limited	216	216	
30	National Transmission and Despatch Company	NTDC		6	Central Power Generation Company	301	301	
30	National Transmission and Despatch Company	NTDC		7	Jamshoro Power Company Limited	241	241	
30	National Transmission and Despatch Company	NTDC		8	Lahore Electric Supply Company Limited	417	108	
30	National Transmission and Despatch Company	NTDC		9	Water and Power	20,185	21,640	

					Development Authority			
30	National Transmission and Despatch Company	NTDC		10	Sukkur Electric Power Company Limited	624	647	
30	National Transmission and Despatch Company	NTDC		11	WAPDA Workers' Welfare Fund	398	394	
						114,479	128,232	
TOTAL						**3,932,656**	**3,765,707**	

	SOV. GUARANTEES OUTSTANDING PKR BILLIONS		
Sr #	**Entity Name**	**Jun 2024**	
		Stock (Outstanding)	**Guarantee Limit**
1	PHPL	683	683
2	WAPDA	128	128
3	PIAC	247	263
4	ZTBL	54	54
5	SNGPL	63	63
6	PSML	40	40
7	NTDC	59	72
8	NPGCL	9	9
9	HBFC	11	11
10	Wah Brass Mills	-	-
11	SSGCL	12	12
12	USC	-	-
13	NPPMCL	11	28
14	Pak.Textile City.Ltd	2	2

15	TIP	1	1
16	Machine Tool Factory	1	1
17	PARCO	-	-
18	CPGCL Guddu	7	7
19	PIAIL-Roosevelt	37	40
20	Pakistan Mortgage Refinance Corporation	11	15
21	NeCOP	-	11
22	GHPL	65	65
23	Jamshoro Power Co Ltd	-	10
24	PSO	30	100
	Total	**1,472**	**1,615**

Difference of Rs 1,472 Billion vs. Rs 1,419 Billion is due to Roosevelt and PMRC separate reporting in earlier tables.

NOTE: Detailed analysis in Risk report of this document

IFRS CHALLENGES

The transition to International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) signifies a transformative milestone for State-Owned Enterprises (SOEs) in Pakistan. These standards aim to harmonize financial reporting by enhancing transparency, consistency, and comparability, thereby bringing SOEs in line with global best practices. As mandated under Chapter 7, Clause 25, Sub-section 2 of the SOE Act, all SOEs must prepare their financial statements in compliance with IFRS. The Ownership and Management Policy reinforces this directive, requiring full implementation within three years, culminating in a compliance deadline of February 2026. This initiative is critical to improving financial governance, fostering investor confidence, and enabling access to global financial markets.

SOEs operate across diverse sectors, including Oil & Gas, Power, Financial Services, Infrastructure, ICT & Transport, Trading & Marketing, Industrial Estates, Manufacturing, Mining & Engineering, among others. The adoption of IFRS and IAS standards is expected to address the unique financial complexities of these sectors. For example, IFRS 9 (Financial Instruments**)** introduces the Expected Credit Loss (ECL) model, reshaping how impairments are calculated for SOEs with significant credit or loan portfolios, such as those in financial services, insurance, oil & gas, and power sectors. IFRS 14 (Regulatory Deferral Accounts) provides a structured framework for managing tariff differentials and government subsidies, vital for the power and gas sectors where regulatory pricing heavily influences financial results.

Other impactful standards include IFRS 15 (Revenue from Contracts with Customers)**,** which establishes a five-step model for revenue recognition. This is particularly important for industries reliant on long-term contracts, such as construction, telecommunications, and oil & gas, where revenue estimation involves significant judgment. Similarly, IFRS 16 (Leases) mandates the inclusion of lease liabilities on the balance sheet, which could significantly alter financial ratios for sectors like transport and infrastructure. For SOEs involved in power generation, where Power Purchase Agreements (PPAs) dominate, this standard presents challenges and opportunities to reassess lease arrangements. Furthermore, IFRS 17 (Insurance Contracts) ensures transparency in the reporting of insurance liabilities, benefiting SOEs in the insurance industry by standardizing the valuation of long-term contracts.

In addition to IFRS, certain IAS standards carry profound implications for SOEs. For instance, IAS 19 (Employee Benefits) governs the accounting for pensions and other long-term employee benefits, a critical area for infrastructure-heavy SOEs like railways, which often have large pension obligations. IAS 20 (Accounting for Government Grants) provides clarity on recognizing and disclosing government assistance, particularly relevant for sectors heavily reliant on subsidies and grants, such as infrastructure development. Similarly, IAS 21 (The Effects of Changes in Foreign Exchange Rates) addresses foreign currency transactions, ensuring proper financial reporting for power companies and export-driven SOEs with significant foreign exchange exposures.

The challenges of adopting these standards are multifaceted. SOEs will need to revamp their financial reporting processes, upgrade systems, and provide extensive training to ensure that staff understand and can implement the new standards effectively. Additionally, the complexity of aligning local regulatory frameworks with global standards requires a carefully balanced approach to avoid compliance gaps. The operational adjustments required may also strain existing resources and systems, especially in sectors with outdated practices or limited financial expertise.

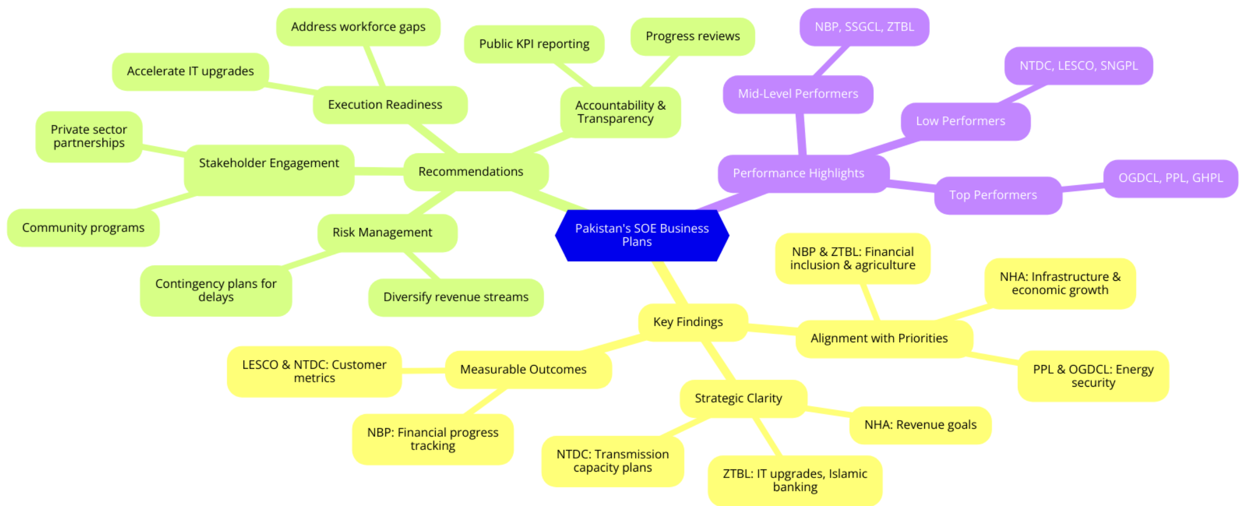
However, the benefits of successful IFRS/IAS implementation are equally significant. Improved transparency and comparability will enhance the quality of financial reporting, aiding better decision-making by stakeholders. Greater investor confidence will increase access to capital, both locally and internationally, while improved governance standards will position SOEs as globally competitive entities. This transition also sets the stage for fostering innovation and efficiency within SOEs, as compliance with these standards often necessitates streamlined financial operations.

To ensure a smooth transition, a phased implementation strategy is critical. This involves sector-specific impact assessments, prioritizing high-risk and high-impact areas, and developing capacity-building programs. Training programs for financial teams, coupled with system upgrades, will play a pivotal role in bridging knowledge gaps. Regular monitoring, feedback loops, and periodic progress reviews will ensure adherence to the February 2026 compliance deadline.

In summary, the implementation of IFRS and IAS represents both a challenge and an opportunity for SOEs. By addressing sectoral nuances and adopting a structured, phased approach, SOEs can navigate the complexities of this transition while unlocking the potential for improved governance, greater investor trust, and enhanced global competitiveness. This alignment with international benchmarks not only fulfills regulatory mandates but also equips SOEs to play a pivotal role in driving Pakistan's economic growth on a global scale.

NOTE: Detailed analysis on IFRS compliance report of this document.

BUSINESS PLAN ANALYSIS SUMMARY



The business plans of Pakistan's key state-owned enterprises (SOEs) have been assessed and evaluated against the SMART criteria to evaluate their alignment with organizational missions, socio-economic goals, and sectoral benchmarks. These enterprises encompass diverse industries, including banking, energy, infrastructure, and utilities. While most plans reflect strategic intent and alignment with national priorities, significant gaps in execution readiness, measurable outcomes, and risk management hinder their full potential.

Key Findings

1. Strong Alignment with National and Sectoral Priorities: Most SOEs exhibit a strong focus on their alignment with national energy, financial inclusion, and socio-economic development priorities. For example:

    - National Bank of Pakistan (NBP) and Zarai Taraqiati Bank Limited (ZTBL) emphasize financial inclusion and agricultural credit disbursement.
    - National Highway Authority (NHA) supports economic growth through highway infrastructure but lacks detailed social impact goals like equitable access and environmental sustainability.
    - Pakistan Petroleum Limited (PPL) and Oil and Gas Development Company Limited (OGDCL) focus on energy self-sufficiency and resource exploration.
    - Government Holding Private Limited (GHPL) aims to reduce energy import dependency, saving over $1 billion annually, strongly supporting Pakistan's energy security and economic stability.
    - Sui Northern Gas Pipelines Limited (SNGPL) and National Transmission and Dispatch Company (NTDC) target infrastructure modernization to address energy distribution challenges.

2. Clarity in Strategic Goals but Limited Actionable Details: Strategic goals, while generally well-aligned with organizational missions, often lack actionable sub-targets, operational clarity, or specific implementation plans. For instance:
   - ZTBL's Islamic banking expansion and IT upgrades are inadequately detailed, affecting execution feasibility.
   - NTDC's transmission capacity expansion lacks phased resource allocation and risk mitigation strategies.
   - NHA's objectives, such as "enhancing revenue generation," are vague and lack actionable details.
3. Measurable Outcomes Require Strengthening: Financial and operational KPIs are generally defined but lack sufficient granularity or customer-centric metrics. For example:
   - LESCO and NTDC do not include robust customer satisfaction metrics, despite their critical role as public utilities.
   - NBP and ZTBL fail to incorporate clear reporting frameworks to track progress on financial inclusion and rural outreach.
4. Achievability Constrained by Resource and Execution Gaps: Workforce shortages, outdated technology, and financial constraints limit the feasibility of many plans. Key examples include:
   - ZTBL faces a severe shortage of Mobile Credit Officers (MCOs) and delayed IT system upgrades.
   - SNGPL and SSGCL struggle with regulatory challenges, circular debt, and aging infrastructure.
   - LESCO's reliance on external financing introduces execution risks.
   - NHA faces significant funding gaps, with projected allocations insufficient to meet resource needs for ambitious expansion goals.
5. Relevance to Stakeholders and Public Policy:Many plans focus on socio-economic contributions, such as job creation and rural electrification, but lack detailed mechanisms to engage stakeholders effectively.
   - OGDCL and PPL contribute significantly to national energy security but lack diversification strategies in renewable energy.
   - NBP prioritizes financial inclusion but underperforms in customer-centric initiatives to compete with private sector banks.

6. Time-Bound Planning and Accountability Weaknesses: While timelines for projects are generally outlined, weak accountability mechanisms and contingency planning undermine effectiveness. For instance:
    - ZTBL and LESCO face repeated delays in IT and operational upgrades due to poor enforcement of accountability.
    - GHPL provides realistic project deadlines but lacks detailed provisions for delays.
    - NPPMCL and NTDC lack contingency plans for unexpected delays in project execution.

Recommendations

1. Enhance Execution Readiness
    - Address workforce gaps through targeted recruitment and upskilling programs.
    - Accelerate IT system upgrades (e.g., Core Banking Systems for ZTBL) to enable operational scalability and compliance.
2. Strengthen Measurable Outcomes
    - Define customer satisfaction metrics for utilities like LESCO and SSGCL to improve service delivery.
    - Develop detailed financial projections and operational benchmarks, particularly for entities like NBP and NTDC.
3. Improve Risk Management
    - Incorporate robust contingency plans to mitigate risks such as regulatory delays, funding shortfalls, and market volatility.
    - Diversify revenue streams for energy companies (OGDCL, PPL) to reduce reliance on hydrocarbons.
4. Foster Stakeholder Engagement
    - Develop community engagement programs to align business objectives with local socio-economic needs.
    - Strengthen collaboration with private sector stakeholders to enhance competitiveness and innovation.
5. Ensure Accountability and Transparency
    - Establish independent progress review mechanisms to ensure timely execution of goals.

- Enhance public reporting frameworks to improve transparency, particularly for financial outcomes and KPI tracking.

6. Diversify and Innovate
   - Encourage energy SOEs like GHPL and OGDCL to invest in renewable energy and align with global energy transition trends.
   - NHA should adopt innovative solutions like digital toll collection and AI-based traffic management to improve operational efficiency.

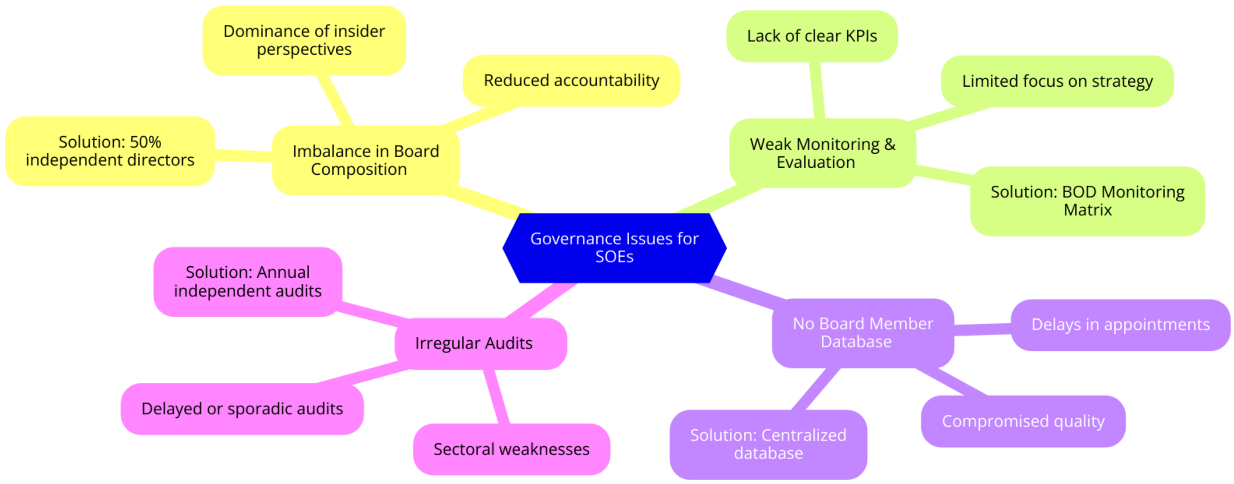
Performance Highlights

- Top Performers: OGDCL, PPL, and GHPL scored high on alignment with national priorities, financial viability, and operational readiness. However, they need to address renewable energy integration and global energy transition trends.
- Mid-Level Performers: NBP, SSGCL, ZTBL, and NPPMCL demonstrate strong alignment with socio-economic priorities but face execution challenges due to resource constraints and weak risk management.
- Reasonable Performer: The SLIC operates as a reasonable performer in Pakistan's insurance sector, benefiting from a protected environment compared to its private sector competitors. While it has a strong market presence and contributes to financial inclusion, its performance is limited by a lack of innovation and competitiveness.
- Low Performers: NTDC, LESCO, and SNGPL exhibit significant gaps in measurable outcomes, risk mitigation, and accountability frameworks, which hinder their ability to meet ambitious national energy goals.
- Constrained Performer: NHA plays a crucial role in infrastructure development and economic growth. However, it is constrained by vague goals, insufficient funding, and weak socio-economic impact metrics. High debt levels due to PSOs. However, operational inefficiencies need to be addressed transparently instead of being masked under the PSO framework.

Overall, while the business plans reflect significant potential to contribute to Pakistan's socio-economic and industrial growth. Addressing execution barriers, enhancing stakeholder engagement, and adopting innovative, customer-centric approaches will be critical to achieving sustainable outcomes.

NOTE: Detailed analysis on Business plan analysis report of this document (top 15 assets wise)

CORPORATE GOVERNANCE CORE ISSUES



Key Corporate Governance Issues for Enhancing the Governance Framework of State-Owned Enterprises (SOEs)

The effectiveness, accountability, and transparency of State-Owned Enterprises (SOEs) hinge on addressing critical governance challenges. These challenges, if left unresolved, can lead to suboptimal performance, increased fiscal risks, and erosion of public trust. Below is an expanded discussion of four pivotal governance issues that require urgent attention:

1. Imbalance Between Independent and Non-Independent Board Members

A cornerstone of robust corporate governance is the presence of independent directors who bring objectivity and impartial oversight to board decision-making. Unfortunately, many SOEs still have a disproportionate number of non-independent directors, particularly in critical sectors such as power, infrastructure, and gas.

This imbalance results in:

- Dominance of insider perspectives: Management's influence may go unchecked.
- Reduced accountability: Critical decisions may favor short-term interests or specific stakeholder groups over the SOE's long-term viability.

To address this, SOEs should ensure that at least 50% of board members are independent, aligning with global best practices. Independent directors can enhance strategic oversight, improve risk management, and align the organization's objectives with public and investor expectations.

2. Inadequate Monitoring and Evaluation of Board Performance

Effective governance requires consistent monitoring and evaluation of the Board of Directors (BOD). The current frameworks in many SOEs are underdeveloped, leading to gaps in accountability and performance oversight.

Key shortcomings include:

- Weak evaluation metrics: Absence of clear KPIs for board performance.
- Limited focus on strategic priorities: Boards often fail to prioritize long-term planning and compliance.

Developing a BOD Monitoring Matrix that includes sector-specific KPIs and regular performance assessments is critical. This matrix should be standardized across SOEs in sectors such as power, gas, and infrastructure to ensure consistency and drive board development initiatives. Enhanced monitoring will help improve decision-making, mitigate risks, and foster better alignment with national strategic objectives.

3. Lack of Comprehensive Database for Prospective Board Members

The absence of a well-maintained database of qualified board members is a major bottleneck in ensuring competent and diverse governance. The lack of such a resource often results in delays in board appointments and compromises on the quality of directors.

To address this, a centralized database of prospective board members should be developed, featuring:

- Diverse expertise: Individuals from finance, law, engineering, industry-specific fields, and governance.
- Fit-and-proper criteria compliance: Alignment with the SOE Act to ensure integrity and competence.

Such a database would streamline the appointment process, reduce vacancies, and provide SOEs with access to a wide range of skilled professionals, strengthening governance across the sector.

4. Lack of Regular and Independent Audits

Periodic and independent audits are critical for ensuring transparency, identifying inefficiencies, and mitigating financial risks. However, many SOEs lack a robust mechanism for conducting regular audits, which undermines their accountability.

Key concerns include:

- Delayed audits: Audits are often sporadic, limiting their effectiveness as a governance tool.
- Sectoral weaknesses: Critical sectors such as power, infrastructure, and gas face persistent governance and performance challenges due to insufficient oversight.

To strengthen governance, SOEs must:

- Mandate annual independent audits to ensure compliance with regulations.
- Implement findings from audit reports promptly to address operational inefficiencies and financial risks.

Addressing these governance challenges—enhancing board independence, improving monitoring and evaluation, creating a comprehensive database for board appointments, and ensuring regular audits—will significantly strengthen the governance framework of SOEs. Particular attention should be given to sectors like power, infrastructure, and gas, where governance gaps have a pronounced impact on performance. These measures are essential for fostering transparency, accountability, and operational excellence, ultimately leading to the improved management of public resources and enhanced public confidence in SOEs.

NOTE: Detailed analysis on Corporate Governance analysis report of this document (top 15 assets wise)

RECOMMENDATIONS

Governance Enhancements

1. Board Composition:

- Independent and Qualified Directors: Appoint directors with expertise in finance, law, and industry-specific domains to ensure that the board can offer unbiased and informed oversight.
- Diversity: Ensure representation of women and younger directors (below 40) to introduce fresh perspectives and foster inclusive governance.
- Limits on Directorships: Restrict directors from serving on more than five SOE boards to prevent conflicts of interest and ensure dedicated focus.

2. Corporate Governance:

- Adopt Best Practices: Align governance structures with international standards to promote transparency and accountability.
- Role Clarity: Clearly define the roles and responsibilities of the board, management, and shareholders to eliminate overlaps and inefficiencies.

3. Monitoring and Oversight:

- Performance Metrics: Introduce key performance indicators (KPIs) to regularly monitor SOEs' progress against strategic and operational goals.

Financial Management Reforms

4. Free Cash Flow and WACC:

- Cash Flow Optimization: Implement cost-cutting measures, enhance operational efficiency, and prioritize investments with high returns to improve free cash flow.
- Reduce Cost of Capital: Explore refinancing options, renegotiate loans, and diversify funding sources to lower the weighted average cost of capital (WACC).

5. Leverage and Fiscal Dependency:

- Leverage Management: Develop risk management strategies to optimize debt levels and reduce exposure during economic downturns.
- Self-Sustainability: Reduce dependency on government subsidies by improving operational efficiencies and generating consistent revenue streams.

6. Debt and Liabilities:

- Debt Restructuring: Restructure existing debt to reduce interest costs and improve repayment terms.
- Contingent Liabilities: Introduce stricter evaluation processes for issuing guarantees and adopt robust risk assessment frameworks.

7. Revenue Recognition and Transparency:

- IFRS 15 Compliance: Implement international standards for revenue recognition to reflect accurate financial performance.
- Transparency Measures: Address qualifications in audit reports promptly and adopt IFRS standards for consistency and comparability.

Operational Efficiency

8. Dynamic Business Models:

- Market Responsiveness: Design flexible business models that can quickly adapt to market changes, new opportunities, and disruptions.
- Innovative Practices: Leverage technology, automation, and data analytics to improve efficiency and reduce costs.

9. Performance Metrics:

- Real-Time Monitoring: Use performance metrics to track operational success and adjust business plans as needed.
- Alignment with Objectives: Ensure that operational activities are consistent with strategic goals to achieve long-term sustainability.

10. Operational Excellence:

- Lean Management: Streamline processes, eliminate waste, and reduce inefficiencies to lower operational costs.
- Audits and Reviews: Conduct regular audits and reviews to identify bottlenecks and areas for improvement.

Strategic and Structural Interventions

11. Categorization of SOEs:

- Classification Framework: Categorize SOEs based on financial health, strategic importance, and privatization potential to prioritize interventions.
- Resource Allocation: Focus government efforts on SOEs with the highest economic impact or privatization readiness.

12. Privatization and PPPs:

- Divest Non-Core Assets: Sell off non-strategic assets to reduce financial burden and focus on core competencies.
- Public-Private Partnerships: Engage private sector expertise through PPPs to enhance efficiency, innovation, and resource utilization.

13. Transformation Plans:

- Clear Objectives: Define specific goals, timelines, and metrics for SOEs undergoing transformation.
- Implementation Strategy: Assign accountability for executing transformation initiatives and track progress against defined milestones.

14. Talent Management:

- Merit-Based Appointments: Ensure that C-level executives are appointed based on qualifications and experience.
- Retention Strategies: Create competitive compensation packages and professional development programs to attract and retain top talent.

Key Risks and Mitigation Strategies

15. Unfunded Pension Liabilities:

- Funding Obligations: Create a structured plan to fund pension liabilities progressively.
- Pension Reforms: Transition to sustainable pension schemes aligned with global best practices.

16. Receivables and Payables Management:

- Streamlined Collections: Implement efficient systems for receivables collection to improve cash flow.
- Favorable Terms: Negotiate extended payment terms with suppliers to enhance liquidity.

17. Tax and Non-Tax Contributions:

- Tax Planning: Optimize tax strategies to maximize contributions while ensuring compliance.
- Operational Efficiencies: Enhance profitability by reducing waste and adopting cost-saving measures.

18. Interest Coverage and Debt Risks:

- Profitability Improvements: Enhance operational income to cover interest obligations comfortably.
- Debt Refinancing: Seek lower-cost funding to reduce the financial strain of high-interest debts.

Implementation of Standards

19. Adoption of IFRS:

- IFRS 9 for Credit Risk: Implement to improve risk assessment and provisioning for credit losses.
- IAS 19 for Pensions: Adopt for accurate reporting of pension obligations and funding requirements.
- IFRS 15 for Revenue: Align revenue recognition practices with international norms for better accuracy.
- IFRS 14 Regulatory deferrals: Develop transition plans for SOES with high govt. assistance and impacts on current ratios and debt covenants.

20. External Audits:

- Mandatory Compliance: Ensure all SOEs undergo regular external audits to maintain financial integrity.
- Address Audit Qualifications: Take corrective action on any issues raised in audit reports to enhance accountability.

EXECUTIVE SUMMARY END

DETAILED REPORTS AHEAD →

REPORT ON RISKS FY 2024

Executive Summary of Risks and Mitigation Strategies for Pakistan's State-Owned Enterprises (SOEs)

This report provides a comprehensive analysis of the critical risks faced by Pakistan's SOEs across major sectors, including Oil, Gas, Power, Infrastructure, ICT, and Financial institutions. It highlights Credit, Market, and Operational risks and proposes strategic mitigation measures to ensure long-term stability and resilience.

Oil Sector Risks and Mitigation

- **Credit Risks**
  Entities like OGDCL, PPL, and PARCO are impacted by circular debt and customer payment defaults. Dependency on delayed payments from government-backed entities strains cash flows.
  Mitigation Strategies:
    - Rigorous credit monitoring.
    - Stricter penalty clauses for late payments.
    - Securing sovereign guarantees to ensure timely government support.
- **Market Risks**
  PKR/USD fluctuations reduce profitability as revenues are tied to USD-denominated oil prices.
  Mitigation Strategies:
    - Use of hedging instruments.
    - Foreign currency reserves.
    - Inflation-adjusted contract clauses.
- **Operational Risks**
  Global oil price volatility impacts revenue stability.
  Mitigation Strategies:
    - Implement structured hedging programs.
    - Use advanced data analytics and scenario forecasting.
    - Explore supplier financing solutions.

Gas Sector Risks and Mitigation

- **Credit Risks**
  Companies like SNGPL and SSGCL face large receivables due to delayed tariff adjustments and government subsidies.
  Mitigation Strategies:
    - Conservative revenue recognition practices.
    - Periodic reviews of regulatory updates.
- **Market Risks**
  Revenue estimation challenges under IFRS 15 due to government-regulated tariffs.
  Mitigation Strategies:
    - Compliance with IFRS standards.
    - Adoption of transparent regulatory practices.

- **Operational Risks**
  High unaccounted-for gas (UFG) losses from leaks and theft burden operations.
  Mitigation Strategies:
  - Real-time IoT monitoring.
  - Anti-theft measures.
  - Infrastructure maintenance enhancements.

Power Sector Risks and Mitigation

Distribution Companies (DISCOs)

- **Credit Risks**
  Low recovery rates and high receivables create cash flow challenges.
  Mitigation Strategies:
  - Advanced metering infrastructure (AMI) for billing accuracy.
  - Enforcing stricter payment policies.
- **Market Risks**
  Government interventions in tariff-setting lead to financial strain.
  Mitigation Strategies:
  - Advocate for cost-reflective pricing policies.
  - Attract private sector investment.
- **Operational Risks**
  Outdated infrastructure leads to high distribution losses.
  Mitigation Strategies:
  - Infrastructure upgrades.
  - Anti-theft measures to improve service quality.

Generation Companies (GENCOs)

- **Credit Risks**
  Payment delays by DISCOs force reliance on short-term borrowing.
  Mitigation Strategies:
  - Diversify energy mix to reduce hydrocarbon dependency.
  - Infrastructure upgrades and preventive maintenance.
- **Market Risks**
  Vulnerability to global fuel price volatility.
  Mitigation Strategies:
  - Incorporate renewable energy into the portfolio.
  - Align operations with sustainability goals.

Infrastructure and Transport Sector Risks and Mitigation

- **National Highway Authority (NHA)**
  High debt obligations and fiscal strain from depreciation costs.
  Mitigation Strategies:
  - Explore infrastructure bonds and PPP models.

  - Implement debt restructuring.
- **Pakistan Railways (PR)**
  Reliance on government grants and outdated rolling stock limit financial autonomy.
  Mitigation Strategies:
  - Diversify revenue sources.
  - Modernize rolling stock and infrastructure.

Financial Sector Risks and Mitigation

- **Development Finance Institutions (DFIs)**
  Concentration in government securities limits developmental financing.
  Mitigation Strategies:
  - Encourage diversified portfolios.
  - Capital infusions for developmental projects.
- **Operational Risks**
  Compliance challenges and cybersecurity vulnerabilities.
  Mitigation Strategies:
  - Strengthened compliance frameworks.
  - Robust cybersecurity protocols.

Insurance and Trading Sector Risks and Mitigation

- **Insurance Entities (Pak Reinsurance, NICL)**
  Operational inefficiencies may arise from deregulation.
  Mitigation Strategies:
  - Enhance operational efficiency.
  - Diversify service offerings.
- **Trading Entities (PASSCO, Utility Stores Corporation, TCP)**
  Dependence on subsidies and high liabilities create operational bottlenecks.
  Mitigation Strategies:
  - Conduct subsidy allocation audits.
  - Restructure debt and improve operational practices.

Manufacturing, Mining, and Engineering Sector Risks and Mitigation

- **Pakistan Steel**
  Accumulated debt and outdated equipment strain operations.
  Mitigation Strategies:
  - Restructure debt.
  - Modernize operations.
  - Diversify product offerings.

Key Recommendations for SOE Resilience

- Strengthen financial controls and governance practices.
- Diversify energy portfolios to include renewable sources.
- Modernize infrastructure and adopt advanced technologies.
- Enhance transparency in financial reporting and regulatory compliance.

By addressing these risks strategically, Pakistan's SOEs can achieve long-term sustainability and contribute significantly to national economic development.

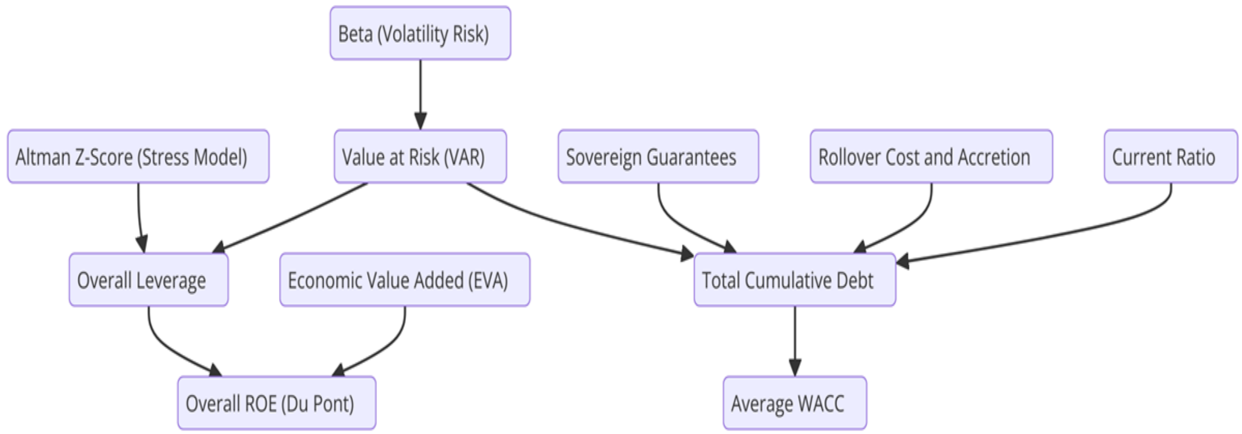
RISK SUMMARY

SOE PORTFOLIO RISK ANALYTICS

DESCRIPTION	QUANTIFICATION
EVA (Economic Value Added) (Value loss)	Rs -2,500,000 Million
EVA (Economic Value Added) Accretion	4%
Financial Leverage (RISK)	6.62 x
Operating Leverage (RISK)	10.6x
Overall Leverage (RISK)	70.12 x
Overall Leverage (RISK) Accretion multiplier	5.59 x
VAR (Value at Risk) (RISK)	Rs 4,951,000 Million
VAR (Value at Risk) Accretion	+33%
Overall ROE (Du Pont) (PROFITABLITY)	-0.5% (-0.22 x 0.35 x 6.62)
Overall Profitability (NP/Sales) (PROFITABLITY)	-0.22%
Overall Asset efficiency (Sales /Total Assets)	35%
Equity multiplier (LEVERAGE)	6.62 X
Overall ROIC (PROFITABLITY)	3.40%
Average WACC	17 to 22%
Asset Volatility (RISK)	7.92%
Asset Volatility (RISK) Accretion	-12.9%
Beta (RISK)	1+
Credit Spread of overall Debt over RFR (RISK)	226 Basis
Credit Spread of overall Debt over RFR (RISK) Accretion	-15%
Overall Interest Coverage (RISK)	Negative
Altman Z Score (Stress model) (RISK) below 1.8 high stress	0.29

Current Ratio (overall) (RISK)	0.76
Rollover cost (RISK)	Rs 2,333,846 Million
Rollover Accretion rate (RISK)	+24%
Total Cumulative debt (RISK)	Rs 9,195,587 Million
Sovereign Guarantees (RISK)	Rs 1,419,000 Million

RISK ANALYTICS



RISK IMPACT ANALYSIS

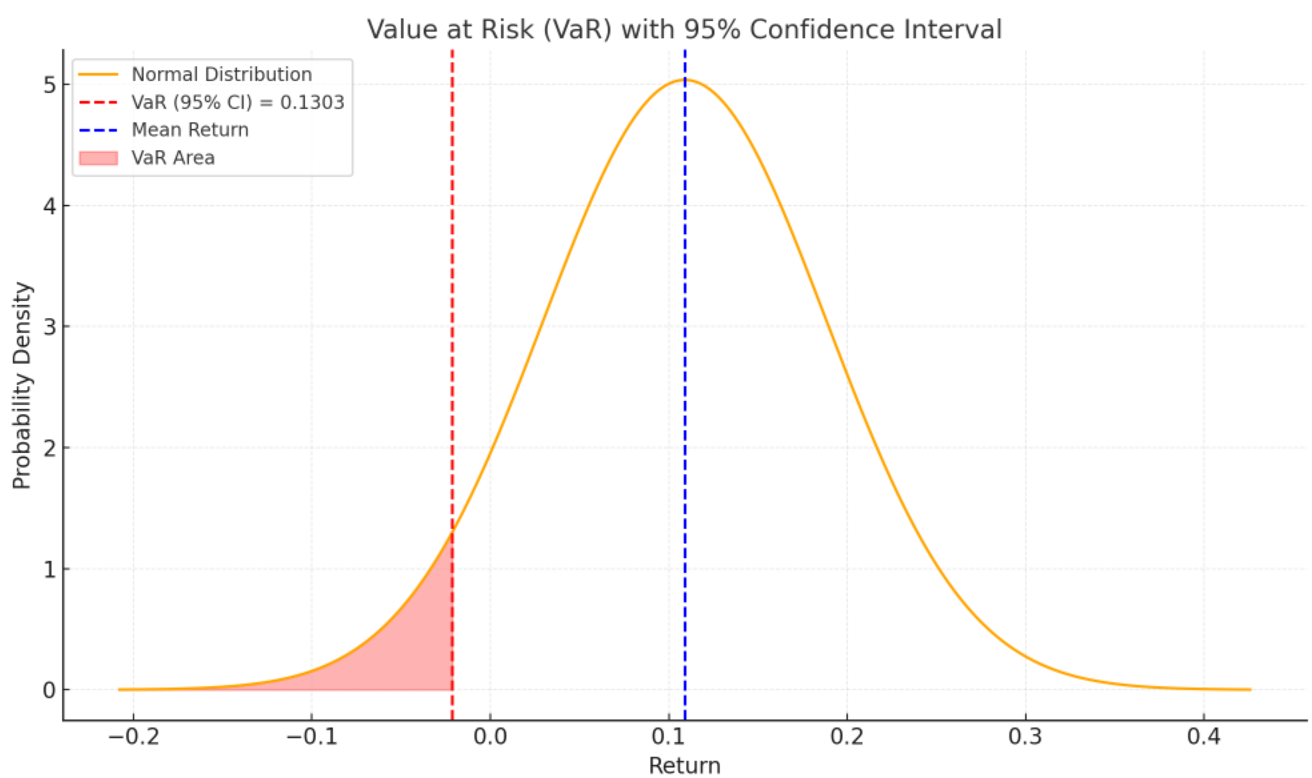
Risk Type	Specific Risk	Likelihood	Impact	Comments
Systemic Risks	**Economic Instability**	High	High	Frequent economic volatility in Pakistan leads to significant risk for SOEs.
	Government Policy and Regulation	High	High	Changes in policy can directly affect SOE operations and profitability.
	Funding and Budget Constraints	Medium	High	SOEs often face budget cuts, affecting their operations and expansion plans.
	Energy Sector Dependence	High	High	Many SOEs depend on the energy sector, which is volatile.
	Global Market Volatility	Medium	Medium	SOEs involved in trade are exposed to global market risks.
	Interest Rate Risk	Medium	Medium	High debt levels make SOEs vulnerable to interest rate fluctuations.
Unsystemic (Idiosyncratic) Risks	**Corporate Governance**	High	High	Poor governance is a widespread issue in Pakistani SOEs.
	Operational Inefficiencies	High	Medium	Outdated processes and technologies hamper efficiency and competitiveness.
	Human Resources Challenges	Medium	Medium	Hurdles in hiring and retention lead to skill gaps.
	Financial Mismanagement	Medium	High	Mismanagement of funds can lead to liquidity crises.
	Dependency on Government Subsidies	High	High	Reduction in subsidies can threaten the viability of some SOEs.
	Sector-Specific Risks	Medium	Medium	Certain industries have unique risks that can significantly impact

				SOEs

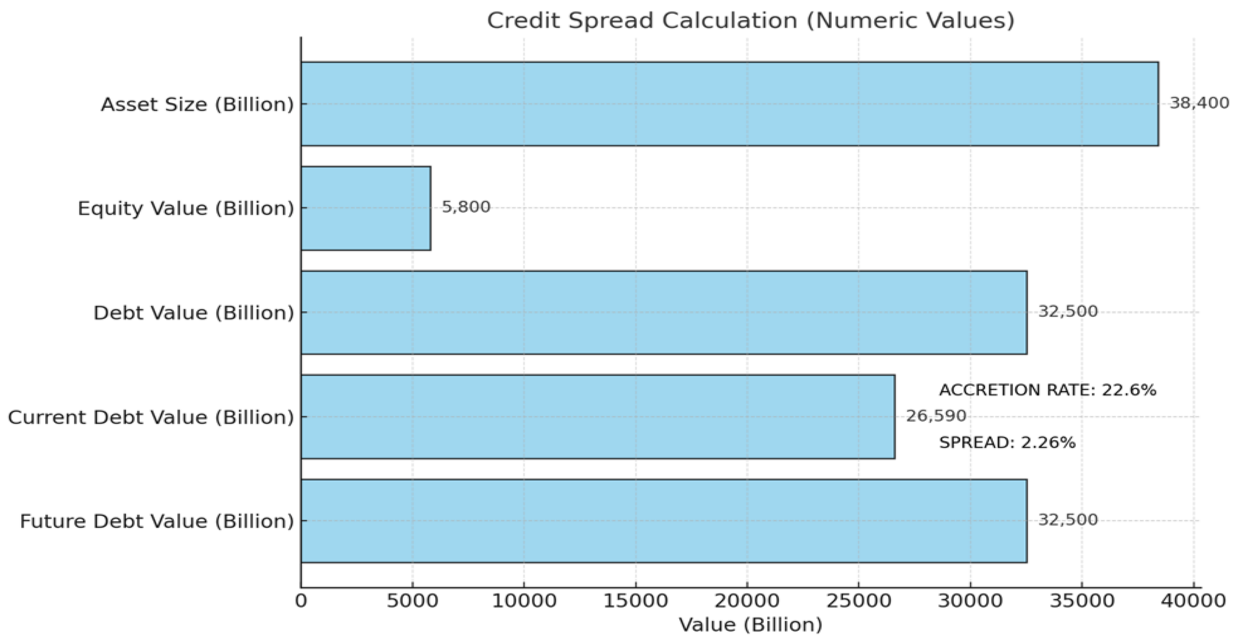
VAR, CREDIT SPREAD AND LEVERAGE OF SOE PORTFOLIO

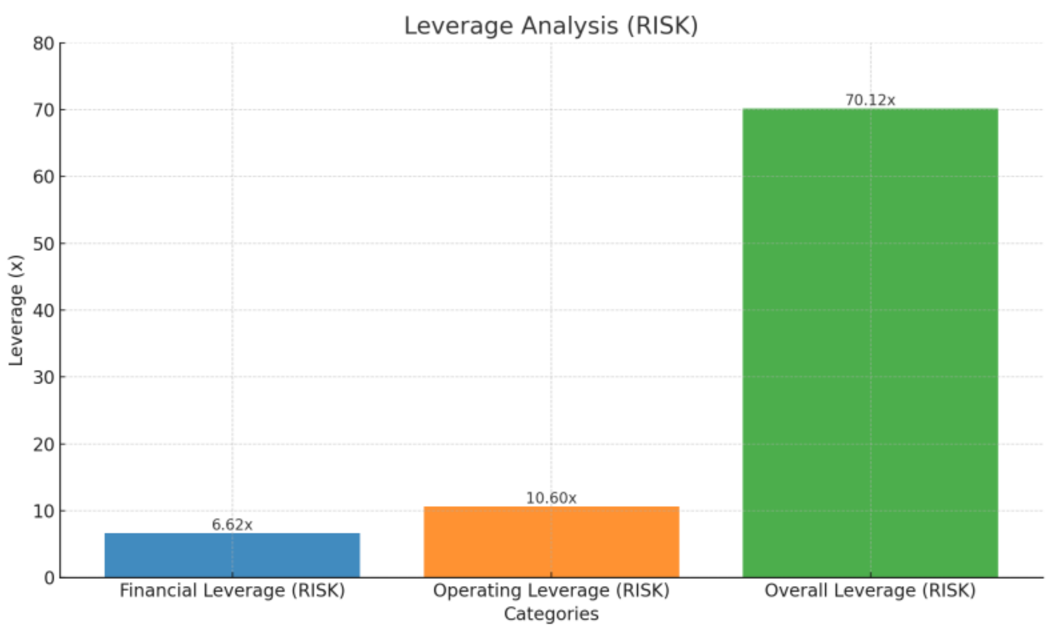
S.No	Calculation	Result
Asset Values (billions)	28,000, 30,000, 36,000, 38,000	
Return 1	(30,000 - 28,000) / 28,000	0.0714
Return 2	(36,000 - 30,000) / 30,000	0.2
Return 3	(38,000 - 36,000) / 36,000	0.0556
Mean Return	(0.0714 + 0.2 + 0.0556) / 3	0.1090
Variance	(0.0714 - 0.1090)^2 + (0.2 - 0.1090)^2 + (0.0556 - 0.1090)^2) / 2	0.0063
Standard Deviation	sqrt(Variance)	0.0792
Z-Score (95%)	1.645	1.645
VaR (Percentage)	1.645 * Standard Deviation	0.1303
Latest Asset Value	38,000	38,000
VaR (Absolute)	VaR Percentage * Latest Asset Value	4,951.4 billion

VALUE AT RISK GRAPHICS

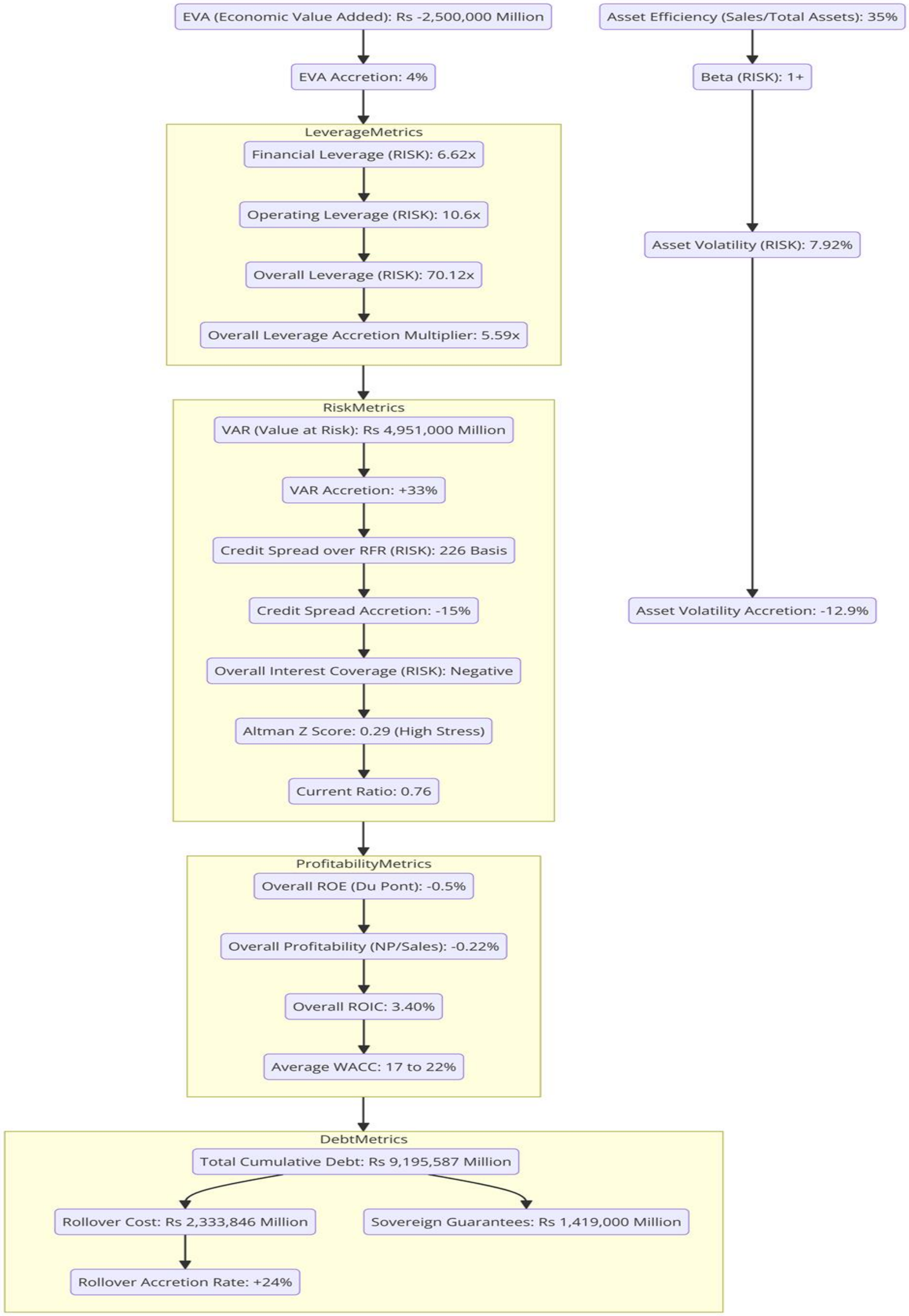


STRUCTURAL CREDIT RISK





RISK FLOW


EVA (Economic Value Added): Rs -2,500,000 Million
EVA Accretion: 4%
LeverageMetrics
Financial Leverage (RISK): 6.62x
Operating Leverage (RISK): 10.6x
Overall Leverage (RISK): 70.12x
Overall Leverage Accretion Multiplier: 5.59x
RiskMetrics
VAR (Value at Risk): Rs 4,951,000 Million
VAR Accretion: +33%
Credit Spread over RFR (RISK): 226 Basis
Credit Spread Accretion: -15%
Overall Interest Coverage (RISK): Negative
Altman Z Score: 0.29 (High Stress)
Current Ratio: 0.76
ProfitabilityMetrics
Overall ROE (Du Pont): -0.5%
Overall Profitability (NP/Sales): -0.22%
Overall ROIC: 3.40%
Average WACC: 17 to 22%
DebtMetrics
Total Cumulative Debt: Rs 9,195,587 Million
Rollover Cost: Rs 2,333,846 Million
Sovereign Guarantees: Rs 1,419,000 Million
Rollover Accretion Rate: +24%
Asset Efficiency (Sales/Total Assets): 35%
Beta (RISK): 1+
Asset Volatility (RISK): 7.92%
Asset Volatility Accretion: -12.9%

Sector Risks, Impacts, and Mitigation Strategies

Oil & Gas Sector Risks

Risk	Impact	Mitigation Strategies
Overreliance on Oil Prices & Lack of Hedging	Financial losses and disrupted budget forecasts.	Develop comprehensive hedging strategies and utilize advanced financial instruments.
Working Capital Lockups	Constrained liquidity and increased borrowing costs.	Enhance working capital management and improve receivables collection processes.
Delays in Brownfield to Greenfield Upgrades	Increased costs and lost revenue opportunities.	Streamline regulatory approvals and invest in workforce training for efficient project execution.
High UFG Losses	Revenue leakage and increased operational costs.	Implement advanced metering infrastructure and predictive maintenance technologies.
WACOG Pricing Inefficiencies & High Subsidies	Fiscal burdens and inefficient resource allocation.	Reform WACOG pricing mechanism and foster transparent pricing practices.
High Degree of Estimation in Revenues	Financial misstatements and impaired strategic planning.	Adopt accurate forecasting models and leverage historical data for better predictions.
Tariff Differential Subsidies (Pending)	Inflated revenues and receivables for SNGPL and SSGPL.	Resolve pending TDS and reassess financial statements for accurate representation.

Power Sector Risks

Risk	Impact	Mitigation Strategies
PHPL Guarantees & High LD Charges	Budgetary strain and reduced maintenance funds.	Strengthen contractual management and renegotiate terms to align with fiscal realities.
Unfavorable PHPL Grants Repayment Method	Continuous pressure on federal finances.	Revise amortization models to optimize repayment schedules.
Large Equity Injections for DISCOs	Strained public finances.	Enhance operational efficiency and explore private sector participation.
High Fiscal Drain over TDS	Limited government investment capacity.	Gradually phase out subsidies and implement cost-reflective tariffs.

Working Capital Issues in GENCOs	Operational disruptions and inefficiencies.	Improve working capital management and secure short-term financing.
Overreliance on Hydrocarbon Power	Unpredictable costs and environmental risks.	Diversify energy mix and increase investments in renewable energy sources.
High Capacity Payments of IPPs	Financial inefficiencies and higher costs.	Renegotiate IPP contracts to align capacity payments with actual generation.
Poor Collection/Recovery at DISCOs	Strained financial health and liquidity.	Deploy advanced metering infrastructure and enforce stricter payment policies.
Lack of NTDC Distribution Upgrades	Transmission losses and inefficiencies.	Modernize the grid and adopt smart grid technologies.
Guarantees for SOEs (WAPDA, GHPL, NTDC, PHCL)	Financial strain and risk of defaults.	Reduce reliance on guarantees and explore alternative financing mechanisms.

Infrastructure, Transport, and ICT Sector Risks

Risk	Impact	Mitigation Strategies
BOT Contracts on Unfavorable Terms	Higher costs and reduced profitability.	Review and renegotiate BOT contracts; incorporate performance-based incentives.
High Debt in PIA Holding Company	Increased borrowing costs and insolvency risks.	Implement debt restructuring and seek strategic partnerships.
NHA Debt & Interest Accrued	Limited funding for new projects.	Develop sustainable debt management plans and enhance revenue through toll collection.
PTCL High Leverage	Reduced financial flexibility.	Reduce leverage through asset sales and operational improvements.
Unknown Pension Liability of Railways	Unexpected financial obligations.	Conduct actuarial assessments and secure government funding.
Substandard Financial Accounting in Railways	Financial misstatements and lack of transparency.	Implement IFRS standards and enhance internal controls.

Financial Sector Risks

Risk	Impact	Mitigation Strategies
Low ADRs and High IDRs	Limited credit growth and economic development.	Encourage balanced lending and promote regulatory incentives for

		diversification.
DFIs Overinvesting in Government Securities	Hindered economic development and reduced private sector credit.	Reorient DFIs towards developmental financing and improve the regulatory framework.
Weak Business Models in NBFIs	Financial instability and market inefficiencies.	Strengthen business models and leverage technology for improved service delivery.
Insurance Sector Poor Portfolio Mix	Lower returns and increased risk exposure.	Diversify portfolio investments and adopt sophisticated asset management strategies.

Trading & Marketing Sector Risks

Risk	Impact	Mitigation Strategies
Ineffective Grant and Subsidy Utilization	Increased financial burden on the government.	Implement transparent allocation processes and conduct regular performance audits.
PASSCO High Subsidies and Leverage	Financial inefficiencies and reduced flexibility.	Enhance subsidy management and improve operational efficiency.
TCP High Liabilities	Increased financial costs and reduced profitability.	Develop debt management strategies and improve financial planning.

Manufacturing, Mining & Engineering Sector Risks

Risk	Impact	Mitigation Strategies
Financial Imbalance at Pakistan Steel	Financial instability and operational disruptions.	Implement debt restructuring, improve cash flow management, and explore privatization.
High Leverage at Pakistan Steel	Risk of default and operational inefficiencies.	Review and restructure debt, and consider public-private partnerships to boost financial health.

Latest Debt Position as on 30 June, 2024 PKR MILLIONS unless specified otherwise

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
1	Government Holdings (Private) Limited	65,000			71,899		**71,899**	6,134	5.7
2	Sui Southern Gas Company Limited	12,000			42,541	19,147	**61,688**	37,857	(1.5)
3	Pakistan State Oil Company Limited	30,000			428,997	5,425	**434,422**	7,808	1.3
4	Sui Northern Gas Pipelines Limited	63,000			164,961	365,002	**529,963**	28,960	0.9
5	Faisalabad Electric Supply Company Limited			5,541		6,111	**11,652**		(9.0)
6	Hyderabad Electric Supply Company Limited			9,325		11,542	**20,867**		(9.5)
7	Quetta Electric Supply Company Limited		15,441	13,288		23,293	**52,023**		(11.6)
8	Tribal Electric Supply Company Limited			19,233			**19,233**		
9	Peshawar Electric Supply Company Limited		125	13,105		4,748	**17,978**		(108.1)
10	Lahore Electric Supply Company Limited			8,047		6,088	**14,135**		(50.1)
11	Islamabad Electric Supply Company Limited			18,511		12,595	**31,106**		(5.6)
12	Gujranwala Electric Power Company Limited			8,215		13,613	**21,828**		(8.3)
13	Multan Electric Power Company Limited		797	13,562		11,208	**25,567**		9.4
14	House Building Finance Company Limited	11,000							2.1
15	GENCO-I: Jamshoro Power Company Limited		19,615	120,623		32,776	**173,013**		
16	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	7,000	6,512			2,296	**8,808**	7,416	(8.9)

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
17	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	9,000	1,770			3,108	**4,879**	8,601	(2.5)
18	GENCO-IV: Lakhra Power Generation Company Limited		14		6,133	12	**6,159**		
19	Pakistan Telecommunication Company Limited				95,536		**95,536**	2,065	0.1
20	National Transmission and Despatch Company	59,000	11,376	265,051	64,838	57,564	**398,829**	156	1.2
21	Pakistan Electric Power Company (Private) Limited								
22	Water and Power Development Authority	128,000	79,734	218,459	103,300	7,276	**408,768**	217,298	0.5
23	Zarai Taraqiati Bank Limited	54,000						54,462	1.0
24	National Bank of Pakistan							69,304	0.5
25	Pakistan Steel Mills Corporation (Private) Limited	40,000	105,108		38,230	123,374	**266,711**	1,961	(0.7)
26	Saindak Metals Limited		15,734				**15,734**		
27	Trading Corporation of Pakistan (Private) Limited		388		281,225	15,525	**297,137**		(257.5)
28	Utility Stores Corporation (Private) Limited	0	500				**500**	2,451	(61.0)
29	Pakistan Agricultural Storage & Services Corporation Limited				355,810	20,081	**375,891**		1.0
30	Pakistan Broadcasting Corporation		3,945				**3,945**		
31	Printing Corporation of Pakistan (Private) Limited		2,519			1,335	**3,854**		0.8
32	Pakistan Television Corporation Limited		59				**59**		3.1
33	Pakistan Revenue Automation (Private) Limited							103	3.5

Sr.	Name	Guarantees Issued	CDL	Relent	Bank Loans	Accrued Interest	Total	Other Loan	Times Interest Earned
34	Karachi Port Trust			19,421			**19,421**		6.6
35	PIA Holding Company	247,000	168,000		420,920	85,458	**674,379**	23,861	(0.1)
36	Pakistan National Shipping Corporation				2,821		**2,821**	15	15.5
37	National Highway Authority		1,316,771	866,165		1,242,754	**3,425,690**		(1.1)
38	Pak Arab Refinery Company				6,551		**6,551**	78	13.9
39	National Power Parks Management	11,000			45,227		**45,227**	34,313	2.3
40	Central Power Purchase Agency (Guarantee) Limited								1.0
41	Pakistan Expo Centers (Pvt) Ltd							463	(6.2)
42	Power Holding (Private) Limited	683,000		0	683,253	128,594	**811,848**		1.0
43	GENCO Holding Company Limited								7.4
44	Private Power & Infrastructure Board							61	
45	State Engineering Corporation (Private) Limited		288				**288**		
46	Pakistan Petroleum Limited				1,266		**1,266**		87.6
47	Neelum Jhelum Hydro Power Company		19,147	148,468		134,919	**302,534**	30,000	0.5
	Total	**1,419,000**	**1,767,841**	**1,747,014**	**2,813,508**	**2,333,846**	**8,662,210**	**533,368**	

Total debt stock Rs. 9,195,578 Million (Rs 8,662,210 + Rs 533,368) Million

The debt challenges faced by some State-Owned Enterprises (SOEs) are both critical and multifaceted. A major concern is the prevalence of negative interest coverage ratios, which reflect these entities' inability to generate sufficient earnings to meet their interest obligations, underscoring financial instability and operational inefficiencies. Compounding this issue is the high cost of rolling over existing debt, as weakened credit profiles force these SOEs to refinance under unfavorable terms, further escalating their financial burden. Additionally, the failure to account for interest expenses in compliance with International Financial Reporting Standards (IFRS) adds another layer of complexity. This non-compliance not only obscures the true financial position of these entities but also undermines transparency and accountability in financial reporting, leading to potentially flawed strategic decisions and diminishing stakeholder confidence. Addressing these challenges is essential to ensure the sustainable financial health and operational resilience of these enterprises.

	Inter Company Receivable as on June 2024 (Selected SOEs) PKR MILLIONS							
Entity	**Entity name**	**Abbreviation**	**Notes**	**Sr.**	**SOE/Dept**	Jun-24	**Jun-23**	
1	Government Holdings (Private) Limited	GHPL	40.2.2	1	SNGPL	60,757	53,774	
1	Government Holdings (Private) Limited	GHPL		2	SSGCL	150,905	125,042	
1	Government Holdings (Private) Limited	GHPL		3	PARCO	2,918	1,946	
1	Government Holdings (Private) Limited	GHPL		4	ENAR	78	76	
1	Government Holdings (Private) Limited	GHPL		5	OGDCL	1,262	1,825	
1	Government Holdings (Private) Limited	GHPL		6	PPL	67	195	
1	Government Holdings (Private) Limited	GHPL		7	Attock Refinery	5,438	6,732	
1	Government Holdings (Private) Limited	GHPL		8	National Refinery	289	288	

1	Government Holdings (Private) Limited	GHPL		9	Pakistan Refinery Limited	926	1,679	
1	Government Holdings (Private) Limited	GHPL		10	Others	286	149	
1	Government Holdings (Private) Limited	GHPL	41	11	GOP	71,899	75,995	
						294,825	267,701	
4	Oil and Gas Development Company Limited	OGDCL	36.1.3	1	ENAR	3,780	4,280	
4	Oil and Gas Development Company Limited	OGDCL		2	Pakistan Refinery Limited	4,574	4,558	
4	Oil and Gas Development Company Limited	OGDCL		3	PARCO	9,031	4,802	
4	Oil and Gas Development Company Limited	OGDCL		4	SNGPL	265,898	219,058	
4	Oil and Gas Development Company Limited	OGDCL		5	SSGCL	248,009	219,785	
						531,292	452,483	
5	Pakistan Petroleum Limited	PPL	10.1	1	GENCO-II	4,180	6,620	
5	Pakistan Petroleum	PPL		2	SNGPL			

	Limited					265,418	251,135	
5	Pakistan Petroleum Limited	PPL		3	SSGPL	291,453	238,068	
5	Pakistan Petroleum Limited	PPL		4	PRL	170	980	
5	Pakistan Petroleum Limited	PPL		5	PARCO	1,428	662	
5	Pakistan Petroleum Limited	PPL		6	ENAR	185	169	
5	Pakistan Petroleum Limited	PPL		7	OGDCL	45	1	
						562,879	497,635	
12	Pakistan State Oil Company Limited	PSO	14.6	1	GENCO	70,618	71,922	
12	Pakistan State Oil Company Limited	PSO		2	SNGPL	335,078	343,864	
12	Pakistan State Oil Company Limited	PSO		3	PIA	15,727	13,617	
12	Pakistan State Oil Company Limited	PSO		4	K-Electric	2,754	4,368	
12	Pakistan State Oil Company Limited	PSO		5	PR	5,176	4,036	
12	Pakistan State Oil Company Limited	PSO		6	OGDCL	713		
12	Pakistan State Oil Company Limited	PSO		7	PPL	11	52	
12	Pakistan State Oil Company Limited	PSO		8	SSGCL	8	1	

12	Pakistan State Oil Company Limited	PSO		9	PNSC		2	
12	Pakistan State Oil Company Limited	PSO						
						430,085	437,862	
13	Sui Northern Gas Pipelines Limited	SNGPL	Notes Not Available	1	GENCO, IPP & SSGCL (Unsecured)	211	211,314	
13	Sui Northern Gas Pipelines Limited	SNGPL	Analyst	2	GOP	1,182,865	953,480	Either through subsidy or future gas rate hike
13	Sui Northern Gas Pipelines Limited	SNGPL	Estimates	3	secured	111,000	111,981	
13	Sui Northern Gas Pipelines Limited	SNGPL	Use with Caution					
						1,294,076	1,276,774	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	1	KE	45,705	45,705	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	2	PSML	25,170	25,170	
9	Sui Southern Gas Company Limited	SSGC	Mar-23	3	GOP	437,997	437,997	Either through subsidy or
9	Sui Southern Gas	SSGC	Mar-	4	SNGPL			

	Company Limited		23			123,363	123,363	future gas rate hike
9	Sui Southern Gas Company Limited	SSGC	Mar-23	5	FBR	72,785	72,785	
						705,020	705,020	
30	National Transmission and Despatch Company	NTDC	8 &10	1	CPPA-G	58,233	84,773	
30	National Transmission and Despatch Company	NTDC		2	FBR	32,791	18,437	
30	National Transmission and Despatch Company	NTDC		3	Northern Power Generation Company Limited	939	1,003	
30	National Transmission and Despatch Company	NTDC		4	Power Planning and Monitoring Company	133	471	
30	National Transmission and Despatch Company	NTDC		5	Lakhra Power Generation Company Limited	216	216	
30	National Transmission and Despatch	NTDC		6	Central Power Generat	301	301	

	Company				ion Company			
30	National Transmission and Despatch Company	NTDC		7	Jamshoro Power Company Limited	241	241	
30	National Transmission and Despatch Company	NTDC		8	Lahore Electric Supply Company Limited	417	108	
30	National Transmission and Despatch Company	NTDC		9	Water and Power Development Authority	20,185	21,640	
30	National Transmission and Despatch Company	NTDC		10	Sukkur Electric Power Company Limited	624	647	
30	National Transmission and Despatch Company	NTDC		11	WAPDA Workers' Welfare Fund	398	394	
						114,479	128,232	
TOTAL						**3,932,6**	**3,765,7**	

	56	**07**	

	SOV. GUARANTEES OUTSTANDING PKR BILLIONS		
Sr #	**Entity Name**	**Jun 2024**	
		Stock (Outstanding)	**Guarantee Limit**
1	PHPL	683	683
2	WAPDA	128	128
3	PIAC	247	263
4	ZTBL	54	54
5	SNGPL	63	63
6	PSML	40	40
7	NTDC	59	72
8	NPGCL	9	9
9	HBFC	11	11
10	Wah Brass Mills	-	-
11	SSGCL	12	12
12	USC	-	-
13	NPPMCL	11	28
14	Pak.Textile City.Ltd	2	2
15	TIP	1	1

16	Machine Tool Factory	1	1
17	PARCO	-	-
18	CPGCL Guddu	7	7
19	PIAIL-Roosevelt	37	40
20	Pakistan Mortgage Refinance Corporation	11	15
21	NeCOP	-	11
22	GHPL	65	65
23	Jamshoro Power Co Ltd	-	10
24	PSO	30	100
	Total	**1,472**	**1,615**

Difference of Rs 1,472 Billion vs. Rs 1,419 Billion is due to Roosevelt and PMRC separate reporting in earlier tables.

RISK IMPACT ANALYSIS

The Risk Impact Analysis for Pakistan's State-Owned Enterprises (SOEs) in FY24 provides a structured breakdown of systemic and idiosyncratic risks, with emphasis on likelihood and impact. This overview highlights the areas most vulnerable to external pressures, internal inefficiencies, and sector-specific challenges, underscoring the need for strategic reforms to mitigate these risks.

Systemic Risks

1. Economic Instability

- Likelihood: High

- Impact: High

Economic volatility in Pakistan, influenced by fluctuating currency exchange rates, inflationary pressures, and external debts, heightens risks for SOEs. This instability often constrains business operations, complicates cost structures, and limits profitability, creating an environment where operational agility is crucial.

2. Government Policy and Regulation

- Likelihood: High

- Impact: High

Regulatory changes in taxation, tariffs, or sector-specific policies impact SOEs' financial performance and operational freedom. For instance, energy policy shifts or financial market regulations can rapidly alter budget allocations and project feasibility. Regulatory predictability is essential to ensure that long-term projects can proceed without unexpected costs or compliance burdens.

3. Funding and Budget Constraints

- Likelihood: Medium

- Impact: High

Many SOEs are financially dependent on government budgets, which are subject to reallocations due to fiscal constraints. Budget reductions directly impact SOEs' expansion, maintenance, and operational capabilities, potentially compromising performance and leading to deferred projects.

4. Energy Sector Dependence

- Likelihood: High

- Impact: High

The high dependency on energy sector revenues makes SOEs susceptible to sector volatility, including fluctuations in oil prices, supply chain disruptions, and energy policy changes. SOEs in sectors like manufacturing and infrastructure require stable energy inputs; without them, production costs can rise significantly, reducing competitiveness and profitability.

5. Global Market Volatility

- Likelihood: Medium

- Impact: Medium

SOEs engaged in trade, such as Pakistan's oil and gas sectors, face risks from global commodity price fluctuations and supply chain disruptions. Market volatility affects profit margins and operational planning, especially in areas reliant on imports or exports. Effective risk management strategies, including price hedging and diversified revenue channels, are essential to offset this exposure.

6. Interest Rate Risk

- Likelihood: Medium

- Impact: Medium

High debt levels render SOEs vulnerable to interest rate changes. A rise in interest rates increases borrowing costs, which can erode margins and reduce available cash flow for operational expenditures or reinvestment in growth. Monitoring and hedging interest rate exposures are strategic mitigations to manage this risk.

Unsystemic (Idiosyncratic) Risks

1. Corporate Governance

- Likelihood: High

- Impact: High

Governance deficiencies, including a lack of independent oversight and frequent changes in leadership, lead to inefficiencies and undermine investor confidence. Strengthening governance frameworks and enhancing board accountability are necessary to ensure transparency and strategic alignment.

2. Operational Inefficiencies

- Likelihood: High

- Impact: Medium

Outdated processes, equipment, and technologies contribute to low productivity and high operating costs. Modernizing equipment and implementing lean management principles can enhance operational efficiency, reduce waste, and improve SOE profitability.

3. Human Resources Challenges

- Likelihood: Medium

- Impact: Medium

SOEs face challenges in hiring and retaining skilled talent, leading to skills gaps that reduce innovation and responsiveness. Strategic HR policies focused on training, career development, and competitive compensation can mitigate workforce-related inefficiencies.

4. Financial Mismanagement

- Likelihood: Medium

- Impact: High

Poor financial management practices increase the risk of liquidity crises, as misallocation of funds or lack of budgetary controls can lead to cash flow issues. Implementing robust financial controls, regular audits, and enhanced reporting standards are crucial to maintaining financial health.

5. Dependency on Government Subsidies

- Likelihood: High

- Impact: High

The reliance on government subsidies, particularly in energy and infrastructure sectors, exposes SOEs to risks when subsidies are reduced or delayed. This dependency limits their financial autonomy, making revenue diversification critical to ensure operational continuity in the event of subsidy reductions.

6. Sector-Specific Risks

- Likelihood: Medium

- Impact: Medium

SOEs in sectors like agriculture, telecommunications, and transport face unique challenges that require targeted strategies. For instance, agriculture-related SOEs may be affected by climate change, while telecom SOEs face competitive pressures and technological advancements. Adapting sector-specific risk management strategies can improve resilience and long-term performance.

SOEs in Pakistan navigate a complex risk landscape shaped by systemic economic factors and unique operational challenges. Strengthening governance frameworks, enhancing financial controls, modernizing operational infrastructure, and diversifying revenue streams are essential steps toward reducing the overall risk exposure. Through strategic reform and proactive risk management, SOEs can improve operational efficiency, financial stability, and resilience against both domestic and international volatility.

DETAILED ANALYSIS

OIL SECTOR RISKS

1. Credit Risk

Piling Circular Debt & Risk of Customer Default:

- Risk Description: Circular debt is a pervasive issue in Pakistan's energy sector, often arising from delays in payments by distribution companies and government entities. For SOEs like OGDCL, PPL, and PARCO, the cash flow dependency on state-owned customers creates vulnerability to delayed payments. This not only constrains liquidity but can also escalate to defaults, resulting in potential operational shutdowns or forcing reliance on costly short-term debt.

CIRCULAR DEBT SETTLEMENT TABLE (FINANCIALS AS ON 30-6-2024)

PROFITABILITY (PKR BILLIONS WHERE APPLICABLE)						
S.No	SOE	REVENUE	OPERATING PROFIT	NET PROFIT (PAT)	ROE	ROA
1	OGDCL	436	246	208	16.64%	12.97%
2	PPL	291	146	115	17.97%	12.60%
3	GHPL(HALF YEAR AVAILABLE) 31-12-2023	72	50	32	19.94%	13.79%
4	PSO	3742	102	19	7.57%	1.79%

LIQUIDITY AND WORKING CAPITAL (PKR BILLION WHERE APPLICABLE)						
S.No	SOE	RECEIVABLES	RECEIVABLES OUTSTANDING	NET WORKING CAPITAL	CASH FROM OPERATIONS	CASH BALANCE AVAILABLE
1	OGDCL	636	506 DAYS	517	104	141
2	PPL	577	683 DAYS	510	81	7
3	GHPL(HALF YEAR AVAILABLE) 31-12-2023	217	684 DAYS	227	11	9
4	PSO	492	49 DAYS	188	16	20
	TOTAL	1922				

CAPITAL STRUCTURE (PKR BILLIONS)						
S.No	SOE	TOTAL ASSETS	TOTAL LIABILTIIES	NET EQUITY	ACCUMULATED PROFITS	DIVIDEND PAYOUT IN CASE OF GOVT EQUITY INJECTION
1	OGDCL	1604	354	1250	1169	YES
2	PPL	913	273	640	613	YES
3	GHPL(HALF YEAR AVAILABLE) 31-12-2023	464	143	321	258	YES
4	PSO	1063	812	251	237	YES

- Vulnerable SOEs: OGDCL, PPL, PARCO, GHPL

- Mitigation Strategies:

- Credit Risk Monitoring: Establish robust credit evaluation frameworks for customers, including large industrial clients and SOEs. Regular assessments should monitor creditworthiness, allowing companies to adjust credit terms or limit exposures where risks of default are high.

- Penalty Clauses in Contracts: Integrate stricter penalty clauses for late payments to enforce timely settlements, encouraging adherence by adding financial consequences.

- Government Backing & Sovereign Guarantees: Collaborate with the government to create sovereign guarantees or restructure debts to prevent liquidity crises among essential SOEs. This might involve including clauses for government support when large receivables remain unpaid beyond a threshold.

Exchange Rate Risk (PKR/USD Fluctuations):

- Risk Description: The oil sector's revenues are generally linked to USD-denominated international crude oil prices. A depreciation in the PKR reduces the local currency value of these revenues, affecting profitability. Conversely, PKR appreciation impacts profitability when converting USD-denominated earnings.

- Vulnerable SOEs: OGDCL, PPL

- Mitigation Strategies:

  - Hedging Instruments: Engage in hedging strategies, like forward contracts or currency swaps, to lock in favorable exchange rates, mitigating the impact of unfavorable currency movements.

  - Foreign Currency Accounts: Maintain reserves in USD to buffer against PKR fluctuations, reducing the impact on earnings and cash flow.

  - Inflation Adjustment Clauses: Align contract pricing with inflation-indexed adjustments to reduce the effect of exchange rate volatility on long-term contracts.

2. Operational Risk

Overreliance on Oil Prices & Lack of Hedging:

- Risk Description: The oil sector is highly susceptible to fluctuations in global oil prices due to geopolitical issues and supply-demand shifts. Without proper hedging mechanisms, SOEs face revenue volatility, impacting financial forecasting and budget planning.

- Vulnerable SOEs: OGDCL, PPL

- Mitigation Strategies:

  - Hedging Programs: Implement a comprehensive hedging strategy, including futures contracts and options, to stabilize revenue streams against price volatility.

  - Dynamic Risk Models: Use real-time data analytics and scenario forecasting to predict price movements and adjust hedging strategies, thus enabling quicker response to market changes.

Working Capital Lockups:

- Risk Description: High capital expenditures, combined with delayed payments from customers, create liquidity constraints in the oil sector. This leads SOEs to depend on short-term borrowing, increasing financial costs.

- Vulnerable SOEs: OGDCL, PPL, PARCO

- Mitigation Strategies:

  - Receivables Collection Improvement: Introduce automated invoicing and payment tracking systems to accelerate collections and manage overdue accounts proactively.

- Supplier Financing Solutions: Establish supply chain financing options with banks paying suppliers directly, while SOEs repay banks on more flexible terms, easing cash flow strains.

Delays in Brownfield to Greenfield Upgrades:

- Risk Description: Transitioning from brownfield (existing) to greenfield (new) projects often encounters bureaucratic delays, raising costs and postponing production enhancements.

- Vulnerable SOEs: PARCO

- Mitigation Strategies:

  - Regulatory Advocacy: Develop partnerships with regulatory bodies to expedite project approvals, reducing time spent on administrative processes.

  - Workforce Training Programs: Implement training to develop required skills for managing complex greenfield projects, improving operational readiness.

Geological Uncertainty & Reserve Estimates:

- Risk Description: The estimation of oil reserves is inherently uncertain and affects production, financial statements, and market perception of long-term asset value.

- Vulnerable SOEs: OGDCL, PPL

- Mitigation Strategies:

  - Advanced Geological Technologies: Invest in advanced seismic technology to improve reserve accuracy, minimizing unexpected discrepancies.

  - Conservative Reserve Accounting: Use conservative principles for reserve estimates, enhancing accuracy in financial reporting and investor confidence.

Security & High Operational Costs in Balochistan and KP:

- Risk Description: Operating in volatile regions raises security risks, impacting workforce safety and increasing operational costs due to the need for enhanced security protocols.

- Vulnerable SOEs: OGDCL, PPL, PARCO

- Mitigation Strategies:

  - Enhanced Security Measures: Coordinate with local law enforcement and private firms for added security, and use remote monitoring technologies to reduce exposure in high-risk areas.

Operational Failures (Blowouts, Leaks, Shutdowns):

- Risk Description: Unplanned events like blowouts or leaks pose high operational and reputational risks, with potential for environmental damage and regulatory fines.

- Vulnerable SOEs: OGDCL, PPL, PARCO

- Mitigation Strategies:

- Preventive Maintenance Programs: Adopt stringent maintenance schedules for infrastructure and equipment to prevent failures.

- Crisis Management Plans: Develop and regularly update disaster recovery plans to minimize environmental impact and restore operations quickly in case of accidents.

3. Market Risk

Global Shift Toward Renewable Energy:

- Risk Description: The global transition to renewables decreases demand for fossil fuels, posing a strategic risk for oil-based SOEs.

- Vulnerable SOEs: OGDCL, PPL, PARCO, GHPL

- Mitigation Strategies:

- Investment in Renewables: Diversify into renewable energy by investing in solar, wind, and hydrogen projects to offset revenue declines in fossil fuels.

- Strategic Alliances: Form partnerships with renewable energy companies to leverage expertise and market entry, positioning for growth in green energy.

Volatility in Crude Oil Prices:

- Risk Description: Fluctuations in oil prices due to external factors like OPEC decisions and supply disruptions impact profitability and make long-term planning challenging.

Crude Oil WTI Dec '24 (CLZ24)

71.78s +1.59 (+2.27%) 10/25/24 [NYMEX]

OPTIONS PRICES for Fri, Oct 25th, 2024

Notes Alerts Watch Hel

Make this my default

Options Type: Monthly Options | Dec 2024 | Near the Money | Stacked | Intraday | downl

20 Days to expiration on **11/15/24** Implied Volatility: **44.02%** Price Value of Option point: **$1,**

Calls

Strike	Open	High	Low	Last	Change	Bid	Ask	Volume	Open Int	Premium	Last Trade	Lin
67.00C	4.88	5.85	4.36	5.79s	+1.24	N/A	N/A	2	3,157	5,790.00	10/25/24	
67.50C	4.29	5.49	4.05	5.43s	+1.20	N/A	N/A	4	1,225	5,430.00	10/25/24	
68.00C	4.29	5.15	3.75	5.09s	+1.16	3.50	N/A	286	6,251	5,090.00	10/25/24	
68.50C	3.73	4.83	3.48	4.76s	+1.12	N/A	9.88	9	2,563	4,760.00	10/25/24	
69.00C	3.46	4.51	3.22	4.45s	+1.07	N/A	N/A	313	5,046	4,450.00	10/25/24	
69.50C	3.20	4.21	2.98	4.15s	+1.02	N/A	N/A	249	5,359	4,150.00	10/25/24	

CBOE Crude Oil Volatility Index (^OVX) Follow

48.97 +2.31 (+4.95%)

At close: 4:02 PM EDT

- Vulnerable SOEs: OGDCL, PPL

- Mitigation Strategies:

  - Flexible Pricing Models: Introduce flexible pricing in contracts to adjust for oil price variations, reducing revenue sensitivity to price drops.

  - Operational Resilience: Enhance cost control and efficiency to sustain profitability even during low-price periods.

Recession Risks & Impact on Demand:

- Risk Description: Economic downturns reduce oil demand, leading to lower production, reduced prices, and decreased profitability.

- Vulnerable SOEs: OGDCL, PPL, PARCO

- Mitigation Strategies:

  - Cost Optimization: Employ lean management and efficiency practices to control costs and maintain profitability during demand slumps.

  - Market Diversification: Expand into emerging markets with growing energy needs, providing a buffer against declines in developed economies.

Strategic Initiatives for Comprehensive Risk Management

1. Hedging & Risk Management Committee: Form a committee to oversee risk exposures, especially in credit and operational vulnerabilities, and to coordinate hedging strategies across SOEs.

2. Renewable Energy Investments: Actively seek investments and partnerships in renewables to ensure future revenue streams beyond oil.

3. Data-Driven Decision Making: Use data analytics and AI for more accurate oil price forecasts, reserve estimations, and improvements in operational efficiency.

4. Strengthening Government Relations: Establish strong governmental ties to influence regulatory decisions, secure guarantees, and facilitate support for critical projects in volatile regions.

These initiatives offer a robust risk management framework to fortify SOEs like OGDCL, PPL, and PARCO against both immediate and long-term challenges in Pakistan's energy sector.

This expanded view provides a detailed risk mitigation framework, with strategic, operational, and financial controls in place to ensure the sustainability and profitability of oil sector operations amidst evolving market dynamics.

GAS SECTOR RISKS

- Vulnerable SOEs: SNGPL and SSGPL

1. Credit Risk

High Subsidies and Outstanding Receivables

- Risk Description: SNGPL and SSGPL rely on government subsidies to maintain reduced tariffs for end-users, especially residential customers. However, delays in these subsidies lead to significant receivables on the companies' balance sheets. This dependence is risky because any shifts in government policy or delays in payments directly impact cash flow, posing a substantial credit risk. Additionally, with subsidy payments often delayed due to government budget constraints, SNGPL and SSGPL accumulate large outstanding amounts, creating prolonged cash flow gaps.

- Impact: The inability to promptly collect these receivables forces both companies to rely on short-term borrowing to cover operational costs, increasing financial strain and exposing them to higher interest expenses. Furthermore, this reliance makes them vulnerable to political and fiscal instability, as shifts in government priorities or austerity measures could further delay subsidy disbursement or reduce the allocated amounts. Such liquidity challenges may strain credit ratings, elevate borrowing costs, and erode investor confidence.
- Mitigation Strategies:
  - Enhanced Receivables Management: SNGPL and SSGPL could establish dedicated receivables management units focused on maintaining regular communication with relevant government departments. This unit could also engage in proactive follow-ups and escalation processes to reduce payment delays.
  - Diversified Funding Sources: To mitigate dependency on subsidies, both companies should seek alternative funding sources, such as commercial loans, bond issuances, or partnerships with private investors. Additionally, exploring export markets could reduce reliance on domestic subsidies by capturing revenues from international customers.

2. Market Risk

Pending Tariff Adjustments and Revenue Estimation Challenges under IFRS 15

- Risk Description: SNGPL and SSGPL's revenue models depend significantly on tariff adjustments approved by regulatory authorities. These adjustments are often delayed, leading to revenue uncertainty and estimation challenges. Under IFRS 15 (Revenue from Contracts with Customers), revenue must be recognized based on the actual transfer of goods or services to the customer. However, the companies may overestimate revenues by including anticipated tariff adjustments that are yet to be approved. This practice risks overstating revenues if regulatory adjustments are delayed or approved at lower-than-expected rates.
- Impact: The risk of overstatement is high in such a setup, and this can lead to financial restatements, affecting the companies' credibility and regulatory compliance. Under IFRS 15, unapproved tariffs should not contribute to recognized revenue until there is a high probability that they will be realized. Overestimating based on pending tariffs leads to inflated financials, which, if later adjusted, could damage stakeholder trust, impact share prices, and expose the companies to audit scrutiny and potential regulatory sanctions.
- Mitigation Strategies:
  - Conservative Revenue Recognition: SNGPL and SSGPL should adopt conservative accounting policies that limit revenue recognition based on unapproved tariff adjustments. This approach could involve using historical tariff adjustment trends or conservative assumptions that do not rely solely on pending adjustments.
  - Frequent Review and Adjustment of Estimates: Both companies should implement a structured review process to periodically update revenue estimates based on the latest regulatory developments and government communications regarding tariff adjustments. This would ensure alignment with IFRS 15 and provide more accurate financial reporting.
  - Enhanced Disclosure Practices: Transparent reporting practices that disclose the estimation methodology, assumptions, and potential impact on revenue in case of delays would help enhance investor confidence. Detailed disclosure also aligns with IFRS 15's requirements, as it provides stakeholders with an accurate view of potential risks associated with revenue estimation.

3. Operational Risk

High Unaccounted-for Gas (UFG) Losses

- Risk Description: UFG losses represent gas that is lost in the distribution system and not billed to consumers. These losses occur due to leaks, theft, or inefficient infrastructure and remain a major operational challenge for both SNGPL and SSGPL. Regulatory bodies impose caps on acceptable UFG levels, and failure to maintain UFG within these limits leads to operational penalties. Chronic UFG losses not only inflate operational costs but also reflect inefficiencies that affect the companies' ability to meet regulatory standards.
- Impact: High UFG levels lead to direct financial losses and necessitate additional expenses to compensate for the lost gas. Furthermore, regulatory non-compliance due to exceeding UFG caps can result in penalties, which erode profitability. High UFG also signals operational inefficiencies, which can affect investor perception and confidence, impacting the companies' market standing and creditworthiness.
- Mitigation Strategies:
  - Infrastructure Modernization: Investing in modern, high-quality pipelines and advanced distribution systems could reduce leakages significantly. Improved infrastructure would help lower UFG levels and minimize associated costs in the long term.

  - IoT-Based Monitoring Systems: Implementing IoT-based real-time monitoring systems could allow for early detection of leaks and unauthorized usage. These systems would enable SNGPL and SSGPL to monitor gas flows closely, reduce losses, and maintain UFG within acceptable limits.
  - Anti-Theft Measures and Legal Support: Collaborating with law enforcement agencies to prevent gas theft, along with implementing stricter anti-theft protocols, can mitigate unauthorized usage and help control UFG losses.

Operational Dependence on Government-Linked Subsidies

- Risk Description: SNGPL and SSGPL's operational models rely heavily on government subsidies, which support reduced tariffs and offset operating costs. However, any delays in these subsidies disrupt cash flow, leading to project delays, deferred maintenance, and quality issues. The dependence on subsidies is a major operational risk, especially in cases where government priorities shift or when budgetary constraints affect subsidy disbursement timelines.
- Impact: Dependency on subsidies can lead to significant operational disruptions, including halted projects and deferred maintenance. These disruptions decrease service

reliability, affect customer satisfaction, and could lead to regulatory non-compliance if service standards fall. Furthermore, delayed maintenance can cause longer-term damage to infrastructure, increasing future repair costs.

- Mitigation Strategies:
  - Reduce Dependency Through Alternative Funding: SNGPL and SSGPL should actively pursue partnerships, private sector investments, or commercial loans to fund operational expenses independently of government subsidies. This diversification would reduce financial dependency on government funding.
  - Contingency Planning: Developing contingency plans that prioritize essential projects and critical maintenance activities during subsidy delays would help ensure continuity in operations. This could include building a reserve fund or allocating emergency funds specifically for critical operations that cannot be delayed.

The gas sector's complex landscape, with risks spanning credit, market, and operational areas, challenges SNGPL and SSGPL's financial and operational stability. By implementing conservative revenue recognition practices, modernizing infrastructure, improving receivables management, and reducing reliance on government support, both companies can enhance resilience against these identified risks. Enhanced disclosure and stakeholder transparency, aligned with IFRS 15, will further strengthen investor confidence and ensure regulatory compliance.

IFRS 14 REGULATORY DEFERRAL ACCOUNTS RISK

For SNGPL and SSGPL, the implementation of IFRS 14 - Regulatory Deferral Accounts will have significant impacts on key financial metrics like the current ratio and debt covenants. Under IFRS 14, regulatory deferral account balances are to be presented separately and excluded from core financial metrics, such as current assets and earnings per share (EPS). For SNGPL and SSGPL, this change means that tariff differential receivables from the Government of Pakistan (GoP) will no longer be included in current assets, which could lead to a lower current ratio. A lower current ratio may imply reduced liquidity, potentially affecting the companies' compliance with debt covenants that rely on minimum liquidity thresholds.

Furthermore, the exclusion of these balances from EPS calculations could reduce reported earnings, potentially impacting investor perception. To adapt, a phased approach is suggested, where Phase 1 involves starting the separation of regulatory deferral accounts from current assets and adjusting EPS calculations accordingly. By Phase 3, full compliance with IFRS 14 will be achieved, with these accounts presented as separate line items, and any impacts shown in Accumulated Other Comprehensive Income (AOCI), further clarifying the effect on financial statements for stakeholders.

POWER SECTOR RISKS (DISCOS)

The distribution companies (DISCOs) in Pakistan—such as **IESCO, LESCO, MEPSO, HESCO, GEPCO, QESCO, and PESCO**—face a confluence of high-risk factors that contribute to operational inefficiency and an entrenched circular debt problem. This debt, is largely driven by the inability of DISCOs to recover sufficient revenue from consumers to cover the costs of electricity generation and distribution. Poor collection rates, high transmission and distribution losses, delayed government subsidies, and infrequent tariff adjustments create a cycle of financial strain. When DISCOs fail to pay power generation companies (GENCOs) on time, GENCOs, in turn, are unable to pay fuel suppliers, creating a debt loop that affects every layer of the energy supply chain. This circular debt ultimately hinders DISCOs' capacity to invest in infrastructure, maintain equipment, and improve operational efficiency, perpetuating a cycle of inefficiency and financial instability.

At the core of these challenges are the high levels of operational and credit risk inherent in DISCOs' business model. Operational inefficiencies, such as outdated infrastructure, high distribution losses, and widespread theft, amplify the financial burden, while credit risk arises from large receivables, poor recovery rates, and delayed government subsidies. This dual threat limits the cash flow needed for day-to-day operations and for essential investments in advanced metering infrastructure (AMI) and system upgrades. Additionally, frequent government interventions and delays in tariff adjustments prevent DISCOs from charging consumers the true cost of electricity, widening the revenue gap. Consequently, the DISCOs find themselves in a perpetual cycle of debt and inefficiency, which impacts their financial stability and threatens the broader energy sector's sustainability in Pakistan..

1. Credit Risk

Poor Collection/Recovery Rates

- Risk Description: DISCOs experience high levels of unpaid bills from consumers, which strain their financial health. Low recovery rates result in significant outstanding receivables, limiting the companies' liquidity and cash flow. The inability to collect dues on time increases dependency on government subsidies and short-term financing, which further elevates financial strain and weakens balance sheets.

- Impact: Persistent poor collection rates force DISCOs to rely on large equity injections from the government, which further strains public finances. Additionally, delayed collections lead to large receivables on the balance sheets, impacting liquidity and limiting funds available for maintenance and infrastructure investments.
- Mitigation Strategies:
  - Advanced Metering Infrastructure (AMI): Implementing AMI can help in tracking real-time electricity consumption, reducing theft, and improving billing accuracy, leading to better collection rates.
  - Stricter Payment Policies: Enforcing penalties for late payments and implementing structured payment plans for overdue bills would help improve cash flow and reduce outstanding receivables. Regular follow-ups and escalated collection efforts with high-risk customer segments could also help manage credit risk.

High Payables
- Risk Description: In addition to large receivables, DISCOs also carry significant payables, particularly to power generation companies (GENCOs). This can disrupt the electricity supply chain, as delayed payments to GENCOs can lead to supply cuts or additional interest charges on overdue amounts, further compounding financial pressure.
- Impact: High payables put pressure on the operating cash flow of DISCOs and increase the risk of operational disruptions due to unpaid bills to suppliers. This may lead to a "circular debt" issue, where delays in payments cascade across the energy supply chain, affecting the overall stability of the sector.
- Mitigation Strategies:
  - Structured Payment Arrangements with Suppliers: Establishing payment plans with suppliers and renegotiating terms can ease the cash flow burden.
  - Government Support for Debt Restructuring: Engaging with the government to establish debt restructuring or subsidy support mechanisms would help ease the burden of high payables.

2. Market Risk

Financial Strain from Equity Injections

- Risk Description: Due to operational inefficiencies and collection issues, the government often injects large sums of equity into DISCOs to sustain their operations. These equity injections strain public finances, especially in an environment of fiscal constraints, creating financial vulnerability that can impact market confidence in the energy sector.
- Impact: The need for continual financial support from the government signals underlying financial instability, potentially deterring private sector investments in the energy sector. The perception of constant dependence on public funds also affects the broader investment climate for DISCOs, reducing their ability to attract financing at competitive rates.
- Mitigation Strategies:
  - Improving Operational Efficiency: Addressing inefficiencies by upgrading infrastructure and reducing distribution losses (e.g., UFG) can reduce reliance on government funding and improve profitability.
  - Exploring Private Sector Participation: Allowing private sector participation through partnerships or partial privatization could help bring in expertise, improve financial stability, and reduce the need for government equity injections.

Tariff Adjustments and Regulatory Uncertainty

- Risk Description: Market risks also stem from delayed tariff adjustments, which affect DISCOs' ability to reflect costs in consumer prices. Regulatory decisions on tariff adjustments are often subject to government intervention and may not reflect actual operational costs, leading to revenue shortfalls.
- Impact: Uncertain or delayed tariff adjustments disrupt revenue forecasts, making it difficult for DISCOs to plan financially and operationally. Revenue gaps due to unadjusted tariffs further exacerbate liquidity issues and may affect operational funding.
- Mitigation Strategies:
  - Advocating for Timely Tariff Reviews: Engaging with regulatory authorities to ensure tariffs reflect market dynamics and operational costs can reduce the risk of revenue shortfalls.
  - Hedging Financial Exposure: Exploring financial instruments to hedge against revenue uncertainties from tariff delays can stabilize income, though this strategy is less commonly applied in the public utility sector.

3. Operational Risk

High Operational Costs Due to Inefficiencies and Losses

- Risk Description: DISCOs suffer from operational inefficiencies, such as high transmission and distribution losses due to aging infrastructure, power theft, and technical faults. These inefficiencies increase operational costs, leading to profitability erosion and higher dependency on external funding.
- Impact: High operational costs reduce profitability and the funds available for reinvestment in infrastructure upgrades, creating a cycle of underperformance. Operational inefficiencies also affect service quality, leading to customer dissatisfaction and potentially higher non-payment rates.

DISCOS LINE LOSSES QUANTIFICATION (6 months ended Dec 2023)

		RS MILLIONS	
Sr	**Name**	**Net Sales**	**COGS**
1	Lahore Electric Supply Company Limited	364,513	323,462
2	Multan Electric Power Company Limited	314,669	272,957
3	Faisalabad Electric Supply Company Limited	243,710	217,411
4	Gujranwala Electric Power Company Limited	177,651	159,321
5	Tribal Electric Supply Company Limited	26,292	26,883
6	Hyderabad Electric Supply Company Limited	66,140	59,781
7	Islamabad Electric Supply Company Limited	63,652	68,724
8	Sukkur Electric Power Company Limited	61,622	62,843
9	Peshawar Electric Supply Company Limited	166,358	186,039
10	Quetta Electric Supply Company Limited	81,770	86,727
		1,566,378	1,464,148
	Average loss 10%		146,415
	Annualised basis (Around Rs 280 B losses in DISCOS on gross level due to units lost		

Discos are losing around $1b equal on gross level due to line losses, theft and inefficiencies

- Mitigation Strategies:
  - Infrastructure Upgrades: Investing in infrastructure, such as modernizing transmission lines, upgrading transformers, and implementing robust distribution systems, can reduce technical losses and improve service quality.
  - Improved Monitoring and Anti-Theft Measures: Implementing anti-theft programs and real-time monitoring systems to reduce unauthorized usage and distribution losses will enhance operational efficiency and reduce costs.

Dependency on Advanced Metering Infrastructure (AMI) Implementation

- Risk Description: Effective revenue collection and cost control depend heavily on implementing AMI systems across the network. However, the installation of AMI requires substantial upfront investment and technical expertise, creating a dependency risk. If not implemented effectively, AMI can lead to inconsistent data collection, reducing the effectiveness of billing and collections.
- Impact: Poor AMI implementation can result in inaccurate billing, reducing the effectiveness of collection efforts and increasing non-payment risks. The dependency on this technology also introduces an operational risk if AMI systems encounter issues or if there are delays in deployment.
- Mitigation Strategies:
  - Phase-Wise Implementation and Training: Implementing AMI in phases allows for controlled deployment, with ongoing training for employees to ensure they understand and manage the technology effectively.
  - Vendor Partnerships: Partnering with reliable technology providers to install and maintain AMI systems will ensure better performance, allowing DISCOs to improve billing accuracy and revenue collection rates gradually.

POWER SECTOR RISKS (GENCOS AND POWER MANAGEMENT)

Vulnerable SOEs: GENCO I, II, III, IV, WAPDA, NPPMCL, GHPL

1. Credit Risk

Working Capital Issues Leading to Operational Disruptions

- Risk Description: GENCOs & power management companies face severe working capital issues due to large outstanding receivables, particularly from distribution companies (DISCOs) who delay payments. This results in a lack of liquidity, impacting the GENCOs' ability to manage operational costs such as fuel, maintenance, and personnel expenses. Without a robust working capital base, these companies struggle to maintain operational continuity, which exacerbates energy supply disruptions and creates inefficiencies. **ADD GHPL high receivables** .....

- Impact: Cash flow constraints due to poor working capital management increase GENCOs' reliance on short-term financing, elevating interest expenses and further straining profitability. Such constraints hinder their ability to reinvest in equipment and infrastructure, affecting long-term operational performance and sustainability.

- Mitigation Strategies:

  - Enhanced Working Capital Management: Streamlining the collections process and establishing stricter payment terms with DISCOs can help improve cash flow. Utilizing automated billing and payment reminders may also enhance receivables management.

  - Securing Short-term Financing Solutions: GENCOs could pursue more affordable financing options, such as government-backed credit facilities or short-term loans, to bridge cash flow gaps. Engaging with the government to expedite overdue payments from DISCOs would also help improve liquidity.

Guarantees and Default Risk

- Risk Description: GENCOs and affiliated entities (**e.g. WAPDA, GHPL, NTDC, and PHCL)** are heavily dependent on government guarantees to secure financing and maintain operational stability. These guarantees are essential but add significant fiscal pressure to public finances. Notably, the National Power Parks Management Company Limited (NPPMCL) has pending payments to the Pakistan Development Fund (PDF), increasing default risk despite government backing. While the PHCL default on TFCs subscribed by

OGDCL was recently resolved, this situation underscores the vulnerability of these entities to cash flow disruptions and potential defaults.

- Impact: Heavy reliance on government guarantees increases fiscal pressure on public funds, especially if entities default on their obligations, requiring the government to cover these liabilities. This reliance signals limited financial independence and can deter private investments, as it increases sovereign risk and undermines market confidence.
- Mitigation Strategies:
  - Reducing Dependency on Guarantees: GENCOs should explore alternative funding structures, such as partnerships or issuing green bonds for renewable projects, to diversify financing sources and reduce dependency on government guarantees.
  - Enhanced Financial Oversight: Implementing regular audits and stricter financial oversight can help monitor companies benefiting from government guarantees. This would enable early detection of potential financial issues and improve transparency.

2. Market Risk

Overreliance on Hydrocarbon-based Power Generation

- Risk Description: GENCOs rely primarily on hydrocarbon-based fuel sources, making them vulnerable to fluctuations in global fuel prices. Factors such as geopolitical instability, OPEC production decisions, and exchange rate volatility drive fuel cost unpredictability. As global energy policies shift towards renewables, GENCOs face an elevated risk of being left behind with a high-cost, fossil-fuel-heavy energy mix.
- Impact: Fuel price volatility can lead to substantial cost escalations for GENCOs, impacting profitability and financial predictability. When costs rise and tariffs are not adjusted promptly, revenue shortfalls occur, further stressing working capital and financial health.
- Mitigation Strategies:
  - Diversifying the Energy Mix: Investments in renewable energy sources (e.g., solar, wind, hydropower) can reduce GENCOs' dependence on hydrocarbons, stabilize costs, and align with global sustainability trends.
  - Long-term Fuel Purchase Agreements: Securing long-term contracts for fuel at stable prices would help mitigate exposure to fuel price fluctuations, creating a more predictable cost structure.

Impact of IFRS 16 on Power Purchase Agreements and Revenue Recognition

NPPMCL and WAPDA

- Risk Description: Under IFRS 16, GENCOs must account for certain long-term power purchase agreements (PPAs) as financial leases rather than traditional operating leases. This change requires assets previously classified as operating to be reclassified as financial leases on the balance sheet. Consequently, the leased asset and corresponding liability must be recorded, impacting financial metrics like debt ratios and EBITDA. Moreover, revenue recognition will change, as only lease interest will be considered income, while the remaining amounts will appear as amortization on the balance sheet.
- Impact: Reclassification of PPAs as financial leases will increase reported liabilities, affecting debt ratios and potentially violating debt covenants, especially if these assets were previously used as collateral for loans. The change in revenue recognition to focus on lease interest may also lower reported income, impacting profitability measures and potentially investor perceptions. Amortization instead of traditional income recognition can reduce short-term earnings and complicate financial reporting, adding pressure to meet financial performance benchmarks.
- Mitigation Strategies:
  - Re-assessment of Debt Covenants: GENCOs should renegotiate debt covenants with lenders to account for changes in asset and liability reporting under IFRS 16, ensuring compliance and maintaining financial flexibility.
  - Enhanced Financial Reporting: Adopting transparent reporting practices that clearly disclose the impact of IFRS 16 on financial metrics, particularly on debt and revenue, would help mitigate investor concerns and enhance clarity in financial statements.

3. Operational Risk

Operational Inefficiencies Leading to Losses

- Risk Description: GENCO I, II, III, IV suffer from outdated equipment, lack of preventive maintenance, and inefficiencies in energy production processes. These issues increase operational costs, lead to frequent breakdowns, and extend downtime, reducing the overall capacity and efficiency of power generation. Chronic inefficiencies not only increase unit generation costs but also erode profitability.

- Impact: Operational inefficiencies increase cost structures, reduce economies of scale, and contribute to financial instability. Persistent issues with equipment and maintenance prevent GENCOs from maximizing their output and can lead to service disruptions, impacting customer satisfaction and creating financial losses.
- Mitigation Strategies:
  - Upgrading Infrastructure: Investing in newer, more efficient equipment and implementing preventive maintenance schedules can reduce operational costs and improve service reliability.
  - Training Programs for Workforce: Enhancing technical expertise through workforce training can improve operational performance, as employees would be better equipped to handle advanced technology and optimize energy production.

Dependency on Hydrocarbon-based Power and the Need for Diversification

- Risk Description: Reliance on hydrocarbons for power generation exposes GENCOs to environmental and regulatory risks, particularly as global pressure increases for emissions reductions and a transition to renewable energy. Regulatory restrictions on carbon emissions could impose additional compliance costs or penalties, increasing operational expenses.
- Impact: Continued reliance on fossil fuels limits GENCOs' ability to adapt to changing market dynamics and regulatory environments. As global demand for sustainable energy grows, GENCOs could face pressure to invest heavily in emissions-reduction technology or risk falling behind industry standards, impacting long-term viability.
- Mitigation Strategies:
  - Transition to Renewable Energy Sources: By investing in renewables, GENCOs can diversify their energy mix, reduce dependence on hydrocarbons, and lower exposure to regulatory risks.
  - Forming Clean Energy Partnerships: Partnering with private or international entities to fund renewable energy projects would reduce financial burdens and provide expertise for a smoother transition.

GENCOs in Pakistan face layered challenges across credit, market, and operational risks, including the impact of IFRS 16, which redefines asset and liability classifications under power purchase agreements, creating complexities in financial reporting. Addressing these risks will require a comprehensive approach that includes improved working capital management, diversification of the energy portfolio, infrastructure modernization, and alignment of accounting practices with IFRS 16 requirements. These strategies are essential to enhance GENCOs' resilience, ensure regulatory compliance, and align their operational and financial models with global standards.

POWER SECTOR RISKS (others)

1. Credit Risk

PHPL (Power Holding Private Limited) Guarantees & High LD (Liquidated Damages) Charges

- Risk Description: The federal government's guarantee on PHPL's debt and high liquidated damages (LD) charges place a significant financial burden on public budgets. PHPL, acting as a financing arm for the power sector, guarantees loans for DISCOs and GENCOs. However, delayed payments from these entities often lead to LD charges, which strain the federal budget and reduce available funds for essential maintenance and infrastructure improvements.
- Impact: The continuous accumulation of LD charges and the government's obligation to honor PHPL guarantees increase fiscal liabilities, diverting funds that could otherwise be used for operational maintenance and system upgrades. This reliance on public funds to cover PHPL's financial obligations also affects the government's credit rating and borrowing capacity, which is critical for funding other development projects.
- Mitigation Strategies:
  - Improved Contractual Management: By renegotiating contract terms with clear deadlines and enforceable penalty clauses, PHPL can reduce the likelihood of incurring LD charges.
  - Structured Payment Mechanisms: Implementing structured repayment mechanisms with automated payment reminders and escalated collection practices could help reduce delays and avoid additional LD charges, easing the financial burden on the government.

Unfavorable PHPL Grants Repayment Method

- Risk Description: The existing repayment model for PHPL grants puts ongoing pressure on federal finances. These grants, used to bridge financing gaps for GENCOs and DISCOs, rely on a fixed amortization schedule, irrespective of cash flow fluctuations in the power sector. This rigid repayment model often creates cash flow constraints, forcing the government to reallocate funds from other critical areas.
- Impact: The continuous demand on government funds to service PHPL's obligations strains the national budget and affects other public sectors. This unfavorable repayment

model also exacerbates circular debt, as the government must cover these costs even if sector revenues are insufficient, thus impacting public finances and limiting the capacity for future development.

- Mitigation Strategies:
  - Revising the Amortization Model: Adopting a flexible, cash flow-linked amortization schedule would align repayment with the sector's financial health, reducing pressure on public finances.
  - Debt Restructuring: Collaborating with lenders to restructure PHPL's debt and extend repayment terms could improve liquidity, easing fiscal pressure and allowing the government to redirect funds to essential infrastructure projects.

2. Market Risk

CPPAA's Single Buyer Model and Lack of Competition

- Risk Description: The single-buyer model implemented by the Central Power Purchasing Agency (Guarantee) Limited (CPPAA) restricts market competition in Pakistan's power sector. Under this model, CPPAA is the sole buyer of electricity, purchasing from GENCOs and IPPs (Independent Power Producers) and selling to DISCOs. This structure limits the entry of private players, reducing competitive pricing, operational efficiency, and innovation in the power market.
- Impact: The lack of competition in the power purchasing process leads to higher electricity prices, which are often passed on to consumers. Additionally, the absence of a competitive market reduces the incentive for GENCOs and IPPs to optimize operations, resulting in higher production costs. This monopolistic setup also discourages foreign investment in the energy sector, as potential investors may be deterred by the lack of market flexibility and pricing autonomy.
- Mitigation Strategies:
  - Market Deregulation and Multiple-Buyer Model: Shifting from a single-buyer model to a competitive, multiple-buyer model would increase competition, incentivize cost optimization, and potentially lower electricity prices.
  - Encouraging Private Sector Participation: Allowing private players to compete in the electricity market, especially in the generation and distribution segments, would drive operational efficiency, improve service delivery, and reduce dependency on CPPAA.

Systemic Risk Due to NTDC's Lack of Distribution Upgrades

- Risk Description: The National Transmission and Despatch Company (NTDC) has not invested sufficiently in upgrading its distribution infrastructure, leading to significant transmission and distribution losses. These losses affect the volume of electricity available to DISCOs, resulting in revenue leakage and limiting the electricity supply. NTDC's outdated infrastructure impacts its ability to efficiently manage the transfer of power, which in turn affects the overall reliability and stability of the national grid.
- Impact: The lack of distribution upgrades and high line losses increase operational costs, ultimately impacting consumer electricity prices and the profitability of DISCOs. Moreover, the inability to efficiently manage electricity flow can lead to frequent outages and voltage issues, affecting customer satisfaction and industrial productivity. These systemic issues deter private sector investment and prevent DISCOs from achieving financial stability.
- Mitigation Strategies:
  - Investment in Infrastructure Modernization: NTDC should prioritize upgrading its distribution lines, transformers, and other critical infrastructure to reduce line losses and improve grid stability.
  - Public-Private Partnerships (PPPs): Engaging in PPPs for infrastructure development could reduce NTDC's financial burden, enhance operational efficiency, and bring in the expertise needed for large-scale modernization projects.

3. Operational Risk

PHPL Guarantees Impacting Operational Funding

- Risk Description: PHPL's reliance on government guarantees for financing comes with a critical operational risk. High dependence on these guarantees leads to delays in securing necessary funds for ongoing maintenance and infrastructure development, as a substantial portion of funds is diverted to meet financing obligations. As a result, GENCOs, DISCOs, and NTDC face budget constraints that hinder their ability to operate at optimal efficiency.
- Impact: The prioritization of debt servicing over operational funding creates a shortage in maintenance budgets, which can lead to equipment degradation, frequent breakdowns, and increased downtime. This reduces the quality and reliability of electricity supply, leading to customer dissatisfaction and potential regulatory scrutiny. The diversion of funds

to meet guarantee obligations restricts investment in critical operational upgrades and improvements.

- Mitigation Strategies:
  - Better Contractual Management: PHPL should renegotiate terms with suppliers and lenders to reduce the impact of guarantees on operational funding. Improved contract management could include performance-based terms that incentivize on-time payment and prevent budgetary strain on operations.
  - Operational Reserves for Maintenance: Establishing a reserve fund for essential maintenance could protect operational funding from being fully redirected to meet guarantee obligations, ensuring continuity in service quality.

Default Risk from NTDC Line Losses Impacting DISCOs

- Risk Description: NTDC's outdated infrastructure results in high line losses during electricity transmission to DISCOs. These losses lead to less electricity being available for distribution, impacting DISCOs' revenue collection and financial stability. High line losses directly affect the quality and quantity of electricity supplied, reducing DISCOs' ability to serve consumers efficiently.
- Impact: When line losses affect the electricity available to DISCOs, it results in revenue leakage and decreased profitability. This, in turn, increases the risk of default on payments to upstream entities like GENCOs and IPPs, further exacerbating the circular debt issue in the power sector. Poor service reliability and increased costs for end-users can lead to decreased consumer satisfaction and regulatory challenges for DISCOs.
- Mitigation Strategies:
  - Infrastructure Improvement for Loss Reduction: Upgrading NTDC's infrastructure to reduce line losses and improve transmission efficiency would stabilize electricity supply to DISCOs and improve revenue flows.
  - Implementing Real-time Monitoring Systems: Installing IoT-enabled monitoring systems across the transmission network would allow NTDC to detect line issues proactively, reducing losses and optimizing transmission performance.

The challenges faced by the Pakistani power sector, particularly within PHPL, CPPAA, and NTDC, fall under complex credit, market, and operational risks. High LD charges, unfavorable repayment models, and over-reliance on government guarantees stress the financial health of these entities, creating vulnerabilities in operational funding and impacting overall service delivery. Additionally, the single-buyer model by CPPAA limits market competition, reducing operational efficiency, while NTDC's outdated infrastructure exacerbates line losses, impacting DISCOs and creating systemic risk in electricity supply.

Addressing these issues requires a multi-faceted approach, including:
- Flexible amortization models for PHPL grants to ease the pressure on federal finances.
- Market reforms to allow for competition and reduce reliance on the single-buyer model.
- Investment in infrastructure upgrades at NTDC to reduce line losses and improve transmission efficiency.

These initiatives would collectively strengthen the financial, operational, and market resilience of Pakistan's energy sector, aligning it with modern efficiency standards and ensuring a more stable and reliable power supply.

INFRA , ICT & TRANSPORT RISKS

NHA,

The National Highway Authority (NHA) faces significant financial challenges, underscored by an escalating debt burden and complex accounting issues. Currently, the NHA holds outstanding loans **totaling approximately Rs. 3,100 billion**, with an annual debt accretion rate of Rs. 300 billion. This debt portfolio generates Rs. 98 billion in markup, which is expected to rise to more than Rs. 150 billion per annum, creating a substantial credit risk for the Government of Pakistan (GoP), which guarantees these loans. The presence of sovereign guarantees for Public-Private Partnership (PPP) contracts adds further financial strain, amplifying the government's credit risk exposure. NHA's dependence on government support for debt servicing, combined with its limited revenue generation capabilities, strains the GoP's fiscal stability, particularly if loan defaults or liquidity crises arise.

On the balance sheet, the NHA's total assets stand at Rs. 5.889 trillion, with total liabilities of Rs. 2.900 trillion, reflecting a high level of leverage. However, its total income is only Rs. 74.007 billion, against total expenditures of Rs. 242.570 billion, indicating an operational deficit that further exacerbates its dependency on government funding. Additionally, the NHA faces high depreciation costs, exceeding Rs. 5.2 trillion due to the revaluation of its extensive infrastructure assets. This high depreciation—exceeding Rs. 180 billion annually—primarily affects accounting profits, masking the NHA's actual cash flow position but complicating financial reporting and budgeting processes.

Given this backdrop, NHA's risks can be categorized into Credit Risk, Market Risk, and Operational Risk, as follows:

1. Credit Risk

Escalating Debt and Interest Obligations

- Risk Description: NHA's debt of Rs. 3,100 billion, coupled with a rising annual interest obligation projected to surpass Rs. 150 billion, places the GoP at substantial credit risk. With an annual debt accretion of Rs. 300 billion, the authority's reliance on government-backed loans and sovereign guarantees adds significant fiscal pressure. This debt obligation is a substantial liability for the GoP, particularly as it must cover defaults or delays in repayments, impacting the federal budget and national debt levels.

- Impact: Rising debt and interest payments strain government finances, diverting funds from other critical sectors. The perpetual increase in debt obligations without proportional income generation intensifies the risk of defaults, which would compel the GoP to utilize additional fiscal resources to cover NHA's liabilities. This dependency reduces the government's financial flexibility, increasing the cost of capital and potentially affecting Pakistan's sovereign credit rating.

- Mitigation Strategies:

- Debt Restructuring and Revised Amortization Models: Negotiating for longer repayment terms, lower interest rates, or grace periods with lenders can provide short-term relief to NHA. Aligning repayments with NHA's cash flow would improve liquidity and reduce fiscal pressure on the GoP.

- Exploring Alternative Financing: Reducing reliance on government-backed debt through alternative financing structures, such as infrastructure bonds, could provide capital for NHA projects without increasing public debt levels.

Sovereign Guarantees on PPP Contracts

- Risk Description: The NHA frequently uses Public-Private Partnership (PPP) contracts, often backed by sovereign guarantees. These guarantees create substantial contingent liabilities for the GoP, as the government must fulfill these obligations in case of project underperformance or revenue shortfalls. The risk becomes more pronounced given the NHA's financial vulnerabilities and the high likelihood of these guarantees being called upon.

- Impact: Sovereign guarantees on PPP projects create contingent liabilities for the government, which, if triggered, would escalate public debt and stress the national budget. This structure increases fiscal risk exposure and reduces investor confidence, especially if the government cannot honor these commitments without affecting other sectors.

- Mitigation Strategies:

- Reducing Dependency on Sovereign Guarantees: Encouraging private sector investment without government guarantees by adopting risk-sharing mechanisms or insurance-based guarantees could mitigate credit risks for the GoP.

- Improving Project Due Diligence: Conducting thorough feasibility studies and revenue forecasts before issuing guarantees can help reduce the likelihood of underperformance and ensure project viability.

2. Market Risk

Exposure to Inflation and Cost Increases

- Risk Description: NHA's infrastructure projects are vulnerable to inflation and rising costs for construction materials like cement, steel, and fuel. As these costs fluctuate, the expenses associated with long-term projects increase, especially when inflationary adjustments are not reflected in project budgets or revenue models. This exposure to market volatility complicates budgeting and affects the authority's ability to manage project costs.

- Impact: Rising construction costs without corresponding budget increases or revenue adjustments can lead to cost overruns, impacting NHA's financial stability. These cost escalations are often absorbed by the GoP through additional funding, further straining public finances.

- Mitigation Strategies:

- Escalation Clauses in Contracts: Including escalation clauses in contracts allows NHA to adjust project budgets in response to inflation or material price hikes, ensuring better financial predictability.

- Material Hedging: Employing hedging strategies for major construction materials can help stabilize project costs, mitigating the impact of sudden price increases.

Depreciation of Revalued Infrastructure Assets

- Risk Description: NHA's revaluation of its vast infrastructure assets results in substantial depreciation expenses, estimated to exceed Rs. 5.2 trillion. This high depreciation artificially reduces accounting profits, affecting financial statements and potentially leading to negative perceptions among investors and stakeholders. This creates a market risk, as reported profitability is distorted, masking the entity's actual cash flows and impacting financial ratios.

- Impact: High depreciation costs due to asset revaluation reduce accounting profits, which can lead to negative perceptions of NHA's financial health. This complexity also affects financial reporting accuracy and complicates budget planning, as depreciation expenses do not directly correlate with cash flow needs.

- Mitigation Strategies:

- Adjusting Depreciation Policies: Revising depreciation methods (e.g., switching from straight-line to activity-based depreciation) could better align reported depreciation with asset utilization, providing a more accurate reflection of financial performance.

- Transparent Financial Disclosures: Providing stakeholders with detailed disclosures regarding depreciation methods and their impact on financial results would improve transparency and help mitigate concerns regarding profitability and cash flow.

3. Operational Risk

Infrastructure Maintenance and Depreciation Costs

- Risk Description: NHA's responsibilities include maintaining and upgrading a vast network of roads and highways. The high depreciation expenses tied to revalued infrastructure, combined with budget constraints, limit NHA's ability to conduct regular maintenance and upgrades. Insufficient maintenance budgets lead to asset deterioration, reducing asset longevity and increasing operational costs in the long term.

- Impact: Poorly maintained infrastructure impacts public safety, increases vehicle operating costs, and leads to frequent repairs, further straining NHA's budget. Inadequate maintenance accelerates asset depreciation and forces the authority to incur additional costs for emergency repairs, reducing funds available for planned upgrades.

- Mitigation Strategies:

- Establishing Dedicated Maintenance Funds: Allocating a dedicated maintenance fund with annual appropriations would ensure consistent funding for upkeep, reducing long-term repair costs.

- Implementing Asset Management Systems: Using asset management software to prioritize and schedule maintenance activities can help optimize resources, improve infrastructure longevity, and enhance operational efficiency.

Delays and Cost Overruns in Project Execution

- Risk Description: NHA's projects are often delayed due to bureaucratic processes, land acquisition issues, and inefficient project management. These delays lead to cost overruns, compromising project timelines and impacting NHA's overall operational efficiency. Without timely project completion, public perception and trust in NHA diminish, further exacerbating operational challenges.

- Impact: Project delays increase operational expenses and reduce funding availability for other projects, creating a cycle of inefficiency. Unfinished projects impact regional connectivity and economic development, affecting Pakistan's broader infrastructure goals and diminishing public trust in NHA.

- Mitigation Strategies:

- Streamlining Project Management Processes: Adopting Agile or Lean project management methodologies would improve project execution by reducing inefficiencies and optimizing timelines.

- Enhanced Coordination with Government Authorities: Establishing a dedicated liaison team to work closely with government authorities and stakeholders involved in land acquisition and regulatory approvals can help minimize project delays.

The National Highway Authority (NHA) in Pakistan faces critical risks across credit, market, and operational dimensions, exacerbated by a growing debt portfolio of Rs. 3,100 billion and high depreciation costs. NHA's reliance on government-backed loans, sovereign guarantees for PPPs, and vulnerability to inflation and asset revaluation create a complex financial landscape. Operational inefficiencies, delayed projects, and inadequate maintenance budgets compound these challenges, affecting financial stability and public confidence.

Key Recommendations:

- Debt Restructuring and Amortization Revisions to ease the fiscal burden on the GoP.

- Asset Management Systems and Maintenance Funds to extend infrastructure longevity.

- Market-Based Financing Alternatives, such as PPPs or infrastructure bonds, to diversify funding sources and reduce dependency on sovereign guarantees.

- Transparent Financial Disclosures to provide accurate profitability insights, especially regarding depreciation costs, and boost investor confidence.

Addressing these risks comprehensively will be essential to improving NHA's financial resilience, operational efficiency, and alignment with Pakistan's broader infrastructure development goals.

RAILWAYS

1. Credit Risk

High Dependency on Government Grants

- Risk Description: Pakistan Railways relies extensively on government grants and subsidies to sustain operations, fund projects, and cover deficits. This dependency risks financial instability, as PR has limited self-generated revenue. Any reduction in government support could lead to immediate financial strain, given PR's inability to cover costs independently.
- Impact: Continuous reliance on government funding strains the fiscal budget, and any delays in grant disbursements lead to cash flow issues, impacting PR's ability to meet its obligations. This dependency also limits PR's flexibility to undertake new projects or upgrades without government approval.
- Mitigation Strategies:
  - Diversifying Revenue Streams: Exploring non-core revenue sources, such as real estate leasing, advertising, and PPPs, could reduce dependency on government support.
  - Public-Private Partnerships (PPP): Attracting private investment in rail services and infrastructure would ease PR's fiscal burden and foster innovation and efficiency.

Lack of Financial Transparency and Poor Accounting Practices

- Risk Description: PR's financial management and reporting practices lack standardization and transparency. Poor accounting practices and limited financial disclosures create an incomplete picture of the organization's financial health, deterring potential partners and investors.
- Impact: The lack of transparency impedes effective budgeting, resource allocation, and external investment opportunities. Poor financial practices increase the risk of mismanagement and misuse of funds, further hindering PR's financial sustainability.
- Mitigation Strategies:

- Adopting International Financial Reporting Standards (IFRS): Implementing IFRS or government accounting standards would improve accuracy and accountability in financial reporting.
- Frequent Audits: Conducting regular audits would ensure compliance, identify financial discrepancies, and foster a culture of accountability within PR.

Undocumented Pension Liabilities

- Risk Description: PR's pension obligations are poorly documented, resulting in hidden liabilities that strain finances and complicate long-term planning. With a large workforce and an aging employee base, pension obligations continue to grow, creating a significant but poorly managed financial burden.
- Impact: Inadequate pension documentation and funding create hidden financial stress that may lead to future cash flow crises. If pension liabilities exceed available resources, PR may require further government intervention, straining public finances and limiting operational investment.
- Mitigation Strategies:
  - Establishing a Dedicated Pension Fund: Creating a pension fund would help PR manage long-term obligations more effectively.
  - Comprehensive Documentation of Pension Liabilities: Recording pension obligations in financial reports would improve planning and provide a transparent view of future liabilities.

2. Operational Risk

Aging Infrastructure and Outdated Rolling Stock

- Risk Description: PR operates on an infrastructure network that is decades old, with outdated tracks, signals, and rolling stock (locomotives and carriages) that have surpassed their service life. The lack of regular modernization efforts has resulted in inefficient, unreliable, and costly operations. Frequent breakdowns and extended repair times due to outdated equipment contribute to service delays and accidents, posing a safety risk to passengers and freight.
- Impact: The aging infrastructure significantly impacts PR's operational efficiency, as poor-quality tracks lead to speed restrictions, reducing the competitiveness of rail services. Outdated locomotives increase fuel consumption and maintenance costs, while service delays and accidents deter customers, reducing ridership and revenue. Additionally, the safety risks associated with old equipment lead to higher liability and insurance costs.

- Mitigation Strategies:
  - Investing in Infrastructure Modernization: Upgrading tracks, signal systems, and rolling stock with modern equipment would improve efficiency, reduce travel time, and enhance passenger safety.
  - Preventive Maintenance Programs: Implementing preventive maintenance practices can extend asset lifespan and reduce the frequency of service disruptions due to equipment failure.

Inefficient Operational Management

- Risk Description: Pakistan Railways suffers from inefficient management practices, driven by outdated operational models and bureaucratic processes. The lack of modern technology for operations management leads to suboptimal scheduling, resource allocation, and utilization.
- Impact: Inefficiencies increase journey times, reduce asset utilization, and inflate operational costs, impacting profitability. This limited competitiveness hinders PR's ability to retain passenger and freight customers, making it less competitive with other transport modes like road and air.
- Mitigation Strategies:
  - Modernizing Operational Practices: Implementing data-driven decision-making tools, modern scheduling, and fleet management software could improve operational efficiency and resource optimization.
  - Employee Training Programs: Investing in training for staff to enhance technical skills and introduce performance-based incentives can boost productivity and improve service quality.

Safety Concerns and High Accident Rates

- Risk Description: PR's aging infrastructure and inadequate safety protocols have resulted in a high accident rate, posing a significant safety risk to passengers. Derailments and collisions, often due to poor track conditions and outdated signaling systems, are common, damaging PR's reputation and raising operational costs.
- Impact: Accidents increase legal liabilities, insurance premiums, and repair costs while diminishing public confidence in rail travel. High accident rates also lead to lost revenue due to service disruptions and deter potential partnerships, further isolating PR from private investment.
- Mitigation Strategies:
  - Implementing Advanced Safety Systems: Introducing automated safety measures, such as modern signaling, anti-collision technology, and regular safety drills, would reduce accident risks.

- Safety Audits and Compliance Programs: Regular safety audits and adherence to international safety standards would help PR mitigate risks and restore public confidence.

3. Market Risk

Competition from Road and Air Transport

- Risk Description: PR competes with road and air transport, both of which offer faster, more reliable, and sometimes more affordable services. Due to PR's reliability issues, delays, and limited routes, many customers prefer alternative transport options, reducing PR's market share in passenger and freight segments.
- Impact: Reduced ridership and freight volumes due to competition lower PR's revenue potential. Declining competitiveness makes it challenging for PR to sustain operations or fund improvements, leading to a cycle of inefficiency and limited revenue generation.
- Mitigation Strategies:
  - Enhancing Service Quality: Improving punctuality, reducing delays, and investing in customer experience enhancements can make PR a more attractive option for passengers and freight clients.
  - Targeted Marketing and Customer Engagement: Developing marketing strategies that highlight the benefits of rail travel, such as environmental sustainability and scenic travel options, may help PR regain market share.

Exposure to Fuel Price Volatility

- Risk Description: PR relies heavily on diesel fuel, exposing it to significant cost volatility as fuel prices fluctuate. Rising fuel costs increase operational expenses, eroding profitability and complicating budget planning.
- Impact: Fuel price increases without proportional ticket price adjustments lead to reduced profitability and higher dependency on government subsidies. This exposure to fuel price volatility adds to PR's financial challenges, limiting funds available for infrastructure and service improvements.
- Mitigation Strategies:
  - Investing in Fuel-Efficient and Alternative Energy Locomotives: Transitioning to more fuel-efficient locomotives or electric trains can stabilize operational costs and reduce dependency on diesel fuel.
  - Long-term Fuel Contracts: Securing long-term contracts for fuel at fixed rates would help mitigate the impact of price volatility on PR's budget.

Exposure to Exchange Rate Risk

- Risk Description: Pakistan Railways relies on imported parts, equipment, and maintenance supplies. A depreciating Pakistani Rupee increases the cost of these imports, impacting operational budgets and adding financial strain.
- Impact: Exchange rate volatility elevates PR's expenses, particularly for critical imports and foreign contracts. Rising import costs can divert funds from other operational needs, affecting service quality and reliability.
- Mitigation Strategies:
  - Local Sourcing: Partnering with domestic manufacturers for parts and equipment would reduce PR's dependency on imports, mitigating currency risk.

PTCL

1. Credit Risk

High Leverage and Debt Servicing Costs

- Risk Description: PTCL's high leverage has created a considerable debt-servicing burden, which reduces the company's financial flexibility and increases dependency on stable cash flows to meet obligations. The high finance costs associated with this leverage pose an additional risk, as fluctuating interest rates or cash flow interruptions can impact PTCL's ability to meet debt obligations. This situation is further complicated by the dollar-denominated loan from the International Finance Corporation (IFC) for PTCL's $400 million buyout of Telenor, which increases exposure to foreign exchange risk.
- Impact: Elevated debt levels reduce PTCL's capacity to take on new projects or investments and increase vulnerability to interest rate hikes. Failure to meet debt obligations could force PTCL to liquidate assets, negatively impacting its market position. The IFC loan, which is dollar-based, also introduces a substantial foreign exchange risk; if PTCL is unable to service the loan due to rupee depreciation, it could add fiscal strain to the government, given its stake in PTCL.
- Mitigation Strategies:
  - Leverage Reduction through Asset Sales: Selling non-core assets or real estate holdings can reduce debt levels, enhancing liquidity and lowering interest expenses.

- Revised Debt Structure and Refinancing: Engaging with lenders to restructure the debt, secure lower interest rates, or extend repayment terms would ease debt-servicing burdens and improve financial flexibility.

2. Market Risk

Exposure to Exchange Rate Volatility on Dollar-Based Debt

- Risk Description: PTCL's dollar-denominated debt from the IFC buyout of Telenor increases its exposure to currency fluctuations. If the Pakistani Rupee depreciates against the US Dollar, PTCL's debt-servicing obligations rise in rupee terms, increasing operational costs and affecting cash flows. Additionally, significant forex losses could impair profitability, particularly if PTCL's revenues are primarily rupee-based.
- Impact: Depreciation of the rupee could lead to increased debt-service costs, reducing cash available for operations and investment. This vulnerability to currency fluctuations also impacts PTCL's profitability, as debt obligations must be met regardless of revenue performance. Persistent rupee depreciation could ultimately risk PTCL's solvency, forcing reliance on additional borrowing or government support.
- Mitigation Strategies:
  - Currency Hedging Instruments: Using hedging instruments, such as forward contracts or options, would reduce exposure to exchange rate fluctuations, stabilizing debt-servicing costs.
  - Diversifying Revenue Sources: Expanding into services that generate dollar-denominated revenue (such as international data or connectivity services) can provide a natural hedge against rupee depreciation.

Competitive Telecommunications Market

- Risk Description: PTCL operates in a highly competitive telecommunications market with strong competitors like Jazz, Zong, and Telenor. These players are aggressively investing in technology and service expansion, which pressures PTCL to invest continuously in network and service improvements to retain market share.
- Impact: The competitive landscape limits PTCL's pricing power and erodes margins as the company must balance the need for competitive pricing with rising operating costs. This dynamic may strain PTCL's finances further, given its high leverage and finance costs, and could affect its ability to meet debt obligations if revenue growth does not keep pace with finance costs.

- Mitigation Strategies:
  - Strategic Investment in Technology: Investing in fiber optics, 5G infrastructure, and customer service improvements can help PTCL retain market share and compete on quality rather than price.
  - Differentiation in Offerings: Introducing value-added services, such as bundled internet and mobile packages, could increase customer retention, reduce churn, and improve market positioning.

3. Operational Risk

High Finance Costs Impacting Cash Flow

- Risk Description: PTCL's significant debt load and the resulting high finance costs consume a substantial portion of its cash flow, limiting its ability to invest in operational improvements and new projects. The high finance costs also increase dependency on consistent revenue, which can be challenging in a competitive and economically volatile environment.
- Impact: High finance costs restrict PTCL's ability to fund essential upgrades, particularly in infrastructure and service quality. This limitation reduces PR's competitiveness, leading to a risk of revenue decline if customers choose alternative providers with more advanced technology or better services. Restricted cash flows also limit PTCL's capacity to build reserves for unexpected costs, increasing financial vulnerability.
- Mitigation Strategies:
  - Operational Efficiency Improvements: Streamlining operations to reduce costs and improve margins would free up cash flow for debt servicing. Efforts could include renegotiating supplier contracts, improving energy efficiency, or outsourcing non-core functions.
  - Cost-Reduction Initiatives: Implementing initiatives focused on reducing operational costs (e.g., automation, workforce optimization) would increase cash flow, which could be directed towards debt repayment and reduce reliance on external financing.

Fiscal Risk to the Government

- Risk Description: Given the government's stake in PTCL, any financial distress within the company, particularly related to debt defaults on the IFC loan, could translate into fiscal risk for the government. Should PTCL struggle to meet its dollar-denominated debt obligations due to currency depreciation or revenue shortfalls, the government may need to provide additional support, impacting public finances.

- Impact: Financial distress at PTCL requiring government intervention could strain the federal budget, impacting other public services and sectors. This risk is amplified in light of the IFC loan, where a default could have reputational and fiscal repercussions for the government.
- Mitigation Strategies:
  - Building Financial Buffers for Debt Servicing: Establishing reserve funds dedicated to dollar-based debt repayment would reduce dependency on government assistance in case of financial distress.
  - Regular Monitoring and Reporting: Implementing regular financial assessments and stress tests would help both PTCL and the government proactively identify and address risks to mitigate potential defaults or financial shortfalls.

PIA under privatization hence risks excluded from report.

OTHER SECTORS RISKS

The Trading & Marketing and Manufacturing, Mining & Engineering sectors, covering Credit Risk, Market Risk, and Operational Risk with a focus on key entities like PASSCO, Utility Stores Corporation, Trading Corporation of Pakistan (TCP), and Pakistan Steel.

1. Trading & Marketing Sector Risks

A. Credit Risk

- PASSCO Subsidies and High Leverage

  - Risk Description: PASSCO (Pakistan Agricultural Storage and Services Corporation) relies heavily on government subsidies, which are often inefficiently managed, leading to financial imbalances and poor credit positioning. Additionally, PASSCO's high leverage limits its financial flexibility, increasing dependency on government support and reducing its ability to fund its operations independently.

  - Impact: High leverage and reliance on subsidies expose PASSCO to credit risk, as it cannot sustain operations without government backing. Any delay in subsidies can lead to liquidity issues, impacting PASSCO's ability to meet its obligations and operational needs.

  - Mitigation Strategies:

    - Equity Infusions and Debt Restructuring: PASSCO could seek equity injections or restructure debt obligations to reduce leverage and enhance liquidity.

    - Enhanced Subsidy Management: Improved subsidy allocation practices and transparency would reduce dependency on government support and improve creditworthiness.

- TCP High Liabilities

  - Risk Description: The Trading Corporation of Pakistan (TCP) holds significant liabilities that increase financial costs, strain cash flows, and impact TCP's ability to meet short-term obligations. Reliance on loans and high liability levels reduce TCP's creditworthiness and elevate the risk of default.

  - Impact: High liabilities increase borrowing costs and divert resources from productive activities, potentially leading to service disruptions. Credit risk is heightened if liabilities grow unchecked, requiring government intervention to prevent insolvency.

  - Mitigation Strategies:

- Debt Management Strategy: Developing a comprehensive debt management strategy, including liability restructuring, could improve cash flow and reduce debt-servicing costs.

- Enhanced Financial Planning: Implementing robust financial planning to prioritize debt repayment would reduce credit risk and improve TCP's financial stability.

B. Market Risk

- Volatility in Subsidies for Utility Stores and PASSCO

- Risk Description: The Utility Stores Corporation and PASSCO heavily rely on government subsidies, which fluctuate based on policy changes. These subsidies are meant to keep prices low, but inefficient management can lead to market distortions, financial inefficiencies, and over-reliance on government funding.

- Impact: Changes in subsidy levels directly impact these organizations' ability to operate effectively, especially if funds are reduced or delayed. This volatility poses a market risk as it affects pricing, inventory management, and market competitiveness, leading to potential revenue losses.

- Mitigation Strategies:

- Transparent Allocation and Auditing: Implementing clear guidelines and regular audits for subsidy allocation would improve efficiency and reduce market volatility risks.

- Alternative Funding Sources: Exploring diversified funding sources and reducing dependency on subsidies can help mitigate the impact of market fluctuations on operations.

C. Operational Risk

- PASSCO and Utility Stores – Financial Inefficiencies and Wastage

- Risk Description: Both PASSCO and Utility Stores have been identified as having inefficient management and high levels of financial wastage, particularly in subsidy allocation and usage. Inefficient use of subsidies and poor oversight lead to operational bottlenecks and resource wastage, affecting service quality.

- Impact: Operational inefficiencies lead to higher operating costs, poor resource utilization, and reduced effectiveness of government support programs. This creates a cycle of dependency on subsidies, which impedes long-term sustainability.

- Mitigation Strategies:

- Operational Efficiency Initiatives: Introducing strict monitoring frameworks, improved supply chain management, and regular performance evaluations could reduce operational inefficiencies and wastage.

- Improved Management Practices: Strengthening management practices, including staff training and process optimization, would enhance operational effectiveness.

- TCP Debt Burden and Planning Issues

- Risk Description: TCP's high debt burden and lack of comprehensive financial planning lead to operational challenges. Inconsistent cash flows and high debt repayments disrupt TCP's ability to meet its commitments and fund routine operations.

- Impact: Unplanned debt accumulation impacts TCP's operational capacity and ability to procure and distribute essential goods effectively. This reduces service quality and can erode market confidence in TCP's ability to meet obligations.

- Mitigation Strategies:

- Comprehensive Financial Planning: Implementing a structured financial plan focused on debt repayment and operational budgeting would improve TCP's sustainability.

- Regular Performance Audits: Conducting performance audits would ensure operational efficiency and highlight areas for improvement.

2. Manufacturing, Mining & Engineering Sector Risks

A. Credit Risk

- Pakistan Steel – Financial Imbalance and High Debt

- Risk Description: Pakistan Steel faces severe financial imbalances due to accumulated debt, poor cash flow management, and operational inefficiencies. The company's inability to generate sufficient revenue to cover costs has led to mounting debt, increasing the risk of insolvency without continuous government support.

- Impact: The high debt burden and lack of self-sustained cash flow limit Pakistan Steel's financial flexibility, affecting its ability to repay debt and meet operating costs. Persistent credit risk impacts its credit rating and deters private sector investment.

- Mitigation Strategies:

- Debt Restructuring: Restructuring existing debt, extending repayment terms, or reducing interest rates could alleviate financial pressure and improve liquidity.

- Improved Cash Flow Management: Strengthening financial management, including prioritizing high-margin products, could improve revenue and reduce reliance on external support.

B. Market Risk

- Price and Demand Volatility in Steel Markets
  - Risk Description: The steel industry faces market volatility due to fluctuations in steel prices, raw material costs, and demand variability. Pakistan Steel's ability to operate profitably is highly sensitive to these market changes, particularly when prices decline, which can severely impact revenue.
  - Impact: Market fluctuations reduce Pakistan Steel's revenue, limit cash flow, and increase the risk of losses. Price volatility also affects operational planning and inventory management, adding complexity to production scheduling.
  - Mitigation Strategies:
    - Price Hedging for Raw Materials: Using hedging instruments to lock in raw material costs can reduce exposure to price volatility.
    - Product Diversification: Expanding into value-added products or niche markets could reduce dependence on core steel products and stabilize revenue.

C. Operational Risk

- Inefficiencies in Pakistan Steel's Production and Maintenance
  - Risk Description: Pakistan Steel suffers from operational inefficiencies, including outdated equipment, frequent breakdowns, and inadequate maintenance, leading to high production costs and inconsistent output. Inefficient operations reduce production capacity, increase maintenance costs, and limit profitability.
  - Impact: Operational inefficiencies create additional costs, reducing Pakistan Steel's competitive edge and eroding profitability. This limits its ability to compete in the market, meet production targets, and generate sustainable cash flows.
  - Mitigation Strategies:

- Investment in Modernization and Maintenance: Upgrading equipment and adopting preventive maintenance programs would improve production efficiency and reduce operational costs.
- Efficiency Improvement Programs: Streamlining operations through Lean and Six Sigma methodologies could reduce wastage, enhance output consistency, and lower costs.

- Lack of Cash Flow and Financial Planning
- Risk Description: Due to inadequate cash flow management, Pakistan Steel struggles to fund operational expenses, leading to delays in payments, procurement, and production schedules. This poor cash flow management limits the company's ability to operate effectively and plan for long-term sustainability.
- Impact: Cash flow constraints disrupt day-to-day operations, reducing Pakistan Steel's ability to procure raw materials, pay employees, and maintain infrastructure. The financial instability impacts productivity, increases costs, and hinders any efforts to become self-sustaining.
- Mitigation Strategies:
- Cash Flow Forecasting and Budgeting: Implementing a structured cash flow forecast and budgeting system would help prioritize expenditures and align cash availability with operational needs.
- Cost Reduction Initiatives: Identifying non-essential costs and implementing cost-control measures would free up cash flow for critical operational needs.

Trading & Marketing Sector Risks involve dependency on government subsidies, high liabilities, and operational inefficiencies, primarily affecting PASSCO, Utility Stores, and TCP. These organizations face credit and operational risks due to reliance on subsidies, high leverage, and inefficient management practices. To mitigate these risks, improved subsidy management, debt restructuring, and operational audits are recommended. Manufacturing, Mining & Engineering Sector Risks are driven by Pakistan Steel's financial imbalance, market volatility, and operational inefficiencies. High leverage, poor cash flow, and outdated infrastructure amplify credit, market, and operational risks. Mitigation strategies for Pakistan Steel include debt restructuring, modernization, and cash flow management improvements.

FINANCIAL SECTOR RISKS

Banks

NBP, ZTBL, HBFC, in particular

1. Credit Risk

Pension Liability Contingency

- Risk Description: The bank faces a potentially significant pension liability from a pending lawsuit. If an adverse judgment is rendered, the bank could incur a total liability of PKR 98.7 billion, along with a recurring annual cost of PKR 13.5 billion. This liability is not provisioned in the current financial statements due to confidence in a favorable legal outcome.
- Impact: A negative judgment could require immediate funding, pressuring capital reserves and impacting capital adequacy ratios, which could diminish investor confidence and impair financial stability. The recurring cost would reduce the bank's profitability and restrict reinvestment capabilities.
- Mitigation Strategies:
  - Legal Strategy and Provisions: The bank should maintain a proactive legal approach to minimize the risk of an adverse judgment. Establishing a capital buffer or partial provision may prepare the bank for an unexpected liability payout.
  - Capital Buffer Management: Building a specific capital buffer would provide additional resilience against financial shocks stemming from an adverse judgment.

Concentration and Counterparty Risk

- Risk Description: High exposure to specific sectors, borrowers, and geographic regions introduces concentration risk, while counterparty risk is present in financial transactions that rely heavily on third-party performance. Any default or downturn in these sectors could lead to substantial losses.
- Impact: Concentration in specific sectors exposes the bank to economic volatility within those areas, while a counterparty default could strain cash flows and impact asset quality, affecting the bank's credit rating and potentially raising borrowing costs.
- Mitigation Strategies:

- Diversification of Credit Portfolio: Expanding credit exposure across various sectors and regions reduces dependency on specific economic segments.
- Counterparty Credit Assessment: Implementing thorough counterparty assessments with regular monitoring and early-warning indicators can help minimize the impact of defaults.

2. Market Risk

Foreign Exchange Risk

- Risk Description: The bank is exposed to currency fluctuations due to foreign-denominated assets and liabilities, which impact the bank's profitability and balance sheet stability. This risk is heightened by reliance on foreign funding sources or international branches.
- Impact: Adverse currency movements can decrease asset value, reduce profitability, and increase the cost of foreign currency liabilities, potentially leading to cash flow constraints and impacting capital ratios.
- Mitigation Strategies:
  - Currency Hedging Instruments: Forward contracts, swaps, or options would help mitigate exchange rate fluctuations and stabilize foreign currency obligations.
  - Foreign Currency Reserves: Building foreign currency reserves would reduce dependency on external liquidity sources and provide a buffer against currency volatility.

Interest Rate Risk

- Risk Description: Interest rate risk affects both assets and liabilities, as rate changes can impact the bank's net interest income and asset values. Sudden rate fluctuations disrupt revenue predictability and impact capital positions.
- Impact: Rising rates may decrease the value of fixed-income assets, while falling rates can reduce interest income, affecting profitability and financial strength. Prolonged interest rate volatility affects asset valuation, impacting the capital adequacy and stability of the bank.
- Mitigation Strategies:
  - Interest Rate Swaps and Derivatives: Utilizing interest rate derivatives can help the bank hedge against fluctuations, stabilizing returns.

- Asset-Liability Balance: Maintaining a balanced portfolio of fixed and variable rate assets and liabilities reduces vulnerability to rate changes.

3. Operational Risk

Compliance and Risk Matters in the New York Branch

- Risk Description: The New York Branch faces compliance challenges due to scrutiny from the New York State Department of Financial Services and the Federal Reserve Bank. Despite remediation, continued regulatory monitoring places operational demands on the branch.
- Impact: Non-compliance could result in fines, regulatory actions, and reputational damage, impacting the bank's credibility in international markets. The added compliance workload also increases operational costs and diverts resources from other business operations.
- Mitigation Strategies:
  - Strengthening Compliance Framework: Regular assessments, training, and compliance audits would ensure alignment with regulatory requirements.
  - Enhanced Oversight: Direct engagement from Senior Management and the Board helps maintain accountability, align resources for compliance efforts, and improve regulatory relations.

Closure of Foreign Operations

- Risk Description: The bank is exiting international operations in several countries, requiring compliance with regulatory closures and creating operational and reputational risks. Managing these closures across various jurisdictions adds complexity to the bank's operations.
- Impact: Closing foreign branches incurs restructuring costs, affects customer relations, and can lead to temporary operational disruptions. Mismanaged closures may harm customer confidence and create reputational risks if local regulations aren't met.
- Mitigation Strategies:
  - Effective Communication with Stakeholders: Transparency in communicating with customers and regulators ensures expectations are managed, and disruptions are minimized.

- Systematic Closure Process: Developing a structured closure plan, including compliance checklists and financial wind-down procedures, would mitigate risks and ensure smooth transitions.

Technology and Cybersecurity Risk

- Risk Description: Increasing reliance on digital platforms for operations and customer transactions exposes the bank to technology and cybersecurity risks. Cyber-attacks or system failures could compromise data integrity and disrupt services.
- Impact: Cybersecurity breaches could result in data losses, operational downtime, and regulatory penalties, leading to financial losses and reputational damage. A major breach or prolonged system failure could erode customer confidence.
- Mitigation Strategies:
  - Robust Cybersecurity Protocols: Implementing multi-layered security, regular system updates, and real-time monitoring would reduce cyber vulnerability.
  - Business Continuity and Disaster Recovery: Regularly testing disaster recovery plans ensures quick recovery and minimizes downtime, preserving customer confidence and operational stability.

4. Financial Sector Risks

Low Advance-to-Deposit Ratios (ADRs) and High Investment-to-Deposit Ratios (IDRs)

- Risk Description: The bank, along with the broader financial sector, has a low ADR, meaning a smaller portion of deposits is used for lending relative to investments in government securities. While high IDRs ensure liquidity, they limit credit growth and reduce the sector's role in economic development.
- Impact: Low ADRs restrict lending capabilities, impeding economic growth and reducing the bank's revenue from interest on loans. Conversely, high IDRs increase reliance on government securities, making the bank's portfolio sensitive to interest rate risk and regulatory changes. If regulatory adjustments limit government securities, the bank may face reinvestment risks and decreased profitability.
- Mitigation Strategies:

- Balanced Lending and Investment Portfolio: Encouraging a balanced portfolio between lending and investment to promote growth and reduce dependency on government securities.
- Regulatory Incentives for Lending: Collaborating with regulators to develop incentives that encourage lending, such as favorable lending terms or tax advantages, would enhance economic development and support credit growth.

INSURANCE AND DFIS

Here's an expanded and in-depth risk report for Development Finance Institutions (DFIs), Non-Banking Financial Institutions (NBFIs), and the Insurance Sector, with added insights on Pak Reinsurance and National Insurance Company Limited (NICL) regarding government policy protections and the potential risks posed by deregulation.

1. Credit Risk

DFIs Over-Investing in Government Securities

- Portfolio Analysis Findings: The analysis shows that 76% of DFI assets are concentrated in government securities, funded by Rs 2.094 trillion in short-term borrowings from the SBP. This focus limits DFIs' ability to fulfill their development mandate. Additionally, only 24% of assets are dedicated to lending, equity investments, and non-risk-free activities, which are critical for economic development.
- Risk Description: By relying on low-risk government securities and limited exposure to core developmental projects, DFIs miss opportunities for higher returns and development impact, thus constraining their credit growth and impact on underdeveloped sectors.
- Mitigation Strategies:
  - Capital Infusion for Development Activities: DFIs need additional capital or long-term funding to expand into core activities.
  - Regulatory Adjustments for Portfolio Balance: Introducing incentives for DFIs to invest in core lending and growth sectors would reduce dependency on government securities.

Pak Reinsurance and NICL – Government-Dependent Credit Risk

- Risk Description: Both Pak Reinsurance and NICL benefit from protective government policies that shield them from competition and adverse market conditions. However, if these policies were relaxed or fully deregulated, these entities would face increased competition and potentially higher credit risk as they adapt to market pressures.
- Impact: Deregulation could expose Pak Reinsurance and NICL to greater competition, reducing their market share and potentially affecting revenue stability. This would challenge their ability to generate consistent cash flows, especially if they lack competitive strategies and diversified service offerings.
- Mitigation Strategies:
  - Strategic Reforms to Increase Resilience: Preparing Pak Reinsurance and NICL for a competitive environment through strategic adjustments, such as service diversification and cost controls, would reduce reliance on government protections.
  - Enhanced Risk Management Framework: Building robust risk management practices would allow these entities to adapt better if protective policies are lifted.

2. Market Risk

DFIs' High Concentration in Government Securities

- Portfolio Analysis Findings: DFIs have allocated 76% of their assets to government securities, which provide lower returns but are considered risk-free. This allocation reduces DFIs' capacity for lending and equity investments, limiting their potential to drive economic growth.
- Risk Description: DFIs' heavy reliance on government securities not only limits their development impact but also reduces their revenue diversification. This concentration can make them vulnerable to regulatory or interest rate changes that could affect the attractiveness or income potential of government securities.
- Mitigation Strategies:
  - Balanced Portfolio Strategies: Diversifying portfolios to include more high-yield investments in development sectors would reduce market concentration risks.
  - Policy Incentives for Development Investments: Providing incentives to allocate funds toward high-impact projects would shift DFIs towards more balanced and sustainable growth.

Pak Reinsurance and NICL – Risks from Potential Deregulation

- Risk Description: Both Pak Reinsurance and NICL are currently insulated by government protections, which limit competition. However, if these protections are lifted, both entities would need to compete more actively in the market, posing risks to their market stability and revenue generation.
- Impact: Deregulation would expose these institutions to price competition, reducing margins and potentially impacting profitability. Additionally, a shift in market dynamics could compel these entities to quickly develop competitive pricing, product diversification, and operational efficiency, which may not be in place currently.
- Mitigation Strategies:
  - Investment in Diversification and Innovation: Investing in product diversification and client outreach strategies would strengthen Pak Reinsurance and NICL against potential market competition.
  - Periodic Market Analysis: Regularly monitoring industry trends would help these institutions proactively adapt and prepare for a more competitive landscape.

3. Operational Risk

DFIs' Dependence on SBP Borrowings for Government Securities

- Portfolio Analysis Findings: The Rs. 2.094 trillion in SBP borrowings restricts DFIs to government securities investments only, limiting their flexibility in supporting core developmental projects. Without access to additional capital, DFIs face operational limitations that restrict their effectiveness.
- Risk Description: Over-reliance on SBP borrowings creates operational bottlenecks for DFIs, as they are limited to low-yield investments. This dependency affects DFIs' ability to pivot resources into more impactful development projects, diminishing their operational capacity for economic growth.
- Mitigation Strategies:
  - Raising Capital for Core Development Projects: Seeking alternative funding sources designated for developmental projects would enhance DFIs' operational flexibility.
  - Operational Efficiency Initiatives: Streamlining operational practices would allow DFIs to allocate more resources to core activities, improving alignment with their mandate.

Pak Reinsurance and NICL – Operational Risks under Deregulation

- Risk Description: NICL and Pak Reinsurance benefit from government safeguards that restrict competition and operational pressures. If these protections are lifted, both institutions may struggle to adapt to increased market dynamics, especially if they lack competitive operational practices.
- Impact: Deregulation would necessitate significant operational changes within these organizations, requiring them to adopt efficiency measures, advanced technologies, and competitive pricing structures. Failure to adapt could lead to operational disruptions, loss of market share, and increased risk of financial instability.
- Mitigation Strategies:
  - Operational Strengthening Programs: NICL and Pak Reinsurance should implement programs to optimize operations and streamline costs, preparing for a more competitive environment.
  - Digital Transformation: Investing in digital technologies would improve efficiency and allow these institutions to offer competitive services that meet modern market standards.

REPORT ON QUALITY OF ANNUAL REPORTS AND IFRS APPLICATION FY 2024

Introduction

Implementation of IFRS and IAS for SOEs: Challenges and Opportunities

The adoption of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) marks a pivotal transformation for State-Owned Enterprises (SOEs) in Pakistan. These global accounting standards are designed to improve transparency, comparability, and consistency in financial reporting, enabling SOEs to align with international best practices. Chapter 7, Clause 25, Sub-section 2 of the SOE Act mandates that all SOE financial statements must adhere to IFRS, with full implementation required by February 2026, as outlined in the Ownership and Management Policy.

Given the diverse operations of SOEs across sectors such as Oil & Gas, Power, Financial Services, Infrastructure, ICT, Transport, and others, the transition to these standards is essential for strengthening financial governance, attracting investor confidence, and fostering economic resilience. Below is an in-depth examination of the key IFRS and IAS standards applicable to SOEs, along with their sector-specific implications, risks, and opportunities.

Key IFRS and IAS Standards for SOEs

1. IFRS 9 (Financial Instruments)

- **Scope:** Classification, measurement, and impairment of financial assets.
- **Sector Impacts:**
  - Financial Services and Insurance: Requires an expected credit loss (ECL) model for impairments, significantly affecting SOEs with extensive credit portfolios like banks and DFIs.
  - Oil & Gas: Addresses receivables related to circular debt and long-term supply agreements.
  - Power Sector: Impacts receivables from tariff differentials and delayed payments.
- **Challenges:**
  - Implementing the ECL model requires advanced credit monitoring systems and historical data.
  - Accounting adjustments may result in higher provisioning and reduced profitability.
- **Opportunities:**
  - Enhanced financial accuracy and risk management.
  - Improved investor confidence through robust impairment modeling.

---

2. IFRS 14 (Regulatory Deferral Accounts)

- **Scope:** Accounting for tariff differentials and government subsidies.
- **Sector Impacts:**
  - Power and Gas: Critical for entities managing regulatory pricing and subsidies.
- **Challenges:**
  - Complex regulatory frameworks create reporting uncertainties.
  - Risk of compliance failures with local and international standards.
- **Opportunities:**
  - Transparent accounting of subsidies improves stakeholder trust.
  - Enhanced alignment with international practices facilitates foreign investments.

---

3. IFRS 15 (Revenue from Contracts with Customers)

- **Scope:** Revenue recognition based on performance obligations.
- **Sector Impacts:**
  - Oil & Gas: Complex revenue estimation models due to volatile prices.
  - Power, Telecommunications, and Construction: Long-term contracts necessitate detailed performance evaluations.
- **Challenges:**
  - Implementation of the five-step model requires operational adjustments.
  - Revenue estimation errors may lead to audit scrutiny.
- **Opportunities:**
  - Improved revenue visibility aids financial planning and forecasting.
  - Enhanced credibility with investors and creditors.

---

4. IFRS 16 (Leases)

- **Scope:** Recognition of all leases on the balance sheet.
- **Sector Impacts:**
  - Transport and Infrastructure: Leasing of rolling stock, heavy machinery, and real estate.
  - Gas and Power: Impacts Power Purchase Agreements (PPAs) by classifying them as leases.
- **Challenges:**
  - Increased liabilities could impact debt covenants and borrowing capacity.
  - Operational adjustments required for lease classification and valuation.
- **Opportunities:**
  - Greater financial clarity promotes informed decision-making.
  - Improved long-term financial planning.

---

5. IFRS 17 (Insurance Contracts)

- **Scope:** Standardizes reporting of insurance liabilities.
- **Sector Impacts:**
  - Insurance Entities: Affects SOEs like State Life Insurance Corporation (SLIC).
- **Challenges:**
  - Requires revaluation of long-term contracts and liabilities.
  - Complex actuarial models and valuation adjustments.
- **Opportunities:**
  - Enhanced consistency and transparency in reporting.
  - Greater trust among policyholders and stakeholders.

---

6. IAS 19 (Employee Benefits)

- **Scope:** Accounting for pensions and long-term employee benefits.
- **Sector Impacts:**
  - Infrastructure-heavy SOEs like Pakistan Railways and NHA, with significant pension obligations.
- **Challenges:**
  - Large unfunded pension liabilities could strain financial health.
  - Actuarial valuation and disclosures require expertise.
- **Opportunities:**
  - Streamlined management of employee benefits.
  - Improved cost predictability for long-term obligations.

---

7. IAS 20 (Accounting for Government Grants & assistance)

- **Scope:** Recognition and disclosure of government assistance.
- **Sector Impacts:**
  - Infrastructure and Transport: Entities reliant on government grants like PR and NHA.
- **Challenges:**
  - Clear separation of grants from operational revenues.
  - Compliance with disclosure requirements.
- **Opportunities:**
  - Greater transparency in grant utilization.
  - Improved accountability and fiscal management.

---

8. IAS 21 (Effects of Changes in Foreign Exchange Rates)

- **Scope:** Accounting for foreign currency transactions.
- **Sector Impacts:**
    - Power and Export-Oriented SOEs: Exposed to foreign exchange risks.
- **Challenges:**
    - Managing exchange rate volatility in financial reporting.
    - Increased complexity in multi-currency operations.
- **Opportunities:**
    - Enhanced risk management through hedging strategies.
    - Accurate financial reporting boosts global competitiveness.

Challenges of Transitioning to IFRS/IAS

- **Operational Adjustments:** Significant reconfiguration of accounting systems and processes.
- **Training Needs:** Developing technical expertise for compliance with global standards.
- **Resource Constraints:** Limited financial and technical capacity for smaller SOEs.
- **Regulatory Alignment:** Balancing local and international requirements during the transition period.

Opportunities of IFRS/IAS Adoption

- **Enhanced Transparency:** Greater clarity in financial reporting attracts foreign investment.
- **Access to Capital:** Improved governance enables better access to international capital markets.
- **Global Competitiveness:** Alignment with international standards positions SOEs for global partnerships.
- **Strategic Decision-Making:** Reliable financial data supports better resource allocation and strategic planning.

Sector-Specific Implications and Current Status

- **Power and Gas:** Addressing tariff differential impacts under IFRS 14 and 15. & PPA agreements for power sector under IFRS 16.
- **Oil & Gas:** Navigating revenue estimation and currency risks.
- **Financial Services:** Implementing IFRS 9 and diversifying risk management practices.
- **Infrastructure:** Ensuring IAS 19 and IAS 20 compliance for long-term financial health.

EXPLANATION

The implementation of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) represents a transformative shift for State-Owned Enterprises (SOEs), offering both significant challenges and opportunities. These global accounting standards aim to enhance the transparency, comparability, and consistency of financial reporting, helping SOEs align with international best practices. **According to Chapter 7, Clause 25, Sub-section 2 of the SOE Act, all financial statements of SOEs must be prepared in accordance with IFRS. Furthermore, the Ownership and Management Policy stipulates that full implementation of IFRS must occur within three years, with a compliance deadline set for February 2026**.

Given that SOEs operate in diverse sectors such as Oil & Gas, Power, Financial, infrastructure ICT & transport, Trading & Marketing, Industrial Estates, Manufacturing mining & engineering and Miscellaneous, the adoption of these standards is crucial for improving financial governance and fostering investor confidence. Key IFRS and IAS standards applicable to SOEs include:

- IFRS 9 (Financial Instruments): Focuses on the classification, measurement, and impairment of financial assets, requiring the use of an expected credit loss model to account for impairments. This impacts SOEs with significant loan or credit portfolios, particularly in the financial services sector. SOES which need to follow this standard are mostly Financial Sector, insurance sector, Oil & Gas sector; Power sector however can extend to other sectors also.

- IFRS 14 (Regulatory Deferral Accounts): Provides guidance for the accounting treatment of tariff differentials and government subsidies, crucial for the power and gas sectors where regulatory pricing impacts financial results. Tariff differential subsidies are the most impacted here.

- IFRS 15 (Revenue from Contracts with Customers): Introduces a five-step model for recognizing revenue based on performance obligations, affecting sectors with long-term contracts such as power, telecommunications, and construction, but most focus goes on Oil & Gas sector where there is high degree of revenue estimation.

- IFRS 16 (Leases): Requires companies to recognize all leases on the balance sheet, leading to higher liabilities for sectors with significant leasing arrangements, such as transport and infrastructure and in particular gas and power sector which has Power purchase agreements PPAs.

- IFRS 17 (Insurance Contracts): Standardizes the reporting of insurance liabilities, particularly relevant for SOEs in the insurance sector, offering clearer financial reporting for long-term insurance contracts (e.g. SLIC and other insurance companies)

- IAS 19 (Employee Benefits): Governs the accounting for employee pensions and other long-term benefits, impacting infrastructure-heavy SOEs like railways, where large pension obligations exist.

- IAS 20 (Accounting for Government Grants): Provides guidance on the recognition and disclosure of government assistance, relevant to SOEs that receive substantial grants, such as those in the infrastructure sector (e.g., railways, national highways).

- IAS 21 (The Effects of Changes in Foreign Exchange Rates): Addresses the financial reporting impact of foreign currency transactions, crucial for power companies and export-oriented SOEs that have foreign exchange exposures.

The transition to these IFRS/IAS standards is not without its complexities, as SOEs must navigate intricate operational adjustments and ensure compliance with both local regulations and international requirements. However, successful implementation can lead to improved decision-making, increased access to capital, and enhanced global competitiveness for SOEs. This report delves into the sector-specific implications of these key IFRS and IAS standards on SOEs, highlighting both the risks and rewards of adopting these frameworks and the current status in the financial statements.

.

Sector-Specific Analysis of IFRS as per Latest financials

OIL & GAS SECTOR

Here's an expanded version that delves into more detail on each of the points, particularly focusing on how IFRS 15, IFRS 9, and IFRS 14 interact in the context of Oil & Gas companies, and how these standards impact financial reporting, revenue estimation, credit risk, and receivables from the Government of Pakistan (GOP):

1. Revenue Estimation (IFRS 15)

IFRS 15 establishes a framework for revenue recognition based on the transfer of control of goods and services, requiring entities to recognize revenue as performance obligations are satisfied. For Oil & Gas companies, the application of this standard, especially in the case of long-term contracts, is complex and involves a high degree of judgment due to:

- Long-term Contracts: Many Oil & Gas companies, such as **OGDCL, PARCO, PPL, & SNGPL and SSGPL** engage in contracts that extend over multiple years. These contracts often have variable consideration linked to commodity prices, volume discounts, and performance incentives. The challenge lies in estimating the total transaction price at the contract's inception and throughout its life.

- Performance Obligations: The delivery of natural gas and crude oil is typically considered the key performance obligation. For instance, revenue from the sale of natural gas is recognized over time as the gas is delivered to the customer, which aligns with the satisfaction of the performance obligation. However, judgment is required in determining when control of the commodity transfers, especially when physical delivery and legal transfer of ownership are governed by complex contractual terms.

- Variable Consideration: IFRS 15 requires entities to estimate the amount of variable consideration, such as bonuses for early delivery or penalties for delays, and recognize it only to the extent that it is highly probable that a significant reversal of revenue will not occur. For Oil & Gas companies, variability often comes from factors such as fluctuating commodity prices, regulatory interventions, and changes in demand. These variables make the estimation of revenue challenging and subject to constant reassessment.

- Estimation of Transaction Price: Companies must estimate the transaction price at contract inception, taking into account variable consideration like price caps, market volatility, and performance-based incentives. These estimates often require continuous adjustment based on market conditions and regulatory changes, adding complexity to the financial reporting process.

2. Credit Risk (IFRS 9)

IFRS 9 introduced the Expected Credit Loss (ECL) model for assessing credit risk and making provisions for bad debts. This standard plays a crucial role for Oil & Gas companies, particularly when dealing with receivables from customers in the power sector, which is notorious for its circular debt issues. Key considerations include:

- High Receivables: Many Oil & Gas companies, such as **OGDCL, PARCO and PPL,** have substantial receivables from state-owned entities (SOEs) in the power sector. These SOEs often delay payments due to cash flow shortages, which are exacerbated by systemic inefficiencies like circular debt. The circular debt issue is a recurring problem where power sector entities are unable to recover costs, which leads to a chain of delayed payments across the energy sector. Likewise **SNGPL and SSGPL** have significant receivables from GOP to be read with IFRS14.

- Provisioning for Expected Credit Losses: Under IFRS 9, entities must recognize credit losses based on expected future defaults, rather than waiting for an actual default to occur. For Oil & Gas companies, this means establishing robust provisioning models that consider not only the creditworthiness of the power sector SOEs but also the macroeconomic conditions in Pakistan, such as government intervention, tariff adjustments, and subsidies. The application of the ECL model can result in significant provisions for potential credit losses, especially when there are delays in payments from SOEs.

- Impact on Receivables: Companies must constantly update their ECL models to reflect current conditions, including changes in the power sector's liquidity, government policy, and historical payment patterns. This ongoing reassessment introduces volatility into financial reporting, as the amount of expected credit losses can fluctuate based on external factors. For example, if the government fails to address circular debt issues, companies may need to increase their provisions, directly affecting net income and balance sheet figures.

- Forward-Looking Approach: IFRS 9's forward-looking approach requires companies to incorporate information such as macroeconomic indicators (e.g., inflation, interest rates), the political environment, and changes in sectoral policies. These factors make it challenging for companies to develop accurate ECL models, especially when the underlying issues, such as circular debt, are driven by long-standing structural problems in the economy.

3. Regulatory Deferral Accounts (IFRS 14)

IFRS 14 allows first-time adopters of IFRS who are subject to rate regulation to continue recognizing regulatory deferral account balances in their financial statements. This standard is particularly relevant to gas distribution companies **like Sui Southern Gas Company (SSGC) and Sui Northern Gas Pipelines Limited (SNGPL)**, which deal with tariff adjustments and subsidies from the Government of Pakistan (GoP). Under IFRS 14, these companies:

- Tariff Adjustment Subsidies: Gas companies often operate under regulated tariffs, where prices charged to customers are set by the government. However, the actual cost of gas, transportation, and distribution may exceed the regulated price, resulting in tariff adjustment subsidies that are recoverable from the GoP. These subsidies are recognized as regulatory deferral accounts on the balance sheet, reflecting the amounts due from the government to compensate for the difference between the cost and the regulated price.

- Receivables from GoP: The tariff adjustment subsidies are reflected as receivables from the GoP on the balance sheet. However, these receivables are often subject to delays in payment due to budgetary constraints or political factors, impacting the liquidity of these companies. The deferral of such subsidies leads to a significant amount of unpaid receivables on the balance sheet, which can stretch over several periods and increase the company’s reliance on government support.

- Impact on Financial Reporting: The recognition of regulatory deferral accounts under IFRS 14 introduces additional scrutiny. Investors and auditors must assess the likelihood of subsidy payments being received, especially given the fiscal challenges facing the GOP. Delays in receiving subsidies can lead to cash flow constraints, while the reclassification or Derecognition of regulatory deferral accounts may negatively affect profitability and equity.

- Disclosures: Companies are required to disclose the nature and extent of their regulatory deferral accounts, the assumptions used in recognizing them, and the risks associated with delayed government payments. This increased transparency highlights the dependence of gas companies on government subsidies and the potential risks if the GoP fails to make timely payments, which could lead to impairments.

4. Impact on Financial Statements

The interplay of IFRS 15, IFRS 9, and IFRS 14 has several implications for Oil & Gas companies, particularly those with exposure to the power sector and state-owned entities:

- Revenue and Profitability: Estimating revenue under IFRS 15 for long-term contracts introduces the risk of revenue adjustments, especially when variable consideration is involved. High receivables, combined with provisions for credit losses under IFRS 9, can result in lower reported revenues and profitability. The variability in estimated transaction prices and ECL provisions can also introduce earnings volatility.

- Balance Sheet: The recognition of regulatory deferral accounts under IFRS 14 for tariff adjustment subsidies affects the balance sheet by increasing receivables from the GoP. However, the delayed payment of these receivables can lead to liquidity issues and force companies to rely on short-term financing. Furthermore, significant receivables from SOEs, combined with high provisioning for credit risk, can reduce the net asset position of these companies.

- Audit and Scrutiny: Given the high level of judgment involved in revenue recognition, provisioning for credit losses, and the recognition of regulatory deferral accounts, these areas are likely to receive increased audit focus. Companies need to maintain robust documentation and continuously update their estimates to ensure compliance with IFRS standards, adding complexity to the financial reporting process.

Conclusion

For Oil & Gas companies, the combined impact of **IFRS 15, IFRS 9, and IFRS 14** introduces a number of challenges in financial reporting. Revenue recognition under long-term contracts involves significant judgment, while high receivables from the power sector expose companies to credit risk, requiring careful provisioning under the ECL model. Additionally, the recognition of tariff adjustment subsidies as regulatory deferral accounts under IFRS 14 highlights the dependence of gas companies on government payments, increasing the risk of cash flow delays. Together, these factors can lead to reductions in reported revenues and profitability, increased volatility in financial results, and greater scrutiny from auditors and investors. Currently the financial statements of these entities need better integration of IFRS so that financial information can be presented as per IFRS standards.

POWER SECTOR

1. **Revenue Recognition (IFRS 15): Power Purchase Agreements (PPAs) in GENCOS (e.g., NPPML, WAPDA).**

Key Challenge:

- Power Purchase Agreements (PPAs) often represent long-term contracts with complex variable consideration structures. These agreements are typically between power generation companies (GENCOs) and either distribution companies or direct industrial clients. Revenue recognition over time, as per IFRS 15, involves carefully defining performance obligations and recognizing revenue as these obligations are satisfied.

- Variable consideration within PPAs may include price adjustments tied to market factors such as fuel prices or inflation. Additionally, performance-based incentives (e.g., penalties or bonuses for availability and efficiency) create complexity in calculating transaction prices.

- The need for revenue recognition over time rather than at a point in time means entities must ensure accurate matching of revenue with the delivery of electricity or capacity.

Impact:

- Revenue Timing: Misaligned or misinterpreted revenue recognition can distort the timing of revenue, either overstating or understating performance. This misalignment could skew earnings per share (EPS), leading to discrepancies between financial performance and market expectations.

- Audit and Regulatory Scrutiny: Given the long-term nature and materiality of PPAs, these contracts are often subject to heightened audit scrutiny, particularly concerning revenue recognition disclosures.

- Sector-wide Impact: The power sector is highly sensitive to revenue volatility, and inconsistencies in recognition practices can significantly influence investor sentiment, credit ratings, and the ability to secure financing for future projects.

Along with PPAs, normal revenue in **CPPA, NTDC, DISCOS, NPPMCL, WAPDA** etc. also need accurate accounting of revenue recognition as per IFRS 15.

2. Credit Risk (IFRS 9): Significant Receivables and Provisions for Bad Debts

Key Challenge:

- Power distribution companies **(DISCOs) such as MEPCO, IESCO, LESCO, QESCO, PESCO etc.** face substantial credit risk due to delayed or non-collection of payments from customers, especially in areas with low collection rates or high instances of electricity theft. In addition, **GENCOs like NPPMCL and WAPDA** must manage significant receivables from DISCOs and government entities. Even **NTDC and CPPA** are included here being part of the circular debt spiral.

- IFRS 9 requires that companies account for expected credit losses (ECL) rather than incurred losses. For the power sector, this involves estimating the likelihood of future defaults and setting provisions accordingly. **Stage 2 and Stage 3 impairments** (significant increases in credit risk and credit-impaired financial assets, respectively) can severely impact both profit and loss (P&L) and balance sheet items like receivables.

- The circular debt issue exacerbates credit risk in the power sector, as payment delays trickle down through the supply chain from distribution to generation.

Impact:

- Higher Provisions: Increasing ECL provisions under IFRS 9 directly reduces profitability, potentially leading to significant hits to net income and equity.

- Financial Health: Poor collection practices and rising receivables put severe strain on liquidity, necessitating either higher working capital financing or delaying investment in infrastructure.

- Circular Debt: With higher provisions, the overall financial health of power companies deteriorates, leading to greater reliance on government support and creating further systemic risk within the sector.

3. Regulatory Deferral Accounts (IFRS 14): Tariff Differential Subsidies

Key Challenge:

- Power distribution companies **such as MEPCO, IESCO, LESCO, QESCO, PESCO etc.** often rely on tariff differential subsidies from the government to cover the gap between regulated consumer tariffs and the actual cost of electricity supply. Under IFRS 14, entities can recognize regulatory deferral accounts that defer the recognition of these subsidies over time.

- These deferred amounts, however, can become significant, and reliance on government subsidies complicates financial reporting, particularly if subsidies are delayed or reduced.

Impact:

- Current Ratio: Since tariff differential subsidies are recorded as regulatory deferral assets, removing them from current assets impacts the current ratio and liquidity. For DISCOs, a deteriorating current ratio could imply poor working capital management, reducing their ability to secure short-term financing.

- EPS Impact: If subsidy-related revenues are excluded from ordinary income and classified as separate items, it will affect earnings per share (EPS), potentially distorting the true performance of these companies.

- Sector-wide Impact: Delays or reductions in subsidies compound circular debt issues, impair working capital, and could force government intervention, further entrenching fiscal risks in the sector.

4. Leases (IFRS 16): Power Purchase Agreements (PPAs) and Lease Accounting

Key Challenge:

- Power Purchase Agreements (PPAs) often involve fixed payments over the contract's life, and these may fall under lease accounting per IFRS 16 if they grant control over an asset (such as a power plant) for a specific period. Mostly affect **NPPMCL and WAPDA**

- Power plants, previously recorded as fixed assets on the balance sheet, may need to be reclassified as lease receivables. This change transforms the nature of asset and liability recognition, impacting key financial metrics.

Impact:

- Debt Covenants: Reclassifying assets from fixed assets to lease receivables can impact the collateral tied to debt covenants. As these power plants no longer appear as tangible assets, companies may risk breaching collateralized debt agreements.

- Profit & Loss (P&L): Moving from depreciation of power plants to lease payment accounting under IFRS 16 can impact the timing and magnitude of expenses, potentially reducing profitability in the short term but smoothing expenses over the lease term.

5. Employee Benefits (IAS 19): Pension Liabilities

Key Challenge:

- Government-owned utilities in the power sector often have large workforce pension schemes, and IAS 19 requires precise actuarial assessments to recognize and measure these pension liabilities.

- The challenge lies in determining the present value of pension obligations, which can fluctuate due to changes in market conditions, discount rates, and employee turnover.

Impact:

- Balance Sheet: Pension liabilities can add significant long-term liabilities to the balance sheet, particularly in a sector with large employee headcounts.

- P&L Volatility: Changes in actuarial assumptions can lead to substantial gains or losses in the P&L or other comprehensive income (OCI), creating volatility in reported results and potentially reducing shareholder equity.

6. Government Grants (IAS 20): Special Application to PHCL

Key Challenge:

- Power sector companies often receive government grants to fund infrastructure, renewable energy projects, or research initiatives. Correct accounting treatment of these grants under IAS 20 is crucial to ensuring that they are appropriately classified as deferred income or reducing the cost of the related asset.

- Grants related to financing instruments, like Energy Sukook payments in Power Holding Companies, require careful distinction between amounts received and amounts applied to income or liabilities.

Impact:

- P&L Impact: Misclassification or incorrect timing of grant recognition can lead to overstatement or understatement of income.

- Sector-wide Impact: Government grants play a key role in subsidizing the power sector, particularly in the transition to renewable energy. Mismanagement of grant recognition can severely distort financial performance, particularly for companies dependent on these funds.

7. Foreign Exchange (IAS 21): Power Purchase Agreements (PPAs)

Key Challenge:

- Many power producers (NPPMCL, WADPA etc.) operate PPAs with foreign currency-linked payments, particularly for fuel imports or capital-intensive projects funded by international investments. Under IAS 21, these payments must be translated into the company's functional currency, creating a significant risk of exchange rate volatility.

- Fuel price fluctuations or import costs in currencies such as USD can significantly impact revenue and cost structures.

Impact:

- Currency Risk: Volatility in foreign exchange rates directly affects both revenue recognition and operating costs. If these impacts are not properly hedged or accounted for, the company's P&L could experience considerable swings.

- Equity Impact: Changes in foreign exchange rates affect not only P&L but also other comprehensive income (OCI), creating volatility in shareholder equity.

Sector-Wide Financial Impact:

- Circular Debt: The power sector faces systemic issues with circular debt, where delays in payments create financial strain across the supply chain. Accurate application of IFRS standards is critical to correctly reflecting these debts and ensuring transparency.

- Debt Covenants: Changes in financial reporting standards, such as reclassification under IFRS 16 or increased provisioning under IFRS 9, could lead to breaches in debt covenants, negatively affecting the sector's financial stability.

The application of IFRS standards in the power sector is complex, given the intricate nature of PPAs, regulatory subsidies, credit risk, foreign exchange exposure, and employee benefit obligations. Each standard—from IFRS 15 on revenue recognition to IFRS 16 on leases—carries significant implications for financial reporting and sector stability. Meticulous compliance, coupled with robust financial controls, is essential to ensure accurate financial reporting and maintain sector health amidst financial and regulatory challenges.

INFRA, ICT & TRANSPORT

1. **Application of IFRS 15 to National Highways Authority (NHA)** and Public-Private Partnership (PPP) Infrastructure Projects **(to be read with IAS 20 grants)**

Public-Private Partnership (PPP) infrastructure projects, such as those managed by the National Highways Authority (NHA) under Build-Operate-Transfer (BOT) models, involve complex revenue recognition mechanisms due to the long-term nature of these projects and the various revenue streams associated with them. IFRS 15 - Revenue from Contracts with Customers is the standard governing revenue recognition for such projects and aims to provide a consistent framework to determine how and when to recognize revenue.

1. Overview of IFRS 15: Five-Step Model

The five-step model of IFRS 15, which guides how revenue is recognized is as follows: :

1. Identify the Contract with a Customer: Determine whether the NHA has a legally enforceable contract with a customer (e.g., the government or users of the infrastructure) for the provision of goods or services.

2. Identify the Performance Obligations in the Contract: Break down the contract into distinct performance obligations (e.g., constructing infrastructure, operating toll booths, maintaining roads).

3. Determine the Transaction Price: Determine the total consideration the NHA expects to receive, including any variable consideration (e.g., toll revenues, government payments, bonuses for meeting milestones).

4. Allocate the Transaction Price to Performance Obligations: Allocate the transaction price to the specific performance obligations identified.

5. Recognize Revenue as Performance Obligations are Satisfied: Recognize revenue over time as the NHA satisfies its obligations (e.g., construction milestones, operational services).

2. Revenue Streams in PPP Infrastructure Projects (BOT Model)

For the NHA, PPP projects under the Build-Operate-Transfer (BOT) model involve multiple revenue streams, including:

- Construction Revenue: Payments for building the infrastructure.

- Operating Revenue: Revenue generated from operating the infrastructure, such as toll collection.

- Maintenance Revenue: Fees or government payments for maintaining the road or infrastructure.

- Government Grants or Subsidies: Support from the government, either in the form of upfront grants or ongoing payments.

- Variable Consideration: Performance-based bonuses or penalties, and variable toll revenues depending on usage.

3. IFRS 15 Application to Each Revenue Stream

A. Construction Revenue (Initial Construction Phase)

- Identifying the Contract and Performance Obligations:

In a BOT project, the NHA typically enters into a contract to design and construct highways or other infrastructure, which is then operated by the private partner. The contract will likely have multiple performance obligations (e.g., design, construction, and commissioning of the highway).

- Revenue Recognition:

For the construction phase, IFRS 15 usually requires revenue to be recognized over time. This means that as the NHA fulfills its performance obligations (e.g., completing sections of the highway), it can recognize revenue using the percentage of completion method. This method ensures revenue is matched with the actual progress made in construction.

- Example: If the NHA completes 30% of the construction work by a certain reporting period, it can recognize 30% of the total contract value as revenue.

- Variable Consideration:

Sometimes, the contract includes performance bonuses for meeting deadlines or penalties for delays. These are treated as variable consideration and must be estimated and included in the transaction price if they are highly probable and not subject to significant reversal.

B. Operating Revenue (Toll Collection & Other Revenue)

- Identifying the Performance Obligations:

In the operational phase, the NHA's performance obligations may include the ongoing operation of the infrastructure, such as toll collection or managing ancillary services (e.g., roadside facilities).

- Revenue Recognition:

Revenue from toll collection or other operating services would typically be recognized as the services are provided (i.e., as vehicles use the toll road). Under IFRS 15, this would be treated as a series of distinct services, meaning the NHA recognizes revenue on a daily or monthly basis based on actual usage.

- Variable Consideration:

Toll revenues can fluctuate based on usage, weather conditions, or economic factors. This introduces a component of variable consideration. The NHA must estimate the expected toll revenue based on historical data and current market trends and adjust it as necessary in future periods based on actual traffic.

C. Maintenance Revenue (Ongoing Maintenance Services)

- Identifying the Performance Obligations:

Maintenance obligations typically span the operational phase of the project, with the NHA responsible for ensuring the road meets certain safety and usability standards.

- Revenue Recognition:

Maintenance services are recognized over time as the NHA performs them. The consideration for these services can be based on fixed or variable payments (e.g., monthly or yearly maintenance contracts with the government or other parties).

- Example: If the NHA has a contract to provide maintenance services worth $2 million over five years, it will recognize revenue over time based on the progress and completion of the maintenance activities.

Cost Matching: The NHA will need to match the costs of performing maintenance with the revenue recognized.

D. Government Grants and Subsidies (IFRS 15 + IAS 20 Interactions)

- Identifying the Performance Obligations:

Government grants or subsidies related to infrastructure projects often have conditions attached, such as maintaining specific operational standards or achieving certain traffic flow targets.

- Revenue Recognition:

If the grants or subsidies are linked to specific performance obligations (e.g., milestones in construction or operational benchmarks), the revenue should be recognized over time as the NHA meets those obligations. If they are unconditional, they may be recognized immediately.

E. Revenue from Ancillary Services (Other Income)

- Other Performance Obligations:

In addition to tolls and maintenance, the NHA may operate ancillary services such as advertising, roadside services, or leasing spaces near highways (e.g., gas stations).

- Revenue Recognition:

Revenue from these sources should be recognized as the services are rendered or as lease income based on lease terms.

Variable Consideration: Lease revenues may have escalation clauses or performance bonuses tied to traffic volumes, which should be recognized as variable consideration.

4. Special Considerations in PPP Infrastructure Projects

A. Transfer of Control and Ownership

- In BOT models, the NHA retains ownership of the infrastructure while the private partner operates it for a specified period before transferring it back. IFRS 15 requires careful analysis to determine when the control of the asset transfers and whether the transaction involves a lease (covered under IFRS 16).

B. Accounting for Upfront Payments

- In some PPP models, private partners may make upfront payments to the NHA for the right to operate the infrastructure. These payments should be amortized and recognized over the operational period to match the performance obligations.

C. Contract Modifications

- PPP projects often experience contract modifications (e.g., changes in scope or timelines). IFRS 15 provides guidance on how to account for modifications, typically treating them as either separate contracts or adjustments to the existing contract based on the additional or modified services.

5. Impact of IFRS 15 on NHA Financial Reporting

- Balance Sheet Impact: Large contracts with significant construction progress will result in substantial contract assets or liabilities, depending on whether the NHA is ahead or behind in performance.

- P&L Impact: Revenue recognition based on construction and operation phases leads to a more even recognition of revenue over time, rather than large spikes in revenue during construction completion.

- Disclosure Requirements: IFRS 15 requires extensive disclosures, including details about performance obligations, timing of revenue recognition, significant judgments made in applying the standard, and any uncertainties regarding the transaction price (e.g., variable toll revenues).

For the NHA engaged in PPP infrastructure projects, particularly under BOT models, IFRS 15 offers a robust framework for accurate revenue recognition. It ensures that revenue is aligned with performance obligations, transaction pricing, and the specific services provided. Proper application of IFRS 15 not only promotes compliance but also enhances transparency and reliability in financial reporting, which is critical for large-scale infrastructure projects. This improves investor confidence and strengthens financial stability in the sector. However, NHA's financial statements are currently falling short in fully implementing these requirements.

Under **IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance),** government grants are recognized and accounted for based on specific conditions attached to the grant. Here's how different aspects of grants are treated:

1. Types of Grants

- Grants related to assets: These are grants received for the acquisition, construction, or purchase of long-term assets (e.g., infrastructure projects).

- Grants related to income: These grants are aimed at covering specific expenses or supporting operations, such as subsidies or funding to offset operating costs.

2. Recognition of Grants

- Conditional Grants:

- If the grant is linked to specific performance obligations (e.g., construction milestones, operational benchmarks), it should be recognized over time, in line with when the obligations are satisfied.

- For example, if NHA receives a grant to build a highway, the grant would be recognized progressively as construction milestones are achieved.

- Unconditional Grants:

- If the grant is unconditional (no specific obligations tied to the funding), it can be recognized immediately in profit or loss when it is received.

- For instance, an unconditional grant to support the operational budget of NHA could be recognized immediately upon receipt.

3. Accounting Treatment

- Grants Related to Assets:

- When grants are related to the acquisition or construction of assets, the grant is either:

- Deducted from the carrying value of the asset, or

- Recognized as deferred income in the balance sheet and amortized over the useful life of the asset.

- This results in lower depreciation expenses or deferred income recognition over time.

- Grants Related to Income:

- If the grant is related to income, it is presented either:

- As other income in the income statement, or

- As a deduction from the related expenses (e.g., operating costs).

- Example: If NHA receives a subsidy for maintenance costs, the grant could offset the associated costs in the P&L, improving net income.

4. Unutilized or Deferred Grants

- Deferred Income:

- When a grant is received but the related performance obligations have not yet been met, the grant is recorded as deferred income (a liability) on the balance sheet. It is then recognized as revenue when the related obligation is fulfilled.

- Grants Used: These are the portions of the grant that have been recognized as revenue or deducted from an asset's carrying value.

- Grants Left (Unutilized Grants): These remain as deferred income on the balance sheet and are recognized progressively over time as obligations are met or the asset is used.

- Example: If NHA receives a grant to construct a highway but has completed only 50% of the work, half of the grant would remain as deferred income until the construction is completed.

5. Disclosure Requirements

- IAS 20 requires detailed disclosure of:

- The nature and amount of government grants recognized during the period.

- How the grants have been recognized (i.e., as income or asset-related reductions).

- The remaining unutilized portion of the grants (deferred income).

- Any significant conditions that are attached to the grants and the impact of non-compliance on financial reporting.

IAS 20 provides the framework for recognizing government grants, ensuring that they are accounted for in alignment with their intended use. Conditional grants are recognized over time as obligations are met, while unconditional grants are recognized immediately. The remaining portion of grants is recorded as deferred income until the related activities are completed, ensuring accurate financial reporting. NHA needs to work on this area in its financials.

2. IAS 19 pensions

IAS 19 – Employee Benefits provides the framework for accounting for pension obligations, which must be recognized and measured accurately in the financial statements. **In the case of Railways, if they are only booking pension expenses (e.g., contributions paid during the year)** instead of accounting for their full pension liabilities under IAS 19, this could have a significant and adverse impact on both the balance sheet and profit & loss (P&L) statement. Here's how this irregularity skews the financials:

1. IAS 19 Overview: Pension Obligations

Under IAS 19, companies are required to:

- Recognize the present value of the defined benefit obligation (i.e., the total future pension obligations) on the balance sheet.

- Recognize the net pension liability or asset, which is the difference between the fair value of plan assets (if any) and the pension obligation.

- Include actuarial assumptions (such as discount rates, salary growth, mortality rates, etc.) to determine the present value of future pension payments.

- Account for current service costs, net interest on the pension liability, and past service costs in the P&L.

2. Railways' Current Practice: Booking Only Pension Expense

If Railways is only booking the annual pension expense (i.e., the cash contributions paid to the pension fund or payments made directly to pensioners during the year) rather than recognizing the full defined benefit obligation, this leads to underreporting liabilities and creates skewed financial reporting. Here's how it impacts the financials:

3. Impact on the Balance Sheet

a. Lack of Pension Liabilities Recognition:

- Under IAS 19, Railways should recognize the total pension liability (i.e., the present value of future pension obligations). By only recognizing the pension expense, they are omitting a significant liability from the balance sheet.

- Undisclosed Pension Obligation: Without recognizing the full pension liability, Railways' liabilities are understated, giving an inaccurate picture of the organization's financial position.

b. Impact on Net Assets and Equity:

- If the pension obligation is large and not recognized, Railways may be reporting overstated net assets and equity. This would present an overly optimistic view of the organization's financial health.

- In reality, once the pension obligation is properly recognized, it could substantially reduce or even eliminate equity, especially if the pension scheme is underfunded.

4. Impact on Profit & Loss (P&L)

a. Incomplete Recognition of Pension Costs:

- Railways is likely only recognizing the annual pension expense, which covers payments made to pensioners during the year. However, under IAS 19, it must also account for:

  - Current service costs (the cost of the pension benefits earned by employees in the current year).

  - Interest costs (the interest on the pension liability, which represents the unwinding of the discount on the future obligations).

  - Past service costs (adjustments for any changes in pension benefits, such as plan amendments).

- By not accounting for these, the pension costs in the P&L are understated, leading to overstated profitability.

b. Actuarial Gains and Losses (Other Comprehensive Income - OCI):

- Under IAS 19, actuarial gains and losses (i.e., changes in the pension obligation due to assumptions about discount rates, inflation, life expectancy, etc.) are recognized in Other Comprehensive Income (OCI). Railways' failure to account for these changes further distorts its financial performance, as significant fluctuations may go unreported.

- Example: If discount rates change, the present value of future pension liabilities can increase or decrease significantly, leading to substantial actuarial gains or losses, which should be reflected in OCI.

5. Impact on Key Financial Ratios

a. Debt-to-Equity Ratio:

- If pension liabilities are not recognized, Railways' debt-to-equity ratio will appear more favorable than it actually is. Once the full pension liability is included, the ratio may increase significantly, affecting the organization's perceived financial stability.

b. Current Ratio and Liquidity:

- Although pensions are long-term liabilities, underfunding pensions or not fully recognizing the obligation may lead to liquidity problems in the future when pensions become due, affecting the organization's ability to meet its other obligations.

6. Regulatory and Investor Impact

a. Misleading Financial Reporting:

- Railways' financial statements, as they currently stand, do not reflect the full pension obligation, potentially misleading investors, regulators, and other stakeholders regarding the true financial health of the organization.

- Regulatory scrutiny may increase if the full scope of the pension liabilities is revealed, especially if Railways is a state-owned entity with public financial accountability.

b. Compliance and Financial Stability:

- Non-compliance with IAS 19 could result in financial instability, particularly if the pension obligations are large and go unaccounted for over several years. The longer the delay in recognizing the liabilities, the greater the financial shock when they are eventually accounted for.

7. Corrective Measures under IAS 19

To align with IAS 19, Railways would need to:

- Recognize the full pension liability on the balance sheet, calculated based on actuarial valuations.

- Account for current service costs, past service costs, and net interest on the pension liability in the P&L.

- Record actuarial gains and losses in Other Comprehensive Income (OCI), providing a more complete picture of financial performance and equity changes.

- Make appropriate disclosures regarding the assumptions used in the pension liability calculation, including discount rates, salary growth, life expectancy, and plan amendments.

8. Conclusion

Railways' current approach to recognizing only the pension expense without accounting for the full pension liabilities under IAS 19 significantly skews its financial statements. This results in an understatement of liabilities on the balance sheet, overstated profitability in the P&L, and incomplete disclosure of risks related to pension obligations. To comply with IAS 19 and provide accurate financial reporting, Railways must recognize the full scope of its pension obligations, which will likely reveal a more cautious financial picture but will provide transparency and align with international accounting standards.

FINANCIAL SECTOR

1. IFRS 9 for banks

IFRS 9 for the Banking Sector of Pakistan: Focus on **NBP and ZTBL**

The application of IFRS 9 (International Financial Reporting Standard 9) is crucial for financial institutions, particularly in the areas of credit risk assessment and impairment provisioning. For banks like National Bank of Pakistan (NBP) and Zarai Taraqiati Bank Limited (ZTBL), both of which have significant credit portfolios, the extensive implementation of IFRS 9 is critical for enhancing financial transparency, improving risk management, and aligning with global financial standards.

1. Classification and Measurement of Financial Assets

Under IFRS 9, financial assets such as loans and advances are classified into three categories:

- Amortized cost

- Fair value through other comprehensive income (FVOCI)

- Fair value through profit or loss (FVTPL)

For NBP and ZTBL, this means that each bank must evaluate its loan portfolios to determine the appropriate classification of each loan based on:

- Business model (why the asset is held)

- Contractual cash flow characteristics (whether the cash flows are solely payments of principal and interest)

Both NBP and ZTBL, being key players in the financial sector, with NBP handling large corporate and sovereign loans and ZTBL focused on agriculture, must align their portfolios into these categories for proper reporting.

2. Impairment: Expected Credit Loss (ECL) Model

IFRS 9 introduces the Expected Credit Loss (ECL) model, which replaces the previous Incurred Loss model. This is one of the most significant changes, particularly for NBP and ZTBL, given their exposure to credit risk.

The ECL model requires banks to estimate future losses from day one of lending, as opposed to only recognizing losses when there is evidence of impairment. For NBP and ZTBL, the following steps are required:

- Stage 1: All financial instruments that have not had a significant increase in credit risk since initial recognition. Banks must recognize 12-month ECLs.

- Stage 2: Instruments with a significant increase in credit risk. Banks must recognize lifetime ECLs.

- Stage 3: Financial instruments that are credit-impaired, where full lifetime ECLs must be recognized, similar to specific provisioning.

Key challenges for NBP and ZTBL under the ECL Model:

- Credit Risk Modeling: Both banks must develop sophisticated risk models that incorporate forward-looking information to predict potential credit losses.

- Agricultural Loans: ZTBL's loan book primarily consists of loans to the agricultural sector, which is prone to higher default rates due to seasonal and climate-related factors. Estimating ECLs for such a portfolio requires considering macroeconomic conditions, crop yields, and other external factors.

Sovereign and Corporate Loans: NBP's large corporate and government loan portfolio adds complexity to the ECL model, as the risk factors for sovereign debt differ from those for commercial loans.

3. Forward-looking Information and Macroeconomic Factors

IFRS 9 mandates that forward-looking information, including macroeconomic factors, must be incorporated into the assessment of credit risk. NBP and ZTBL must consider:

- Interest rate fluctuations

- Inflation rates

- GDP growth projections

- Agricultural output (for ZTBL)

For NBP, with a broader portfolio that includes government lending, this also involves assessing fiscal policy and sovereign creditworthiness. For ZTBL, the focus would be on rural economic indicators.

4. Hedging and Risk Management

NBP and ZTBL must also align their risk management practices with IFRS 9's hedging requirements. The standard allows for a more principles-based approach to hedge accounting, which can help these banks better manage the volatility of their financial instruments, particularly in a market like Pakistan's where interest rate volatility is common.

5. Disclosure and Reporting

IFRS 9 demands extensive disclosure requirements. Both NBP and ZTBL will need to enhance their reporting on:

- Credit risk exposure by sector, geography, and asset class

- ECL calculations, assumptions, and macroeconomic scenarios used

- Sensitivity analysis for the ECL estimates to provide transparency to investors and regulators

The adoption of IFRS 9 is not only a regulatory requirement but also a means of improving the credit risk management and financial stability of NBP and ZTBL. Given their specific portfolio characteristics—corporate and sovereign loans for NBP and agricultural loans for ZTBL—both banks must focus extensively on improving their ECL models, aligning with macroeconomic indicators, and enhancing their data and reporting infrastructure. This will lead to more accurate financial statements, better risk management, and increased transparency for stakeholders.

2. IFRS 17 insurance sector

IFRS 17 for the Insurance Sector in Pakistan: Focus on SOEs (SLIC, Pak Reinsurance, NIC)

IFRS 17 (International Financial Reporting Standard 17) is a globally accepted accounting standard that addresses the recognition, measurement, presentation, and disclosure of insurance contracts. Its primary aim is to bring transparency and consistency to the financial reporting of insurance companies, ensuring that financial statements accurately reflect the risk profile and financial performance of these entities.

For Pakistan's State-Owned Enterprises (SOEs) in the insurance sector, namely **State Life Insurance Corporation (SLIC), Pak Reinsurance, and National Insurance Company (NIC),** the application of IFRS 17 represents a significant shift in how insurance contracts are accounted for. Let's explore how IFRS 17 is used by these SOEs and the key provisions they must adhere to:

Key Provisions of IFRS 17 and Their Impact on SOEs

1. Recognition and Measurement Models

IFRS 17 introduces a new framework for the recognition and measurement of insurance liabilities, which significantly impacts how SOEs like SLIC, Pak Reinsurance, and NIC calculate their financial results. The standard requires companies to account for insurance contracts using three primary measurement models:

- General Measurement Model (GMM) (also known as the Building Block Approach - BBA)

- Premium Allocation Approach (PAA) (a simplified approach for short-duration contracts)

- Variable Fee Approach (VFA) (for contracts with direct participation features)

Application in Pakistan's SOEs:

- SLIC (State Life Insurance Corporation): SLIC, being a life insurer, predominantly issues long-term life insurance contracts. The General Measurement Model (GMM) is primarily applied here. SLIC must measure its insurance contracts based on future cash flows, discount rates, and risk adjustments. The Contractual Service Margin (CSM) represents the expected profit on insurance contracts and is released to profit and loss over time.

- Pak Reinsurance (Pakistan Reinsurance Company Limited): For Pak Reinsurance, which deals with reinsurance contracts, IFRS 17's provisions on GMM and, in certain cases, the Premium Allocation Approach (PAA) are applicable. PAA is used for short-duration reinsurance contracts. Pak Reinsurance must account for future reinsurance cash flows, reflecting expected recoveries from ceded insurance contracts.

- NIC (National Insurance Company): NIC, dealing in general insurance and non-life contracts, may use the PAA model for short-term contracts like motor, property, and health insurance. PAA simplifies the measurement process by recognizing premiums over the coverage period. However, for long-term contracts, NIC will apply GMM to account for future cash flows, expected claims, and risk adjustments.

2. Contractual Service Margin (CSM)

The Contractual Service Margin (CSM) is a critical component of IFRS 17, representing the unearned profit on insurance contracts. This unearned profit is gradually recognized in profit and loss over the period the service (insurance coverage) is provided. For SLIC, Pak Reinsurance, and NIC, this will significantly impact how they report their profits, as it requires spreading the profits over the life of the insurance contract.

Application in Pakistan's SOEs:

- SLIC: For SLIC, which deals with life insurance contracts, the CSM is central to IFRS 17 application. For each insurance contract, SLIC must calculate future expected cash flows, discount them to present value, and adjust for risks. The resulting CSM represents the expected profit that will be earned as insurance coverage is provided.

- Pak Reinsurance: Pak Reinsurance's CSM will involve estimating future cash flows on reinsurance contracts, factoring in recoveries from reinsurers, and adjusting for risks associated with reinsurance activities.

- NIC: For NIC, CSM will be calculated for general insurance contracts, although in some cases (e.g., short-term contracts like motor insurance), the PAA approach simplifies this. NIC will need to measure unearned profits and ensure they are properly amortized over the contract term.

3. Risk Adjustment for Non-Financial Risk

IFRS 17 requires insurers to include a risk adjustment in their measurement of insurance contract liabilities. This risk adjustment reflects the compensation the company requires for bearing the uncertainty about the amount and timing of cash flows arising from non-financial risks.

Application in Pakistan's SOEs:

- SLIC: SLIC, being a life insurance provider, will need to account for various non-financial risks, such as mortality risk (the risk that more policyholders die than expected) and longevity risk (the risk that policyholders live longer than expected). The risk adjustment will be included in the liability for future policy benefits, increasing the liability amount to account for this uncertainty.

- Pak Reinsurance: The risk adjustment for Pak Reinsurance will involve assessing the uncertainty in cash flows from reinsurance contracts. Since reinsurance often covers high-risk areas like catastrophe insurance, this adjustment is particularly important.

- NIC: NIC will calculate risk adjustments for short-term general insurance contracts. For example, NIC insures property, vehicles, and infrastructure against natural disasters and accidents, and the risk adjustment will reflect the uncertainties associated with these risks.

4. Discounting of Future Cash Flows

Under IFRS 17, insurers must discount future cash flows to present value, reflecting the time value of money. This requires the use of market-based discount rates that are consistent with the characteristics of the insurance liabilities (e.g., currency, duration).

Application in Pakistan's SOEs:

- SLIC: For life insurance contracts, SLIC must discount expected future cash outflows (e.g., death benefits, policyholder payouts) using discount rates that reflect the time value of money. Given the long-term nature of life insurance, the discount rate plays a significant role in determining the present value of liabilities.

- Pak Reinsurance: Pak Reinsurance must discount future expected claims recoveries. Reinsurance contracts, particularly those covering long-term or catastrophe risks, involve significant cash flows that need to be discounted.

- NIC: NIC will apply discounting primarily to long-duration general insurance contracts. Short-term contracts under PAA may not require discounting, as the time between premium collection and claim payment is shorter.

5. Presentation and Disclosure

IFRS 17 introduces significant changes in the presentation and disclosure of insurance contracts, providing more detailed and comparable financial information. Insurers are required to provide more granular information on the sources of profits, expected future cash flows, and the level of risk involved in their insurance operations.

Application in Pakistan's SOEs:

- SLIC: SLIC must now present a clear breakdown of its insurance contract liabilities, including the CSM, risk adjustment, and future cash flows. It must disclose how profits are earned over the contract life and provide sensitivity analyses showing how changes in key assumptions (e.g., mortality rates, discount rates) would affect the financial position.

- Pak Reinsurance: Pak Reinsurance's financial statements will need to present reinsurance contract assets and liabilities separately. Detailed disclosures will be required on the sources of reinsurance profits, the risks assumed, and the recoveries expected from ceded insurance contracts.

- NIC: NIC will enhance its financial disclosures, providing detailed information on its general insurance portfolio, expected claims, and risk adjustments. Disclosures on contract durations, discount rates used, and risk exposure will be crucial for transparency and comparability.

6. Transition to IFRS 17

The transition to IFRS 17 can be complex, especially for SOEs like SLIC, Pak Reinsurance, and NIC, which may have legacy systems and long-standing contracts. IFRS 17 provides several transition approaches:

- Full retrospective approach

- Modified retrospective approach

- Fair value approach

Application in Pakistan's SOEs:

- SLIC, Pak Reinsurance, and NIC must carefully choose their transition approach, depending on the availability of historical data and the complexity of their insurance portfolios. Most Pakistani SOEs may opt for the modified retrospective approach or fair value approach, as these methods simplify the transition for contracts where full historical data may not be available.

The implementation of IFRS 17 is a major change for Pakistan's SOEs in the insurance sector, particularly SLIC, Pak Reinsurance, and NIC. The shift from IFRS 4 to IFRS 17 requires these institutions to revamp their financial reporting, risk management, and measurement methodologies. The key areas impacted include the measurement of insurance liabilities, the calculation of risk adjustments, CSM management, and the discounting of future cash flows. Additionally, disclosure requirements will ensure greater transparency, providing detailed insights into insurance operations for regulators, investors, and other stakeholders.

Each SOE, depending on its insurance product portfolio (life, reinsurance, general insurance), must adapt its financial systems, processes, and actuarial models to comply with IFRS 17, ensuring that insurance contract liabilities and profits are reported accurately and in a comparable manner.

RECOMMENDED ACTIONS FOR SWIFT IFRS IMPLEMENATION

1. Oil & Gas Sector

IFRS 15 (Revenue Estimation)

Recommended Actions:

- Contractual Analysis: Review all long-term contracts to clearly define performance obligations and establish when control of commodities like natural gas and crude oil transfers to customers.

- Estimation Procedures: Establish procedures for regularly reassessing variable considerations like fluctuating commodity prices and regulatory changes, ensuring accurate revenue recognition.

- Revenue Tracking Systems: Implement enhanced systems to track performance obligations and variable revenue components, allowing for timely recognition and adjustments.

IFRS 9 (Credit Risk)

Recommended Actions:

- ECL Model Enhancement: Develop sophisticated Expected Credit Loss (ECL) models to account for the credit risk associated with receivables from SOEs and power sector customers. These models should incorporate macroeconomic indicators such as inflation, interest rates, and sectoral policies.

- Regular Stress Testing: Conduct periodic stress tests on receivables, especially those related to the circular debt issue, to assess potential defaults and necessary provisions.

- Ongoing Monitoring: Establish a credit risk monitoring system to track payment delays from the Government of Pakistan and SOEs, updating provisions in real time.

IFRS 14 (Regulatory Deferral Accounts)

Recommended Actions:

- Receivables Monitoring: Closely monitor receivables from the GoP related to tariff adjustments and subsidies. Use these accounts to recognize the receivables but maintain transparency about the timing and uncertainty of these payments.

- Regular Reconciliation: Implement frequent reconciliations of regulatory deferral accounts to avoid significant liquidity issues due to delayed government payments.

- Disclosures: Ensure detailed disclosures about the nature of regulatory deferral accounts and the risks associated with delayed subsidy payments.

2. Power Sector

IFRS 15 (Revenue Recognition)

Recommended Actions:

- PPA Revenue Analysis: Review Power Purchase Agreements (PPAs) to clearly define performance obligations and ensure revenue is recognized over time, in line with delivery or capacity obligations.

- Variable Consideration Tracking: Develop systems to monitor performance-based incentives and penalties, ensuring variable considerations are accurately reflected in revenue estimates.

- Alignment with Stakeholders: Ensure close collaboration with auditors and regulators to ensure consistent application of IFRS 15 for all PPAs across the sector.

IFRS 9 (Credit Risk)

Recommended Actions:

- Strengthen ECL Provisions: Build robust Expected Credit Loss (ECL) models that account for credit risk from delayed payments, particularly from distribution companies (DISCOs) and government entities.

- Circular Debt Mitigation: Implement strategies to mitigate the impact of circular debt, such as risk-sharing mechanisms or government guarantees, to reduce credit risk.

- Real-time Monitoring: Set up real-time credit monitoring systems to detect increased risk early and adjust provisions accordingly.

IFRS 14 (Tariff Differential Subsidies)

Recommended Actions:

- Detailed Subsidy Accounting: Ensure proper tracking and accounting of tariff differential subsidies, recognizing the uncertainty associated with GoP payments.

- Scenario Planning: Develop liquidity scenarios for delayed payments, ensuring contingency plans are in place if government subsidies are deferred.

- Transparency in Reporting: Provide detailed disclosures about the risks and impacts of delayed government subsidy payments on liquidity and operational stability.

IFRS 16 (Leases)

Recommended Actions:

- Lease Reclassification: Evaluate all Power Purchase Agreements (PPAs) to determine if they fall under IFRS 16's lease accounting provisions. Reclassify assets like power plants accordingly.

- Debt Covenant Adjustments: Review debt covenants to ensure compliance after lease reclassification, as power plants may no longer appear as fixed assets.

3. Insurance Sector (SLIC, Pak Reinsurance, NIC)

IFRS 17 (Insurance Contracts)

Recommended Actions:

- Review of Contracts: Analyze all insurance contracts and classify them under the appropriate measurement model: General Measurement Model (GMM), Premium Allocation Approach (PAA), or Variable Fee Approach (VFA).

- Enhance Actuarial Models: Strengthen actuarial models to accurately estimate future cash flows, including adjustments for non-financial risk. This will ensure accurate calculation of the Contractual Service Margin (CSM) and risk adjustment.

- Risk Adjustments: Integrate forward-looking information into the risk adjustment for non-financial risk, particularly for reinsurance and long-term life insurance contracts, where uncertainty is higher.

- Cash Flow Discounting: Use appropriate market-based discount rates for calculating present values of future liabilities. For general insurance, use shorter-term approaches like PAA, while long-term liabilities, such as life insurance contracts, will require more detailed modeling using GMM.

- Detailed Disclosures: Enhance transparency with detailed disclosures regarding future cash flows, assumptions on mortality rates, discount rates, and other variables affecting insurance liabilities.

Transition to IFRS 17

Recommended Actions:

- Data Collection: Collect and prepare historical data needed for the transition to IFRS 17, particularly if choosing the modified retrospective approach or the fair value approach.

- System Overhaul: Implement new actuarial and accounting systems capable of handling the increased complexity of IFRS 17, particularly for large SOEs like SLIC, Pak Reinsurance, and NIC.

- Employee Training: Invest in staff training programs to ensure a deep understanding of IFRS 17, from actuarial modeling to financial reporting.

4. Infrastructure, ICT & Transport (NHA and PPP Projects)

IFRS 15 (Revenue from Contracts with Customers)

Recommended Actions:

- PPP Contract Analysis: For the National Highways Authority (NHA) and similar public-private partnership (PPP) projects, perform detailed contract reviews to identify and allocate performance obligations appropriately across the different phases (construction, operations, maintenance).

- Real-Time Revenue Recognition: Establish mechanisms to recognize revenue in real time as performance obligations are fulfilled, particularly for long-term infrastructure contracts.

- Government Grant Recognition (IAS 20): Ensure that government grants for infrastructure are accounted for properly, recognizing them over time if tied to specific performance obligations.

IAS 19 (Pension Liabilities)

Recommended Actions:

- Full Pension Liability Recognition: For entities like Railways, ensure that the full present value of pension liabilities is recognized in the financial statements, rather than merely booking the annual pension expense.

- Actuarial Valuation: Regularly update actuarial assumptions to account for market conditions, including discount rates and employee demographics. Recognize actuarial gains or losses in Other Comprehensive Income (OCI) to avoid large swings in net income.

5. Financial Sector (Banks)

IFRS 9 (Credit Risk)

Recommended Actions:

- Refine ECL Models: For banks like NBP and ZTBL, develop advanced Expected Credit Loss (ECL) models that incorporate forward-looking macroeconomic indicators to estimate credit losses accurately, particularly for sovereign and agricultural loans.

- Sector-Specific Approaches: For ZTBL, tailor the credit risk models to reflect the higher default risks inherent in agricultural lending, considering factors like weather, crop yields, and rural economic conditions.

- Sensitivity Analysis: Conduct sensitivity analysis on ECL provisions to assess the impact of economic shocks, particularly those related to inflation and government policies.

The recommended actions focus on strengthening financial reporting, enhancing transparency, and ensuring compliance with international standards across sectors. The key to successful implementation lies in improving data collection, actuarial modeling, ECL modeling, and revenue recognition processes. Robust training, system enhancements, and close alignment with auditors and regulators will further ensure accurate and compliant financial statements for Pakistan's SOEs.

IFRS/IAS Wise explanation wrt SOEs in Pakistan

IFRS 9: Financial Instruments and Credit Risk

IFRS 9: Credit Risk and its Calculation

Introduction

Credit risk refers to the risk of financial loss to an entity if a counterparty to a financial instrument fails to meet its contractual obligations. Under IFRS 9, the measurement of credit risk is central to calculating the Expected Credit Losses (ECL) for financial assets. The ECL model is designed to capture forward-looking credit losses and is based on three primary components: Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD).

These components provide a framework for quantifying credit risk and ensuring that entities recognize credit losses earlier and more accurately than under previous accounting standards.

Key Components of Credit Risk Calculation in IFRS 9

1. Probability of Default (PD)

- Definition: PD represents the likelihood that a borrower or counterparty will default on its obligations over a specified time horizon, typically 12 months (for Stage 1 assets) or over the lifetime of the financial instrument (for Stage 2 and Stage 3 assets).

- Measurement: PD is based on both historical default data and forward-looking information. It requires entities to consider macroeconomic factors, industry-specific risks, and borrower-specific indicators, such as credit ratings, financial health, and operational performance.

- Application: Under IFRS 9, entities must calculate both a 12-month PD for assets that have not experienced a significant increase in credit risk and a lifetime PD for assets where credit risk has significantly increased or are credit-impaired.

Example: A corporate loan portfolio may use a PD model that incorporates external credit ratings, sectoral risks, and economic forecasts to estimate the likelihood of default over both short- and long-term periods.

2. Exposure at Default (EAD)

- Definition: EAD represents the estimated amount that an entity is exposed to at the time of a potential default. It includes both the outstanding principal balance and any additional exposures, such as undrawn credit lines or accrued interest, that could be drawn upon prior to default.

- Measurement: EAD is dynamic and considers not only the current balance of the financial asset but also the potential future exposure. Entities must estimate the total exposure, considering contractual terms, repayment schedules, and borrower behavior (e.g., likelihood of drawing down unused credit lines).

- Application: EAD is calculated on a forward-looking basis and adjusted as new information becomes available or as the counterparty's credit risk changes.

Example: For a revolving credit facility, the EAD would include both the current drawn amount and an estimate of how much more the borrower is likely to draw before default occurs.

3. Loss Given Default (LGD)

- Definition: LGD represents the percentage of loss an entity expects to incur in the event of a default, after accounting for any recoveries, such as collateral, guarantees, or other mitigating factors. It is expressed as a percentage of the EAD.

- Measurement: LGD is influenced by various factors, including the quality and availability of collateral, the seniority of the debt, the legal framework for debt recovery, and the expected costs and duration of the recovery process.

- Application: Entities must estimate LGD using both historical recovery data and forward-looking assessments, which may include market conditions and the counterparty's financial strength. LGD can vary significantly between asset classes, industries, and jurisdictions.

Example: A secured loan backed by high-quality collateral, such as real estate, might have a low LGD (e.g., 20%), while an unsecured corporate loan could have a higher LGD (e.g., 60%).

Expected Credit Loss (ECL) Calculation

The Expected Credit Loss (ECL) under IFRS 9 is the weighted average of credit losses, calculated as:

ECL = PD X EAD X LGD

- PD (Probability of Default): Likelihood of default within the time horizon.

- EAD (Exposure at Default): Total exposure at the time of default.

- LGD (Loss Given Default): Percentage of the exposure expected to be lost after recoveries.

This formula is applied differently based on the stage of credit risk for the financial asset:

- Stage 1 (12-Month ECL): For financial assets without significant deterioration in credit risk, entities calculate the ECL based on the risk of default over the next 12 months. Mostly for govt. based receivables.

- Stage 2 (Lifetime ECL for Significant Increase in Credit Risk): For assets where credit risk has increased significantly, ECL is calculated for the asset's remaining lifetime.

- Stage 3 (Lifetime ECL for Credit-Impaired Assets): For credit-impaired assets, entities continue to calculate lifetime ECL and adjust for actual credit losses.

Forward-Looking Information in Credit Risk Assessment

IFRS 9 requires that credit risk models integrate forward-looking information, such as:

- Macroeconomic indicators (GDP growth, unemployment, inflation, interest rates)

- Industry-specific risks (e.g., oil prices for energy companies)

- Political and regulatory risks

This forward-looking approach is essential for estimating future PD, EAD, and LGD. It requires entities to regularly update their credit risk models based on changes in the external environment and the counterparty's financial condition.

Credit Risk in Different Stages of IFRS 9

1. Stage 1: 12-Month ECL

   - Credit risk has not increased significantly since initial recognition.

   - ECL is calculated based on 12-month PD, EAD, and LGD.

2. Stage 2: Lifetime ECL for Significant Credit Risk

   - Credit risk has increased significantly, but the asset is not yet credit-impaired.

   - ECL is calculated using lifetime PD, EAD, and LGD.

3. Stage 3: Lifetime ECL for Credit-Impaired Assets

   - The financial asset is credit-impaired, and ECL is calculated on a lifetime basis.

- Interest income is calculated based on the net carrying amount (i.e., after deducting the provision for credit losses).

Challenges in Measuring Credit Risk under IFRS 9

1. Data Requirements

- Accurate estimation of PD, EAD, and LGD requires comprehensive historical data and macroeconomic forecasts. This can be challenging for entities with limited access to high-quality data or for SOEs operating in emerging markets.

2. Complexity of Forward-Looking Assessments

- The inclusion of forward-looking information introduces complexity, requiring sophisticated models that integrate economic forecasts and industry-specific factors.

3. Modeling Assumptions

- The assumptions underlying the calculation of PD, EAD, and LGD are critical and may require frequent adjustments to reflect changes in the economic or operating environment.

IFRS 9 has transformed the way entities assess and manage credit risk by introducing the Expected Credit Loss (ECL) model, which requires earlier recognition of credit losses and the use of forward-looking information. The core components of the ECL calculation—Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD)—are essential for quantifying credit risk.

By focusing on these components, entities can better manage their exposure to credit risk, enhance their financial reporting, and ensure compliance with IFRS 9. However, the implementation of the ECL model presents challenges, particularly in terms of data requirements and the complexity of forward-looking assessments.

IFRS 14: Regulatory Deferral Accounts

Introduction

IFRS 14, "Regulatory Deferral Accounts," is an interim standard that permits first-time adopters of International Financial Reporting Standards (IFRS) to continue recognizing regulatory deferral account balances that were previously recognized in accordance with their national accounting policies. This standard is applicable mainly to entities that operate in industries subject to rate regulation, such as utilities (e.g., power, water, and gas providers). IFRS 14 allows entities to report regulatory deferral account balances separately in their financial statements, ensuring transparency while continuing to use their previous accounting policies for these balances.

Key Provisions of IFRS 14

1. Regulatory Deferral Accounts

- Definition: Regulatory deferral accounts represent costs or revenues that a regulator permits an entity to defer for future recovery or refund through the rates charged to customers.

- These deferral accounts arise because regulators adjust the prices an entity can charge to reflect costs or revenues incurred in the past that will be recovered or refunded in future periods.

2. Eligibility for IFRS 14

- First-time adopters of IFRS: Only entities that are adopting IFRS for the first time are eligible to apply IFRS 14, and it is only applicable if they are subject to rate regulation.

- Entities that have not previously recognized regulatory deferral accounts under their previous accounting framework cannot begin recognizing them under IFRS 14.

3. Continuation of Previous Policies

- IFRS 14 allows eligible entities to continue recognizing and measuring regulatory deferral accounts in accordance with their previously applied standards, provided they were recognized under that system before adopting IFRS.

- This means entities do not need to fully transition to IFRS standards for the recognition and measurement of these accounts but must still present them according to IFRS 14 requirements.

Presentation and Disclosure Requirements

1. Separate Line Items

- IFRS 14 requires entities to present regulatory deferral account balances as separate line items in both the statement of financial position (balance sheet) and the statement of profit or loss and other comprehensive income.

- Statement of Financial Position: Separate line items must show the carrying amount of regulatory deferral account debit balances (assets) and credit balances (liabilities).

- Statement of Profit or Loss: The net movement in regulatory deferral account balances must be presented separately within profit or loss for the period and other comprehensive income.

2. Disclosures

- Entities are required to provide detailed disclosures about the nature, risks, and uncertainties surrounding the regulatory deferral account balances. This includes:

  - Description of rate-regulated activities and the basis for recognizing regulatory deferral accounts.

  - The nature of the amounts recognized and the expected timing of their recovery or refund.

  - Any significant judgments or assumptions used in measuring regulatory deferral account balances.

  - The effect of rate regulation on the entity's financial performance and position.

3. Impairment

- IFRS 14 requires that entities assess regulatory deferral account balances for impairment. Any impairment losses must be recognized in the same way as other assets, following the entity's existing policy under its previous accounting framework.

Key Benefits of IFRS 14

1. Continuity for Rate-Regulated Entities

- The standard allows entities that are transitioning to IFRS to avoid significant disruptions in the accounting for regulatory deferral accounts. This is especially beneficial for utility companies and other rate-regulated industries, where these accounts are integral to financial reporting.

2. Clarity and Transparency

- By requiring regulatory deferral accounts to be presented separately, IFRS 14 increases the transparency of financial statements. Stakeholders can clearly see the impact of regulatory deferral balances on the entity's financial position and performance.

IFRS 14 allows first-time adopters of IFRS that are subject to rate regulation to continue recognizing regulatory deferral accounts based on their previous GAAP. This standard provides a way for rate-regulated entities to maintain consistency in their financial reporting while transitioning to IFRS. However, IFRS 14 is an interim standard, and entities should prepare for future developments as the IASB works on a more comprehensive approach to accounting for rate-regulated activities.

IFRS 15: Revenue Recognition

IFRS 15, "Revenue from Contracts with Customers," establishes a comprehensive framework for recognizing revenue. It replaces previous revenue recognition standards and provides a five-step model to ensure that revenue is recognized in a manner that reflects the transfer of goods or services to customers in an amount that represents the consideration to which the entity expects to be entitled. This standard applies to all contracts with customers, except for leases, insurance contracts, and financial instruments.

Five-Step Model for Revenue Recognition under IFRS 15

1. Identify the Contract with a Customer

- A contract exists when there is an agreement between two or more parties that creates enforceable rights and obligations. The contract can be written, oral, or implied by customary business practices.

- The contract must have commercial substance, and it must be probable that the entity will collect the consideration to which it is entitled.

2. Identify the Performance Obligations in the Contract

- A performance obligation is a promise in a contract to transfer a good or service (or a bundle of goods or services) to the customer.

- Entities must assess whether each good or service is distinct or should be bundled with other goods or services as part of a single performance obligation.

3. Determine the Transaction Price

- The transaction price is the amount of consideration an entity expects to receive in exchange for transferring goods or services to the customer. It includes fixed amounts, variable consideration (such as bonuses, discounts, or penalties), and any significant financing components.

4. Allocate the Transaction Price to the Performance Obligations

- If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services.

- If the stand-alone selling price is not directly observable, the entity must estimate it, which can require judgment.

5. Recognize Revenue When (or as) the Entity Satisfies a Performance Obligation

- Revenue is recognized when control of the goods or services is transferred to the customer. Control can be transferred over time or at a point in time.

- For performance obligations satisfied over time, revenue is recognized based on progress toward completion, often requiring estimation.

Stages of Revenue Recognition with Key Estimation Points

1. Identification of Performance Obligations

- Estimation Required: Determining whether certain promises in a contract represent distinct performance obligations can involve significant judgment. For example, in long-term service contracts, it may be challenging to distinguish between separate services, requiring a careful analysis of the contract terms and customer expectations.

- Example: In software contracts, determining whether ongoing support services are distinct from the software license itself can involve considerable estimation and judgment.

2. Variable Consideration in the Transaction Price

- Estimation Required: When the transaction price includes variable consideration (e.g., bonuses, discounts, refunds, incentives, or penalties), entities must estimate the amount of variable consideration using either the expected value or most likely amount methods. This involves assessing the likelihood and magnitude of potential outcomes.

- Constraints: Variable consideration is included only to the extent that it is highly probable that a significant reversal of revenue will not occur once the uncertainty is resolved. This requires entities to make careful estimates about future events.

- Example: A construction company may have a contract that includes performance bonuses for early completion. Estimating the likelihood of receiving this bonus requires judgment about project timelines and risks.

3. Estimating Stand-Alone Selling Prices

- Estimation Required: When contracts contain multiple performance obligations, and stand-alone selling prices are not directly observable, entities must estimate the price at which they would sell each good or service separately.

- Methodologies: Common estimation techniques include the adjusted market assessment approach, expected cost plus margin approach, or the residual approach.

- Example: A telecommunications company selling a bundle of services (e.g., phone service, internet, and a mobile device) must estimate the stand-alone selling prices of each component if no separate prices are observable in the market.

4. Revenue Recognition over Time (Progress towards Completion)

- Estimation Required: For performance obligations satisfied over time, entities must recognize revenue based on the progress toward fulfilling the obligation. This is typically done using either an input method (e.g., costs incurred relative to total expected costs) or an output method (e.g., milestones reached, units produced).

- Example: In a long-term construction contract, recognizing revenue based on costs incurred may require estimating the total costs to complete the project, which involves assessing future labor, materials and unforeseen circumstances that could affect project completion.

5. Significant Financing Components

- Estimation Required: If a contract includes a significant financing component (e.g., when payment is received substantially before or after the performance obligation is satisfied), the entity must adjust the transaction price to reflect the time value of money. This requires estimating the applicable discount rate and future payment streams.

- Example: In real estate, if a customer pays far in advance for a property, the entity must adjust the transaction price to account for the time value of money, requiring estimations of the appropriate interest rate and timing of payments.

Areas with a High Degree of Estimation

1. Variable Consideration

- Estimating variable consideration involves assessing the likelihood and magnitude of future bonuses, penalties, or discounts. This is a highly judgmental area, as entities must weigh the risks of significant revenue reversals.

- Example: In healthcare, where providers may be subject to pricing adjustments based on patient outcomes, variable consideration estimation requires detailed forecasting and historical data analysis.

2. Progress Measurement for Long-Term Contracts

- When revenue is recognized over time, entities must estimate the stage of completion, which often involves subjective judgment about costs, time, or units remaining to complete a project.

- Example: In the aerospace industry, manufacturers may recognize revenue on aircraft over time, requiring careful estimation of labor and material costs needed to complete the assembly.

3. Allocation of Transaction Price to Performance Obligations

- Estimating the relative stand-alone selling prices for performance obligations that are not sold separately can be challenging. Entities must use judgment in selecting an appropriate estimation technique, which can significantly affect the timing and amount of revenue recognized.

- Example: In the software industry, determining the allocation of revenue for a bundled software license and future updates may require the use of historical data and industry benchmarks.

4. Refund Liabilities and Returns

- Estimating the extent of future returns requires judgment and often involves the analysis of historical return rates and customer behavior.

- Example: A retailer selling products with a return policy must estimate the expected return rate to adjust revenue recognized in the current period.

5. Customer Options for Additional Goods or Services

- When a contract gives the customer an option to purchase additional goods or services at a discount (e.g., loyalty points or coupons), the entity must estimate the likelihood that the option will be exercised and the stand-alone selling price of the option.

- Example: Airlines offering frequent flyer points must estimate the number of points likely to be redeemed and the fair value of the services provided in exchange for those points.

IFRS 15 provides a structured approach to revenue recognition through its five-step model, but it also introduces areas that require significant estimation, particularly around variable consideration, allocation of transaction prices, progress measurement, and refund liabilities. These estimations require entities to make informed judgments based on historical data, market trends, and forward-looking assumptions, which can affect the timing and amount of revenue recognized.

IFRS 16: Leases

IFRS 16, "Leases," replaced IAS 17 and brought significant changes to the accounting for leases. The key objective of IFRS 16 is to ensure that all lease transactions are recognized on the balance sheet, providing greater transparency in financial statements. The standard removes the distinction between operating and finance leases for lessees and introduces a single lease accounting model that reflects a right-of-use asset and a lease liability.

This standard applies to leases of all assets, with certain exceptions (e.g., short-term leases and leases of low-value assets). It primarily impacts lessees, as they now must recognize most leases on the balance sheet.

Key Provisions of IFRS 16

1. Lessee Accounting

Under IFRS 16, lessees are required to recognize:

- Right-of-Use (ROU) Asset: An asset representing the lessee's right to use the leased asset for the lease term.

- Lease Liability: A liability representing the lessee's obligation to make lease payments.

Initial Measurement:

- The right-of-use asset is initially measured at the amount of the lease liability, plus any initial direct costs and restoration obligations, adjusted for any lease incentives.

- The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease (if readily determinable) or the lessee's incremental borrowing rate.

Subsequent Measurement:

- The ROU asset is depreciated over the shorter of the asset's useful life or the lease term.

- The lease liability is reduced as lease payments are made and is updated for interest expenses.

2. Exemptions for Lessees

IFRS 16 allows lessees to choose not to recognize assets and liabilities for:

- Short-term leases (leases with a lease term of 12 months or less).

- Leases of low-value assets (e.g., personal computers, small office equipment).

For these leases, the lessee can recognize lease payments as an expense on a straight-line basis over the lease term.

Stages of Lease Accounting Under IFRS 16

1. Identify a Lease

- A contract is a lease or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- Key elements to assess:

  - Is there an identified asset?

  - Does the customer have the right to obtain substantially all of the economic benefits from the use of the asset?

  - Does the customer have the right to direct the use of the asset?

2. Recognize Right-of-Use (ROU) Asset and Lease Liability

- Right-of-Use Asset: The lessee recognizes a right-of-use asset at the commencement date of the lease.

  - Initial measurement includes the present value of lease payments, any lease incentives received, and any initial direct costs.

  - The right-of-use asset is subsequently depreciated over the lease term or the useful life of the asset.

- Lease Liability: The lessee also recognizes a lease liability at the present value of future lease payments, discounted using the interest rate implicit in the lease (or, if not available, the lessee's incremental borrowing rate).

- Subsequent measurement involves reducing the liability as lease payments are made and recognizing interest expenses.

3. Lease Payments and Interest Expense

- Lease payments include fixed payments, variable lease payments based on an index or rate, and any purchase options that the lessee is reasonably certain to exercise.

- The lease liability is split into principal and interest components, with interest expenses recognized in the income statement using the effective interest method.

4. Subsequent Measurement and Modifications

- The right-of-use asset is depreciated, and the lease liability is updated for lease payments.

- Modifications to the lease (e.g., changes in scope or lease term) may require reassessment of both the lease liability and right-of-use asset, impacting the financial statements.

Areas of High Estimation in IFRS 16

1. Lease Term

- Determining the lease term requires judgment, particularly when the lease includes options to extend or terminate the lease. The lessee must assess whether they are reasonably certain to exercise these options.

- Estimation required: Lessees must evaluate the economic incentives, potential penalties, and business factors to decide the lease term.

2**. Incremental Borrowing Rate (IBR)**

- If the interest rate implicit in the lease is not readily determinable, the lessee must estimate the incremental borrowing rate (IBR) they would have to pay to borrow over a similar term with similar collateral.

- Estimation required: The IBR is often an approximation based on market conditions, the lessee’s credit rating, and the terms of the lease.

3. Variable Lease Payments

- Certain leases include variable payments based on performance or usage (e.g., percentage of sales or usage-based rent). These payments are excluded from the lease liability but require disclosure and can impact the total lease cost.

- Estimation required: Lessees must forecast the potential future variable payments when calculating total lease expense.

4. Residual Value Guarantees

- Some leases include residual value guarantees, where the lessee guarantees the value of the leased asset at the end of the lease term. These guarantees must be included in the lease liability.

- Estimation required: Lessees must estimate the expected residual value of the asset, considering market trends and asset depreciation.

Lessor Accounting under IFRS 16

For lessors, IFRS 16 retains a distinction between operating leases and finance leases, similar to IAS 17.

- Operating Lease: The lessor continues to recognize the leased asset on its balance sheet and recognizes lease income on a straight-line basis over the lease term.

- Finance Lease: The lessor derecognizes the leased asset and recognizes a net investment in the lease, consisting of the lease receivable and any unguaranteed residual value.

Lessor accounting is largely unchanged from the previous standard, but lessors must still assess leases to ensure appropriate classification.

Impact of IFRS 16 on Financial Statements

1. Balance Sheet Impact

- Lessees: IFRS 16 has a significant impact on lessees' balance sheets as nearly all leases are recognized as assets and liabilities. This increases the reported debt, impacting gearing ratios and other financial metrics.

- Lessors: No major changes for lessors, but lease classification remains critical for recognizing the appropriate lease receivable or asset.

2. Income Statement Impact

- For lessees, the straight-line operating lease expense under IAS 17 is replaced by depreciation of the right-of-use asset and interest on the lease liability, which can result in a higher expense in the earlier years of the lease.

3. Cash Flow Impact

- Lease payments are split between principal and interest, with the principal portion classified as financing cash flows and interest classified as operating cash flows (or financing cash flows, depending on the entity's policy).

- This changes how cash flow statements present lease-related cash outflows, often increasing operating cash flows while increasing financing outflows.

IFRS 16 fundamentally changes how lessees account for leases by requiring them to recognize most leases on their balance sheet as a right-of-use asset and a corresponding lease liability. This change enhances transparency but introduces significant estimation challenges, particularly regarding the lease term, incremental borrowing rate, and variable payments. For lessors, the changes are minimal, but accurate classification remains essential.

IFRS 17: Insurance Contracts

IFRS 17 is the International Financial Reporting Standard that provides a comprehensive framework for accounting for insurance contracts. It replaces IFRS 4 and aims to improve transparency and consistency in financial reporting for insurance contracts. IFRS 17 fundamentally changes how insurance companies recognize revenue, measure insurance liabilities, and disclose information, ensuring a standardized approach across different regions and types of contracts.

The standard applies to all entities that issue insurance contracts, including reinsurers, and is effective for annual reporting periods starting on or after January 1, 2023.

Key Objectives of IFRS 17

1. Transparency: IFRS 17 ensures that insurance companies provide clearer information about the profitability of their insurance contracts and the associated risks.

2. Consistency: The standard introduces a uniform accounting approach for insurance contracts globally, enhancing comparability across different entities and jurisdictions.

3. Measurement of Insurance Liabilities: IFRS 17 introduces a current measurement model for insurance liabilities, which reflects current interest rates and expected future cash flows.

4. Profit Recognition: IFRS 17 clarifies how insurers recognize profits over the life of an insurance contract.

1. Insurance Contract Definition

- An insurance contract is one where the issuer (insurer) accepts significant insurance risk by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

- Insurance risk is the risk other than financial risk transferred from the policyholder to the insurer.

2. Measurement Models for Insurance Contracts

IFRS 17 introduces three main models for measuring insurance contracts:

a. General Measurement Model (GMM) / Building Block Approach (BBA)

- Used for: Most long-term contracts such as life insurance.

- Measurement Components:

  - Fulfillment cash flows (FCF): Includes expected future cash flows (premiums, claims, expenses), adjusted for the time value of money and risks related to uncertainty in these cash flows.

  - Risk adjustment: Reflects the compensation required for bearing the uncertainty of cash flows.

  - Contractual Service Margin (CSM): Represents the unearned profit at the inception of the contract, which is recognized over the coverage period as services are provided.

b. Premium Allocation Approach (PAA)

- Used for: Short-term contracts such as general insurance (e.g., motor insurance, home insurance).

- Simplified Approach: This is a simpler method than the General Model and is used when the coverage period is typically 12 months or less. The liability for remaining coverage is measured similarly to the unearned premium reserve under IFRS 4.

c. Variable Fee Approach (VFA)

- Used for: Contracts where the policyholder participates in a share of the returns on underlying items (e.g., certain unit-linked or with-profits policies).

- Focus: The entity's share of the returns on the underlying items, with changes in the entity's share of these returns reflected in the Contractual Service Margin (CSM).

3. Fulfillment Cash Flows

- Fulfillment cash flows are the present value of expected cash inflows (premiums) and outflows (claims, benefits, and expenses) over the life of the insurance contract. This includes:

  - Expected cash flows: Estimates of future premiums, claims, and other expenses.

  - Discount rates: Adjustments for the time value of money, reflecting the characteristics of the liability.

  - Risk adjustment: Reflecting the uncertainty in future cash flows.

4. Contractual Service Margin (CSM)

- The CSM represents the unearned profit from an insurance contract, which is recognized over time as the insurer provides coverage. The CSM ensures that insurers recognize profit consistently over the contract term, rather than at the inception of the contract.

Recognition and Measurement

1. Initial Recognition

- At the inception of an insurance contract, the entity recognizes the fulfillment cash flows (FCF) and the Contractual Service Margin (CSM).

- The CSM is designed to absorb day-one gains, meaning that no immediate profit is recognized when the contract is initially written.

2. Subsequent Measurement

- Fulfillment cash flows are remeasured at each reporting date based on current assumptions about future cash flows, discount rates, and risks.

- The CSM is adjusted for changes in estimates of future profitability. However, if the contract becomes onerous (i.e., expected future losses), the losses are recognized immediately in profit or loss.

3. Onerous Contracts

- If the expected outflows from a contract exceed the expected inflows, the contract is considered onerous, and the excess is recognized immediately as a loss in the profit or loss statement.

- This ensures that insurers do not defer recognizing losses on unprofitable contracts.

Revenue Recognition Under IFRS 17

- Revenue Recognition: Revenue is recognized as the entity provides insurance services over time, reflecting the coverage provided and the release of the risk adjustment and CSM.

- Unbundling: In cases where insurance contracts include non-insurance components (e.g., investment components), IFRS 17 requires the unbundling and separate recognition of these components, based on IFRS 9 for financial instruments.

Disclosures Under IFRS 17

IFRS 17 requires extensive disclosures to provide users of financial statements with insights into the risks, amounts, and timing of the entity's future cash flows from insurance contracts. Key disclosure requirements include:

1. Reconciliation of Contract Balances

- Reconciliation of the carrying amounts of insurance contract assets and liabilities.

2. Assumptions and Risks

- Explanation of significant judgments and assumptions, particularly for estimating future cash flows, discount rates, and risk adjustments.

3. Profitability Analysis

- Analysis of the CSM and how it changes over time, providing insights into the future profitability of insurance contracts.

4. Onerous Contracts

- Information on any contracts that are considered onerous and the reasons for such classification.

Key Changes and Impacts of IFRS 17

1. Increased Transparency

- IFRS 17 provides a clearer view of insurers' financial positions by requiring more detailed reporting of insurance liabilities and profits over time.

2. Enhanced Comparability

- The standard brings uniformity to how insurance contracts are accounted for globally, improving the comparability of financial statements across insurers, industries, and regions.

3. Volatility in Financial Results

- IFRS 17 introduces potential volatility in reported profits due to regular remeasurement of fulfillment cash flows based on updated assumptions. This volatility will be particularly noticeable in long-term contracts with significant uncertainty in future cash flows.

4. Systems and Processes

- Insurers need to invest in systems and data capabilities to track and calculate the various components of IFRS 17, such as the fulfillment cash flows and CSM.

IFRS 17 represents a major overhaul in the accounting for insurance contracts. It shifts the focus to providing transparent and consistent financial information that reflects the true economics of insurance contracts. While this standard enhances comparability and reliability, it also introduces challenges in terms of system updates, data management, and potential volatility in financial results.

IAS 19: Pensions

IAS 19, "Employee Benefits," is an International Accounting Standard that prescribes the accounting and disclosure requirements for employee benefits, including short-term benefits, long-term benefits, and post-employment benefits such as pensions. The standard aims to ensure that an entity recognizes a liability when employees provide services in exchange for benefits to be paid in the future, and recognizes an expense when the entity consumes the economic benefit arising from the services provided by employees.

Post-employment benefits, such as pensions, are a critical part of IAS 19, especially in the case of defined benefit plans, where the accounting is more complex and requires careful estimation of future obligations.

Key Types of Post-Employment Benefit Plans

1. Defined Contribution Plans

- Definition: Under a defined contribution plan, the entity's obligation is limited to the amount it contributes to a separate entity (e.g., a pension fund). The risk of the pension fund's performance lies with the employee.

- Accounting Treatment: Contributions to the plan are recognized as an expense in the period during which employees render the services. No actuarial assumptions are required, and there is no obligation beyond the contributions paid.

2. Defined Benefit Plans

- Definition: A defined benefit plan is a post-employment benefit plan where the entity's obligation is to provide agreed benefits to current and past employees, usually based on factors like salary and years of service. The entity bears the actuarial and investment risk.

- Accounting Treatment: Defined benefit plans require a more detailed measurement and recognition process, which includes actuarial assumptions and estimations of future obligations. This is where IAS 19 becomes more complex.

Defined Benefit Plans: Key Concepts

1. Defined Benefit Obligation (DBO)

- Definition: The present value of the obligation to provide future benefits to employees, measured using actuarial assumptions. The DBO reflects the discounted future payments that an entity expects to make to employees.

- Actuarial Assumptions: The DBO is based on several assumptions, such as employee turnover rates, mortality rates, salary increases, and discount rates (typically based on high-quality corporate bond yields).

2. Plan Assets

- Definition: These are assets held in a trust or separate entity that will be used to fund the entity's pension liabilities. They are measured at fair value and offset against the DBO to determine the net pension liability or asset.

3. Net Defined Benefit Liability (Asset)

- Net Position: The difference between the fair value of plan assets and the present value of the defined benefit obligation (DBO).

  - If the DBO exceeds the plan assets, a liability is recognized.

  - If the plan assets exceed the DBO, an asset is recognized (subject to a recoverability test, known as the asset ceiling test).

Recognition and Measurement

1. Service Costs

- Current Service Cost: The increase in the present value of the defined benefit obligation resulting from employee service in the current period.

- Past Service Cost: The change in the present value of the defined benefit obligation for employee service in prior periods, typically due to plan amendments or curtailments.

- Recognition: Both current and past service costs are recognized in profit or loss as part of operating expenses.

2. Net Interest on the Net Defined Benefit Liability (Asset)

- Definition: The interest expense or income on the net defined benefit liability or asset is calculated by applying the discount rate (used to measure the DBO) to the net defined benefit liability (asset) at the beginning of the period.

- Recognition: The net interest expense or income is recognized in profit or loss as part of finance costs or income.

3. Remeasurements

- Definition: These include actuarial gains and losses arising from changes in actuarial assumptions or differences between actual experience and the assumptions made (e.g., changes in mortality rates or discount rates).

- Recognition: Remeasurements are recognized immediately in other comprehensive income (OCI) and are not reclassified to profit or loss in subsequent periods.

Components of Defined Benefit Cost

The total cost recognized in an entity's financial statements for a defined benefit plan includes:

1. Service Costs:

- Current service cost

- Past service cost

- Gains or losses on curtailments or settlements

2. Net Interest:

- Interest expense on the defined benefit obligation

- Interest income on plan assets (measured at the discount rate)

3. Remeasurements (recognized in OCI):

- Actuarial gains and losses

- Return on plan assets (excluding amounts recognized in net interest)

- Changes in the effect of the asset ceiling (if applicable)

Actuarial Assumptions

In accounting for defined benefit plans, certain actuarial assumptions must be made, including:

1. Discount Rate:

- The rate used to discount the defined benefit obligation is typically based on high-quality corporate bond yields (or government bonds in countries without a deep market for corporate bonds).

2. Salary Growth:

- Assumptions regarding future salary increases are important for plans where benefits are based on final salary.

3. Mortality Rates:

- Assumptions regarding the life expectancy of employees affect the estimation of pension payments.

4. Employee Turnover:

- Assumptions regarding employee turnover help in estimating how many employees will ultimately qualify for pension benefits.

Disclosures Required by IAS 19

IAS 19 requires extensive disclosures in the financial statements to provide transparency about the entity's post-employment benefit obligations and risks. Key disclosures include:

1. Reconciliation of Plan Assets and Liabilities:

- A reconciliation between the opening and closing balances of the defined benefit obligation and plan assets.

2. Sensitivity Analysis:

- A sensitivity analysis showing the impact of reasonably possible changes in key actuarial assumptions (e.g., discount rate, mortality rates) on the defined benefit obligation.

3. Plan Characteristics:

- Detailed descriptions of the characteristics of the defined benefit plan, including the nature of benefits provided, plan governance, and any risks associated with the plan (e.g., investment risk, longevity risk).

4. Components of Pension Expense:

- A breakdown of the components of defined benefit costs recognized in profit or loss and OCI.

Impact of IAS 19 on Financial Statements

1. Balance Sheet Impact:

- IAS 19 requires recognition of the net defined benefit liability or asset on the balance sheet. For underfunded plans, this results in an additional liability, while for overfunded plans, it may result in an asset (subject to the asset ceiling).

2. Income Statement Impact:

- Service costs and net interest expense are recognized in the income statement, impacting operating profit and finance costs.

3. Other Comprehensive Income (OCI):

- Remeasurements, including actuarial gains and losses, are recognized in OCI, affecting the entity's equity but not its profit or loss.

4. Cash Flow Impact:

- Contributions to defined benefit plans impact the cash flow statement under operating activities, as they represent payments toward settling pension obligations.

IAS 19 ensures that entities provide a clear and comprehensive picture of their pension and post-employment benefit obligations. Defined benefit plans, in particular, involve complex accounting and the use of significant actuarial assumptions. The standard promotes transparency by requiring the recognition of pension liabilities and comprehensive disclosures about the risks and assumptions involved. However, for entities with large defined benefit plans, the standard can introduce volatility in financial results due to remeasurements that are sensitive to changes in assumptions such as discount rates and mortality expectations.

IAS 20: Grants

IAS 20 provides guidelines for the accounting treatment and disclosure of government grants and the recognition of government assistance. The primary objective of the standard is to ensure that government grants are recognized in the financial statements in a systematic manner that matches them with the costs they are intended to compensate. IAS 20 ensures transparency and consistency in how entities recognize the benefits they receive from government support.

Government grants, also referred to as government aid or subsidies, are typically given to promote economic development, support specific sectors, or reduce the financial burden on entities. These grants can come in the form of direct cash payments, tax benefits, or reduced costs.

Key Concepts of IAS 20

1. Government Grant:

- A government grant is a transfer of resources from the government to an entity in return for past or future compliance with certain conditions related to the entity's operations.

- Examples include subsidies, forgivable loans, and grants for asset acquisition or job creation.

2. Government Assistance:

- Government assistance refers to actions by governments to provide economic benefits to an entity but does not include transactions that do not impose specific conditions on the entity, such as general infrastructure improvements or tax benefits available to all entities.

3. Recognition of Government Grants:

- Government grants should be recognized as income on a systematic basis over the periods in which the entity recognizes the related expenses or costs that the grants are intended to compensate.

- Grants related to assets should be recognized as deferred income and released to profit or loss over the useful life of the asset.

- Grants related to income should be recognized in the income statement when the related costs or expenses are incurred.

Types of Government Grants

1. Grants Related to Assets

- Definition: These grants are provided to finance the acquisition, construction, or improvement of a specific long-term asset (e.g., land, buildings, machinery).

- Accounting Treatment:

  - Recognized as deferred income (a liability) in the balance sheet.

  - Released to profit or loss over the asset's useful life as the entity recognizes depreciation on the related asset.

Example: A government provides a grant to build a factory. The grant is recognized as deferred income and released to income over the factory's useful life.

2. Grants Related to Income

- Definition: These grants compensate the entity for expenses or losses incurred or provide immediate financial support.

- Accounting Treatment:

  - Recognized as other income in the income statement in the periods in which the related expenses are incurred.

  - Alternatively, the grant can be deducted from the related expenses (netting off).

Example: A government provides a grant to cover research and development costs. The grant is recognized as income in the period in which the R&D expenses are incurred.

Recognition Criteria for Government Grants

To recognize a government grant, an entity must meet two key criteria:

1. Reasonable Assurance: There must be reasonable assurance that:

- The entity will comply with the conditions attached to the grant.

- The grant will be received.

2. Matching Principle: The grant should be recognized as income in the same periods as the related costs are incurred to match the income to the corresponding expense.

If there is uncertainty regarding whether the entity will meet the conditions of the grant or whether the grant will be received, the recognition should be delayed until the uncertainties are resolved.

Repayment of Government Grants

If an entity is required to repay a government grant, it must:

- Recognize the repayment as a revision of the accounting estimate, adjusting the relevant accounting entries.

- If the grant was related to income, the repayment is recognized as an expense.

- If the grant was related to assets, the repayment is recognized by adjusting the carrying amount of the deferred income or the asset.

Presentation of Government Grants

IAS 20 allows two approaches for presenting government grants related to income:

1. As Other Income: The grant can be shown as a separate line item in the income statement under "other income."

2. Netting Against Expenses: The grant can be deducted from the related expense to which it pertains (e.g., reducing R&D expenses by the amount of the grant).

For grants related to assets, the standard allows two approaches:

1. Deferred Income Approach: Recognize the grant as deferred income and release it to profit or loss over the useful life of the asset.

2. Netting Against the Asset: Reduce the carrying amount of the asset by the amount of the grant, resulting in lower depreciation expense over the asset's life.

Disclosure Requirements Under IAS 20

IAS 20 requires entities to disclose the following information in their financial statements:

1. Nature and Amount of Government Grants: A description of the nature of government grants recognized in the financial statements and an indication of other forms of government assistance from which the entity has directly benefited.

2. Unfulfilled Conditions: Disclosure of any unfulfilled conditions or other contingencies attached to the government grants.

3. Accounting Policies: The accounting policy adopted for recognizing government grants, including whether the grant is presented separately as income or netted against related expenses.

4. Impact on Financial Statements: The impact of the government grants on the financial position, performance, and cash flows of the entity, including any significant impacts on the timing or certainty of the cash flows.

Examples of Government Grants

1. Capital Investment Grant:

- A government provides an entity with a $1 million grant to build a new factory. The entity capitalizes the factory as a fixed asset and recognizes the grant as deferred income. The deferred income is then amortized over the useful life of the factory.

2. Subsidy for Research and Development (R&D):

- An entity receives a government grant to subsidize its R&D activities. The entity recognizes the grant as other income in the income statement in the period in which the R&D expenses are incurred, matching the income with the related costs.

3. Export Subsidy:

- A company receives an export subsidy from the government for promoting its goods in international markets. The grant is recognized as other income in the period when the entity incurs the associated marketing costs. IAS 20 provides a systematic approach to recognizing and disclosing government grants, ensuring that entities account for grants in a way that aligns with the economic benefits received. The standard requires matching grant income with related costs to ensure accurate representation of financial performance. IAS 20 also offers flexibility in presentation, allowing entities to either present grants as income or offset them against related expenses, enhancing clarity in financial reporting.

IAS 21: Effect of changes in FX rates

IAS 21, "The Effects of Changes in Foreign Exchange Rates," outlines how to account for transactions in foreign currencies and how to translate financial statements of foreign operations into a reporting entity's functional currency. The standard ensures that financial statements accurately reflect the financial position, performance, and cash flows of an entity that operates in multiple currencies.

The key objectives of IAS 21 are to ensure that:

1. Foreign currency transactions are appropriately accounted for.

2. Financial statements of foreign operations can be translated into the reporting currency in a consistent and transparent manner.

3. The effects of exchange rate fluctuations on financial statements are appropriately recognized.

Key Concepts of IAS 21

1. Functional Currency

- Definition: The functional currency is the currency of the primary economic environment in which the entity operates. It is determined by the currency that mainly influences sales prices, labor, materials, and other costs.

- Determination: Entities assess various factors such as sales market, costs incurred, and financing sources to determine their functional currency.

2. Presentation Currency

- Definition: The presentation currency is the currency in which the financial statements are presented. It may differ from the functional currency. For example, an entity may choose to present its financial statements in USD, even if its functional currency is EUR.

3. Foreign Currency Transactions

- Definition: These are transactions denominated in a currency other than the entity's functional currency, such as sales, purchases, loans, or investments in a foreign currency.

Recognition and Measurement of Foreign Currency Transactions

1. Initial Recognition

- At the time of the transaction, foreign currency amounts are translated into the functional currency at the exchange rate on the date of the transaction (spot rate).

- Example: If an entity purchases goods in euros (EUR) but its functional currency is USD, the cost of the goods is translated into USD at the exchange rate on the transaction date.

2. Subsequent Measurement

- Monetary items (e.g., cash, receivables, payables) are remeasured at the closing exchange rate (the rate at the reporting date).

- Non-monetary items (e.g., property, plant, equipment, inventory) measured at historical cost remain at the exchange rate on the transaction date. Non-monetary items measured at fair value are retranslated at the exchange rate on the date when the fair value was determined.

3. Exchange Differences

- Monetary Items: Exchange differences arise from remeasurement and are recognized in profit or loss.

- Example: A USD-denominated receivable held by a company with a EUR functional currency will be remeasured at each reporting date. Any resulting exchange gain or loss is recognized in profit or loss.

- Non-Monetary Items: If non-monetary items are measured at fair value, the exchange differences are treated in line with where the revaluation is recognized (profit or loss or other comprehensive income).

Translation of Foreign Operations

When an entity has foreign operations (e.g., subsidiaries in other countries), the results and financial position of these foreign operations need to be translated into the entity's presentation currency.

1. Translation of Financial Statements

- The financial statements of a foreign operation must first be prepared in its functional currency.

- The financial statements are then translated into the presentation currency as follows:

  - Assets and liabilities: Translated at the closing rate at the reporting date.

  - Income and expenses: Translated at the exchange rates at the dates of the transactions (or an average rate if it approximates the actual rates).

  - Equity: Translated at the historical exchange rates (i.e., the rates prevailing on the dates of the related transactions).

2. Exchange Differences from Translation

- Exchange differences arising from translating the financial statements of a foreign operation into the presentation currency are recognized in other comprehensive income (OCI) and accumulated in a separate component of equity (typically referred to as the foreign currency translation reserve).

- On disposal of a foreign operation, any cumulative exchange differences in equity are reclassified to profit or loss.

Key Areas Where IAS 21 Applies

1. Foreign Currency Transactions:

- Companies dealing with foreign currency transactions, such as purchases and sales in a different currency than their functional currency, need to apply IAS 21 to recognize and translate these transactions appropriately.

2. Translation of Foreign Operations:

- Multinational companies with subsidiaries or branches in different countries must translate the financial statements of their foreign operations into the parent company's presentation currency.

3. Net Investment in a Foreign Operation:

- Exchange differences that arise on a monetary item that forms part of a net investment in a foreign operation are recognized in other comprehensive income in the consolidated financial statements of the parent company. These differences are reclassified to profit or loss on disposal of the foreign operation.

Disclosure Requirements under IAS 21

Entities are required to disclose the following information:

1. Exchange Rates Used: The exchange rates applied to translate foreign currency transactions and foreign operations must be disclosed.

2. Foreign Exchange Differences: The amount of exchange differences recognized in profit or loss and in other comprehensive income.

3. Functional and Presentation Currency: An explanation of the entity's functional currency and the rationale for selecting a different presentation currency, if applicable.

Example of Applying IAS 21

Scenario: A company based in the U.S. (functional currency: USD) has a subsidiary in Germany (functional currency: EUR). The subsidiary's financial statements are in EUR, but the parent company must present its consolidated financial statements in USD.

1. Transaction Date: The subsidiary sells goods to a customer in the U.K. for GBP 100,000 when the exchange rate is EUR 1 = GBP 0.90. The company records the transaction in EUR (its functional currency) at EUR 111,111 (100,000 ÷ 0.90).

2. Reporting Date: At the reporting date, the exchange rate has changed to EUR 1 = GBP 0.85. The receivable from the U.K. customer is a monetary item, so it is remeasured at the closing rate (GBP 100,000 ÷ 0.85 = EUR 117,647). The exchange difference of EUR 6,536 is recognized in the subsidiary's profit or loss.

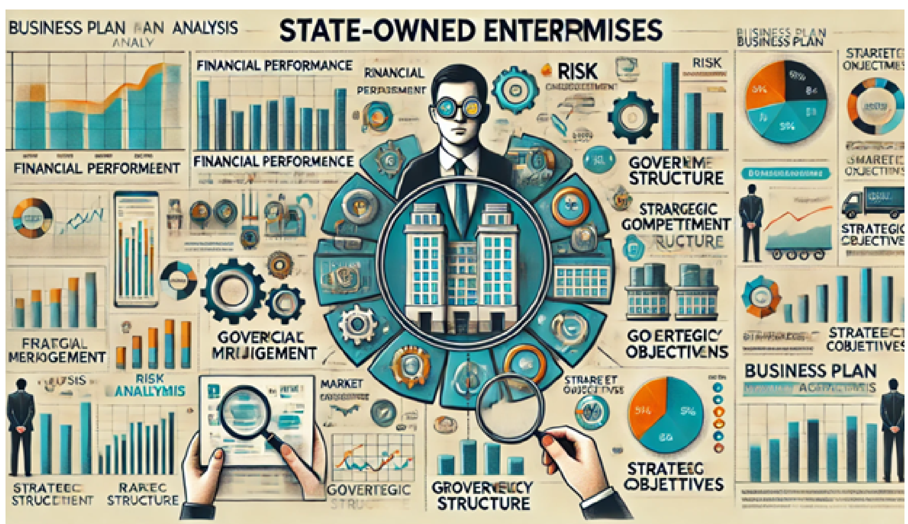
3. Translation to USD: When the U.S. parent consolidates the subsidiary's financial statements, it translates the subsidiary's assets and liabilities at the closing exchange rate and its income statement items at the average rate during the period. Any resulting exchange differences are recognized in other comprehensive income (OCI).

IAS 21 impacts the P&L statement primarily through the recognition of foreign exchange gains and losses on monetary items, such as receivables, payables, and loans, which are remeasured at the reporting date's exchange rate. These exchange differences are recognized in profit or loss, reflecting the effect of exchange rate fluctuations. For foreign operations, exchange differences arising from translating income statement items at average rates can also affect the P&L indirectly when foreign operations are disposed of, leading to the reclassification of exchange differences from other comprehensive income (OCI) to profit or loss.

On the Balance Sheet, IAS 21 affects the valuation of monetary assets and liabilities (e.g., foreign currency receivables or payables), which are adjusted to the closing exchange rate. Non-monetary items measured at fair value in a foreign currency are translated at the rate on the date when the fair value was determined. For entities with foreign operations, the assets, liabilities, and equity components are translated into the presentation currency, with exchange differences recognized in OCI as part of the foreign currency translation reserve, which impacts equity until the foreign operation is disposed of.IAS 21 is a crucial standard for entities operating in multiple currencies. It provides guidance on how to recognize and measure foreign currency transactions, as well as how to translate the financial statements of foreign operations. By requiring the consistent application of exchange rates and recognition of exchange differences, IAS 21 ensures that the financial performance and position of multinational entities are reported accurately, reflecting the impact of foreign exchange rate fluctuations.

REPORT ON QUALITY OF BUSINESS PLANS

Assessment of Business Plans of Top 15 (asset-wise) State-Owned Enterprises (SOEs) of Federal Government



DECEMBER 1, 2024

CENTRAL MONITORING UNIT
Finance Division
Government of Pakistan

Executive Summary

This report evaluates the quality of business plans for 15 largest (asset-wise) State-Owned Enterprises (SOEs) based on the SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) criteria, as required under the State-Owned Enterprises (Ownership and Management) Policy, 2023. The assessment focuses on the alignment of business plans with national objectives, fiscal sustainability, governance standards, and the socio-economic priorities outlined in the SOE Policy. By critically analyzing these plans, the report identifies strengths, weaknesses, and critical gaps, providing actionable recommendations to improve their strategic and operational alignment with federal mandates. The evaluation serves the dual purpose of ensuring that SOE business plans are robust and aligned with their primary objectives while contributing to the government's broader goals of fiscal risk management, service delivery, and economic growth. This analysis also supports the Central Monitoring Unit (CMU) in its role of monitoring SOE performance and advising on alignment with the SOE Act, 2023.

Key Findings

1. **Number of SOEs with Adequate Business Plans**

    - Out of the 15 SOEs evaluated, **9 SOEs demonstrated adequate alignment with the SMART criteria**, meeting the minimum requirements for clarity, feasibility, and alignment with national objectives.

    - **6 SOEs showed critical deficiencies**, particularly in areas such as risk management, financial sustainability, and alignment with their mandated roles, requiring significant revisions.

Consolidated SMART Criteria Scoring						
SOE Name	**Specific (20%)**	**Measurable (20%)**	**Achievable (20%)**	**Relevant (20%)**	**Time-Bound (20%)**	**Total**
NBP	12	8	10	13	12	55
NHA	10	10	11	12	10	53
SLIC	11	9	10	11	9	50
SNGPL	10	7	9	10	5	41
OGDCL	17	14	14	19	18	82
SSGCL	14	11	11	14	11	61
PPL	17	13	16	19	17	82
PSO	16	14	14	18	13	75
GHPL	17	15	17	18	15	82
NTDC	14	12	11	15	10	62
LESCO	14	12	11	15	12	64
ZTBL	13	11	9	14	11	58
NPPMCL	17	14	16	16	16	79
Pak Libya	14	12	11	14	11	62

Note: The assessment of the business plan of WAPDA has not been included in the report due to its bad quality. Guidelines have been issued and updated version of their respective business plan will be analyzed later-on.

2. **Common Strengths**
    - **Alignment with National Objectives**: Most SOEs effectively aligned their strategic goals with federal priorities, such as energy security, financial inclusion, and infrastructure development.
    - **Operational Initiatives**: Many SOEs emphasized modernization, digital transformation, and operational improvements in their business plans (e.g., NBP's IT upgrades and SSGC's pipeline rehabilitation).
    - **Sector-Specific Goals**: SOEs in sectors like energy and infrastructure (e.g., NTDC, NHA) demonstrated sectoral alignment, focusing on capacity expansion, operational efficiency, and public service delivery.
3. **Common Weaknesses**
    - **Public Service Obligation (PSO) Frameworks**: Most SOEs failed to formalize and include PSO agreements, a key requirement under the SOE Policy 2023. This gap undermines transparency and fiscal accountability for non-commercial activities.
    - **Risk Management**: Critical gaps in risk management frameworks were observed, including the absence of sensitivity analyses for external risks (e.g., oil price volatility, inflation, interest rate changes).
    - **Financial Sustainability and Viability**: Over-reliance on optimistic financial projections without credible strategies for addressing fiscal constraints (e.g., circular debt, large receivables) are a recurring issue.
    - **Governance and Accountability**: Weak governance reforms, particularly at the Board level, hindered the alignment of business plans with best practices in oversight and accountability.
    - **Measurable KPIs**: Several SOEs lacked detailed and quantifiable KPIs, particularly for non-financial objectives such as socio-economic contributions and environmental sustainability.
4. **Critical Gaps Observed**
    - **Deviation from Mandates**: Some SOEs (e.g., Pak Libya Holding Company) displayed a concerning shift away from their core Development Finance Institution (DFI) mandates, focusing disproportionately on short-term profitability through investments in government securities.
    - **Fiscal Risks**: Persistent issues such as circular debt (e.g., SSGC, SNGPL), aging infrastructure (e.g., NHA, NTDC), and unresolved receivables (e.g., PSO) posed significant fiscal risks to the sustainability of these SOEs.

- **Unrealistic Projections**: Overambitious financial and operational targets without adequate resource backing (e.g., ZTBL's credit disbursement goals and NHA's revenue projections) weakened the credibility of several plans.
- **Lack of Stakeholder Engagement**: Limited focus on stakeholder alignment and socio-economic contributions reduced the public impact of several SOEs' business strategies.

Overall Recommendation

The following recommendations are proposed to address the identified gaps and improve the quality of SOE business plans:

1. **Alignment with Public Service Obligations (PSOs):** SOEs must formalize and incorporate PSO agreements into their business plans, ensuring clarity on funding mechanisms, performance targets, and cost-revenue structures for non-commercial activities.
2. **Strengthening Risk Management Frameworks**: Comprehensive risk management frameworks, including sensitivity analyses for external risks (e.g., inflation, oil prices, exchange rate fluctuations), should be developed and integrated into business plans.
3. **Enhancing Governance and Accountability**: Governance reforms, including Board-level accountability, director evaluations, and alignment with the SOE Policy's competitive neutrality framework, must be prioritized. Furthermore, boards should oversee the development of SMART KPIs for both financial and non-financial goals.
4. **Improving Fiscal Transparency**: SOEs must improve the credibility of financial projections by basing them on realistic assumptions and providing detailed proforma financials. Contingency plans for fiscal risks (e.g., circular debt, declining revenues) should be included.
5. **Focus on Socio-Economic Contributions**:SOEs should expand their KPIs to include measurable socio-economic contributions, such as job creation, rural development, and environmental sustainability. These metrics should align with the government's broader development agenda.
6. **Sector-Specific Improvements**:
   - **Energy Sector**: SSGC and SNGPL should address circular debt and improve operational efficiency through UFG reduction and infrastructure rehabilitation.
   - **Infrastructure Sector**: NHA and NTDC should focus on reducing project delays, addressing funding shortfalls, and modernizing operational systems.
   - **Financial Sector**: Pak Libya Holding Company and ZTBL must realign their business plans with their core mandates, emphasizing developmental financing and financial inclusion.

7. **Regular Monitoring and Feedback**: CMU should establish a structured feedback mechanism to provide SOEs with detailed performance reviews and actionable recommendations. Quarterly progress reviews and bi-annual reporting should be mandated to track improvements in business plan quality.

This report underscores the need for a comprehensive and proactive approach to improving the quality of SOE business plans. By addressing the identified gaps and implementing the proposed recommendations, CMU and relevant stakeholders can enhance the strategic and operational alignment of SOEs, ensuring their long-term sustainability and contribution to national development.

Introduction

This report represents the second comprehensive assessment of the Quality of Business Plans for 15 of Pakistan's largest (asset-wise) State-Owned Enterprises (SOEs), conducted in line with the State-Owned Enterprises (Governance and Operations) Act, 2023 and the accompanying State-Owned Enterprises Ownership and Management Policy, 2023. These SOEs, which operate across critical sectors such as energy, infrastructure, telecommunications, finance, and public services, are integral to Pakistan's economic development. They manage key national assets and provide essential services while representing a substantial fiscal investment by the Federal Government.

The report seeks to evaluate the strategic, operational, and financial viability of these business plans, ensuring that they align with the SOEs' mandates and contribute meaningfully to Pakistan's socio-economic objectives. This evaluation is carried out by the Central Monitoring Unit (CMU), which is tasked with monitoring SOEs' performance and providing recommendations to enhance their effectiveness, efficiency, and governance. By identifying strengths, weaknesses, and opportunities for improvement, the report provides actionable insights to improve the alignment of SOEs with national development priorities and to ensure financial sustainability.

Scope of the Report: The scope of this assessment includes 15 SOEs selected based on their asset size and strategic importance to the economy. These entities represent a diverse range of industries, including energy (e.g., SNGPL, PSO), infrastructure (e.g., NHA, NTDC), financial services (e.g., NBP, ZTBL), and others. Using a structured framework, the report evaluates their business plans in terms of:

- **Alignment with Mandates**: Assessing how well the business plans align with the SOEs' primary objectives and broader federal socio-economic priorities.
- **Strategic and Operational Soundness**: Reviewing the feasibility of operational goals, resource allocation, and strategic objectives.
- **Financial Sustainability**: Evaluating the credibility of financial projections, risk management strategies, and fiscal resilience.
- **Governance Standards**: Examining adherence to governance principles, including accountability, transparency, and regulatory compliance.

The evaluation uses the SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) Criteria-Based Evaluation Matrix to ensure a systematic and balanced approach. Each criterion is weighted equally, providing a comprehensive assessment of each SOE's business plan.

Importance of the Evaluation: SOEs are pivotal to Pakistan's economic ecosystem, historically serving as instruments for industrialization, infrastructure development, and public service delivery. They are entrusted with managing critical national assets and delivering services that are essential for societal and economic well-being. However, challenges such as governance inefficiencies, fiscal risks, and operational misalignment have historically undermined their performance. This evaluation is critical for:

- **Improving Strategic Alignment**: Ensuring that SOEs' goals are clearly defined, actionable, and aligned with both their mandates and national priorities.
- **Enhancing Financial Sustainability**: Identifying and mitigating fiscal risks posed by SOEs to minimize their burden on public funds.
- **Promoting Governance and Accountability**: Encouraging improved governance practices, including Board oversight, performance monitoring, and transparency.
- **Optimizing Resource Allocation**: Ensuring that available resources (financial, human, and technological) are effectively utilized to achieve strategic objectives.

By assessing the quality of business plans, the report aims to serve as a tool for continuous improvement, helping SOEs align their objectives with Pakistan's socio-economic development goals while operating in a fiscally sustainable and efficient manner.

Alignment with SOE Ownership and Management Policy, 2023: The assessment methodology is fully aligned with the SOE Ownership and Management Policy, 2023, which emphasizes:

- **Strategic Direction**: Ensuring that SOEs' business plans reflect their primary objectives while contributing to national development goals.
- **Fiscal Sustainability**: Evaluating financial sustainability, risk management, and mitigation of contingent liabilities.
- **Governance Reforms**: Promoting transparency, accountability, and adherence to regulatory frameworks.
- **Public Service Obligations (PSOs)**: Assessing whether PSOs are formalized, funded, and monitored effectively.
- **Competitive Neutrality**: Ensuring that SOEs operate fairly within markets without undue advantage arising from their public ownership.

The policy highlights the importance of robust business planning as a foundation for effective governance, operational efficiency, and fiscal accountability. This report supports these objectives by providing an evidence-based evaluation of business plans, highlighting areas of progress and identifying critical gaps to inform future policy decisions.

Challenges and Opportunities: The evaluation process revealed a diverse landscape of preparedness, with some SOEs demonstrating commendable alignment with strategic goals while others exhibited significant gaps. Key challenges include:

- **Structural Inefficiencies**: Persistent issues such as circular debt, aging infrastructure, and bureaucratic inertia continue to hinder performance.
- **Fiscal Risks**: Over-reliance on optimistic financial projections, weak risk management frameworks, and unresolved receivables create vulnerabilities.
- **Governance Gaps**: Limited Board accountability and weak implementation of governance reforms reduce operational effectiveness.
- **Public Service Obligations (PSOs)**: Most SOEs lack formalized PSO frameworks, leading to unclear funding mechanisms and reduced transparency.

Despite these challenges, the evaluation highlights opportunities for improvement, including enhanced alignment with the SOE Policy, stronger risk management strategies, and improved resource efficiency. By addressing these gaps, the Federal Government can unlock the full potential of its state-owned assets, ensuring their long-term sustainability and contribution to national development.

Methodology

The evaluation of the quality of business plans for 15 selected State-Owned Enterprises (SOEs) has been conducted using a dual approach that combines quantitative SMART Criteria Scoring and qualitative Narrative Analysis. This structured methodology ensures an objective, comprehensive, and actionable assessment, fully aligned with the requirements of the and the SOE (Governance and Operations) Act, 2023 and State-Owned Enterprises (Ownership and Management) Policy, 2023.

Dual Approach

1. **SMART Criteria Scoring: Quantitative Assessment for Objectivity**

The SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) framework was applied to evaluate the business plans systematically. Each of the five criteria was weighted equally at 20%, ensuring a balanced and objective assessment across all aspects of the business plans.A standardized scoring scale (1–5) was used to evaluate each component of the SMART criteria:

- **1 – Poor**: Does not meet criteria and requires significant improvements.
- **2 – Below Average**: Partially meets criteria but lacks clarity, detail, or feasibility.
- **3 – Average**: Meets basic requirements but would benefit from refinement.
- **4 – Good**: Satisfactorily meets criteria with only minor areas for improvement.
- **5 – Excellent**: Fully meets and exceeds criteria, showing exceptional clarity and feasibility.

Components of SMART Criteria include following factors:

- **Specific Goals**: Assessed clarity, alignment with mandates, and sector-specific fit.
- **Measurable Outcomes**: Evaluated financial and operational KPIs, customer metrics, and progress tracking mechanisms.
- **Achievability**: Examined resource availability, market feasibility, and financial viability.
- **Relevance**: Measured alignment with socio-economic priorities, sectoral needs, and stakeholder objectives.
- **Time-Bound Objectives**: Assessed the presence of structured timelines, milestones, and accountability mechanisms.

This quantitative assessment provided a clear numerical measure of the quality of each business plan, allowing for direct comparisons across SOEs and highlighting areas of strength and weakness.

2. **Narrative Analysis: Qualitative Insights for Detailed Observations and Recommendations**

A qualitative narrative analysis was conducted to complement the quantitative scoring. This approach provided in-depth insights into the strategic soundness, operational feasibility, and alignment of the business plans with national priorities and SOE-specific mandates.Key focus areas include:

- **Strategic and Operational Alignment**: Reviewed how well the business plans align with the Federal Government's socio-economic objectives and the unique mandates of each SOE.
- **Governance and Risk Management**: Addressed governance reforms, risk management strategies, and fiscal sustainability.
- **Sector-Specific Observations**: Identified challenges and opportunities within the specific industries represented by the SOEs (e.g., energy, infrastructure, finance).
- **Public Service Obligations (PSOs)**: Evaluated the extent to which PSOs were formalized and integrated into the business plans, as required under the SOE Policy.

The narrative analysis provided actionable recommendations tailored to the specific context of each SOE, addressing gaps and suggesting improvements to align business plans with the SOE Policy's requirements.The evaluation methodology is fully aligned with the State-Owned Enterprises Ownership and Management Policy, 2023, which emphasizes the following key areas:

- **Alignment with Primary Objectives**: Ensuring that SOEs' business plans reflect their primary mandates, including public service delivery, infrastructure development, and socio-economic contributions.
- **Strategic Direction**: Assessing whether business plans include clear long-term goals, sector-specific strategies, and operational priorities that align with national development objectives.
- **Financial Sustainability**: Evaluating financial projections, risk management frameworks, and fiscal transparency to minimize contingent liabilities and ensure sustainable operations.
- **Governance Standards**: Reviewing adherence to governance principles, including Board accountability, ethical practices, and compliance with regulatory frameworks.
- **Public Service Obligations (PSOs)**: Verifying the inclusion of formalized PSO agreements with clearly defined funding mechanisms, performance monitoring, and accountability measures.

By aligning with the SOE Policy, the evaluation ensures that the business plans are not only strategically sound but also comply with the governance, fiscal, and operational standards required to achieve long-term sustainability and national impact.By combining quantitative SMART scoring with qualitative narrative analysis, the methodology provided:

- **Numerical Scores**: A clear, objective measure of each business plan's quality, allowing for straightforward comparisons across SOEs.
- **Detailed Observations and Recommendations**: In-depth insights into strengths, gaps, and opportunities for improvement in each SOE's business plan.
- **Comprehensive Assessment**: A balanced approach that integrates both measurable outcomes and contextual, qualitative factors to ensure a holistic evaluation.

This structured and robust methodology enabled a thorough assessment of the business plans, ensuring alignment with the SOE Policy's focus on strategic direction, fiscal sustainability, and governance, while providing actionable recommendations to enhance the performance and accountability of Pakistan's SOEs.

Narrative Analysis: Qualitative Insights for Detailed Observations

The **National Bank of Pakistan's (NBP)** business plan outlines its dual role as a commercial bank and a state-owned entity (SOE). It aligns with federal priorities by emphasizing financial inclusion through agriculture loans, SME financing, digital payments, and remittance facilitation. The plan also commits to transitioning fully to Islamic banking in compliance with State Bank of Pakistan directives and advancing digital banking. Strategic initiatives include IT infrastructure upgrades (e.g., a Core Banking Application upgrade by 2025), HR reforms through targeted recruitment and training, and reducing Non-Performing Loans (NPLs). Financial projections for 2023 show strong performance, including a profit before tax of PKR 101.3 billion (61.4% YoY increase) and a Capital Adequacy Ratio (CAR) of 25.47%, surpassing regulatory requirements. However, the plan lacks details on funding and monitoring public service obligations (PSOs) and fails to provide a sensitivity analysis for financial risks like inflation and interest rate changes.

Key performance indicators (KPIs) in the plan are well-defined, targeting growth in deposits, advances, and digitalization, but they miss granular branch-level targets and PSO-specific metrics. Governance reforms focus on HR and operational improvements, such as digital transformation and credit centralization, but fall short on board-level changes. Risk management efforts include robust capital buffers and strategies to reduce NPLs, yet they lack detailed mitigation plans for fiscal risks, including the impact of government-guaranteed loans. To address these gaps, the plan needs a clear PSO framework with funding mechanisms, comprehensive fiscal risk strategies, enhanced governance reforms, and refined KPIs. Overall, while the business plan demonstrates alignment with strategic goals and financial potential, critical gaps in execution details and risk management need immediate resolution to ensure sustainability and compliance with the SOE Policy.

The **National Highway Authority (NHA)** business plan demonstrates a clear strategic focus on enhancing financial sustainability, operational efficiency, and infrastructure quality, while addressing the challenges of debt management and funding shortfalls. With a vast road network of 14,480 km, including 32 highways and 13 motorways, NHA aims to optimize its portfolio by focusing on revenue-generating projects and leveraging public-private partnerships (PPPs). The plan sets ambitious goals to increase annual revenue from PKR 105 billion in FY 2024-25 to PKR 500 billion by FY 2028-29 through toll rate adjustments, expansion of toll plazas, and monetization of the Right of Way (ROW). However, the plan highlights significant gaps in funding, with a projected shortfall of PKR 356 billion for FY 2025-26, which risks delaying key projects, increasing costs, and hindering socio-economic benefits. Additionally, NHA proposes strategies for debt restructuring, including offsetting PKR 1.7 trillion raised through Sukuk bonds to address its PKR 3.1 trillion accumulated debt.

Despite its strengths in managing critical national infrastructure and its ability to generate revenue, NHA faces challenges in maintaining its non-revenue-generating road network and addressing the maintenance backlog of PKR 74.53 billion (57.49% of total required funds). The plan outlines initiatives like adopting advanced technologies, implementing disaster-resilient infrastructure, and creating Special Purpose Vehicles (SPVs) for project execution and revenue enhancement. Moreover, it emphasizes compliance with sustainability standards, including the use of eco-friendly technologies, to attract funding and improve public perception. While the business plan is comprehensive and forward-looking, its success depends on securing adequate funding, efficient execution of PPPs, and strong federal support for Public Service Obligation (PSO) projects, as mandated under the SOE Act, 2023.

The business plan of **State Life Insurance Corporation (SLIC)** for 2025–2027 demonstrates a comprehensive and forward-looking approach, aligning with the key principles of the SOE Policy 2023, particularly for commercial SOEs. The plan effectively addresses strategic priorities such as market development, operational improvement, product innovation, and enhanced customer services. SLIC showcases robust financial performance with significant growth in revenue, profitability, and contributions to the government, achieving 134% of its 2023 profit target. Key initiatives, including digitalization, product diversification, and ESG integration, are well-aligned with SOE Policy's emphasis on improving governance, operational efficiency, and fiscal sustainability. The governance framework, with its Board committees and risk management measures, meets the requirements outlined in the policy, while the inclusion of SMART KPIs reflects compliance with performance monitoring standards.

However, there are certain areas for enhancement. The plan lacks a specific risk management information system (Risk MI) for the Board, which is a critical requirement under the SOE Policy. Additionally, while the focus on digitalization and customer-centric initiatives is commendable, the timeliness, measurability, and monitoring of these non-financial KPIs could be further strengthened. The competitive neutrality framework could also be explicitly addressed to ensure fair market practices. Overall, the plan is well-structured, reflecting SLIC's commitment to fulfilling its commercial objectives while adhering to federal guidelines, but minor refinements in risk management and performance monitoring mechanisms can further enhance its alignment with the SOE Policy.

The **Sui Northern Gas Pipelines Limited (SNGPL)** business plan for 2025-2027 outlines a strategic focus on addressing critical challenges such as unaccounted-for gas (UFG) losses, circular debt, and the demand-supply gap in Pakistan's energy sector. The plan emphasizes operational efficiency through UFG reduction to 4.5% by 2027, improved cash flow via the Weighted Average Cost of Gas (WACOG) implementation, and diversification into new energy ventures like biogas, LNG satellite stations, and geothermal energy. It also highlights efforts to enhance customer satisfaction, organizational culture, and governance. However, the plan lacks detailed sensitivity analysis for financial projections and actionable timelines for resolving circular debt and litigation issues, which collectively amount to over PKR 290 billion. While the plan aligns with SNGPL's mandate and Federal Government priorities, it does not adequately address fiscal risks or provide a formal framework for public service obligations (PSOs).

Despite its strengths in identifying key performance indicators (KPIs) and proposing innovative strategies, the business plan faces significant gaps in risk management and fiscal transparency. The absence of a formal PSO agreement with the Federal Government and limited details on Board-level governance reforms are notable weaknesses. Additionally, while the plan projects 5-20% growth in revenue and profitability, it does not disclose detailed financial statements, citing price-sensitive information regulations. To ensure success, SNGPL must strengthen its risk management framework, formalize PSO agreements, and improve fiscal transparency while maintaining its focus on operational efficiency and energy sector transformation.

The **Oil and Gas Development Company Limited (OGDCL)** business plan for 2024-25 aligns with its primary objectives of enhancing oil and gas exploration, optimizing production, and ensuring energy security for Pakistan. The plan outlines strategic initiatives, including the development of major projects (e.g., Uch-II, KPD-TAY, and Dakhni compression projects), investment in renewable energy, and diversification efforts such as its partnership in Reko Diq and Pakistan International Oil Limited (PIOL). It also emphasizes operational efficiency through enhanced oil recovery techniques, de-bottlenecking, and surface facility optimization. While the plan identifies a clear roadmap for improving production and reserves, it does not include detailed financial projections, citing price-sensitive information regulations, which limits transparency. Furthermore, the absence of a sensitivity analysis for fluctuating oil prices, geopolitical risks, and regulatory uncertainties weakens its robustness in risk management.

Corporate governance practices are a strength of the plan, with OGDCL adhering to international standards, maintaining a diverse and effective Board, and implementing robust internal control mechanisms. The company also demonstrates a strong commitment to Corporate Social Responsibility (CSR), allocating 1% of pre-tax profit to initiatives in healthcare, education, and disaster relief. However, the business plan does not address public service obligations (PSOs) or provide a framework for their management, indicating a gap in compliance with the SOE Policy. Additionally, while the plan emphasizes diversification into renewable energy, it lacks measurable KPIs and a detailed timeline for executing these initiatives. To strengthen compliance with the SOE Ownership and Management Policy, 2023, OGDCL develop a comprehensive risk management framework while maintaining its focus on operational excellence and diversification efforts.

The **Sui Southern Gas Company Limited (SSGC) Business Plan (2024-2027)** aligns well with the energy security objectives of Pakistan and the Federal Government's priorities, including reducing Unaccounted-for Gas (UFG), managing supply-demand gaps, and maintaining transmission infrastructure. The plan emphasizes the rehabilitation of 7,500 km of aging distribution pipelines over three years and leverages technology like GIS and automated pressure management to improve operational efficiency. Additionally, SSGC proposes diversification into alternative energy and LNG regasification, which could generate long-term revenue streams. Despite these strategic initiatives, the plan faces significant challenges, such as unresolved circular debt (PKR 471 billion), receivables from K-Electric (PKR 208 billion), and financial losses stemming from UFG on RLNG and non-implementation of OGRA guidelines. Furthermore, SSGC reports annual losses of PKR 25 billion in Balochistan due to widespread gas theft and proposes formalizing this supply as a Public Service Obligation (PSO), though no agreements have been secured.

The business plan outlines Key Performance Indicators (KPIs), including UFG reduction to 10.5% and achieving pre-tax profits of PKR 6.8 billion, PKR 10.4 billion, and PKR 14.1 billion for FY 2024-25, 2025-26, and 2026-27, respectively. Investments of PKR 40 billion annually are planned, targeting network rehabilitation and operational improvements. However, the absence of a robust risk management framework, sensitivity analysis for fluctuating gas prices, and actionable strategies for addressing receivables and tax refunds weakens the financial outlook. Governance reforms and HR initiatives like succession planning and employee retention are positive steps but require further clarity in implementation. To align fully with the SOE Ownership and Management Policy, the plan must formalize PSO agreements, improve fiscal transparency, and address structural challenges such as gas pricing, circular debt, and regulatory inefficiencies. While the plan demonstrates operational and strategic foresight, stronger risk mitigation and fiscal alignment are critical for its success.

The **Pakistan State Oil (PSO)** Business Plan for FY25 effectively addresses key challenges in the energy sector, including declining industry volumes, high receivables (PKR 819 billion), and rising finance costs (PKR 60 billion), while outlining strategies for sustaining market leadership and financial resilience. The plan emphasizes operational excellence, financial discipline, and diversification into high-margin products such as lubricants and LPG. PSO aims to sustain market share in MoGas and diesel by expanding its retail network and enhancing infrastructure reliability through predictive maintenance. Additionally, the company focuses on innovation by implementing Terminal Automation at Faisalabad, diversifying into AutoCare facilities, and driving digital transformation. However, the plan lacks a detailed sensitivity analysis for external risks like fuel price volatility and exchange rate fluctuations and does not provide concrete timelines or outcomes for its receivable-equity swap proposal, which is critical to addressing its liquidity challenges.

While the business plan aligns with PSO's strategic objectives and national energy security priorities, it does not explicitly outline formal Public Service Obligations (PSOs) or agreements with the Federal Government, as required under the SOE Policy. The absence of a robust risk management framework and measurable KPIs for HR development and environmental sustainability are significant gaps. PSO's commitment to corporate governance and social responsibility is commendable, with initiatives in education, healthcare, and disaster management. To enhance alignment with the SOE Ownership and

Management Policy, PSO must formalize PSO agreements, strengthen fiscal transparency, and expand its KPIs to include diversification and sustainability goals. Overall, while the plan demonstrates strategic foresight, a stronger focus on risk mitigation and fiscal accountability is essential for long-term success.

The **Pakistan Petroleum Limited (PPL)** business plan for FY 2024-25 effectively addresses its strategic objectives of revitalizing exploration, increasing reserves, arresting production decline, and diversifying into mining, international ventures, and renewable energy. The plan aligns with national energy security priorities, emphasizing indigenous oil and gas production, reducing reliance on imports, and supporting key projects like TAPI and IPI pipelines. Corporate governance is a strength, with a majority of independent directors and specialized committees overseeing risk, strategy, and finances. However, while the plan highlights operational efficiency and shareholder returns, it lacks detailed financial disclosures, sensitivity analyses, and comprehensive risk mitigation strategies for external factors like oil price volatility and exchange rate fluctuations. Additionally, PPL's role in ensuring energy security indirectly fulfills public service obligations (PSOs), but formal PSO agreements do not exist.

The business plan includes measurable KPIs focused on exploration, reserves, and stakeholder returns, but it overlooks specific metrics for CSR impact and environmental sustainability, despite allocating 1.5% of annual pre-tax profit to CSR activities. PPL's CSR initiatives, including healthcare, education, and skill development in underserved areas, are commendable but lack detailed performance indicators to track outcomes. The governance framework complies with SECP regulations, but reforms for diversity and director evaluation are limited. To strengthen alignment with the SOE Ownership and Management Policy, PPL should formalize PSO agreements, enhance fiscal transparency, provide actionable financial projections, and expand KPIs to include HR and environmental goals. Overall, while the plan demonstrates strategic foresight and operational clarity, it requires stronger risk management and fiscal accountability for long-term success.

The **GHPL** Business Plan FY 2024-25 aligns well with its mandate of strengthening Pakistan's energy security by focusing on domestic oil and gas production, strategic investments, and diversification into renewable energy and LNG infrastructure. GHPL outlines clear operational targets, including gas production of 63.2 BCF, oil production of 2.6 MMBBLs, and planned investments of PKR 30 billion. Its strategic focus includes prioritizing exploration projects, farm-in agreements, and capacity building while contributing significantly to import substitution, saving over $1 billion annually in foreign exchange. The organization's strong governance framework, comprising independent directors and specialized committees, ensures oversight. However, the absence of measurable KPIs for CSR and environmental sustainability limits its compliance with the SOE Ownership and Management Policy, 2023.

The business plan identifies risks such as declining gas reserves and fluctuating global energy prices but lacks a comprehensive risk management framework or sensitivity analysis to address these challenges. Although GHPL anticipates revenues of PKR 134 billion, the projected net cash outflow of PKR 28 billion highlights fiscal sustainability concerns that require stronger contingency planning. The CSR initiatives, including education, health, and disaster relief, are commendable but need better performance tracking. To fully align with the SOE policy, GHPL must formalize PSO agreements, expand KPIs to encompass sustainability goals, and enhance fiscal transparency. Overall, while the business plan demonstrates strategic foresight, enhanced risk mitigation and alignment with SOE Policy guidelines are essential for long-term success.

The **NTDC** Business Plan (2025–27) outlines an ambitious roadmap for addressing Pakistan's growing energy demands by expanding transmission capacity, incorporating advanced technologies, and improving operational efficiency. The plan highlights critical projects like SCADA-III, ERP implementation, and the adoption of battery energy storage systems to modernize operations and integrate renewable energy into the grid. It also aims to achieve a 53% increase in transformation capacity and a 25% increase in transmission line length. However, the plan is overly reliant on external debt financing and lacks robust financial risk assessments, such as sensitivity analyses for currency fluctuations and geopolitical uncertainties. The absence of detailed actionable strategies for mitigating the delays in project execution, such as issues with Right-of-Way (RoW) and procurement inefficiencies, raises concerns about the feasibility of achieving its ambitious targets within the stipulated timeline.

Moreover, while the plan's strategic focus on organizational restructuring, human capital development, and compliance with regulatory frameworks demonstrates foresight, key weaknesses undermine its credibility. Staffing shortages, with over 6,500 vacant positions, could hinder operational goals and project execution, especially given the scale of planned system expansion. The plan also lacks measurable KPIs for critical areas like CSR impacts, environmental sustainability, and safety incidents, leaving gaps in accountability. Furthermore, the proposed separation of the System Operator function by 2025 (per the CTBCM roadmap) lacks clear legal and financial frameworks, risking delays in compliance with energy market requirements. Overall, while the plan reflects NTDC's intent to modernize and expand, its overambitious targets and insufficient focus on risk management and implementation feasibility cast doubt on its achievability.

The **LESCO** Business Plan (2024–28) ambitiously outlines its goals to modernize infrastructure, reduce transmission and distribution (T&D) losses from 11.52% to 7.5%, improve customer service, and enhance operational efficiency. The plan proposes significant investments of PKR 109.35 billion over five years in grid expansion, energy loss reduction, and technological upgrades such as AMI meters and smart grid systems, all aligned with NEPRA's multi-year tariff scheme and national energy goals. Key initiatives include the installation of 535,450 smart meters, aerial bundled cables (ABC) to curb theft, and renewable energy integration to improve sustainability. Despite its strong alignment with regulatory frameworks and national energy priorities, the plan lacks detailed financial risk assessments, such as sensitivity analyses for inflation, exchange rate volatility, and regulatory changes, raising concerns about its financial sustainability. Furthermore, its reliance on consumer financing and insufficient contingency planning for external risks undermines the practicality of achieving its ambitious targets.

While the plan demonstrates strategic foresight and an emphasis on operational and technological modernization, there are significant shortcomings that cast doubt on its feasibility. The plan's projected reduction in T&D losses assumes the timely execution of infrastructure upgrades, yet LESCO's historical inefficiencies, aging infrastructure, and bureaucratic delays could hinder implementation. The lack of a comprehensive risk management framework to address operational risks, such as power theft and grid failures, further challenges the plan's achievability. Moreover, while the plan recognizes stakeholder engagement, it does not adequately address governance gaps, including Board-level accountability and diversity, or provide measurable KPIs for its CSR initiatives, such as environmental sustainability. Overall, while the plan is ambitious and strategically aligned, its over-reliance on external financing, limited fiscal transparency, and weak risk mitigation strategies jeopardize its ability to deliver on its key objectives.

ZTBL's Business Plan (2024–26) outlines a strategy to enhance agricultural credit disbursement, recover non-performing loans (NPLs), mobilize deposits, and expand its Islamic banking footprint. The plan focuses on channeling PKR 236 billion in agricultural credit over three years, targeting subsistence farmers, and introducing new financial products such as Islamic farm mechanization loans. While the plan demonstrates alignment with ZTBL's core mandate of supporting rural development and financial inclusion, it suffers from overambitious targets that lack feasibility given the current economic conditions. ZTBL faces significant challenges, such as rising NPLs (28.79% of the gross loan portfolio in 2023), reliance on recoveries for liquidity, and outdated IT infrastructure, which undermines its ability to meet ambitious credit disbursement goals and digitization objectives. Additionally, the proposed deposit mobilization strategy, which aims to reach PKR 66 billion by 2026, is overly optimistic given ZTBL's limited presence in urban markets and stiff competition from commercial banks.

The plan's achievability is further constrained by deeper structural and operational issues. ZTBL's dependency on recovering SAM (Special Asset Management) and NPL portfolios to fund credit disbursements, coupled with a lack of robust risk management frameworks, poses significant fiscal sustainability risks. The absence of a comprehensive strategy to address climate-related risks, such as natural disasters that frequently affect agricultural productivity, further weakens the bank's resilience. Moreover, the reliance on external debt (PKR 54 billion owed to the SBP) continues to strain ZTBL's cash flows, while human resource gaps, especially in field operations and IT, hinder its ability to implement transformational initiatives like digitization and Islamic banking services. Without concrete measures to mitigate risks, strengthen governance, and improve fiscal transparency, ZTBL's ambitious roadmap risks falling short of delivering sustainable growth and achieving its long-term objectives.

The **National Power Parks Management Company (NPPMCL)** Business Plan (2024–27) reflects a well-structured approach to optimizing operational efficiency, maintaining plant availability, and achieving profitability for its two RLNG-based power plants—Haveli Bahadur Shah (HBS) and Balloki. The plan sets ambitious targets for availability (92% in FY 2025–27) and generation (over 50,000 GWh combined), while emphasizing maintenance of efficiency and adherence to Power Purchase Agreements (PPAs). NPPMCL also projects a steady revenue stream of PKR 515–586 billion annually, with net profits averaging PKR 62 billion over three years. However, the plan's feasibility is undermined by several critical gaps, including overreliance on optimistic financial projections, lack of a robust risk management framework, and inadequate contingency planning for external challenges such as rising RLNG costs, exchange rate volatility, and circular debt in the energy sector. Additionally, the planned maintenance outages in FY 2024-25, which reduce availability to 79%, highlight operational vulnerabilities that could further affect revenue targets.

While the plan demonstrates alignment with the SOE Act 2023 in areas such as transparency, CSR initiatives, and compliance with corporate governance standards, its focus on long-term sustainability remains questionable. The projected financial stability heavily depends on timely payments from CPPA-G (Central Power Purchasing Agency), yet the persistent circular debt crisis and extended receivables averaging 390 days expose NPPMCL to liquidity risks. The absence of a detailed strategy to address these systemic issues, along with the lack of diversification in revenue streams, heightens the organization's financial fragility. Moreover, while the company emphasizes state-of-the-art maintenance and safety measures, critical KPIs like forced outages, health and safety incidents, and environmental compliance lack measurable benchmarks. Overall, although the plan adheres to the SOE Policy's guidelines on operational efficiency and revenue maximization, it falls short in addressing systemic risks and ensuring the achievability of its ambitious targets amidst Pakistan's volatile energy and financial landscape.

The **Pak Libya Holding Company (PLHC)** business plan (2024–2028) reveals a concerning deviation from its core Development Finance Institution (DFI) mandate of promoting economic development through long-term financing for infrastructure, industry, and export-oriented projects. Instead, the company disproportionately focuses on short-term treasury investments, such as government securities (e.g., PKR 11.5 billion in PIBs), which contribute to immediate profitability but fail to address the high-impact developmental needs of Pakistan. While the plan outlines ambitious targets like growing the CIBD portfolio to PKR 55.5 billion and deposits to PKR 36.6 billion by 2028, these projections are heavily reliant on treasury income, reducing provisioning for NPLs, and divesting fixed portfolios. This strategy undermines its stated goals of fostering private equity, export matchmaking, and attracting FDI from Libya and GCC countries. Despite commitments to becoming Pakistan's first Islamic DFI and expanding into private equity, the lack of a clear roadmap, actionable steps, or robust risk management framework raises significant doubts about the achievability of these objectives.

The plan also highlights operational challenges, including a high cost of funds, low deposit size, and legacy Tier-II TFC issues, which constrain its ability to diversify income streams and implement transformational initiatives. Ambitious profit projections of PKR 1.03 billion by 2028 depend on reducing NPLs to 1%, improving spreads over KIBOR, and increasing fee-based income, yet these assumptions are not supported by detailed strategies for tackling systemic challenges or external risks such as inflation, interest rate volatility, and competition from other DFIs. Governance reforms, while mentioned, remain underdeveloped, with no clear focus on enhancing Board accountability or aligning with SOE Act requirements. Furthermore, the absence of measurable KPIs for developmental impact, such as contributions to industrial growth or export promotion, and a lack of formalized Public Service Obligation (PSO) agreements limit transparency and accountability. Overall, the business plan lacks a coherent strategy to align with its DFI mandate and focuses more on short-term financial gains than on fulfilling its developmental role, rendering its long-term objectives largely unachievable.

SMART Criteria Scoring: Quantitative Assessment for Objectivity

National Bank of Pakistan			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	NBP's objectives, such as enhancing financial inclusion and IT infrastructure, are relevant but lack precise action points. The plan includes general goals like increasing advances and deposit mobilization. However, with an ADR of **around 43%** (calculated from PKR 1.6 trillion advances and PKR 3.7 trillion deposits, NBP lags far behind optimal banking practice, which typically sees ADR ratios closer to 50-70% in competitive markets. This low ADR indicates an excessive reliance on deposits rather than lending, limiting the bank's revenue growth potential.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	The plan emphasizes alignment with government policies, including SME and agriculture lending, and focuses on financial inclusion. Although NBP's mandate aligns with public priorities, such as lending to priority sectors, it has a heavy focus on investments in government securities over advancing credit to the private sector, which limits its role in economic stimulation through credit provision
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	Although NBP's goals align with public policies, such as promoting financial inclusion and lending to underserved sectors, targets for actual outreach remain unspecified. For instance, its plan to reduce

			non-performing loans (NPLs) lacks quantifiable benchmarks, which could affect impact evaluation
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	2	The goals reflect some industry needs, like improving brand image, but NBP trails competitors in customer-centric initiatives. The lack of clear strategy to compete with private sector banks on service quality highlights a gap in meeting sector standards
	Score (Total /20)	**12**	NBP's alignment with national priorities is strong, but the lack of specific, actionable steps and competitive benchmarks limits effectiveness.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Financial metrics such as the target revenue of PKR 209.4 billion (2023) and PKR 51.8 billion profit after tax are provided but are optimistic given cost constraints and high infection ratios. These projections need more realistic scenario planning. A significant portion comes from government securities rather than loan interest income, which typically drives bank profitability. This reflects a narrow income base vulnerable to shifts in government policy
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	2	Clear metrics: 1,508 branches, 14,962 employees, 78.78% CASA ratio, NPL coverage 92.2%. Operational KPIs, such as the cost-to-income ratio, are not adequately addressed, making it difficult to measure efficiency improvements. The current infection ratio of 13.53% indicates asset quality issues that are not matched with strong KPIs for resolution. The cost-to-income ratio is higher than that of peers, pointing to inefficiencies in operations.

	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	1	9 million+ active customers tracked but needs specific satisfaction targets. Customer satisfaction is a major concern, as NBP is seen as a bank people "have to" rather than "want to" bank with. However, there are no customer retention metrics or plans to improve customer experience, which could harm long-term loyalty
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	2	Limited tracking frameworks are in place, lacking clear provisions for regular KPI reporting. The plan mentions broad goals without a systematic tracking or feedback mechanism, reducing transparency
	Score (Total /20)	**8**	
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	3	Strong capital position (CAR 25.47%), PKR 6.7T assets, HR plan (2024-2026). Despite limited resource allocations, the bank plans PKR 200 billion in reserves for pension liabilities. However, upgrading its infrastructure is hindered by outdated IT and human resources, limiting feasibility
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	Addresses TSA withdrawal impact (PKR 616B), but needs stronger risk mitigation. With high infection and NPL ratios, NBP's risk management framework needs significant reinforcement.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	The bank's revenue projections, such as 61.4% profit before tax growth in 2023, are ambitious given a high cost-to-income ratio and competition. More conservative projections would enhance credibility
	4. Operational and Workforce Capacity:	1	HR gaps identified: 2,000 employees need

	Internal capacity and skills needed for execution are clearly demonstrated.		improvement, shortage of RMs (141) and AFOs (220). Workforce gaps and the need for HR transformation are noted, with 2,000 employees lacking relevant skills. However, recruitment or training strategies are not clearly defined, which could impact operational feasibility
	Score (Total /20)	**10**	Lack of workforce capacity hinder feasibility, despite some financial planning.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	Goals such as financing underdeveloped sectors contribute to national goals. However, the impact on job creation or financial accessibility needs specific targets for meaningful evaluation
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	3	The plan includes relevant objectives, but lags behind peers in digital transformation and customer-centricity, limiting its sector competitiveness. NBP's approach of prioritizing government securities over private sector lending does not align with sector norms of actively supporting economic growth through credit. This approach reduces relevance and competitiveness in the private banking sector.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	NBP aligns with government priorities, but the lack of private-sector-oriented lending services limits its attractiveness to potential commercial clients and non-government investors.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	3	NBP follows SBP's IFRS 9 and compliance requirements but delayed actions on compliance updates may pose future risks
	Score (Total /20)	13	Goals are relevant but need improvements to better compete with private banks and attract

			diverse clients.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	While targets like the digital application completion by 2025 are set, many goals lack detailed milestones for tracking intermediate progress
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	3	KPIs assigned to specific divisions (CIBG, AIBG, RBG) but needs clearer individual accountability. While NBP has set broad goals, accountability for improving the ADR or managing investment versus lending activities is insufficiently defined.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	3	Review intervals are vaguely outlined, impacting the ability to track and adjust goals in real-time. Regular, specific review periods would strengthen accountability
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Some deadlines are set, such as the 2024 IFRS 9 compliance. End dates for some IT and compliance goals are set, yet no clear timelines are provided for rebalancing the asset allocation towards a higher ADR.
	Score (Total /20)	**12**	The lack of structured timelines and accountability on core banking ratios weakens the bank's ability to monitor and achieve meaningful progress
Overall Score		**55**	**REMARKS**: NBP's low ADR and high reliance on government securities reveal significant limitations in its business strategy. While stable, this approach does not fully leverage the bank's deposit base to stimulate growth through private sector lending. A more balanced asset allocation strategy could enhance revenue and competitiveness.

National Highway Authority			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	2	Goals are generally stated, but many lack clear, actionable details. For example, objectives like "Enhance revenue generation" and "Right-size organization" are vague without specified targets or means.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	3	Alignment with broader mandates is partially achieved, especially in terms of economic growth; however, the goals don't sufficiently address social impact beyond toll and revenue concerns.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	2	While the plan acknowledges economic importance, societal needs (e.g., equitable access, environmental sustainability) are not consistently prioritized or well-detailed.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	3	Goals are sector-relevant, but some operational targets lack adherence to global best practices for sustainable and technologically advanced infrastructure management.
	Score (Total /20)	**10**	Overall, objectives are mission-aligned but lack precision and comprehensive alignment with both social impact and industry standards.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Financial metrics like toll revenue targets are provided, but other cost-efficiency metrics lack clarity. Funding requirements exceed realistic allocations, causing feasibility concerns.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	2	Operational KPIs are mentioned but are not detailed enough for precise tracking, lacking specific targets for asset efficiency or productivity improvements.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS	2	Customer satisfaction metrics are absent, despite public road infrastructure's impact on commuters.

	or customer loyalty rates.		No customer-related KPIs like safety perceptions, commute times, or satisfaction scores are included.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	Reporting mechanisms for financial aspects are outlined, but operational tracking lacks a clear framework for regular public updates or transparency.
	Score (Total /20)	**10**	Metrics provided are limited to finances and operational figures, with minimal emphasis on customer experience or a robust reporting framework.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	2	Funding gaps are significant, with projected allocations failing to meet outlined resource needs, posing challenges to the achievability of goals without additional resources.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	There is partial risk assessment, but the lack of specific strategies for addressing economic, environmental, and revenue risks raises feasibility concerns.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Revenue projections are optimistic, especially with a 780% target increase in five years, but the lack of assured funding undermines financial viability.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	Workforce restructuring is planned, focusing on reducing administrative costs and increasing technical staffing. However, the high administrative staff ratio and aging workforce pose challenges. Workforce restructuring is suggested but lacks clear implementation strategies, which affects operational readiness and achievability.
	Score (Total /20)	**11**	The plan is financially ambitious without secure funding, and operational strategies are not thoroughly supported by clear human resource

			planning or capacity analysis.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	2.5	Contributions to economic growth are noted, but socio-economic factors like job creation or rural accessibility are minimally addressed, limiting public impact relevance.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	3	The objectives generally align with sector needs but lack adaptation to innovative industry practices such as digital toll collection or AI traffic management.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	While government priorities are acknowledged, the plan overlooks some community and stakeholder interests, like affordability and equitable access to roadways.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	3.5	Compliance with regulations is mentioned, yet the plan lacks depth in ethical considerations, particularly regarding environmental and social impact.
	Score (Total /20)	**12**	The plan recognizes sectoral relevance but lacks depth in addressing socio-economic priorities and equitable stakeholder alignment.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	2.5	Milestone planning is vague; the general timelines for project completions lack specifics, making it difficult to track progress effectively.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	2	While departmental roles are mentioned, specific accountability mechanisms or responsible persons for each objective are not clearly designated.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	3	Reviews are referenced for financial goals, but no clear framework is established for regular assessment across all objectives.
	4. Defined Completion Deadlines: Realistic	2.5	Completion deadlines are broadly stated, without

	end dates are set, with provisions for addressing delays.		contingency planning for potential delays in projects or financial shortfalls.
	Score (Total /20)	**10**	Timeline specificity and contingency planning are lacking, resulting in limited accountability and inadequate provisions for addressing potential delays.
Overall Score		**53**	**Remarks:** The NHA business plan demonstrates an ambitious scope but lacks clarity, resource feasibility, and measurable timelines. The plan would benefit from incorporating more precise, realistic goals with structured tracking and evaluation to enhance its public impact and alignment with SMART criteria.

State Life Insurance Corporation			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	Objectives are somewhat clear, focusing on market growth, customer service, and product innovation; however, details on actionable steps lack precision and clarity for robust implementation.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	3	Goals are generally aligned with national growth priorities, but alignment with specific public policy goals and tangible social impact outcomes is limited.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	2	While objectives have economic potential, there is little emphasis on social insurance programs for underinsured populations or direct socio-economic contributions.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	3	Although the business plan addresses industry trends, it lacks emphasis on advanced insurance standards, such as digital insurance innovation, beyond basic digitalization efforts.
	Score (Total /20)	**11**	Limited clarity in actionable objectives and alignment with broader social mandates lowers effectiveness.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Basic financial targets are defined, but detailed cost-efficiency metrics and clear numeric goals for all services are absent.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	2	Operational KPIs are vague, and productivity measures lack detail, making it difficult to gauge real performance improvements.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	There is mention of customer engagement, but customer retention and satisfaction metrics are not robustly quantified, limiting ability to measure

			customer-centric success.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	2	Tracking mechanisms are not sufficiently detailed, with limited transparent KPI reporting frameworks to enable continuous monitoring.
	Score (Total /20)	**9**	Lack of clear metrics and reporting structures hinders effective measurement of operational success.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	3	While financial resources are broadly outlined, gaps in workforce skill development and tech infrastructure limit execution feasibility.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	2	Limited risk management planning, particularly concerning regulatory changes and market volatility, increases implementation risk.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Financial projections are included, but limited supporting analysis makes revenue assumptions less credible, especially in competitive markets.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	2	Workforce capability concerns, particularly in digital and customer service skills, are noted but not thoroughly addressed with a clear plan.
	Score (Total /20)	**10**	Execution is hampered by limited skilled resources and vague risk management.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	2	Although State Life has economic potential, the plan lacks emphasis on social contributions, such as expanding access to insurance for underserved communities.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	3	Plan addresses sector relevance but lacks innovative strategies to adapt to current trends, such as personalized digital services.

	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	Some alignment with stakeholder interests, but the plan does not clearly incorporate community or beneficiary interests.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	3	Regulatory compliance is discussed, but no specifics on adhering to evolving standards, such as digital compliance and ethical practices, are provided.
	Score (Total /20)	**11**	Lacks a clear socio-economic focus and does not fully engage stakeholders in a meaningful way.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	Milestone planning is present, but more granular, phase-specific timelines are needed for accountability.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	2	Limited clarity on accountability and ownership, with no specific roles or responsibilities assigned to ensure progress.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	2	Progress review mechanisms are weak; limited structure for regular assessments to measure timely progress and adjust strategies.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	2	Completion deadlines are generally provided but lack specificity, reducing effectiveness in managing delays.
	Score (Total /20)	**9**	Weak accountability and lack of structured review mechanisms reduce effectiveness.
Overall Score		**50/100**	**REMARKS:** The business plan demonstrates a general strategic direction but lacks detail in actionable steps, robust tracking frameworks, and stakeholder engagement. Goals are only moderately aligned with public policy priorities, and the lack of granular timelines and measurable KPIs hinder overall effectiveness.

Sui Northern Gas Pipelines Limited (SNGPL)			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	2	Goals lack clarity and measurable specificity. While objectives like UFG reduction and consumer satisfaction are mentioned, actionable steps and timelines are not well-defined. The objective of UFG reduction lacks specific numerical targets and actionable strategies, weakening its clarity and practicality
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	3	Initiatives like WACOG implementation are relevant but vague in execution details and operationalization, making it hard to assess full strategic alignment.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	2	Public policy relevance is mentioned (e.g., UFG reduction) but lacks robust frameworks to demonstrate societal or economic impact. Diversification into LNG and energy solutions is mentioned but lacks direct connections to economic progress or public welfare impacts.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	3	While transitioning to an energy company is a key goal, practical steps for diversification (e.g., LNG, upstream/downstream investments) are underdeveloped, reducing sectoral alignment.
	Score (Total /20)	**10**	
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	2	The plan includes a general growth target (5%-20%) but fails to specify financial milestones or define cost-recovery mechanisms clearly. Financial performance metrics (e.g., cost recovery, CAPEX sustainability) lack clarity and are unsupported by concrete data or detailed

			assumptions, creating uncertainty in profitability projections.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	2	UFG reduction is highlighted but without measurable milestones or benchmarks, progress tracking is infeasible.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	1	Consumer metrics are poorly defined, offering no specific goals or improvement strategies for customer experience. Furthermore, no efforts are evident to integrate customer feedback or track retention and loyalty metrics.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	2	Lack of specific intervals or frameworks for monitoring progress reduces transparency and accountability. Lack of progress-tracking frameworks for UFG reduction, CAPEX utilization, and diversification initiatives diminishes transparency and accountability.
	Score (Total /20)	**7**	
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	2	Resource allocation details are sparse; dependency on government support is evident. Financial and operational constraints (e.g., circular debt) limit resource availability, undermining feasibility.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	2	The plan identifies market risks like gas depletion and policy shifts but lacks detailed risk management strategies to address these challenges effectively.

	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	2	Projections assume optimistic growth without addressing challenges like aging infrastructure or detailed cost-benefit analyses for CAPEX sustainability.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	The focus on HR development is commendable but needs clear alignment with operational objectives and strategic goals (lack clear links to operational needs such as improving gas infrastructure maintenance or managing diversified operations like LNG handling).
	Score (Total /20)	**9**	
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	2	While the plan mentions energy affordability and diversification, its socio-economic contributions, such as job creation through diversification or modernizing infrastructure, remain underexplored.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	3	Partial alignment with industry standards; diversification efforts (LNG, energy transition) remain underexplored. Needs stronger alignment with emerging energy trends and global benchmarks.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	2	Stakeholder priorities, especially for consumers and the government, are underdeveloped in the plan.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	3	The focus on regulatory compliance is evident, but proactive measures to address regulatory and policy challenges, such as the energy transition, are not outlined.
	Score (Total /20)	**10**	
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	1	No detailed milestones are provided for infrastructure modernization, diversification, or UFG reduction, reducing the time-bound nature of these goals.

	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	2	Without clearly defined ownership for infrastructure maintenance or diversification efforts, the plan lacks accountability.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	1	The plan does not outline regular review mechanisms or intervals for monitoring progress. Absence of review mechanisms undermines efforts to track CAPEX sustainability or progress on diversification goals.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	1	A lack of clear deadlines diminishes urgency and accountability in achieving goals.
	Score (Total /20)	**5**	
Overall Score		**41**	**REMARKS**: The business plan shows ambition but suffers from weak goal specificity, insufficient KPIs, unclear timelines, and limited detail on critical areas like UFG reduction, CAPEX sustainability, diversification, and infrastructure maintenance.

Oil and Gas Development Company Limited			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
	Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)		
Specific Goals	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	4	Goals such as doubling the company's value and enhancing exploration capacity are clearly stated and actionable. The business plan emphasizes strategic priorities like production enhancement and increasing reserves, which align with the mission of securing Pakistan's energy needs. Objectives such as development of key projects (e.g., Dakhni, Uch-II, and KPD-TAY) and efficient monetization of hydrocarbons reflect specific and actionable goals.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	5	The alignment with national priorities is clear, given OGDCL's contributions to energy security and reduction of import reliance. Projects also resonate with shareholder value creation and organizational growth.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	4	Contribution to the national exchequer (PKR 218 billion in FY 2023-24) and foreign exchange savings highlight alignment with public policy goals.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	Exploration and production goals are aligned with sector standards, and the company maintains a leading market share in seismic data and oil and gas reserves. Objectives like adding reserves, enhancing production efficiency, and ensuring supply chain optimization address specific industry requirements. However, the plan lacks emphasis on renewable energy and ESG practices, which are becoming essential benchmarks in the energy sector globally
	Score (Total /20)	17	OGDCL's goals align with its mission and national mandates but require more emphasis on

			diversification and alternative energy to meet evolving industry standards.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	While financial goals like dividend distribution are noted, more granular and numeric financial targets are not extensively detailed in the plan.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	Metrics such as exploration acreage (39%) and production contributions (oil: 46%, gas: 28%) are clearly articulated. However, operational efficiency benchmarks could be more explicit.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	3	Although supply reliability and efficiency are discussed, customer satisfaction metrics are not included.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	4	Regular monitoring of Health, Safety, and Environment performance and operational progress is evident, but a detailed progress-tracking framework could further strengthen transparency.
	Score (Total /20)	14	Measurable outcomes are adequately covered in the business plan, but customer-focused metrics and broader innovation-driven measures could be improved.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	4	Emphasis on maintaining operational continuity and upgrading infrastructure demonstrates resource planning. However, potential resource bottlenecks, especially in workforce expertise, could impact execution.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	While the focus on domestic and international exploration is promising, risks such as oil price volatility and regulatory uncertainties are under-addressed.

	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	4	Dividend history and profitability metrics are well-documented, but financial projections for future growth are limited due to price sensitivity regulations.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	Workforce development initiatives are in place, but the extent to which current capacities align with project goals is unclear.
	Score (Total /20)	14	OGDCL's objectives are largely feasible within the resource and market constraints highlighted in the business plan.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	5	Strong focus on job creation, CSR initiatives, and revenue contributions highlight socio-economic relevance.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	5	The focus on green energy diversification and unconventional energy sources reflects a forward-looking approach.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	4	Stakeholder alignment is evident in contributions to government revenues and public welfare, but more engagement with international stakeholders could be beneficial.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	5	The business plan adheres to regulatory frameworks and emphasizes transparency and ethical governance practices through clear accountability structures. Compliance with Health, Safety, and Environment standards and robust governance structures demonstrates adherence to ethical and regulatory norms.
	Score (Total /20)	19	The business plan is highly relevant to stakeholders and national priorities but could better address global trends like renewable energy integration.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline	4	Milestones for key projects are evident but could

	broken down into short, medium, and long-term milestones with expected outputs for each stage.		benefit from more granular breakdowns.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	5	Departmental accountability for targets is clear, but individual ownership could be better articulated.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	5	Progress monitoring through board meetings and audits is evident but could include more structured interim reviews.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	4	Deadlines for ongoing projects are mentioned, but delays in prior projects suggest potential gaps in planning.
	Score (Total /20)	**18**	
Overall Score		**82**	**REMARKS**: OGDCL's business plan demonstrates strong alignment with sector needs and national priorities but could improve in areas such as detailed financial metrics, risk management, and structured timelines.

Sui South Gas Company Limited (SSGCL)			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	Goals like UFG reduction, infrastructure rehabilitation, and RLNG blending align with the mission. However, many objectives lack measurable outcomes and clarity, reducing actionable feasibility. Enhanced detail on targets for alternate energy and diversification could strengthen focus. Examples include broad mentions of gas supply to industries and digitization without numeric KPIs or explicit benchmarks.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	The focus on energy security, socio-economic development, and compliance with the SOE Act 2023 aligns with national energy priorities. The plan's focus on alternate energy initiatives like biogas and coal-to-gas reflects strategic alignment. However, execution mechanisms are less emphasized, particularly regarding energy mix diversification and resource allocation.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	Gasification of rural areas and pipeline rehabilitation projects highlight public policy alignment. However, clarity on funding is insufficient along-with how the financial sustainability of these initiatives will be ensured.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	Initiatives to reduce UFG, adopt technology (GIS, APMS), and integrate RLNG blending align well with industry standards. Sector-specific constraints like RLNG price acceptability and infrastructure aging are acknowledged but with less information on operational feasibility.

	Score (Total /20)	**14**	
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Financial projections are included but rely on overly optimistic assumptions (e.g., stable KIBOR rates). No detailed contingency plans for circular debt or tax refund challenges
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	3	KPIs such as pipeline rehabilitation (7,500 km by 2027) are included but lack intermediate milestones for phased progress tracking. Reporting tools could be more detailed
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	The plan briefly mentions customer service initiatives, but quantified customer satisfaction metrics are absent. For instance, measures to improve billing systems are mentioned without specifying targets for reduced customer complaints or satisfaction index growth.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	The inclusion of UFG tracking and technology initiatives like digitization is positive but lacks independent oversight mechanisms for accountability
	Score (Total /20)	**11**	
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	3	While significant rehabilitation investments (enhance meter manufacturing and UFG technologies) are planned, financial constraints due to unresolved tax refunds and circular debt raise concerns. Workforce shortages in technical roles may further impede execution
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	2	Key market risks, such as RLNG price acceptability and circular debt, are acknowledged but without robust mitigation strategies.

	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Projected profitability hinges on optimistic assumptions. The absence of contingency planning for potential delays in policy support weakens projections. Financial projections appear optimistic, particularly with assumptions of consistent KIBOR rates and no significant cost escalations in rehabilitation projects.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	Plans for technical upskilling are included, but current gaps in HR for critical operations present a challenge
	Score (Total /20)	**11**	
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	Projects like village gasification and efforts in alternate energy contribute positively to public welfare. Further clarity on cost recovery mechanisms would improve financial viability
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	Sector-relevant initiatives like GIS adoption, RLNG blending, and pipeline rehabilitation showcase strong alignment. Dependence on external funding for public service initiatives limits scalability
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	Strong alignment with government mandates, but collaboration with private stakeholders and investors remains underdeveloped. Key investor incentives are missing
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	3	Disputes with OGRA and delayed regulatory approvals pose ongoing compliance risks. Enhanced proactive engagement with regulators is recommended
	Score (Total /20)	**14**	
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	While deadlines for major projects are outlined, timelines lack breakdown into achievable intermediate steps. Contingency planning is absent

	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	3	Ownership is assigned for major projects, but a lack of detailed accountability frameworks limits enforceability of progress
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	2	Progress review mechanisms are implied but not sufficiently detailed. No independent validation of reports is mentioned
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Completion deadlines for projects are set, but risk provisions for delays are inadequately defined. High dependency on external funding raises execution concerns
	Score (Total /20)	**11**	
Overall Score		**61**	**REMARKS**: SSGC's business plan demonstrates strategic alignment and technological advancement but is hindered by financial and regulatory challenges. Strengthening risk management, fostering stakeholder engagement, and ensuring detailed progress tracking can improve outcomes.

Pakistan Petroleum Limited			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	4	Objectives like "arrest production decline," "revitalizing exploration and appraisal," and "diversification into mining and energy" are specific. However, details on specific steps for diversification into renewables and unconventional resources are missing.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	The plan aligns with Pakistan's energy self-sufficiency goals and socio-economic priorities. However, limited integration of decarbonization strategies weakens alignment with global and national climate policies.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	4	Goals such as improving indigenous energy production and reducing import dependency address societal needs but could focus more on renewables, reflecting broader public policy priorities.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	5	PPL's objectives address critical industry needs like exploration and increasing reserve bases, aligning with global upstream sector priorities.
	Score (Total /20)	**17**	
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	The plan references increasing shareholder returns and maintaining operational profitability but lacks specific numeric revenue or profit margin targets.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	Metrics like production decline rates and exploration success rates are highlighted. However, comparative benchmarks with regional/global peers are missing, and the plan lacks detailed productivity or asset efficiency ratios.
	3. Customer Metrics: Quantified customer	2	The plan focuses on production and supply chain

	satisfaction and retention goals, like NPS or customer loyalty rates.		but provides no customer-related KPIs, such as satisfaction or demand alignment metrics.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	4	Metrics include production decline rates, exploration success, and reserves replacement ratios. These are valuable but require transparent tracking frameworks integrated with public or regulatory reporting.
	Score (Total /20)	**13**	
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	4	Resources for core hydrocarbon operations are adequate. However, diversification goals like mining and renewables are underexplored in terms of technological capacity and financing.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	4	Market feasibility is addressed with upstream expansion plans, but risk management for price volatility and global transition to renewables is insufficiently detailed.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	4	Financial projections rely heavily on hydrocarbons, with optimistic assumptions about sustained demand. There is minimal exploration of alternative revenue streams in response to energy transition trends.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	4	PPL demonstrates robust hydrocarbon exploration and production expertise. Plans for developing skills in renewables or alternative energy remain unaddressed.
	Score (Total /20)	**16**	
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	5	PPL significantly contributes to energy security and job creation. Its CSR programs, particularly in healthcare and education, enhance socio-economic relevance.
	2. Industry and Sector Relevance: Objectives align with industry standards	5	Goals focus on exploration, reserve replacement, and production efficiency, aligning well with the

	and current needs of the sector.		upstream petroleum industry.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	4	Alignment with government and investors is strong, but plans for engaging communities in energy transition discussions are limited.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	5	Ethical compliance and governance mechanisms are well-documented, including adherence to corporate and regulatory standards.
	Score (Total /20)	**19**	
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	4	Milestones for exploration and production are well-defined, but diversification and renewable energy goals lack clear timelines.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	5	Governance mechanisms ensure accountability with clear delineation of roles for strategic and operational objectives.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	4	Progress review mechanisms are present but would benefit from integration with real-time data for tracking critical metrics.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	4	Completion deadlines are realistic for short-term goals, but long-term diversification timelines are underdeveloped.
	Score (Total /20)	**17**	
Overall Score		**82**	**REMARKS**: PPL's business plan is robust for hydrocarbons but insufficiently prepares for energy transition challenges. The lack of detailed diversification and risk mitigation plans presents strategic risks.

Pakistan State Oil			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	4	Objectives such as "10% EBITDA growth," "3% controllable cost savings," and "maintaining 90% storage availability" are specific and actionable
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	Goals like expanding renewable energy and afforestation align with national priorities for sustainability and economic growth
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	Focus on sustainability (e.g., reducing carbon footprint, renewable conversions) contributes to environmental goals but lacks broader public policy contributions
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	5	Objectives like strengthening the retail network, digital transformation, and focus on high-margin products reflect industry-specific needs
	Score (Total /20)	**16**	**Evidence supports clear, relevant goals aligned with industry and national priorities. Broader public policy contributions could be improved.**
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	4	Specific targets such as EBITDA growth of 10% and PKR 3 billion cost savings are measurable and trackable
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	Measures like rehabilitating 48 kMT storages and ensuring 90% storage availability provide clear operational tracking
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	3	Business Plan mentions expansion of convenience stores and digital services, but lacks quantifiable customer satisfaction goals (pg. 2).
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms	3	Regular reporting on KPIs exists but mechanisms for customer satisfaction or loyalty metrics are

	for ongoing tracking and transparent reporting of KPIs.		absent
	Score (Total /20)	**14**	**Financial and operational KPIs are strong, but customer-focused metrics and detailed reporting need improvement.**
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	4	PKR 16,494M capital budget and ongoing infrastructure upgrades (e.g., 91 kMT added to storage) demonstrate resource readiness.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	Goals consider market risks like declining diesel sales (-2.2%) but lack detailed mitigation strategies for high receivables (PKR 819B).
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Finance costs (PKR 60B) and high receivables challenge viability; plans like receivable-equity swaps are unclear in implementation
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	4	Workforce enhancements, digital transformation, and predictive maintenance plans support operational capacity
	Score (Total /20)	**14**	**Feasible goals, but receivables and finance cost risks require more robust strategies.**
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	Projects like afforestation (10,000 plants) and plastic road construction demonstrate impact, but scalability is limited
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	5	Investments in automation, renewable energy, and infrastructure upgrades align with sector needs
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and	4	Strategic projects (e.g., pipeline investments, equity injections) align with government and investor priorities

	community).		
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	5	Adherence to corporate governance and ethical standards is explicitly stated
	Score (Total /20)	**18**	**High relevance and strong alignment with sector and stakeholders; impact scalability could be expanded.**
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	4	Milestones such as automation of terminals and retail expansion are specified
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	3	While key projects are identified, accountability frameworks for execution are not explicitly outlined
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	3	Mechanisms for tracking progress on financial and operational KPIs are implied but not fully detailed
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Deadlines for initiatives exist but lack contingency plans for delays or challenges
	Score (Total /20)	**13**	**Milestone timelines are clear, but accountability and review mechanisms require more detail.**
Overall Score		**75**	**REMARKS**: Strong evidence-backed business plan with clear goals and alignment; customer focus and risk strategies could improve.

Government Holding (Private) Limited			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	4	GHPL's objectives, such as increasing domestic energy production through conventional and non-conventional sources, are clearly defined. The business plan emphasizes maximizing shareholder returns and managing stakes in joint ventures effectively.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	5	The plan strongly aligns with national energy goals, aiming to reduce import dependency by saving over $1 billion annually through import substitution. This directly supports Pakistan's economic stability and energy security.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	4	GHPL's role in maintaining energy supply, contributing 11%, 6%, and 10% to Pakistan's total oil, natural gas, and LPG production, respectively, is critical. However, it lacks explicit mechanisms for directly addressing societal needs like job creation or poverty alleviation.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	GHPL's objectives align with Pakistan's declining oil and gas reserves situation by prioritizing exploration and development projects. However, limited emphasis is placed on emerging energy trends, such as renewable sources.
	Score (Total /20)	**17**	
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	4	Financial targets, including projected revenues of PKR 134 billion for FY 2024-25 (59 billion from gas, 63 billion from oil, and 12 billion from LPG), are well-documented. Profit margin targets are outlined but not deeply analyzed.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational	4	Operational KPIs are clearly defined, with production targets for 63.2 BCF gas, 2.6 MMBBLs oil, and 71,725 MTs LPG. However, it lacks

	progress.		efficiency-specific KPIs, such as asset turnover or cost-per-unit production.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	3	Although GHPL identifies key customers (e.g., Sui Northern and Southern Gas Companies), customer satisfaction metrics or loyalty indicators are missing.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	4	GHPL's corporate governance structure includes oversight committees and reporting mechanisms but lacks an explicit timeline for reviewing KPIs frequently.
	Score (Total /20)	**15**	
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	4	Resources are well-documented, with PKR 30 billion in planned investments. Operational readiness is evident, but further technological enhancement is not detailed.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	4	The plan reflects market feasibility with investment priorities in exploration blocks and development wells. Risk management strategies, however, remain generic without clear mitigation frameworks for external shocks.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	5	Revenue and profit projections are credible, supported by detailed financial statements and an emphasis on foreign exchange savings through local energy production.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	4	Workforce augmentation and capacity-building initiatives are identified, but detailed skill-set enhancement plans for adopting new technologies are missing.
	Score (Total /20)	**17**	
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	GHPL contributes to energy security, indirectly supporting industrial growth and job creation. However, direct socio-economic metrics are absent.

	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	The company's emphasis on increasing exploration and optimizing joint ventures aligns with the upstream oil and gas sector but has limited diversification into renewable energy.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	5	Strong alignment is evident, with government priorities and stakeholder representation through a board comprising government and independent directors.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	5	Detailed compliance with petroleum policies and governance standards is ensured, demonstrating adherence to regulatory frameworks.
	Score (Total /20)	**18**	
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	4	Milestones, such as drilling 14 exploratory wells and 7 development wells, are outlined but lack detailed intermediate checkpoints.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	4	The governance structure assigns accountability through board committees, but operational roles need further clarity.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	3	While the governance framework supports reviews, no specific progress review intervals or corrective mechanisms are identified.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	4	Completion deadlines for projects are realistic; however, contingency plans for delays are not explicitly mentioned.
	Score (Total /20)	**15**	
Overall Score		**82**	**REMARKS**: The business plan is robust, aligning well with national priorities and organizational goals. Improvements in measurable socio-economic impact, technological innovation, and risk mitigation strategies would enhance its effectiveness.

National Transmission and Dispatch Company (NTDC)			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
	Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)		
Specific Goals	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	The plan identifies broad goals, such as system reliability improvement, capacity expansion, and integration of renewable energy sources. However, these goals are not always supported by detailed action steps or granular sub-objectives, leaving gaps in the roadmap for execution. For instance, the transmission capacity growth of 53% by 2027 lacks detailed project-specific timelines or resource allocation plans
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	The plan aligns well with national energy policies, including the Indicative Generation Capacity Expansion Plan (IGCEP) and the Competitive Trading Bilateral Contract Market (CTBCM) framework. Initiatives like renewable energy integration and CASA-1000 directly support Pakistan's energy security and economic development
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	While the integration of renewables and capacity enhancement will benefit national socio-economic priorities, the plan does not quantify public benefits such as tariff impacts, job creation, or rural electrification. Public policy relevance is evident, but measurable societal impact is understated
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	Sector-specific challenges like overloading, grid reliability, and NEPRA compliance are addressed through initiatives such as HVDC transmission lines and grid code adherence. However, the plan does not benchmark these goals against international best practices for public utilities, which limits its competitive edge
	Score (Total /20)	**14**	The plan demonstrates alignment with NTDC's mission and national priorities but lacks sufficient

			detail in actionable steps and global benchmarking.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Financial projections, such as capital expenditures of Rs. 479 billion by 2027, are outlined but contain placeholders for key figures like revenue targets and debt-to-equity ratios. This weakens their utility for tracking financial progress and assessing risks
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	Operational KPIs such as a 25% increase in transmission line length and 53% growth in transformation capacity by 2027 are well-defined. Metrics for grid reliability, such as system frequency and duration of interruptions, are included but require more frequent tracking intervals for effective monitoring
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	The plan overlooks critical customer-focused metrics, such as satisfaction levels, service complaints, or retention rates. For a public utility, such metrics are essential to gauge service quality and societal impact
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	Progress tracking mechanisms are described at a high level, but the absence of a structured framework for regular updates and corrective actions creates ambiguity in how results will be reported and adjusted during the plan period
	Score (Total /20)	**12**	The plan presents detailed operational KPIs but falls short in financial transparency and customer-centric metrics.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	3	The plan relies heavily on foreign funding (over 50% of the budget), which introduces risk given Pakistan's economic volatility. Human resource capacity is stretched, with over 40% of positions unfilled, particularly in key departments like Procurement and Asset Management

	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	Key risks like currency fluctuations, NEPRA dependency, and delayed project approvals are acknowledged but lack robust mitigation strategies. For example, reliance on tariff recovery without exploring alternative revenue streams exposes financial vulnerabilities
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	2	Financial projections lack substantiated growth assumptions. Placeholder values in the income statement weaken their reliability, and dependency on regulated tariffs makes financial viability contingent on external decisions
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	The transition to technologies like SCADA/ERP is outlined but without clear workforce upskilling plans. Gaps in operational readiness risk delaying implementation
	Score (Total /20)	**11**	Achievability is constrained by workforce gaps, economic risks, and incomplete financial modeling.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	Integration of renewables and enhanced transmission reliability directly support energy access and economic development. However, socio-economic benefits such as affordability and community engagement lack detailed articulation
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	The plan is well-aligned with sector-specific requirements, including capacity expansion and compliance with NEPRA standards. However, it does not address how it will compete in an evolving competitive market
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	Although aligned with government and NEPRA directives, the plan does not adequately address investor, customer, or community interests

	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	4	Regulatory compliance is thoroughly addressed, with adherence to NEPRA standards and relevant laws. Ethical governance initiatives, however, are underemphasized
	Score (Total /20)	**15**	Strong alignment with socio-economic priorities and regulatory compliance but lacking in stakeholder engagement and ethical governance emphasis.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	Timelines for major projects like CASA-1000 and 765kV systems are included but lack contingency plans for delays due to procurement issues or ROW disputes
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	2	Roles and responsibilities for implementation are vaguely defined. Accountability mechanisms need stronger enforcement frameworks
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	2	Regular reviews are implied but not defined in terms of frequency, reporting structures, or corrective actions for delays
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Completion dates for major projects are outlined, but lack clear escalation measures for addressing delays
	Score (Total /20)	**10**	Time-bound aspects are weakened by vague accountability and insufficient provisions for handling delays.
Overall Score		**62**	**REMARKS**: The NTDC Business Plan highlights national energy priorities and industry requirements but exhibits significant gaps in execution readiness, financial transparency, and stakeholder engagement. While the plan outlines ambitious goals for capacity expansion and renewable integration, it requires stronger operational frameworks, detailed financial modeling, and clearer accountability mechanisms

			to ensure effective implementation.

Lahore Electric Supply Company			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	The objectives are broad and lack precise details. For instance, while LESCO emphasizes reducing T&D losses and enhancing operational efficiency, the steps to achieve these objectives are vaguely defined. Objectives like ensuring uninterrupted power supply and modernizing infrastructure are not broken down into specific, actionable goals.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	LESCO's plan aligns with key national policies, such as NEPRA's guidelines, National Electricity Plan 2023-27, and Competitive Trading Bilateral Contract Market (CTBCM) initiatives. However, the alignment feels more theoretical than practical, as actionable contributions to broader mandates like socio-economic development or job creation are not clearly outlined.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	The plan recognizes the importance of renewable energy, loss reduction, and sustainability but does not sufficiently address affordability or equitable access to electricity for underserved communities. LESCO's strategy lacks emphasis on making electricity economically accessible, which is a critical public policy goal in Pakistan.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	The plan includes sector-relevant initiatives like SCADA implementation, AMI systems, and grid modernization. However, the scope for reducing aging infrastructure's impact and enhancing workforce capabilities could be better articulated.
	Score (Total /20)	**14**	While the plan sets mission-aligned goals, the lack of precision and actionable strategies limits its effectiveness. Goals are aligned with the sector but lack practical depth to ensure comprehensive execution.

Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	Financial goals, such as revenue targets and CAPEX planning, are included but lack a clear linkage to specific projects. While T&D loss reduction is quantified (11.52% to 7.5%), the financial impact of achieving these targets is not comprehensively analyzed. There is insufficient detail on cost-saving measures or revenue enhancement strategies.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	The plan defines KPIs like System Average Interruption Frequency Index (SAIFI) and System Average Interruption Duration Index (SAIDI), with clear targets. However, mechanisms to address root causes of reliability issues, like aging infrastructure, are not fully detailed.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	The plan mentions reducing complaints and improving customer satisfaction but lacks baseline data and measurable benchmarks. For instance, reducing billing complaints to below 0.01% is mentioned without detailing the current complaint rate or how this ambitious target will be achieved.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	Reporting mechanisms like quarterly reviews are mentioned, but their integration with operational KPIs and the ERP system is incomplete. The plan does not specify how gaps in tracking will be addressed, particularly in customer-centric and financial metrics.
	Score (Total /20)	**12**	While the plan outlines measurable outcomes for operational efficiency, it fails to present a cohesive strategy for tracking customer satisfaction and financial performance effectively. Metrics are not sufficiently backed by implementation details or a robust monitoring framework.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial,	3	The plan heavily relies on external funding (e.g., consumer financing and subsidies), which

	technological, and human) are identified and accessible.		introduces risks. Human resource development and technological capacity building are mentioned but lack detail on bridging existing skill gaps. The scalability of proposed initiatives like AMI systems is not fully addressed.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	The market risks, including fluctuating demand and regulatory changes, are identified, but mitigation strategies are weak. For instance, theft reduction strategies like Aerial Bundled Cable (ABC) replacement are proposed without sufficient emphasis on enforcement or resource allocation.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Financial projections align with NEPRA's Multi-Year Tariff (MYT) framework, but contingency planning for economic downturns or funding shortfalls is absent. Projections appear optimistic without detailed risk analysis or sensitivity checks for unforeseen market fluctuations.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	2	The workforce and infrastructure are presented as capable, but the absence of detailed training programs, upskilling initiatives, or hiring plans for implementing advanced technologies indicates a lack of preparedness.
	Score (Total /20)	**11**	While achievable in theory, the reliance on external financing, inadequate workforce capacity building, and insufficient risk mitigation strategies undermine feasibility.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	3	The plan highlights sustainability and operational efficiency but does not clearly articulate how these will translate into socio-economic benefits like job creation or equitable access to electricity.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	The integration of smart technologies like AMI systems and SCADA demonstrates relevance to the power distribution sector. However, the emphasis on addressing long-standing issues like aging

			infrastructure is insufficiently detailed.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	While the plan mentions consultations with stakeholders, it does not adequately demonstrate how key consumer concerns, such as affordability, are integrated into decision-making. Community-level impacts are not emphasized.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	5	Strong adherence to NEPRA regulations and ethical standards is evident. LESCO's commitment to regulatory compliance is clear and well-documented.
	Score (Total /20)	**15**	The goals are relevant to industry and public needs but lack a strong focus on equitable socio-economic impact. Greater emphasis on affordability and consumer-centric initiatives would enhance relevance.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	Milestones are outlined for infrastructure projects and operational improvements, but timelines for customer-centric initiatives, such as grievance redressal systems, are vague.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	2	Roles and responsibilities for achieving goals are not clearly assigned. For instance, critical projects like ERP integration lack specific accountability measures.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	4	Quarterly and annual reviews are planned, but the mechanism for addressing delays or underperformance is not elaborated.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Deadlines for major projects appear realistic, but the absence of contingency plans for delays weakens the overall time-bound framework.
	Score (Total /20)	**12**	Timelines are defined but lack clear accountability mechanisms and provisions for addressing project delays. Progress review mechanisms need better integration with actionable follow-ups.

Overall Score		**64**	**REMARKS**: The LESCO business plan demonstrates ambition and strategic intent but suffers from a lack of precision, inadequate focus on consumer affordability, and weak accountability mechanisms. While it aligns well with sectoral goals, its execution feasibility and socio-economic relevance require significant improvement.

Zarai Taraqiati Bank Limited			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	The business plan outlines clear disbursement, recovery, and deposit targets. However, there is insufficient detail in strategic goals such as IT system upgrades and operational diversification. For example, while the goal to expand Islamic banking is mentioned, specific annual milestones are absent.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	3	The focus on agricultural lending and financial inclusion is commendable but leaves ZTBL overly exposed to sector-specific risks. ZTBL has not sufficiently explored diversification into broader financial services or corporate clients to reduce dependence on small-scale agricultural borrowers.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	4	ZTBL's initiatives like the Green Pakistan program and subsidized farm loans are strongly aligned with government objectives. However, reliance on government-backed initiatives exposes ZTBL to fiscal uncertainties, such as delayed reimbursements under PM Kissan schemes, affecting liquidity.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	3	While addressing subsistence farmers' credit needs, the plan misses opportunities in value-added sectors such as agri-tech financing, supply chain optimization, or export-focused initiatives. This narrow focus limits ZTBL's ability to fully exploit growth opportunities in the agriculture sector.
	Score (Total /20)	**13**	ZTBL's goals are clear and sector-aligned but lack diversification, detailed milestone planning, and a proactive approach to addressing broader economic and institutional challenges.
Measurable	**Quantifiable, Trackable Metrics (Weightage: 20%)**		

Outcomes	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	3	ZTBL aims for disbursement growth (Rs. 73 billion in 2024) and deposit mobilization (Rs. 60 billion in 2024), but ADR (around 122% in 2023) reflects high loan exposure relative to deposits. Investment-to-Deposit Ratio (IDR) is low.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	3	NPL recovery targets are ambitious (Rs. 21 billion in 2024), but no operational KPIs address branch productivity or workforce efficiency. Additionally, infection ratio improvement (to 29% in 2023) remains high compared to competitors.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	The business plan includes initiatives like "ZTBL on Wheels," but lacks quantified goals like Net Promoter Score (NPS) or customer retention rates. This is a critical gap for a service-focused institution aiming to enhance rural outreach and financial inclusion.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	While mechanisms like daily recovery reports are mentioned, transparency in public reporting and customer feedback loops is missing. For example, there is no mention of independent audits or public updates on recovery progress or credit disbursement efficiency.
	Score (Total /20)	**11**	ZTBL outlines financial and operational targets but lacks robust mechanisms to measure customer satisfaction, workforce productivity, and transparent reporting. ADR and IDR imbalances further weaken the financial sustainability of the plan.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	2	The workforce is under-resourced, with critical shortages in Mobile Credit Officers (MCOs) and branch staff. Delays in acquiring a Core Banking System (CBS) threaten the bank's ability to meet operational and compliance demands, jeopardizing future scalability.

	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	3	The focus on small farmers aligns with ZTBL's mandate but increases exposure to risks like climate change and policy shifts. Market feasibility of expanding Islamic banking is undermined by delayed IT readiness and limited product diversity.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	2	The high ADR and low IDR highlight liquidity management risks and challenges for financial sustainability. Financial projections assume robust recovery efforts, which are not guaranteed given historical trends.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	2	Training programs are outlined, but they fail to address recruitment bottlenecks and retention challenges. The HR deficit in field operations limits ZTBL's capacity to expand outreach and manage recovery efficiently.
	Score (Total /20)	**9**	ZTBL's financial and operational goals are constrained by inadequate resources, market risks, and a narrow focus on traditional agriculture lending. ADR and IDR ratios indicate structural weaknesses in financial strategy.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	Initiatives like women-focused loans and rural deposit mobilization contribute significantly to national priorities. However, ZTBL's restricted focus excludes larger economic opportunities in corporate or urban agriculture.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	3	While addressing sector needs, ZTBL lags in incorporating climate-resilient products or modern agri-tech solutions. This could erode relevance as the sector evolves.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	4	Collaboration with institutions like PARC and SDPI adds credibility and stakeholder alignment. However, financial dependence on public initiatives leaves ZTBL vulnerable to fiscal policy changes.
	4. Ethical and Regulatory Compliance:	3	Compliance with SBP guidelines is satisfactory, but

	Ensures adherence to ethical standards and regulatory requirements.		the delayed CBS acquisition reflects poor governance and strategic planning.
	Score (Total /20)	**14**	ZTBL demonstrates strong socioeconomic relevance but needs to improve sector adaptability, governance, and urban stakeholder engagement to maintain long-term impact.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	While targets for credit disbursement and deposit growth are outlined, critical projects like CBS deployment are delayed repeatedly, creating risks for timely execution of strategic objectives.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	3	Roles and responsibilities are defined, but there is limited enforcement of accountability for missed deadlines, especially in IT and HR projects.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	3	Regular internal reviews are planned, but the absence of independent audits or third-party assessments weakens the reliability of progress tracking.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	2	Delays in CBS deployment and workforce expansion signal the inability to meet key deadlines. This undermines the bank's ability to deliver on time-sensitive goals like Islamic banking expansion.
	Score (Total /20)	**11**	ZTBL's progress tracking is internally focused and prone to delays, limiting its ability to execute goals within realistic timeframes.
Overall Score		**58**	**REMARKS**: ZTBL's Business Plan (2024-26) reflects sectoral strengths but suffers from operational inefficiencies, resource shortages, and weak financial ratios like ADR (122%) and IDR (low). Addressing these issues with strategic diversification, workforce scaling, and technology upgrades is essential for sustainability.

National Power Parks Management Company Limited (NPPMCL)			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	4	The objectives of the business plan include optimizing power generation, ensuring high plant availability (92% annually except during planned maintenance), and achieving operational efficiency. While these goals are actionable and aligned with the mission, the absence of clear sub-targets like efficiency benchmarks or cost-reduction specifics slightly weakens the overall clarity.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	5	The business plan strongly supports national priorities, aiming to provide affordable electricity, reduce energy shortages, and contribute to socio-economic growth. By leveraging its two high-efficiency RLNG-based power plants, the company aligns well with Pakistan's energy diversification goals and reduced reliance on liquid fuels.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	4	By planning to generate over 51,000 GWh of electricity in three years, the company addresses the national grid's energy deficit, enhancing industrial and social development. However, the absence of detailed focus on rural electrification or job creation limits its broader societal relevance.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	The business plan demonstrates alignment with energy sector standards, focusing on plant efficiency (62.18% for HBS and 61.7% for Balloki) and compliance with regulatory requirements. However, the plan could improve by including competitive benchmarking against other high-performing regional power plants.
	Score (Total /20)	**17**	The business plan clearly aligns with national energy priorities, showcases industry relevance, and outlines actionable goals but lacks detailed metrics for some objectives.

Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	4	Financial performance is well-defined, with projected revenue growing from PKR 515 billion in FY25 to PKR 586 billion in FY27. Profit margins are detailed, and clear cost targets for operation and maintenance (e.g., O&M costs increasing gradually to PKR 19 billion by FY27) provide a clear framework for financial tracking.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	4	Operational KPIs include plant availability targets (92%), outage management schedules, and efficiency benchmarks. However, the absence of comparative data (e.g., sector averages) reduces the plan's ability to evaluate operational success against industry standards.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	3	While ensuring uninterrupted supply to the national grid is highlighted, the plan lacks explicit customer satisfaction metrics, such as feedback from electricity distributors or satisfaction indices from key stakeholders.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	Progress tracking is addressed through quarterly reviews, operational audits, and financial reporting. However, the plan could benefit from a stronger focus on integrating external audits or independent performance reviews for enhanced accountability.
	Score (Total /20)	**14**	The business plan sets clear financial and operational targets, but customer-centric metrics and external tracking mechanisms need improvement.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	4	The plan demonstrates strong resource capacity, with long-term contracts for equipment maintenance with General Electric and skilled O&M contractors (SEPCO III and TNB). Additionally, financial projections show stable revenues and

			sufficient cash flows to support operations.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	4	Risks like RLNG price volatility and delayed capacity payments are acknowledged, but while the plan discusses working capital management and mitigation strategies, specific contingency measures, such as alternatives for gas supply disruption, could be elaborated.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	4	Revenue, costs, and margins are thoroughly detailed with realistic assumptions, such as inflation at 16% and RLNG prices indexed to international rates. The projected net profit of PKR 60 billion by FY27 supports financial viability.
	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	4	Workforce training and development plans are included, focusing on leadership and technical upskilling. However, the plan lacks a detailed workforce succession or redundancy strategy to ensure operational continuity under workforce constraints.
	Score (Total /20)	**16**	The plan is achievable with adequate resources, credible financial models, and skilled workforce plans, but contingency measures could be more robust.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	4	The plan addresses socio-economic goals by ensuring reliable power generation for the national grid, aiding industrial and economic development. However, greater emphasis on local community development and employment generation is needed.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	The plan demonstrates strong industry relevance by focusing on high-efficiency power generation and compliance with NEPRA's regulatory framework.

	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	4	Alignment with government and investors is evident through adherence to SOE Act 2023 and operational transparency. However, community engagement and addressing environmental concerns are limited.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	4	Compliance with the SOEs Act 2023, PPAs, and NEPRA guidelines is well-documented, demonstrating strong adherence to legal and ethical standards.
	Score (Total /20)	**16**	The plan is relevant to national and industry needs, though greater community engagement and localized impact strategies could enhance its societal contributions.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	4	Milestones for plant inspections, maintenance, and financial goals are clearly stated, with timelines for achieving key operational targets. However, more detailed interim performance milestones would enhance clarity.
	2. Accountability and Ownership: Defined ownership and accountability for each goal, with clear roles and responsibilities.	4	Accountability is well-distributed among contractors, management, and stakeholders. However, operational accountability at lower organizational levels and reporting mechanisms could be strengthened.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	4	Quarterly and annual reviews are planned, but integration of independent performance evaluations would enhance accountability.
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	4	Timelines for maintenance activities and operational goals are realistic and detailed, but contingency plans for unexpected delays could be elaborated.
	Score (Total /20)	**16**	Time-bound planning is effective, with clear milestones and accountability, but contingency mechanisms for delays and external reviews could

			improve robustness.
Overall Score		**79**	**REMARKS**: The business plan is well-structured, with clear goals, measurable outcomes, and strong alignment with strategic priorities. Key areas for improvement include enhanced customer metrics, community engagement, contingency planning, and external performance benchmarking.

Pak Libya Holding Company			
SMART Criteria	**Evaluation Components**	**Scoring (1-5)**	**Notes/ Comments**
Specific Goals	**Clearly Defined, Mission-Aligned Objectives (Weightage: 20%)**		
	1. Clarity and Precision of Objectives: Goals are specific, actionable, and align with the organization's mission.	3	The business plan outlines several objectives, such as diversifying revenue streams, improving asset quality, fostering FDI, and becoming the first Islamic DFI in Pakistan. However, the objectives lack clarity in terms of precise actionable steps and timelines for each initiative. Alignment with the broader mission of socio-economic development is evident but not comprehensively detailed.
	2. Strategic Alignment with Broader Mandates: Goals support national and organizational priorities such as economic growth and social impact.	4	The plan aligns well with its mandate of economic growth and fostering FDI (e.g., acting as a bridge between Libya and Pakistan). However, the emphasis on maximizing treasury income and private equity activities suggests a partial shift away from its core DFI mandate.
	3. Relevance to Public Policy and Impact: Objectives contribute meaningfully to societal needs and economic progress.	3	While the plan mentions contributions to exports and FDI attraction, specific societal or economic impact metrics (e.g., jobs created, industry-specific support) are missing. The focus on social impact is secondary compared to profit-centric goals.
	4. Sector-Specific Fit: Goals reflect specific needs of the industry and align with sector benchmarks or standards.	4	Goals such as private equity investment and Islamic banking expansion align with sector trends. However, more detailed benchmarks or alignment with industry standards would strengthen this section.
	Score (Total /20)	**14**	The goals are mission-oriented but lack sufficient detail and actionable clarity in some areas.
Measurable Outcomes	**Quantifiable, Trackable Metrics (Weightage: 20%)**		
	1. Financial Performance Metrics: Defined revenue, profit margin, or cost-efficiency targets with clear numeric goals.	4	Financial targets, such as achieving a PKR 1.033 billion profit by 2028 and projections for funded/non-funded portfolios, are clearly outlined. However, the assumptions behind these numbers (e.g., interest rate trends) are not robustly

			explained.
	2. Operational KPIs: Specific measures such as productivity rates, asset turnover, or efficiency ratios to monitor operational progress.	3	Operational metrics like reducing NPLs to 1% and achieving a 1.5% spread over KIBOR are measurable. However, detailed mechanisms for achieving these targets are vague.
	3. Customer Metrics: Quantified customer satisfaction and retention goals, like NPS or customer loyalty rates.	2	There is no detailed focus on customer satisfaction, loyalty, or market penetration metrics, which are critical for a DFI aiming to enhance its impact.
	4. Progress Tracking and Reporting Framework: Clearly outlines mechanisms for ongoing tracking and transparent reporting of KPIs.	3	The plan includes some KPIs for different departments, but an overarching framework for progress tracking and transparent reporting is not explicitly defined.
	Score (Total /20)	12	While financial metrics are well-defined, customer and operational tracking mechanisms are underdeveloped.
Achievable	**Feasibility within Resource, Market, and Capacity Constraints (Weightage: 20%)**		
	1. Resource Capacity and Availability: Adequate resources (financial, technological, and human) are identified and accessible.	3	The plan emphasizes hiring a younger workforce, improving HR retention, and upgrading IT infrastructure. However, the feasibility of achieving these within the current financial and operational constraints is not well-substantiated.
	2. Market Feasibility and Risk Management: Goals are realistic considering market conditions, sector trends, and potential risks, and risk management strategy is clear.	2	The plan acknowledges risks like high funding costs and low deposit sizes but offers limited mitigation strategies beyond improving credit ratings and expanding deposits. The reliance on market conditions (e.g., interest rate trends) introduces uncertainty.
	3. Financial Viability and Projections: Revenue growth, expense projections, and margins are credible, with supporting financial models.	3	Financial projections (e.g., increasing equity to PKR 10.88 billion by 2028) are ambitious but lack detailed sensitivity analysis or risk-adjusted scenarios.

	4. Operational and Workforce Capacity: Internal capacity and skills needed for execution are clearly demonstrated.	3	The focus on automation, training, and cultural transformation is positive, but achieving these changes within the projected timeline and resource limitations may be challenging.
	Score (Total /20)	11	The plan relies heavily on optimistic assumptions without adequately addressing feasibility concerns.
Relevant	**Meaningful, Publicly Impactful Goals (Weightage: 20%)**		
	1. Socio-Economic Contribution: Goals contribute to national socio-economic priorities, like job creation or accessibility improvement.	3	FDI attraction and export promotion are highlighted, but the plan lacks concrete steps or metrics for measuring socio-economic contributions like job creation or regional development.
	2. Industry and Sector Relevance: Objectives align with industry standards and current needs of the sector.	4	Objectives such as Islamic banking expansion and private equity investments are relevant to current trends in the financial sector. However, the focus on government securities detracts from its DFI mandate.
	3. Stakeholder Alignment: Goals are aligned with key stakeholders' interests (e.g., government, investors, and community).	3	The plan partly aligns with stakeholder interests (e.g., government priorities and shareholder returns). However, community-focused goals are not prominent.
	4. Ethical and Regulatory Compliance: Ensures adherence to ethical standards and regulatory requirements.	4	The plan mentions adherence to IFRS-9 and regulatory requirements, but detailed ethical considerations or frameworks are not extensively discussed.
	Score (Total /20)	14	The plan is relevant to industry needs but lacks a strong emphasis on public impact and stakeholder alignment.
Time-Bound	**Structured, Accountable Timelines (Weightage: 20%)**		
	1. Clear Milestone Planning: Timeline broken down into short, medium, and long-term milestones with expected outputs for each stage.	3	High-level milestones for 2024, 2026, and 2028 are provided, but specific intermediate targets and detailed timelines for each initiative are missing for mid-year performance assessment.
	2. Accountability and Ownership: Defined ownership and accountability for each	3	Departmental KPIs are outlined, but clear accountability mechanisms (e.g., role-based

	goal, with clear roles and responsibilities.		ownership of goals) are not specified.
	3. Regular Progress Reviews: Specific intervals for reviewing and assessing progress, like quarterly check-ins or milestone reports.	2	There is no explicit mention of a regular progress review mechanism (e.g., quarterly or bi-annual reviews).
	4. Defined Completion Deadlines: Realistic end dates are set, with provisions for addressing delays.	3	Completion deadlines (e.g., 2028) are defined for major goals, but contingency plans for potential delays are not detailed.
	Score (Total /20)	11	The timeline is high-level and lacks detailed accountability and review mechanisms.
Overall Score		62	**REMARKS**: The business plan highlights ambitious financial goals and sector-specific initiatives. However, it lacks sufficient detail in socio-economic contributions, feasibility analysis, and progress tracking mechanisms.

Comparative Analysis Across SOEs

The comparative analysis of the business plans of 15 State-Owned Enterprises (SOEs) reveals a diverse landscape of strengths, weaknesses, and sector-specific challenges. This section highlights the common themes observed across the evaluated business plans, providing insights into areas of alignment, gaps, and opportunities for improvement.

Common Strengths

1. **Alignment with Federal Priorities**: Most SOEs demonstrated strong alignment with national objectives, such as energy security, financial inclusion, and infrastructure development. For example:
   - **Energy Sector SOEs** (e.g., SNGPL, SSGC, PSO) focused on reducing unaccounted-for gas (UFG), diversifying energy sources, and addressing supply-demand gaps.
   - **Financial Sector SOEs** (e.g., NBP, ZTBL) emphasized financial inclusion through SME financing, agricultural loans, and digital banking initiatives.
   - **Infrastructure SOEs** (e.g., NHA, NTDC) prioritized expanding road networks and transmission capacity to support economic growth.
2. **Strategic Focus on Digitalization and Operational Efficiency**:Many SOEs outlined initiatives to modernize operations and improve efficiency through digital transformation. Examples include:
   - **NBP**: Upgrading IT infrastructure with a Core Banking Application by 2025.
   - **SSGC**: Leveraging GIS and automated pressure management to enhance pipeline efficiency.
   - **LESCO**: Implementing smart grid systems and AMI meters to reduce transmission and distribution losses.
3. **Commitment to Governance Reforms**: Several SOEs demonstrated a commitment to improving governance practices, including:
   - Strengthening Board oversight and establishing specialized committees (e.g., audit and risk management committees).
   - Enhancing HR policies through targeted recruitment, training, and succession planning.
   - Adopting corporate governance standards, such as compliance with SECP regulations and international best practices.

Common Weaknesses

1. **Weak Risk Management Frameworks**:Many SOEs lacked comprehensive risk management strategies, particularly for fiscal risks such as:
   - **Circular debt** in the energy sector (e.g., SNGPL, SSGC, PSO).
   - **Oil price volatility** and exchange rate fluctuations (e.g., OGDCL, PPL).
   - **Receivables and liquidity challenges** (e.g., PSO, NHA).
2. **Limited Focus on Measurable Socio-Economic Impacts**: While most SOEs highlighted their socio-economic contributions, few provided measurable KPIs for impacts such as:
   - Job creation.
   - Poverty alleviation.
   - Environmental sustainability.
3. **Over-Reliance on External Financing and Optimistic Projections**:
   - Several SOEs relied heavily on external financing or presented overly optimistic financial projections without robust contingency plans. For example: **NHA** has projected a revenue increase from PKR 105 billion to PKR 500 billion by 2028-29 but faces a funding shortfall of PKR 356 billion.**ZTBL**: Set ambitious credit disbursement targets despite rising non-performing loans (NPLs) and liquidity constraints.

Sectoral Observations

1. **Energy Sector SOEs (e.g., SNGPL, SSGC, PSO, OGDCL, PPL)**:
   - **Strengths**
     - Alignment with energy security priorities, including UFG reduction, diversification into renewables, and infrastructure rehabilitation.
     - Commitment to operational efficiency and customer satisfaction.
   - **Weaknesses**
     - Persistent circular debt and reliance on hydrocarbons limit fiscal sustainability.
     - Lack of sensitivity analyses for external risks, such as oil price volatility and regulatory uncertainties.
2. **Financial Sector SOEs (e.g., NBP, ZTBL, Pak Libya Holding Company)**:
   - **Strengths**

        - Focus on financial inclusion through SME financing, agricultural loans, and digital banking.
        - Strong financial performance in some cases (e.g., NBP's profit before tax of PKR 101.3 billion in 2023).
    - **Weaknesses**
        - Deviation from developmental mandates (e.g., Pak Libya's focus on short-term treasury investments).
        - Rising NPLs and liquidity challenges (e.g., ZTBL's 28.79% NPL ratio).

3. **Infrastructure SOEs (e.g., NHA, NTDC, LESCO)**:
    - **Strengths**:
        - Ambitious targets for expanding road networks, transmission capacity, and grid modernization.
        - Emphasis on public-private partnerships (PPPs) to address funding gaps.
    - **Weaknesses**:
        - Overambitious targets with significant funding shortfalls (e.g., NHA's gap).
        - Delays in project execution due to procurement inefficiencies and staffing shortages (e.g., NTDC's 6,500 vacant positions).

Alignment with SOE Policy 2023

The evaluation of business plans also assessed their alignment with the specific requirements of the **State-Owned Enterprises Ownership and Management Policy, 2023**. The following observations highlight the extent to which SOEs complied with key policy provisions:

1. Competitive Neutrality

- **Assessment**: Most SOEs demonstrated compliance with the principle of competitive neutrality by avoiding undue advantages over private competitors. However, some gaps were observed:
    - **Pak Libya Holding Company**: Focused disproportionately on treasury investments, raising concerns about its competitive neutrality in the financial sector.
    - **PSO and SLIC**: Dominance in the fuel market in case of PSO and SLIC in insurance sector could raise questions about fair competition.
- **Recommendation**: SOEs must ensure that their operations do not distort competition and adhere to the competitive neutrality framework outlined in the policy.

2. Public Service Obligations (PSOs)

- **Assessment**: Few SOEs formalized PSO agreements, as required under the policy. For example:
    - **SSGC**: Proposed formalizing gas supply to Balochistan as a PSO but has not secured agreements.
    - **NHA**: Relies on federal support for non-revenue-generating road maintenance but lacks a formal PSO framework.
- **Recommendation**: SOEs must define and formalize PSO agreements with clear funding mechanisms, performance metrics, and monitoring frameworks.

3. Governance Reforms

- **Assessment**: Governance reforms were a common focus across SOEs, with improvements in Board oversight, HR policies, and compliance with SECP regulations. However:
    - **SNGPL** and **SSGC** lacked detailed Board-level governance reforms.
    - **ZTBL** and **Pak Libya** showed limited progress in enhancing Board accountability.

- **Recommendation**:
    - SOEs should strengthen governance frameworks by ensuring independent directors, robust oversight mechanisms, and compliance with the policy's governance standards.

4. Fiscal Risk Management

- **Assessment**: Fiscal risk management remains a critical gap across most SOEs. Key issues include:
    - **Circular debt** in the energy sector (e.g., SNGPL, SSGC, PSO).
    - **Liquidity challenges** due to high receivables (e.g., PSO, NHA).
    - **Over-reliance on external financing** without contingency plans (e.g., NTDC, ZTBL).
- **Recommendation**: SOEs must develop comprehensive risk management frameworks, including sensitivity analyses for external risks and strategies to address contingent liabilities.

The comparative analysis highlights both the progress made by SOEs in aligning with federal priorities and the critical gaps that need to be addressed to ensure compliance with the SOE Policy 2023. By focusing on formalizing PSO agreements, strengthening governance, and improving fiscal risk management, SOEs can enhance their strategic alignment, operational efficiency, and contribution to Pakistan's socio-economic development.

Conclusion

The evaluation of the business plans of the top 15 (asset-wise) State-Owned Enterprises (SOEs), conducted in accordance with the State-Owned Enterprises (Ownership and Management) Policy, 2023, highlights a complex landscape of progress, challenges, and opportunities. While several SOEs have made strides in aligning their business strategies with national priorities, the findings reveal critical gaps that must be addressed to ensure their long-term sustainability, operational efficiency, and socioeconomic impact.

Key Takeaways from the Assessment

1. **Alignment with National Objectives**: Most SOEs have demonstrated a strong commitment to national priorities such as energy security, financial inclusion, and infrastructure development. This alignment is particularly noticeable in sectors like energy and finance, where SOEs such as SNGPL, PSO, and NBP are addressing critical challenges through strategic initiatives.

2. **Strengths in Governance and Digital Transformation**: Several SOEs have initiated modernization efforts, including digital transformation and governance reforms. Notable examples include NBP's IT infrastructure upgrades and LESCO's smart grid initiatives aimed at improving operational efficiency and service delivery.

3. **Persistent Weaknesses**:

    - **Public Service Obligation (PSO) Frameworks**: The lack of formalized PSO agreements in most SOEs undermines transparency and fiscal accountability for non-commercial activities. This gap, a critical requirement under the SOE Policy 2023, limits the ability of SOEs to secure adequate funding and monitor performance effectively.

    - **Risk Management Gaps**: SOEs often lack robust risk management frameworks, particularly in the areas of fiscal sustainability, external risk sensitivity, and financial projection credibility. This is especially concerning in sectors like energy and infrastructure, where circular debt, aging infrastructure, and external market risks are significant challenges.

    - **Fiscal Sustainability**: Over-reliance on optimistic projections and external financing without adequate contingency planning weakens the financial viability of many SOEs. Examples include NHA's ambitious revenue targets and ZTBL's overstated credit disbursement goals despite high NPL ratios.

    - **Governance Deficiencies**: Weaknesses in Board-level accountability and the absence of measurable KPIs for non-financial objectives, such as socio-economic contributions, hinder transparency and performance tracking.

4. **Sector-Specific Challenges**:

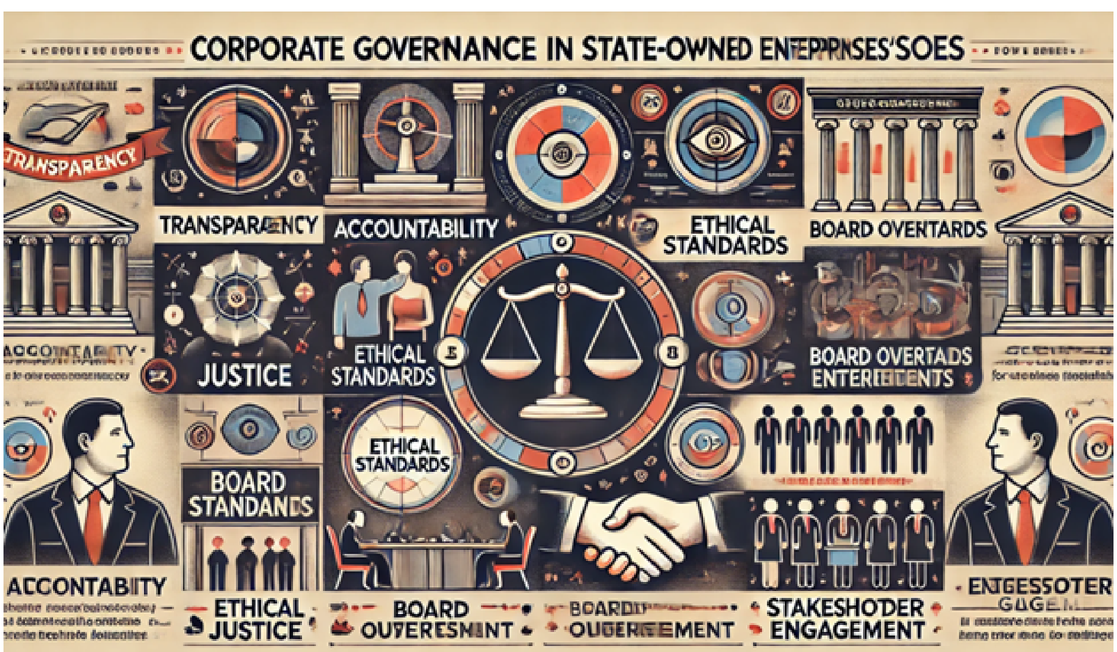
- **Energy Sector**: Persistent issues, such as circular debt and reliance on hydrocarbons, limit fiscal sustainability despite efforts to improve operational efficiency.
- **Infrastructure Sector**: SOEs like NHA and NTDC face significant funding shortfalls and project execution delays.
- **Financial Sector**: Institutions such as ZTBL and Pak Libya Holding Company exhibit concerning deviations from their developmental mandates, focusing excessively on short-term financial performance.

5. **Adherence to SOE Policy 2023**: While several SOEs demonstrate partial compliance with the SOE Policy, particularly in governance reforms and competitive neutrality, comprehensive alignment remains a work in progress. The absence of formalized PSO frameworks, weak fiscal risk management, and underdeveloped governance structures are notable areas of non-compliance.

Recommendations for Improvement: To address the identified gaps and enhance the quality of SOE business plans, the following key measures are recommended:

1. **Formalize Public Service Obligation (PSO) Frameworks**: SOEs must incorporate formal PSO agreements into their business plans, detailing funding mechanisms, performance metrics, and accountability processes.
2. **Strengthen Risk Management Frameworks**: Comprehensive risk management strategies, including sensitivity analyses for external risks, must be developed and integrated into business plans.
3. **Enhance Governance Practices**: Governance reforms should focus on Board-level accountability, diversity, and independent oversight. The development of SMART KPIs for both financial and non-financial objectives is crucial for tracking progress and ensuring transparency.
4. **Improve Fiscal Transparency**: SOEs should adopt realistic financial projections, backed by detailed resource allocation plans and contingency measures to address fiscal risks.
5. **Expand Socio-Economic Metrics**: Business plans should include measurable socio-economic contributions, such as employment generation, rural development, and environmental sustainability, aligned with the government's broader development agenda.

The report highlights the need for a comprehensive and proactive approach to improving the quality of SOE business plans. By addressing the identified gaps and implementing the proposed recommendations, SOEs can align more effectively with national priorities, enhance their operational efficiency, and mitigate fiscal risks. The Central Monitoring Unit (CMU) and relevant stakeholders are ensuring rigorous monitoring and feedback mechanisms to track progress and provide guidance for continuous improvement. This not only strengthen the strategic and operational foundations of SOEs but also ensure their meaningful contribution to Pakistan's socio-economic development.



Governance Report of State-Owned Enterprises (SOEs)

The primary objective of this report is to evaluate the corporate governance practices of State-Owned Enterprises (SOEs) in Pakistan, focusing on their alignment with international best practices. Specifically, the report will assess how the governance structures of SOEs in sectors such as Oil & Gas, Power, Financial Services, Manufacturing, Transport, Infrastructure, and Welfare Trusts align with the OECD Principles of Corporate Governance for SOEs, as well as guidelines from the World Bank, United Nations (UN), and Asian Development Bank (ADB).

These internationally recognized frameworks provide comprehensive guidance on improving the governance of SOEs by promoting transparency, accountability, and efficiency. The report will explore the following key areas:

1. **Alignment with International Guidelines:** How well do Pakistan's SOEs align with the OECD Principles, the World Bank's Guidelines, UN's Corporate Governance Guidelines, and the ADB's Framework? This includes an examination of board independence, shareholder rights, transparency in financial reporting, and stakeholder engagement.

2. **Impact of Recent Reforms:** The impact of recent legislative reforms, particularly the SOE Act 2023 and the SOE Ownership and Management Policy 2023, on improving the governance structure of SOEs in Pakistan. The report assess how these reforms align with the aforementioned international guidelines.

3. **Sectoral Governance Evaluation:** A sector-wise evaluation of SOEs in Pakistan to identify sector-specific governance challenges and to determine how governance standards can be improved by adopting international best practices.

4. **Recommendations for Strengthening Governance:** Based on the analysis of international frameworks and local governance practices, the report provides recommendations for enhancing the corporate governance of SOEs in Pakistan, focusing on the implementation of transparent, accountable, and efficient management practices.

Through this evaluation, the report aims to offer actionable recommendations to strengthen the governance of SOEs, ultimately contributing to better financial performance, service delivery, and public accountability.

1 Background

State-Owned Enterprises (SOEs) are integral to Pakistan's economy, particularly in strategic sectors such as energy, infrastructure, financial services, transportation, and public welfare. These enterprises play a crucial role in national development by providing essential services, generating employment, and contributing to government revenues. However, despite their importance, many SOEs in Pakistan have faced significant governance challenges over the years. Issues such as inefficient governance structure,poor financial performance, and lack of transparency have hindered their ability to function optimally.

To address these challenges and enhance the governance of SOEs, Pakistan has introduced two significant reforms: the SOE Act 2023 and the SOE Ownership and Management Policy 2023. These new laws aim to improve the operational efficiency, accountability, and governance of SOEs by establishing clearer board appointment mechanism, monitoring functioning, and encouraging professional management.

However, while these domestic reforms are a step in the right direction, aligning Pakistan's SOE governance practices with international best practices is essential for long-term success. To this end, international frameworks and guidelines, specifically those provided by the OECD, World Bank, UN, and ADBoffer valuable insights into best practices for SOE governance. These frameworks emphasize transparency, accountability, professional management, and stakeholder engagement, which can provide the basis for improving Pakistan's SOEs.

The OECD Principles of Corporate Governance for SOEs outline the key characteristics of effective governance, including the separation of ownership and management, the importance of independent boards, transparency in financial reporting, and the equitable treatment of shareholders. Similarly, the World Bank Guidelines stress the importance of performance-based governance, with regular audits and independent oversight. The UN Guidelines emphasize the role of SOEs in achieving sustainable development, while the ADB Framework focuses on building strong institutional structures and fostering public-private partnerships in infrastructure sectors.

By reviewing these international governance frameworks alongside Pakistan's domestic reforms, this report seeks to provide a holistic evaluation of the current governance landscape of SOEs in Pakistan. The report explores the alignment of Pakistan's SOE governance practices with these international guidelines, highlighting areas for improvement and offering recommendations for strengthening governance across key sectors.

2 International Corporate Governance Guidelines for SOEs

In addition to the OECD Principles of Corporate Governance for SOEs, several other international guidelines and frameworks can help strengthen the governance of State-Owned Enterprises (SOEs) in Pakistan. These recommendations, when adopted alongside the SOE Act 2023 and SOE Ownership and Management Policy 2023, can further improve transparency, accountability, and operational effectiveness within SOEs. Below are a few other key international governance frameworks and guidelines relevant to SOEs:

2.1 The World Bank Guidelines on Corporate Governance of State-Owned Enterprises

The World Bank's guidelines on the corporate governance of SOEs focus on the integration of SOEs into market-driven economies while maintaining government control over strategic sectors. These guidelines are designed to enhance the performance of SOEs and reduce their financial and operational inefficiencies by establishing clear frameworks for governance.

1.	Legal and Regulatory Framework	The World Bank emphasizes the importance of a robust legal framework that clearly distinguishes the ownership and operational functions of the state and SOEs. It recommends establishing specific regulations for ownership and the management of SOEs, as well as providing clear mandates for SOE boards.
2.	Performance Accountability	Clear, measurable performance targets should be set for SOEs, linked to their strategic objectives, such as service delivery, financial sustainability, and social impact. Regular performance reviews and audits by independent bodies can help ensure accountability.
3.	Board Composition and Independence	SOE boards should include independent directors with diverse skill sets, including financial expertise, sector-specific knowledge, and strategic experience. The World Bank stresses the need for professional, non-political appointments to the boards

SOE Act 2023 has adopted these guidelines to support the objectives, particularly in areas related to performance management, the professionalization of boards, and the establishment of a clear legal framework to separate ownership and management functions.

2.2 OECD Principles of Corporate Governance for SOEs

The OECD Principles are designed to improve the performance of SOEs and ensure their contribution to economic development. They are structured around the following core areas:

1.	Ensuring an Effective Legal and Regulatory Framework	• Clear legal distinction between SOEs and private sector companies. • Well-defined objectives and performance expectations for SOEs.
2.	The Role of the State as Owner	• The government should act as an owner with transparency, professionalism, and in line with market practices. • Clear ownership policies and procedures.
3.	Equitable Treatment of Shareholders	• Protection of shareholder rights, including minority shareholders. • Equal access to information for all shareholders.
4.	The Stakeholder Relationship	• SOEs must manage their relationship with stakeholders, including employees, customers, and communities, responsibly.
5.	Transparency and Disclosure	• SOEs should disclose financial and operational information to ensure transparency.
6.	The Responsibilities of the Board	• Independent, effective boards that can guide SOEs and ensure effective oversight.

2.3 United Nations (UN) Guidelines on Corporate Governance for SOEs

The United Nations Guidelines on Corporate Governance of State-Owned Enterprises provide a global framework for improving the governance of SOEs, focusing on promoting transparency, accountability, and the protection of public resources. These guidelines aim to foster effective management of public assets by providing a governance structure that supports the long-term sustainability of SOEs.

1.	Public Accountability	The UN guidelines stress the need for transparency in SOEs' operations. SOEs must provide clear, detailed financial reporting, ensuring that performance, financial risks, and potential conflicts of interest are disclosed to the public and relevant stakeholders

2.	Stakeholder Participation	The guidelines recommend that SOEs foster active engagement with a broad range of stakeholders, including employees, unions, customers, and the general public. This helps ensure that the SOEs meet their public service obligations and contribute positively to society
3.	State Ownership and Objectives	The state, as an owner, should define clear, long-term objectives for SOEs that align with national development goals. The objectives should be communicated transparently and monitored regularly

By adhering to these guidelines, SOEs not only meet economic and financial goals but also serve broader public interests. Enhanced stakeholder participation and public accountability can address many of the governance issues currently present in Pakistan's SOEs, especially in sectors like Power, Transport, and Welfare Trusts.

2.4 The Asian Development Bank (ADB) Corporate Governance Framework for State-Owned Enterprises

The ADB Corporate Governance Framework for State-Owned Enterprises is a comprehensive set of guidelines aimed at improving governance in SOEs across Asia. It provides specific recommendations for institutional reforms, shareholder engagement, and performance monitoring.

1.	Institutional Reforms	The ADB framework advocates for comprehensive institutional reforms that ensure SOEs have clear governance structures, independent boards, and professional management. It also recommends establishing specialized ownership agencies to manage state assets and oversee SOE performance.
2.	Corporate Strategy and Performance Evaluation	SOEs should have clear corporate strategies that align with national development goals. These strategies should be reviewed regularly to assess performance and make adjustments as needed.
3.	Governance for Public-Private Partnerships	The ADB stresses the importance of strong governance structures for SOEs involved in public-private partnerships. These entities should adhere to transparency, competitive bidding, and contract management best practices.

The ADB's framework aligns well with Pakistan's ongoing efforts to reform SOE governance. Central Monitoring Unit (CMU) has been established as a specialized unit to oversee SOE performance for the sake of improve management practices and report interference in decision-making processes, particularly in sectors like Energy, Transport, and Finance.

3 Corporate Governance in Pakistan's SOEs

Corporate governance in Pakistan's State-Owned Enterprises (SOEs) has been evolving, particularly with the introduction of the SOE Act 2023 and the SOE Ownership and Management Policy 2023**.**These reforms aim to align governance practices with international best practices**,** by emphasizing transparency, accountability, and professionalism. Many SOEs still grapple with issues like traditional governance issues, weak oversight, and inefficiencies that hinder their ability to achieve both financial sustainability and public service objectives.

International best practices advocate for independent and professional boards, regular performance evaluations, and robust risk management frameworks. While Pakistan's recent policies call for merit-based board appointments and independent audits, implementation remains uneven across sectors. For example, delayed financial reporting is prevalent in sectors like oil and gas and power, while inefficiencies in transport and trading SOEs reflect governance challenges at the operational level. Many SOEs also lack clear performance metrics and accountability mechanisms to ensure alignment with their social and economic mandates.

To improve governance, our SOEs need to strengthen enforcement mechanisms for existing policies, ensure the independent and efficient board role, and adopt transparent financial reporting practices across all SOEs. Emphasizing strategic planning**,** stakeholder engagement, and regular disclosure of financial and operational performance will further enhance governance. Aligning these efforts with international guidelines can make SOEs more efficient, transparent, and capable of delivering on their dual objectives of profitability and public service.

4 Sector-Wise Assessment of Corporate Governance

State-Owned Enterprises (SOEs) in Pakistan are categorized into sectors based on their shared business functions, operational frameworks, and value chain integration. This classification facilitates targeted governance and highlights the synergies among enterprises within each sector.

4.1 Oil & Gas Sector

The oil and gas sector in Pakistan is a cornerstone of the economy, providing energy to industries, households, and businesses. The sector comprises various State-Owned Enterprises (SOEs) that oversee exploration, production, distribution, and supply of oil and gas.Despite their critical importance, SOEs in the oil and gas sector face governance challenges, including delayed financial reporting, inefficient governance practices, and weak risk management systems. These issues not only erode public trust but also hinder the sector's ability to contribute effectively to national energy security.

The introduction of the SOE Act 2023 and the SOE Ownership and Management Policy 2023 provides an opportunity to address these governance concerns. This report evaluates the governance practices in Pakistan's oil and gas SOEs, referencing international standards such as the OECD Principles of Corporate Governance of State-Owned Enterprises, World Bank Guidelines, UN frameworks, and Asian Development Bank (ADB) recommendations.

Governance Framework of Oil and Gas Sector SOEs in Pakistan

1.	Transparency and Financial Reporting	The SOE Act 2023 mandates timely and transparent financial reporting for all SOEs, with annual audits conducted by independent auditors. Regular disclosure of financial information to the public is emphasized to ensure accountability.	The OECD Principles stress the importance of timely and accurate financial reporting to foster transparency and accountability. Similarly, the World Bank advocates for independent external audits and public dissemination of financial information.	Sui Northern Gas Pipelines Limited (SNGPL) and Sui Southern Gas Company Limited (SSGCL) have experienced delays in their financial reporting. SSGCL, for instance, has not published audited financial statements since FY2021, raising concerns about the accuracy of its financial health and operational performance. Implementing stricter adherence to audit deadlines and ensuring public disclosure of financial data is essential.
2.	Board Independence	The SOE Ownership and Management Policy 2023 aims to professionalize SOE boards, ensuring appointments based on merit and technical expertise	The OECD and World Bank emphasize the importance of independent boards with diverse skill sets and clearly defined roles to mitigate political interference and ensure effective oversight.	Transitioning to a merit-based appointment system is crucial to enhance decision-making and reduce inefficiencies.
3.	Risk Management and Operational Oversight	The SOE Act 2023 requires SOEs to develop comprehensive risk management strategies that address operational, financial, and environmental risks.	The ADB and OECD Principles recommend robust risk assessment mechanisms, internal controls, and periodic stress	OGDCL and PPL have faced challenges in mitigating risks related to fluctuating global oil prices and exploration inefficiencies. Enhancing

		Regular reviews and stress tests are mandated.	testing to ensure preparedness against market fluctuations and external shocks.	internal control mechanisms and adopting advanced risk management tools could improve their resilience and performance.
4.	Performance Monitoring and Accountability	The SOE Act 2023 introduces performance metrics and mandates regular evaluation of SOEs by independent bodies. These evaluations are intended to ensure accountability and alignment with national energy objectives.	The World Bank Guidelines recommend establishing clear, measurable performance indicators for SOEs, including financial returns, operational efficiency, and environmental sustainability.	Despite being a market leader, PSO has faced criticism for inefficiencies in supply chain management and excessive reliance on government subsidies. Introducing key performance indicators (KPIs) tied to operational and financial outcomes would enhance accountability and efficiency.
5.	Financial Sustainability and Long-Term Strategic Planning	The SOE Ownership and Management Policy 2023 emphasizes financial sustainability, urging SOEs to reduce reliance on subsidies and adopt long-term financial planning.	According to the OECD and ADB, SOEs should focus on improving operational efficiency, diversifying revenue streams, and adopting cost-effective practices to reduce financial reliance on the government.	SNGPL and SSGCL have accumulated significant losses due to operational inefficiencies and unpaid receivables. Developing long-term financial strategies, including improved revenue collection mechanisms and cost optimization, is critical for their sustainability.

4.2 Power Sector

The power sector in Pakistan plays a vital role in the country's economic and social development by ensuring energy supply to households, industries, and businesses. State-Owned Enterprises (SOEs) in this sector include entities overseeing power generation, transmission, and distribution.

Despite their critical role, SOEs in the power sector face severe governance challenges, including operational inefficiencies, loss-making operations, weak financial management, and underperforming boards of directors. These issues have contributed to persistent circular debt, unreliable energy supply, and limited progress in achieving sustainable energy goals.

The SOE Act 2023 and the SOE Ownership and Management Policy 2023 aim to address these challenges by improving governance structures, ensuring transparency, and enhancing accountability. This report analyzes the governance practices of Pakistan's power sector SOEs and provides recommendations aligned with international best practices, including those outlined by the OECD, World Bank, ADB, and UN frameworks.

Governance Framework of Power Sector SOEs in Pakistan

1.	Transparency and Financial Reporting	The SOE Act 2023 mandates timely and accurate financial reporting by all SOEs, with annual audits conducted by independent auditors and public disclosure of key financial and operational data.	The OECD Principles and World Bank Guidelines emphasize timely financial audits and transparency in public sector entities as essential to fostering accountability and stakeholder confidence.	Several DISCOs, including HESCO, PESCO, and QESCO, have failed to publish audited financial statements within regulatory deadlines, raising concerns about mismanagement and financial opacity. Adopting stricter compliance measures for financial reporting is essential for improving governance in the sector.
2.	Operational Inefficiency and Financial Losses	The SOE Ownership and Management Policy 2023 emphasizes improving operational efficiency through better resource management, infrastructure upgrades, and the use of technology.	The ADB and World Bank recommend adopting advanced metering infrastructure (AMI), reducing non-technical losses, and improving bill recovery mechanisms to enhance operational efficiency.	PESCO, HESCO, and QESCO are among the DISCOs with the highest transmission and distribution losses, exceeding 30% in some regions. These losses, combined with low bill recovery rates, contribute to their persistent financial deficits.
3.	Board Independence	The SOE Act 2023 advocates for professionalizing boards by ensuring appointments based on merit, technical skills, and experience.	The OECD Principles and World Bank Guidelines stress the importance of independent and professionally skilled boards to enhance governance and ensure effective oversight.	Boards of DISCOs such as LESCO, HESCO, TESCO and GEPCO have frequently been criticized for including members with limited expertise in energy management. A merit-based and skill-focused approach to board

				composition is necessary to strengthen their performance
4.	Risk Management and Strategic Planning	The SOE Act 2023 and SOE Ownership and Management Policy 2023 emphasize the need for comprehensive risk management strategies and long-term planning to ensure financial sustainability.	The OECD and ADB recommend periodic risk assessments, scenario planning, and the adoption of financial hedging instruments to manage sector-specific risks effectively.	GENCOs and NTDC have struggled to develop long-term plans to address capacity bottlenecks and transmission challenges. Strengthening their strategic planning capabilities, especially to accommodate renewable energy integration, would help improve their overall resilience and performance.
5.	Financial Sustainability and Circular Debt	The SOE Ownership and Management Policy 2023 underscores the importance of financial sustainability by reducing reliance on subsidies and improving revenue collection.	The OECD and ADB recommend implementing cost-reflective tariff mechanisms, reducing subsidies, and adopting revenue protection measures to enhance financial sustainability.	WAPDA and NTDC often struggle to manage cash flows due to delayed payments from DISCOs. Introducing robust mechanisms for bill recovery and restructuring tariffs to reflect actual costs would help alleviate these financial pressures.

4.3 Financial Sector

The financial sector in Pakistan plays a critical role in facilitating economic activities and fostering financial inclusion. State-Owned Enterprises (SOEs) in this sector, including key institutions such as commercial banks, insurance companies, and development finance institutions (DFIs), are vital to the country's economic growth.

Despite their importance, governance within Pakistan's financial sector SOEs has faced challenges related to board appointment issues, insufficient transparency, and weak accountability mechanisms. The introduction of the SOE Act 2023 and the SOE Ownership and Management Policy 2023 aims to address these concerns by promoting better governance structures, reducing interference, and enhancing accountability and transparency. This report evaluates the governance practices of financial sector SOEs in Pakistan in light of both the recent local reforms and international best practices outlined by the OECD, World Bank, UN, and ADB.

Governance Framework of Financial Sector SOEs in Pakistan

1.	Transparency and Accountability	The SOE Act 2023 and SOE Ownership and Management Policy 2023 emphasize the need for transparency in the operations of SOEs, mandating regular audits, clear reporting of financial statements, and enhanced public disclosure practices.	According to the OECD Principles and World Bank Guidelines, SOEs should be subject to independent audits and ensure disclosure of key financial information to enhance transparency and accountability.	A notable issue within the sector is the National Insurance Company Limited (NICL), which has failed to audit its financial statements since 2021, a significant governance lapse. This is a direct violation of the principle of transparency outlined in both local regulations and international standards.
2.	Board Independence	The SOE Act 2023 seeks to address this by recommending a more professional approach to board appointments and ensuring that senior executives are appointed based on merit.	The OECD Principles stress the importance of having independent boards with a clear separation between ownership (government) and management. Additionally, World Bank Guidelines emphasize the need for boards to have a diverse skillset and the ability to act independently.	Ensuring that appointments to the boards are based on professional expertise and experience, rather than political affiliations, would be a step towards improving governance independence.
3.	Risk Management and Internal Controls	The SOE Ownership and Management Policy 2023 encourages SOEs to adopt comprehensive risk management frameworks that align with international	The World Bank Guidelines and OECD Principles both stress that SOEs, especially in the financial sector, must have robust internal controls and risk management	Enhanced monitoring systems and independent reviews of risk exposure should be implemented to align with global best practices.

		standards and are reviewed regularly by independent auditors.	strategies. Regular stress testing and scenario planning are recommended to anticipate and mitigate potential risks.	
4.	Performance Monitoring and Accountability	The SOE Act 2023 mandates that each SOE must develop performance metrics and undergo regular evaluations by independent bodies. The results of these evaluations should be disclosed publicly to ensure accountability to both stakeholders and the general public.	According to the OECD Principles and World Bank Guidelines, SOEs should be evaluated based on clear, transparent performance indicators that are linked to both financial outcomes and social objectives.	DFIs typically focus on long-term development objectives, integrating financial performance with development outcomes would ensure that these institutions remain accountable and effective in meeting both their developmental and financial goals
5.	Financial Sustainability and Long-Term Strategic Planning	The SOE Act 2023 emphasizes the need for SOEs to adopt long-term strategic plans that are aligned with national development goals. These plans should also incorporate financial sustainability principles, ensuring that SOEs do not rely excessively on government subsidies.	Both the OECD and ADB stress the importance of long-term strategic planning and sustainability. SOEs should not only pursue financial profitability but also contribute to the public good, in line with national economic priorities.	The National Bank of Pakistan (NBP) and other DFIs should develop clearer long-term financial strategies that focus on balancing profit generation with public service objectives, particularly in underserved areas such as rural banking and financial inclusion.

The governance of financial sector SOEs in Pakistan is evolving, particularly in light of recent reforms such as the SOE Act 2023 and the SOE Ownership and Management Policy 2023. While there have been significant strides in enhancing the transparency, accountability, and professionalization of boards and management, there remain critical gaps that need to be addressed in line with international best practices.

4.4 Trading and Marketing Sector

The trading and marketing sector in Pakistan plays a critical role in ensuring market stability, food security, and the availability of essential goods for the general public.

Despite their strategic importance, these entities face significant governance challenges, including financial mismanagement, inefficient operations, and weak accountability mechanisms. The SOE Act 2023 and the SOE Ownership and Management Policy 2023 have introduced reforms to address these governance issues and improve the performance and accountability of trading and marketing SOEs. This report evaluates the governance practices in this sector and offers recommendations aligned with international best practices, including those from the OECD, World Bank, ADB, and UN.

Governance Framework of Trading and Marketing Sector SOEs in Pakistan

1.	Transparency and Financial Reporting	The SOE Act 2023 emphasizes the importance of timely and transparent financial reporting, requiring regular independent audits and public disclosure of key financial metrics.	According to the OECD Principles, SOEs must ensure transparency in their financial operations through timely and accurate reporting, backed by independent audits.	The Utility Stores Corporation (USC) has frequently delayed the publication of its financial statements, raising concerns about mismanagement and lack of accountability. Adopting robust financial reporting mechanisms would help restore trust and improve oversight.
2.	Operational Inefficiency and Financial Loss	The SOE Ownership and Management Policy 2023 calls for adopting modern supply chain practices, implementing technology-driven solutions, and improving customer service delivery.	The World Bank recommends improving operational efficiency through digital transformation, capacity building, and the use of performance-based management systems.	PASSCO faces significant operational challenges in managing its strategic reserves due to poor inventory management systems and inadequate storage facilities. Modernizing its operational processes and introducing real-time inventory tracking would improve efficiency and reduce losses.
3.	Board Independence	The SOE Act 2023 advocates for merit-based appointments to boards, ensuring that members possess relevant skills and experience.	The OECD Principles emphasize the need for independent boards with a diverse skill set to enhance governance.	Reforming board composition by prioritizing professional qualifications and experience would enhance governance and accountability.
4.	Risk Management	The SOE Ownership and Management Policy 2023	The World Bank and ADB stress the importance of risk	PASSCO, responsible for maintaining food security

	and Strategic Planning	emphasizes the need for robust risk management strategies and comprehensive strategic planning aligned with national goals.	assessments, scenario planning, and capacity building for SOEs to anticipate and mitigate potential risks.	through strategic grain reserves, lacks a modern risk management framework to deal with supply chain disruptions or price shocks. Developing such frameworks and investing in advanced forecasting tools would strengthen its resilience.
5.	Financial Sustainability	The SOE Ownership and Management Policy 2023 encourages SOEs to focus on financial sustainability by reducing subsidy dependency and adopting cost-effective measures.	The OECD and ADB recommend implementing pricing mechanisms that balance affordability with financial viability while ensuring operational efficiency.	The Utility Stores Corporation (USC) depends heavily on government subsidies to provide essential goods at lower prices. Introducing a cost-reflective pricing model combined with targeted subsidies for vulnerable populations could enhance financial sustainability.

4.5 Manufacturing, Mining and Engineering

The manufacturing, mining, and engineering sector is integral to Pakistan's economic development, encompassing industries that support infrastructure, industrial growth, and resource development, play critical roles in supplying strategic materials, managing natural resources, and providing specialized engineering services.

However, these entities face significant governance challenges, including operational inefficiencies, delayed financial reporting, and weak risk management frameworks. The reforms introduced under the SOE Act 2023 and the SOE Ownership and Management Policy 2023 aim to address these challenges by improving governance, transparency, and operational efficiency. This report evaluates the governance practices in the manufacturing, mining, and engineering sector SOEs and offers recommendations based on international best practices, including those of the OECD, World Bank, and ADB.

Governance Framework of Manufacturing, Mining and Engineering Sector SOEs in Pakistan

1.	Transparency and Financial Reporting	The SOE Act 2023 mandates timely preparation and disclosure of financial statements, backed by independent audits, to ensure accountability.	According to the OECD Principles, transparency and timely reporting are foundational to good governance, requiring SOEs to disclose key financial information to stakeholders regularly.	Peoples Steel Mills Limited (PSM) has faced significant delays in publishing audited financial statements, raising concerns about potential mismanagement. Regular audits and proactive disclosure would enhance accountability and build stakeholder confidence.
2.	Operational Inefficiencies and Technological Gap	The SOE Ownership and Management Policy 2023 encourages the adoption of modern technologies and efficiency-driven operational frameworks to enhance productivity.	The World Bank and ADB recommend adopting industry best practices, modern production techniques, and capacity-building initiatives to improve operational performance.	Saindak Metals Limited (SML), a key player in the mining sector, operates with limited adoption of advanced mining technologies, reducing efficiency and increasing costs. Investments in modern mining techniques and workforce training would enhance productivity and reduce operational inefficiencies.
3.	Board Independence	The SOE Act 2023 emphasizes merit-based board appointments, ensuring that members have the necessary expertise and independence to guide strategic decision-making.	The OECD Principles highlight the importance of independent boards with diverse expertise to strengthen governance	The board of Peoples Steel Mills Limited (PSM) has historically included members without relevant industry expertise, limiting its ability to address technical challenges effectively. Ensuring that board members

				are selected based on professional qualifications and experience would strengthen governance.
4.	Risk Management and Strategic Planning	The SOE Ownership and Management Policy 2023 encourages the development of comprehensive risk management strategies and alignment with broader national economic objectives.	The OECD and ADB recommend scenario planning, regular risk assessments, and the use of modern tools to anticipate and manage risks effectively.	National Security Printing Company (NSPC), responsible for printing sensitive documents, faces risks related to data security and operational continuity. Implementing robust cybersecurity measures and contingency planning would mitigate these risks and ensure business continuity
5.	Financial Sustainability and Strategic Investments	The SOE Act 2023 encourages SOEs to prioritize financial sustainability by diversifying revenue streams and reducing dependency on government subsidies.	The World Bank and OECD recommend adopting cost-efficient practices, pursuing strategic investments, and exploring public-private partnerships (PPPs) to enhance financial performance.	Saindak Metals Limited (SML) could benefit from strategic partnerships with private sector entities to improve resource extraction efficiency and expand its revenue base. Public-private collaboration would bring in expertise and investment to support sustainable growth.

4.6 Infrastructure, Transport and ITC

The Infrastructure, Transport, and Information Technology and Communications (ITC) sector plays a vital role in Pakistan's economic growth, facilitating trade, transportation, logistics, and connectivity, manage critical infrastructure that supports the country's transport and trade. These entities are central to enhancing national connectivity and providing essential services for economic development.

However, these SOEs face significant governance challenges, including financial inefficiencies, delayed project implementation, lack of accountability, and political interference. The SOE Act 2023 and SOE Ownership and Management Policy 2023 aim to address these challenges by improving governance structures and ensuring that these SOEs operate efficiently and transparently. This report assesses the governance practices of SOEs in the Infrastructure, Transport & ITC sector in Pakistan, drawing on both local reforms and international best practices from the OECD, World Bank, and ADB.

Governance Framework of Infrastructure, Transport and ITC Sector SOEs in Pakistan

1.	Transparency and Financial Reporting	The SOE Act 2023 mandates timely and accurate reporting of financial statements, with the requirement for independent audits to ensure public trust in SOE financial health.	The OECD Principles and World Bank Guidelines highlight the need for SOEs to regularly publish financial statements and undergo independent audits to maintain transparency and accountability.	Pakistan International Airlines (PIA), Port Qasim and Gwadar Port Authority has faced challenges with delayed and inconsistent financial reporting, which has raised concerns regarding its financial health and governance. Ensuring that PIA adheres to timely audits and provides clear financial disclosures would enhance its credibility and operational transparency.
2.	Operational Inefficiencies	The SOE Ownership and Management Policy 2023 encourages the adoption of modern technologies and streamlined project management practices to ensure the timely completion of projects.	The World Bank and OECD recommend that SOEs establish clear performance metrics, implement project management reforms, and monitor project progress rigorously to ensure efficient project execution.	The National Highway Authority (NHA) has been involved in delayed infrastructure projects, such as road construction and maintenance, due to inefficiencies in project management. Implementing modern project management systems and performance monitoring will help NHA reduce delays and improve the efficiency of infrastructure projects.
3.	Board Independence	The SOE Act 2023 stresses the importance of independent boards, recommending appointments based	The OECD Principles assert that SOE boards must be free from political influence to ensure effective	Pakistan International Airlines (PIA) has often been subject to political appointments and decisions that have affected its operational

			governance and sound decision-making.	efficiency and profitability. Ensuring independent board appointments based on merit and expertise, rather than political considerations, is crucial for improving governance.
4.	Risk Management and Strategic Planning	The SOE Ownership and Management Policy 2023 mandates the adoption of risk management frameworks to assess and mitigate potential risks associated with large-scale projects.	The OECD and World Bank emphasize the need for comprehensive risk assessments, stress testing, and contingency plans to manage risks effectively.	Gwadar Port Authority (GPA), despite its strategic importance, has faced issues related to project risks and infrastructure development delays. A formalized risk management framework is essential for anticipating and managing challenges that may arise during project execution and port operations.
5.	Financial Sustainability	The SOE Act 2023 encourages SOEs to adopt sustainable financing models that reduce reliance on government support and generate revenue through efficient operations.	The OECD and ADB stress the importance of public-private partnerships (PPP) to fund infrastructure projects while sharing risks and maximizing private sector involvement.	Karachi Port Trust (KPT) and Pakistan National Shipping Corporation (PNSC) could improve financial sustainability by expanding their use of PPP models to modernize infrastructure and facilities, ensuring better service delivery and attracting private sector investment.

4.7 Funds, Foundations & Welfare Trusts

The Funds, Foundations, and Welfare Trusts sector in Pakistan is composed of a diverse range of State-Owned Enterprises (SOEs) dedicated to social welfare, poverty alleviation, disaster risk management, and energy conservation., play a crucial role in addressing the country's most pressing social and economic challenges.

Despite their noble objectives, these SOEs often face challenges related to governance inefficiencies, financial mismanagement, lack of transparency, and accountability concerns. The introduction of the SOE Act 2023 and SOE Ownership and Management Policy 2023 aims to improve the governance framework of these institutions, ensuring better management of public resources and more impactful delivery of social services. This report evaluates the governance practices of Funds, Foundations, and Welfare Trusts SOEs in Pakistan, with a focus on the regulatory reforms and international best practices from the OECD, World Bank, and UN

Governance Framework of Funds, Foundations & Welfare Trust Sector SOEs in Pakistan

1.	Transparency and Accountability	The SOE Act 2023 emphasizes financial transparency, requiring that SOEs publish audited financial statements and disclose key information about their operations and expenditures. These disclosures should be available to the public to enhance accountability.	According to the OECD Principles and World Bank Guidelines, SOEs must be subject to independent audits and should provide clear, timely financial reports to the public. Regular monitoring and public accountability mechanisms ensure that these organizations operate with integrity.	The Pakistan Poverty Alleviation Fund (PPAF), despite being one of the most prominent institutions in the welfare sector, has faced challenges in reporting transparency, with limited availability of updated financial information. Ensuring that the PPAF publishes regular audits and discloses operational metrics would enhance its credibility and operational transparency.
2.	Operational Efficiency and resource allocation	The SOE Ownership and Management Policy 2023 advocates for the adoption of modern management practices, the use of performance indicators, and a focus on resource optimization to ensure that the objectives of these welfare SOEs are met effectively.	The World Bank and OECD emphasize the need for clear performance metrics and comprehensive monitoring frameworks to assess the efficiency of welfare funds. Adopting robust project management systems can ensure that resources are used effectively and impact is maximized.	The National Disaster Risk Management Fund (NDRMF) has faced criticisms regarding the slow rollout of disaster response projects due to operational delays and inefficiencies in fund distribution. Strengthening project management practices and setting clear resource allocation criteria would improve NDRMF's ability to respond to disasters in a timely and efficient manner
3.	Board	The SOE Act 2023 and	The OECD Principles	WAPDA Endowment Fund for

	Independence	Ownership and Management Policy 2023 emphasize the need for independent boards and merit-based appointments. These reforms aim to reduce political influence and encourage the selection of qualified individuals to oversee the management of these organizations.	emphasize that independent governance is crucial to ensuring that SOEs can make decisions based on operational needs rather than political considerations. World Bank Guidelines also encourage the establishment of professional boards and the implementation of transparent recruitment processes.	Sports has experienced challenges where political considerations affected decisions related to funding distribution and sports development initiatives. Ensuring board independence and making appointments based on expertise in sports development rather than political affiliations would help the Fund improve its overall governance.
4.	Risk Management and Internal Controls	The SOE Act 2023 requires SOEs to have clear strategic plans and implement risk management frameworks to ensure that they can mitigate financial, operational, and external risks.	Both the OECD and World Bank stress the importance of incorporating risk assessments and long-term strategic plans to guide the decision-making process and ensure that welfare programs achieve their desired outcomes. Contingency planning should also be a key part of these frameworks.	The Ghazi BrothaTaraqiati Idara (GBTI), which focuses on socio-economic development in the Ghazi Brotha area, faces financial risks associated with poor planning and lack of risk mitigation strategies. Instituting a comprehensive risk management framework and aligning the Fund's projects with strategic goals for the region could enhance its sustainability and impact.
5.	Financial Sustainability and Long-Term	The SOE Act 2023 advocates for financial sustainability by promoting resource mobilization	The OECD and World Bank recommend that SOEs involved in welfare and	The National Rural Support Programme (NRSP) has made progress in improving rural

	Impact	efforts and encouraging SOEs to seek funding through partnerships, grants, and other sustainable financial practices.	development should look for ways to balance financial stability with the social objectives they aim to achieve. Partnerships and collaborations with the private sector can also help in sustaining these organizations' operations.	livelihoods, but its financial sustainability has been challenged by a reliance on external funding. Developing more sustainable funding models and exploring private sector collaboration would help NRSP become more financially independent while maintaining its social goals.

By aligning with international best practices and enhancing their governance frameworks, Pakistan's Funds, Foundations, and Welfare Trusts SOEs can more effectively fulfill their social and development mandates, making a meaningful impact on the country's welfare and economic progress.

5 Conclusion

The SOE Act 2023 and SOE Ownership and Management Policy 2023 represent significant strides toward improving the governance of State-Owned Enterprises (SOEs) in Pakistan. These reforms are designed to address long-standing governance challenges, including board appointment issues, operational inefficiency, and lack of accountability. However, for these reforms to fully realize their potential, it is essential to ensure that SOE governance practices are aligned with global best practices.

International frameworks such as the OECD Principles of Corporate Governance for SOEs, the World Bank Guidelines, the UN Guidelines, and the ADB Corporate Governance Framework provide valuable insights that can guide the reform process and improve the performance of SOEs. These guidelines collectively emphasize:

a) **Strong Legal and Regulatory Frameworks:** International guidelines underscore the importance of clear legal structures that define the roles and responsibilities of SOEs, separate the ownership and management functions of the state, and ensure transparency in the operation of these enterprises. The SOE Act 2023 makes progress in this area by establishing a more defined legal framework, but continued efforts are needed to strengthen enforcement and compliance.

b) **Board Independence and Professional Management:** Effective governance requires independent and professionally qualified boards with diverse backgrounds. The OECD Principles and World Bank Guidelines emphasize the need for boards composed of independent board with necessary expertise. Pakistan's reforms, including the SOE Act 2023, are moving toward professionalizing SOE boards, but ongoing efforts to ensure transparency in appointments and board evaluations are necessary.

c) **Performance Monitoring and Accountability:** Both the OECD and World Bank emphasize the importance of performance-based governance, with clear performance targets and regular evaluations. The SOE Ownership and Management Policy 2023 introduces measures via Central Monitoring Unit (CMU) to improve performance monitoring, but the practical implementation of performance reviews, independent audits, and public accountability mechanisms will be crucial for success.

d) **Stakeholder Engagement and Public Accountability:** The UN Guidelines emphasize that SOEs should be accountable not just to the government but also to a broader set of stakeholders, including employees, community, customers, and the general public. Ensuring transparent reporting and active engagement with stakeholders is essential to building trust and legitimacy. Pakistan's reforms need to focus more on strengthening mechanisms for stakeholder engagement and ensuring that SOEs operate with greater public oversight.

e) **Sustainability and Risk Management:** The ADB Framework calls for the incorporation of long-term strategic planning and risk management, particularly for SOEs involved in infrastructure and large-scale projects. Pakistan's SOEs, especially in sectors like energy and transportation, must integrate sustainability and risk management frameworks into their governance structures.

5.1 Key Recommendations for Further Strengthening Governance

a) **Ensure Robust Implementation and Enforcement of Reforms:**While the SOE Act 2023 and the SOE Ownership and Management Policy 2023 represent significant progress, robust enforcement mechanisms are essential to ensure compliance.

b) **Build Capacity for SOE Governance:** The government should invest in training for board members, management, and oversight bodies to ensure they have the skills and expertise needed to implement international best practices in governance.

c) **Foster Greater Transparency and Stakeholder Engagement:** SOEs must make their financial reports and operational data publicly available and encourage feedback from a broad range of stakeholders. This transparency is vital for building trust and ensuring that SOEs are accountable to the public.

d) **Adopt a Performance-Based Evaluation System:** SOEs should be regularly assessed against clear performance benchmarks tied to financial health, service delivery, and alignment with national development goals. These evaluations should be independent and publicly disclosed to foster greater accountability.

e) **Encourage Public-Private Partnerships (PPP) with Strong Governance Frameworks:** Particularly in sectors like infrastructure and energy, SOEs should leverage public-private partnerships while ensuring strong governance frameworks, transparency, and accountability in contracts and project execution.

By adopting and aligning Pakistan's SOE governance practices with the OECD Principles, World Bank Guidelines, UN Guidelines, and the ADB Corporate Governance Framework, the country can significantly enhance the governance, efficiency, and accountability of its SOEs. This alignment with international best practices will not only improve the financial health of SOEs but also ensure that they contribute more effectively to Pakistan's development objectives, economic growth, and public welfare. The success of Pakistan's SOE reform efforts will depend on the rigorous implementation of these principles, continuous monitoring, and a commitment to making SOEs more transparent, accountable, and responsive to the needs of the public.

Through sustained efforts, Pakistan's SOEs can become more effective, resilient, and better positioned to meet the challenges of the future while serving the broader public interest.

Federal Footprint

Commercial Entities of
State Owned Enterprises
(SOEs)

Annual Report FY2024

Central Monitoring Unit
Ministry of Finance
Government of Pakistan

Table of Contents

Federal Footprint Annual Report FY2024 (Commercial SOEs)

Coding Scheme for Financial Accounts for the FY2024

Sr#	Entity name	Abbreviation	Sector	Sub-Sector
1	Zarai Taraqiati Bank Limited	ZTBL	Financial	Banks
2	National Bank of Pakistan	NBP	Financial	Banks
3	First Women Bank Limited	FWBL	Financial	Banks
4	House Building Finance Company Limited	HBFC	Financial	NBFIs
5	Pak China Investment Company Limited	PCICL	Financial	DFIs
6	Pak Iran Investment Company	PAIR	Financial	DFIs
7	Pak Libya Holding Company (Private) Limited	PLHC	Financial	DFIs
8	Pak Oman Investment Company	POIC	Financial	DFIs
9	Pak Kuwait Investment Company (Private) Limited	PKIC	Financial	DFIs
10	Pak Brunei Investment Company	PBIC	Financial	DFIs
11	Saudi Pak Industrial and Agricultural Investment Company Limited	SPIAICL	Financial	DFIs
12	State Life Insurance Corporation	SLIC	Financial	Insurance
13	National Insurance Company Limited	NICL	Financial	Insurance
14	Pakistan Reinsurance Company Limited	PRCL	Financial	Insurance
15	Exim Bank of Pakistan Limited	EBPL	Financial	NBFIs
16	Postal Life Insurance Company Limited	PLICL	Financial	Insurance
17	National Investment Trust Limited	NIT	Financial	NBFIs
18	Government Holdings (Private) Limited	GHPL	Oil & Gas	Exploration & Development
19	Oil and Gas Development Company Limited	OGDCL	Oil & Gas	Exploration & Development
20	Pakistan Petroleum Limited	PPL	Oil & Gas	Exploration & Development
21	Sui Southern Gas Company Limited	SSGC	Oil & Gas	Marketing & Distribution
22	Pakistan State Oil Company Limited	PSO	Oil & Gas	Marketing & Distribution
23	Sui Northern Gas Pipelines Limited	SNGPL	Oil & Gas	Marketing & Distribution
24	Pak Arab Refinery Company	PARCO	Oil & Gas	Refineries
25	Faisalabad Electric Supply Company Limited	FESCO	Power	DISCOs
26	Hyderabad Electric Supply Company Limited	HESCO	Power	DISCOs

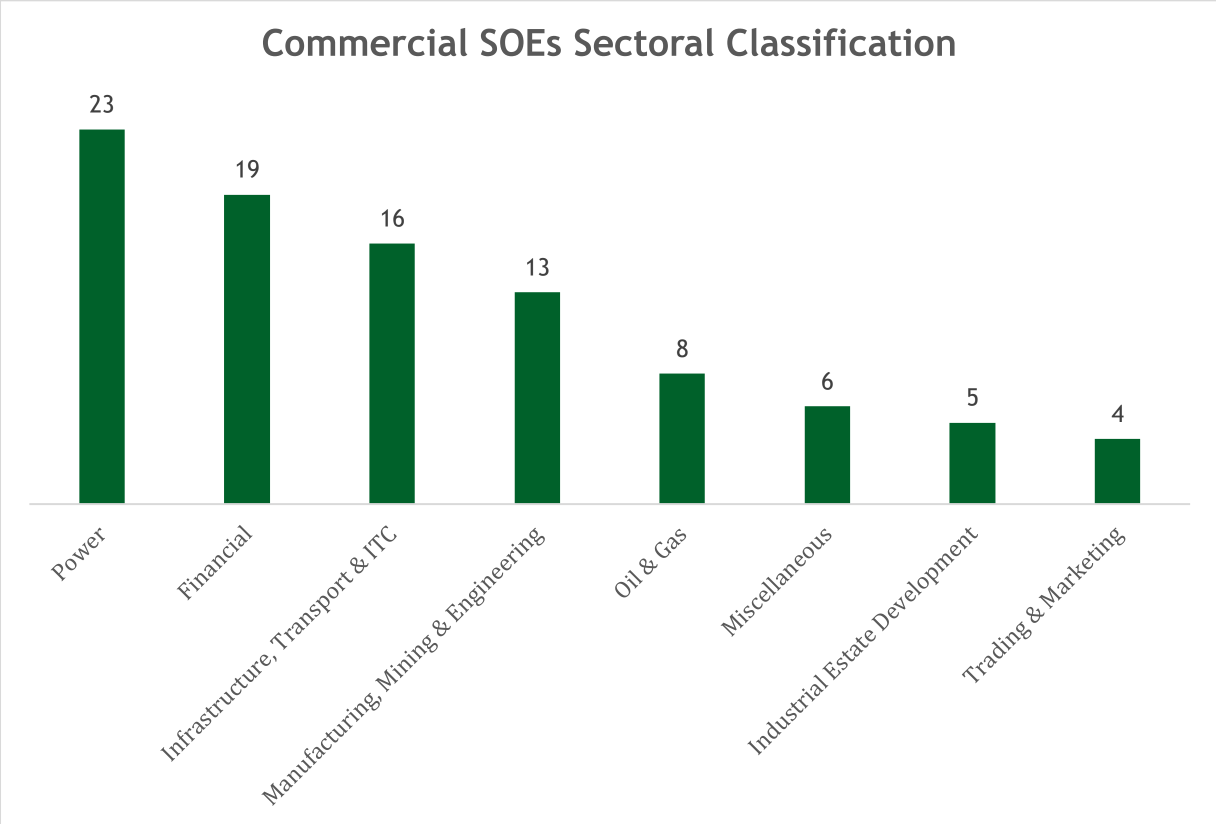
Sr#	Entity name	Abbreviation	Sector	Sub-Sector
27	Quetta Electric Supply Company Limited	QESCO	Power	DISCOs
28	Tribal Electric Supply Company Limited	TESCO	Power	DISCOs
29	Peshawar Electric Supply Company Limited	PESCO	Power	DISCOs
30	Lahore Electric Supply Company Limited	LESCO	Power	DISCOs
31	Islamabad Electric Supply Company Limited	IESCO	Power	DISCOs
32	Gujranwala Electric Power Company Limited	GEPCO	Power	DISCOs
33	Multan Electric Power Company Limited	MEPCO	Power	DISCOs
34	Sukkur Electric Power Company Limited	SEPCO	Power	DISCOs
35	GENCO-I: Jamshoro Power Company Limited	GENCO-I (JPCL)	Power	GENCOs
36	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	GENCO-II (CPGCL)	Power	GENCOs
37	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	GENCO-III (NPGCL)	Power	GENCOs
38	GENCO-IV: Lakhra Power Generation Company Limited	GENCO-IV (LPGCL)	Power	GENCOs
39	National Transmission and Despatch Company	NTDC	Power	Transmission
40	Power Planning and Monitoring Company (Private) Limited	PPMC	Power	Management
41	Water and Power Development Authority	WAPDA	Power	GENCOs
42	National Power Parks Management	NPPMCL	Power	GENCOs
43	Neelum Jhelum Hydro Power Company	NJHPC	Power	GENCOs
44	Central Power Purchase Agency (Guarantee) Limited	CPPA (G)	Power	Management
45	Power Holding (Private) Limited	PHPL	Power	Management
46	GENCO Holding Company Limited	GHCL	Power	Management
47	Private Power & Infrastructure Board	PPIB	Power	Management
48	Pakistan Telecommunication Company Limited	PTCL	Infrastructure, Transport & ITC	Communication
49	National Telecommunication Corporation	NTC	Infrastructure, Transport & ITC	Communication

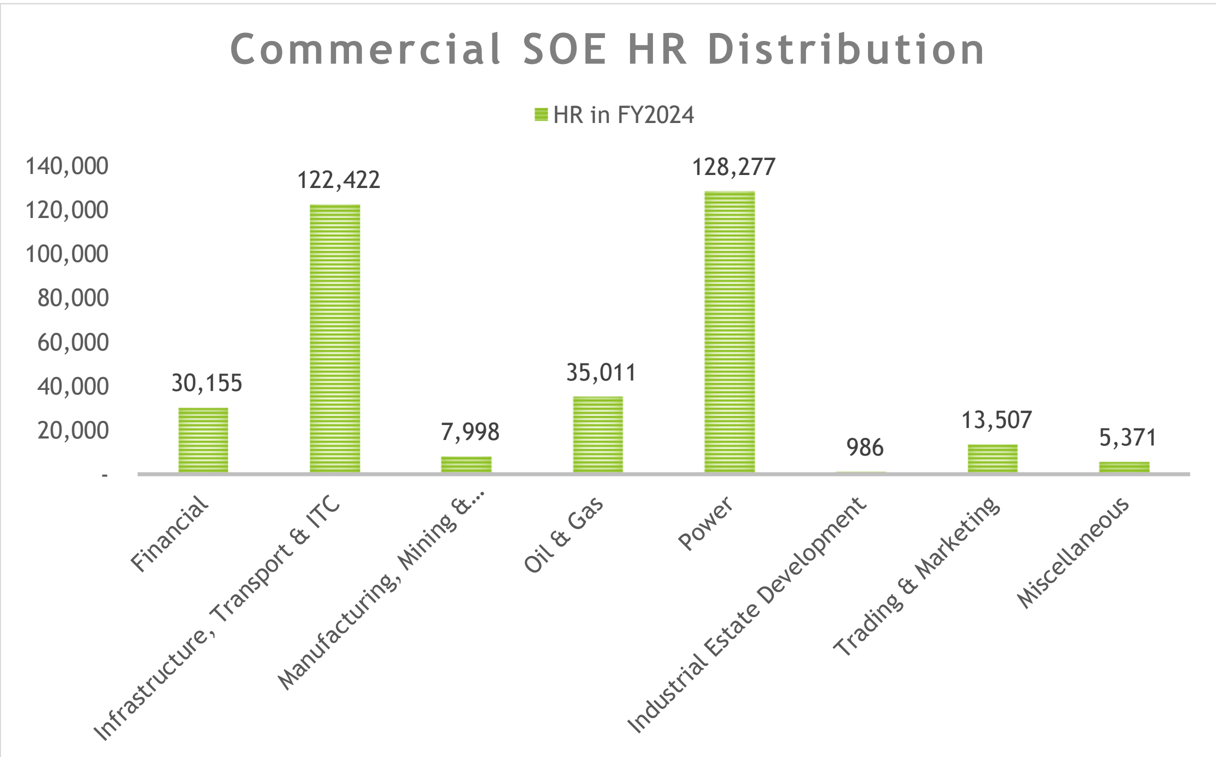
Sr#	Entity name	Abbreviation	Sector	Sub-Sector
50	Pakistan Post Office	PPO	Infrastructure, Transport & ITC	Communication
51	Karachi Port Trust	KPT	Infrastructure, Transport & ITC	Ports & Shipping
52	Pakistan Railways	PR	Infrastructure, Transport & ITC	Railways
53	Railway Constructions Pakistan Limited	RAILCOP	Infrastructure, Transport & ITC	Railways
54	Pakistan Railway Advisory and Consultancy Services Limited	PRACS	Infrastructure, Transport & ITC	Railways
55	PIA Holding Company	PIA	Infrastructure, Transport & ITC	Aviation
56	Pakistan National Shipping Corporation	PNSC	Infrastructure, Transport & ITC	Ports & Shipping
57	National Highway Authority	NHA	Infrastructure, Transport & ITC	Roads & Highways
58	Port Qasim Authority	PQA	Infrastructure, Transport & ITC	Ports & Shipping
59	Gawadar Port Authority	GPA	Infrastructure, Transport & ITC	Ports & Shipping
60	Railway Estate Development and Marketing Company	REDAMCO	Infrastructure, Transport & ITC	Railways
61	Pakistan Infrastructure Development Company Limited	PIDCL	Infrastructure, Transport & ITC	Roads & Highways
62	Pakistan Railway Freight Transportation Company (Pvt) Ltd	PRFTC	Infrastructure, Transport & ITC	Railways
63	State Engineering Corporation (Private) Limited	SEC	Manufacturing, Mining & Engineering	Metals and Mining
64	Pakistan Steel Mills Corporation (Private) Limited	PSM	Manufacturing, Mining & Engineering	Metals and Mining
65	Saindak Metals Limited	SML	Manufacturing, Mining & Engineering	Metals and Mining

Sr#	Entity name	Abbreviation	Sector	Sub-Sector
66	Pakistan Environmental Planning & Architectural Consultants (Private) Limited	PEPAC	Manufacturing, Mining & Engineering	Engineering Consultancy
67	National Engineering Services Pakistan (Private) Limited	NESPAK	Manufacturing, Mining & Engineering	Engineering Consultancy
68	National Security Printing Company (Private) Limited	NSPC	Manufacturing, Mining & Engineering	Printing
69	Printing Corporation of Pakistan (Private) Limited	PCPL	Manufacturing, Mining & Engineering	Printing
70	Pakistan Mineral Development Corporation (Private) Limited	PMDC	Manufacturing, Mining & Engineering	Metals and Mining
71	STEDEC Technology Commercialization Corporation of Pakistan (Private) Limited	STEDEC	Manufacturing, Mining & Engineering	Engineering Consultancy
72	National Construction Limited	NCL	Industrial Estate Development	Industrial Estate Development
73	Pakistan Industrial Development Corporation (Private) Limited	PIDC	Industrial Estate Development	Industrial Estate Development
74	Export Processing Zones Authority	EPZA	Industrial Estate Development	Industrial Estate Development
75	Pakistan Expo Centers (Pvt) Ltd	PEC	Industrial Estate Development	Industrial Estate Development
76	National Fertilizer Corporation of Pakistan (Private) Limited	NFC	Trading & Marketing	Chemicals
77	Trading Corporation of Pakistan (Private) Limited	TCP	Trading & Marketing	Trading
78	Utility Stores Corporation (Private) Limited	USC	Trading & Marketing	Trading
79	Pakistan Agricultural Storage & Services Corporation Limited	PASSCO	Trading & Marketing	Agricultural Storage
80	Pakistan Broadcasting Corporation	PBC	Miscellaneous	Media Entertainment
81	Overseas Employment Corporation (Private) Limited	OECL	Miscellaneous	Other Services
82	Pakistan Television Corporation Limited	PTVC	Miscellaneous	Media Entertainment
83	Pakistan Revenue Automation (Private) Limited	PRAL	Miscellaneous	Other Services
84	Pakistan Tourism Development Corporation	PTDC	Miscellaneous	Promotion & Advocacy

Performance Highlight

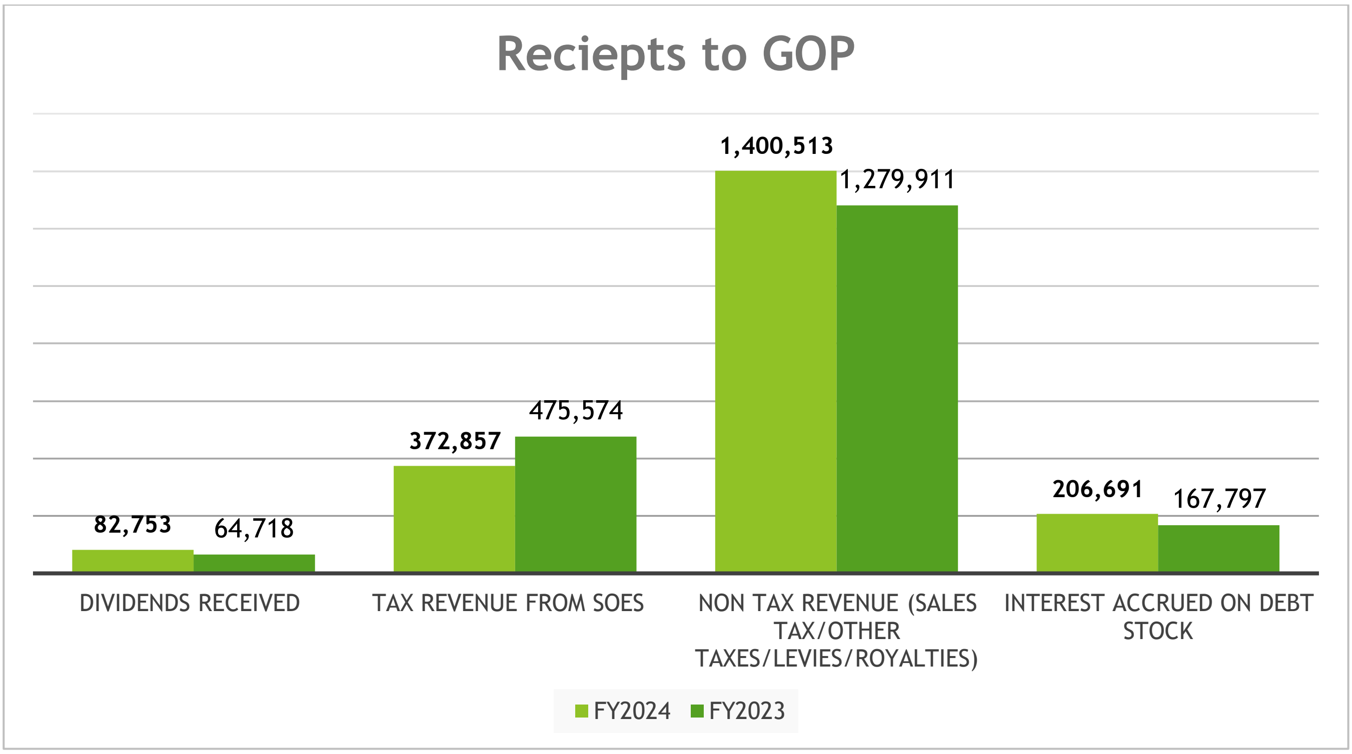
Sector Classification and HR values are in Numbers

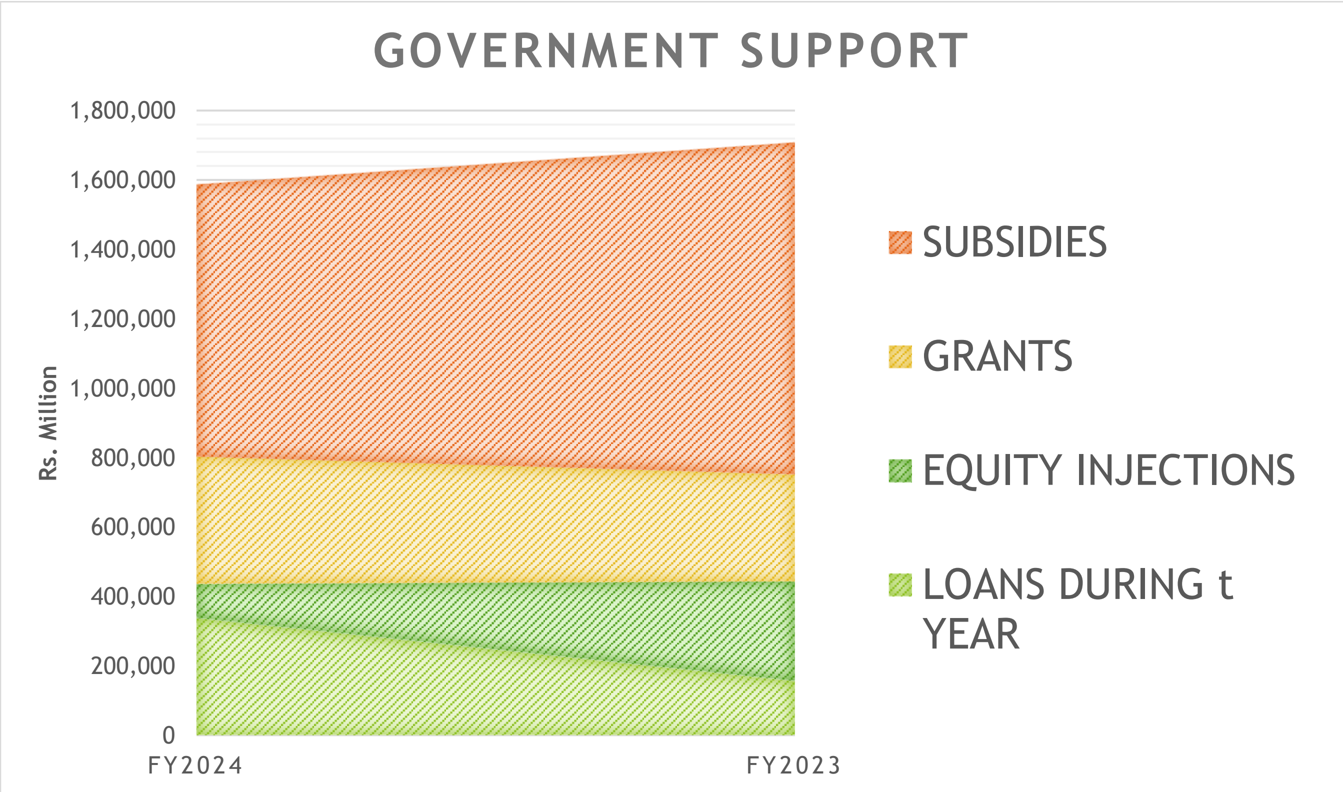


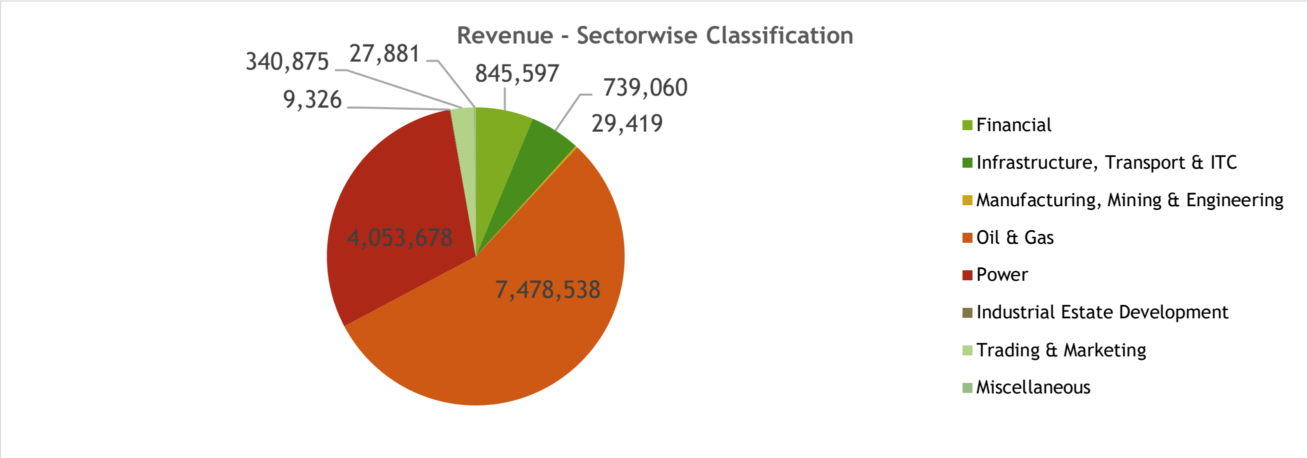


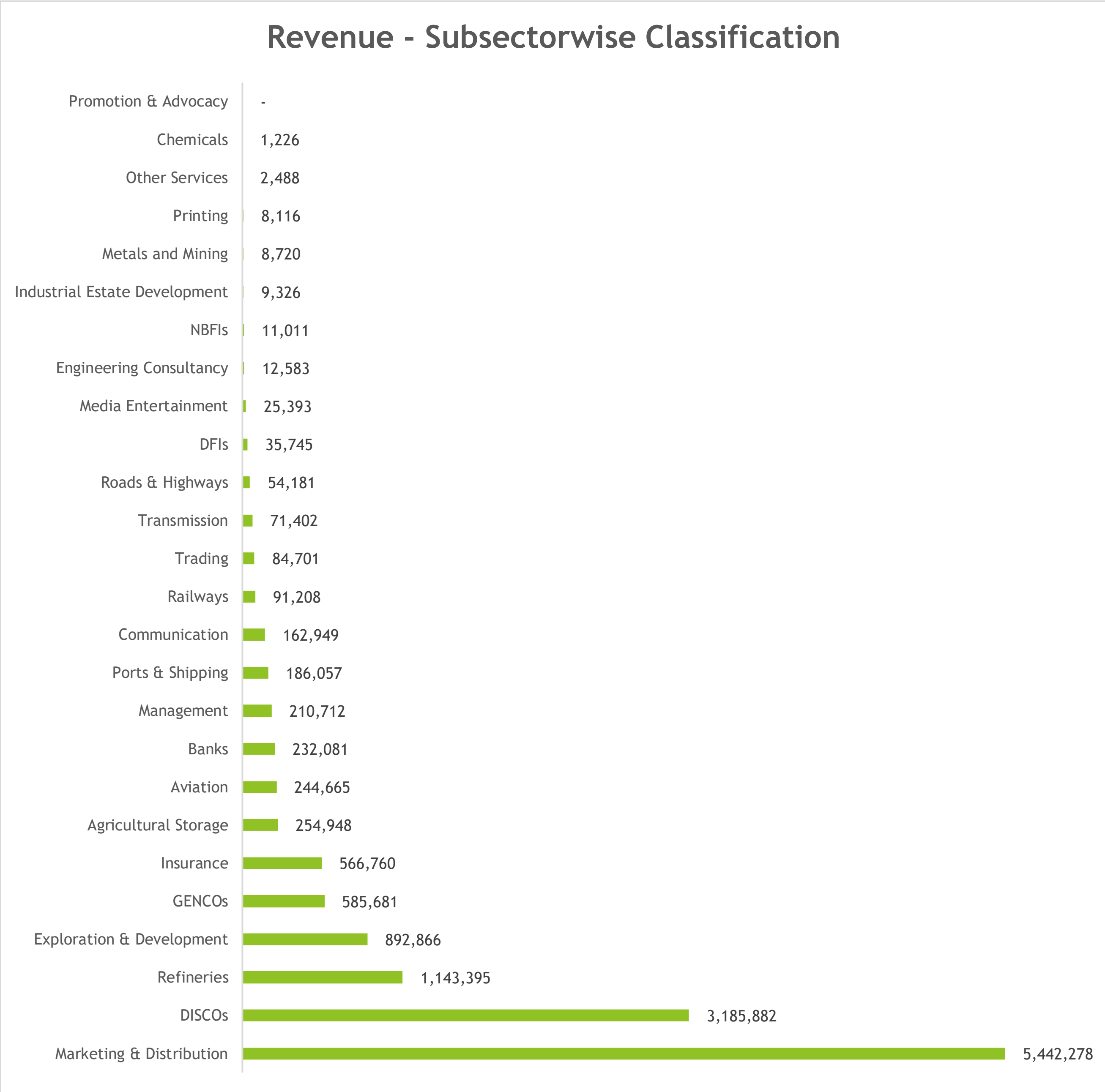
COMMERCIAL SOEs FINANCIAL PERFORMANCE

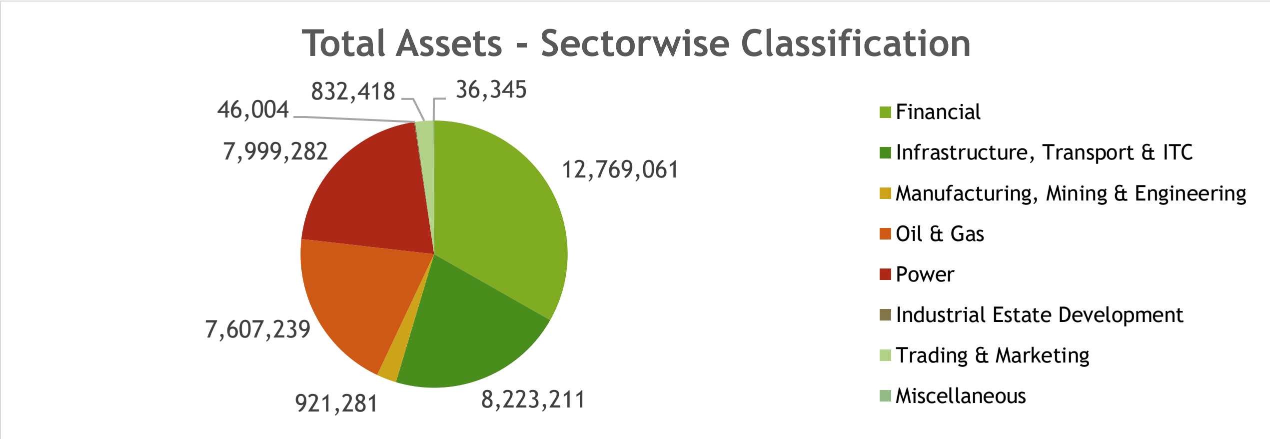
All Financial values are in Million Rs.

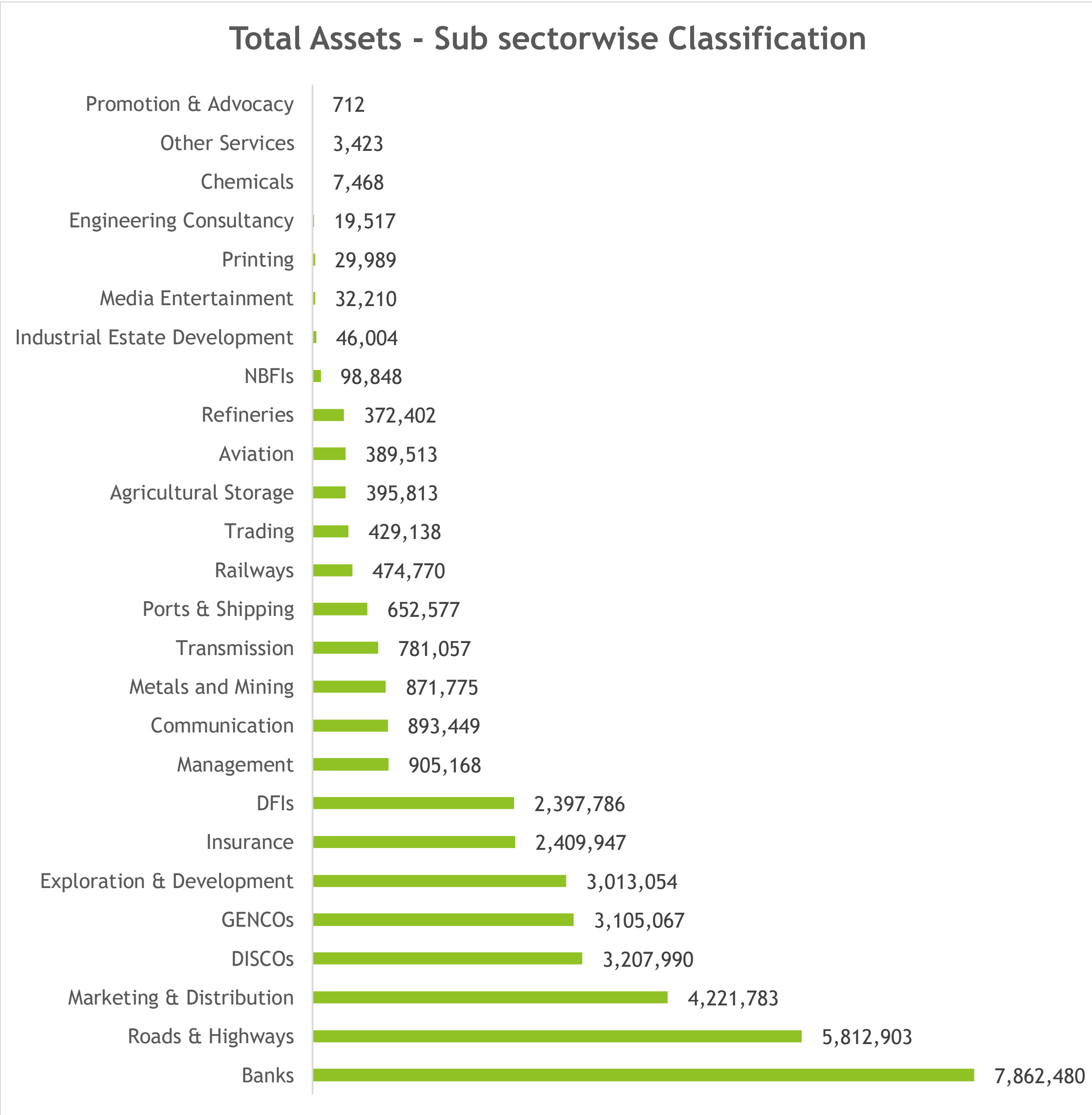


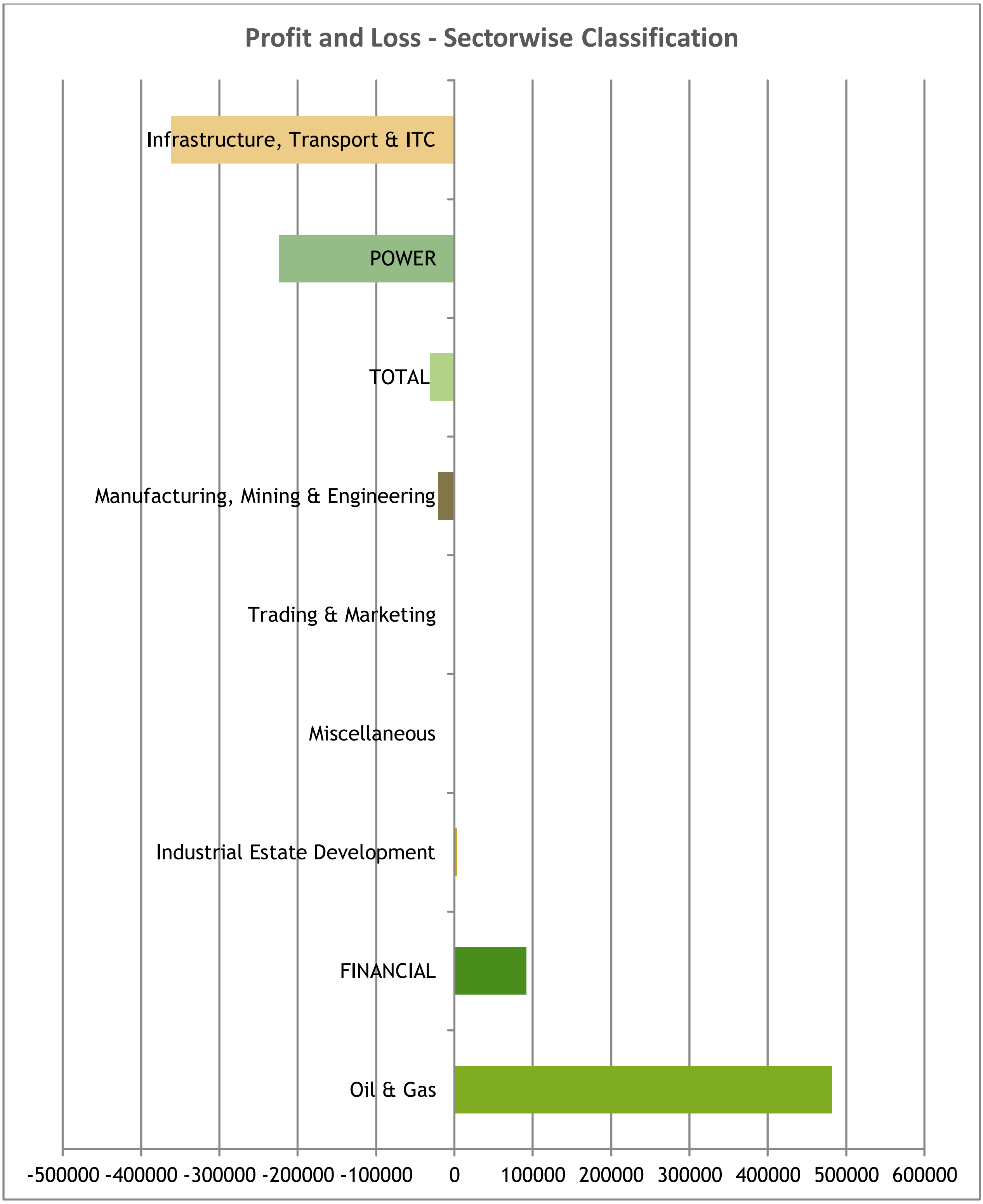


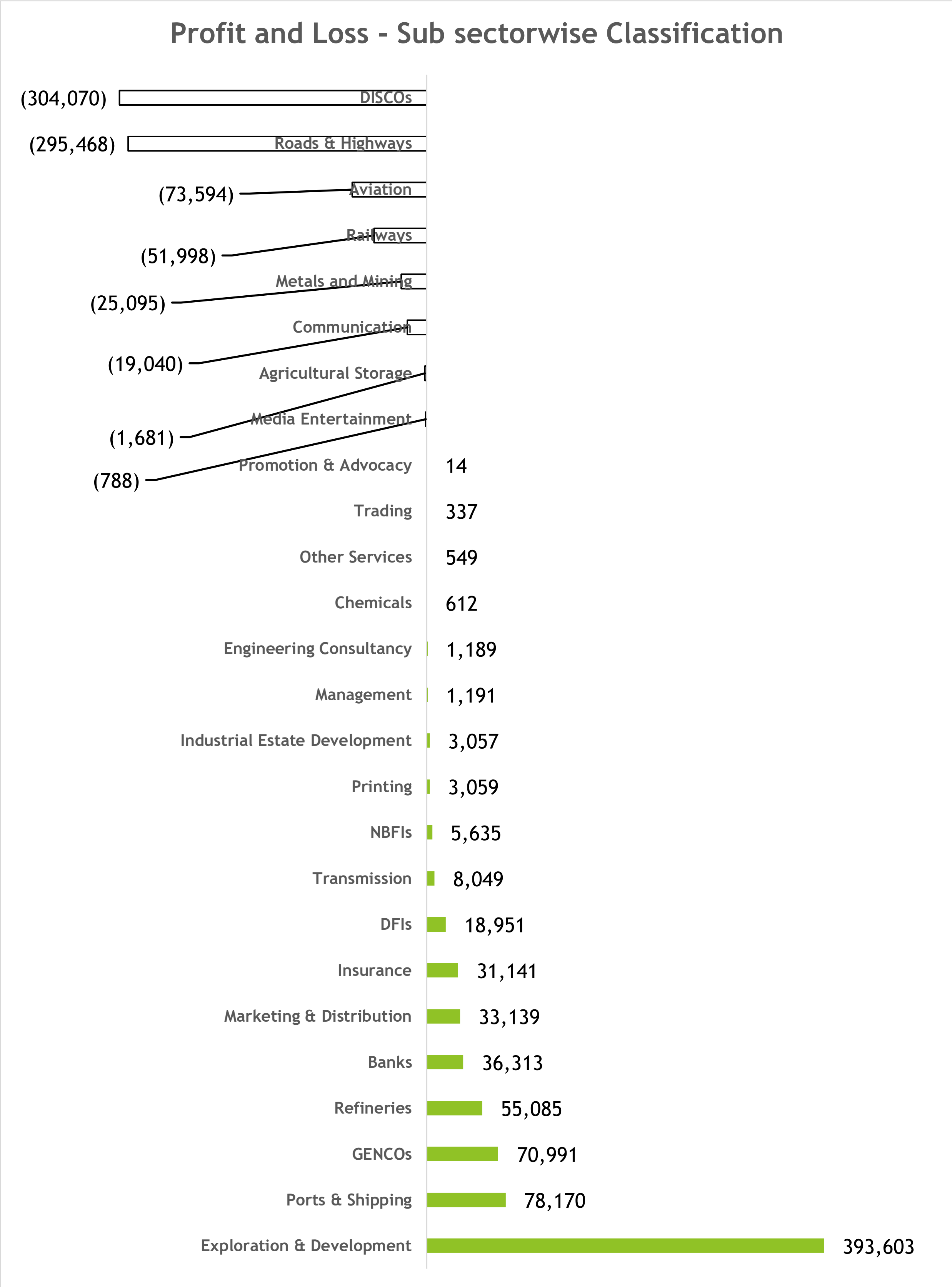

Revenue - Sectorwise Classification
340,875
27,881
9,326
845,597
739,060
29,419
4,053,678
7,478,538
Financial
Infrastructure, Transport & ITC
Manufacturing, Mining & Engineering
Oil & Gas
Power
Industrial Estate Development
Trading & Marketing
Miscellaneous


Revenue - Subsectorwise Classification
Promotion & Advocacy -
Chemicals 1,226
Other Services 2,488
Printing 8,116
Metals and Mining 8,720
Industrial Estate Development 9,326
NBFIs 11,011
Engineering Consultancy 12,583
Media Entertainment 25,393
DFIs 35,745
Roads & Highways 54,181
Transmission 71,402
Trading 84,701
Railways 91,208
Communication 162,949
Ports & Shipping 186,057
Management 210,712
Banks 232,081
Aviation 244,665
Agricultural Storage 254,948
Insurance 566,760
GENCOs 585,681
Exploration & Development 892,866
Refineries 1,143,395
DISCOs 3,185,882
Marketing & Distribution 5,442,278


Total Assets - Sectorwise Classification
832,418
36,345
46,004
7,999,282
12,769,061
7,607,239
921,281
8,223,211
Financial
Infrastructure, Transport & ITC
Manufacturing, Mining & Engineering
Oil & Gas
Power
Industrial Estate Development
Trading & Marketing
Miscellaneous


Total Assets - Sub sectorwise Classification
Promotion & Advocacy 712
Other Services 3,423
Chemicals 7,468
Engineering Consultancy 19,517
Printing 29,989
Media Entertainment 32,210
Industrial Estate Development 46,004
NBFIs 98,848
Refineries 372,402
Aviation 389,513
Agricultural Storage 395,813
Trading 429,138
Railways 474,770
Ports & Shipping 652,577
Transmission 781,057
Metals and Mining 871,775
Communication 893,449
Management 905,168
DFIs 2,397,786
Insurance 2,409,947
Exploration & Development 3,013,054
GENCOs 3,105,067
DISCOs 3,207,990
Marketing & Distribution 4,221,783
Roads & Highways 5,812,903
Banks 7,862,480


Profit and Loss - Sectorwise Classification
Infrastructure, Transport & ITC
POWER
TOTAL
Manufacturing, Mining & Engineering
Trading & Marketing
Miscellaneous
Industrial Estate Development
FINANCIAL
Oil & Gas
-500000 -400000 -300000 -200000 -100000 0 100000 200000 300000 400000 500000 600000


Profit and Loss - Sub sectorwise Classification
DISCOs (304,070)
Roads & Highways (295,468)
Aviation (73,594)
Railways (51,998)
Metals and Mining (25,095)
Communication (19,040)
Agricultural Storage (1,681)
Media Entertainment (788)
Promotion & Advocacy 14
Trading 337
Other Services 549
Chemicals 612
Engineering Consultancy 1,189
Management 1,191
Industrial Estate Development 3,057
Printing 3,059
NBFIs 5,635
Transmission 8,049
DFIs 18,951
Insurance 31,141
Marketing & Distribution 33,139
Banks 36,313
Refineries 55,085
GENCOs 70,991
Ports & Shipping 78,170
Exploration & Development 393,603

Financial Sector

In Rs Million

Sr #	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	National Bank of Pakistan	Financial	Banks	27494	7,110,447	206,749
2	State Life Insurance Corporation	Financial	Insurance	18370	2,112,588	522,883
3	Pak Kuwait Investment Company (Private) Limited	Financial	DFIs	15246	1,062,169	24,684
4	National Insurance Company Limited	Financial	Insurance	10002	138,763	24,059
5	Zarai Taraqiati Bank Limited	Financial	Banks	8409	694,530	23,247
6	Pak China Investment Company Limited	Financial	DFIs	2312	73,426	4,773
7	Pakistan Reinsurance Company Limited	Financial	Insurance	2270	73,344	10,172
8	House Building Finance Company Limited	Financial	NBFIs	2238	60,237	5,195
9	Exim Bank of Pakistan Limited	Financial	NBFIs	2231	22,269	2,664
10	National Investment Trust Limited	Financial	NBFIs	1166	16,343	3,153
11	Pak Iran Investment Company	Financial	DFIs	733	38,568	1,810
12	Pak Brunei Investment Company	Financial	DFIs	591	226,538	1,622
13	Saudi Pak Industrial and Agricultural Investment Company Limited	Financial	DFIs	552	71,680	1,400
14	Postal Life Insurance Company Limited	Financial	Insurance	498	85,253	9,646
15	First Women Bank Limited	Financial	Banks	410	57,503	2,085
16	Pak Oman Investment Company	Financial	DFIs	61	413,928	1,038
17	Pak Libya Holding Company (Private) Limited	Financial	DFIs	(544)	511,477	417

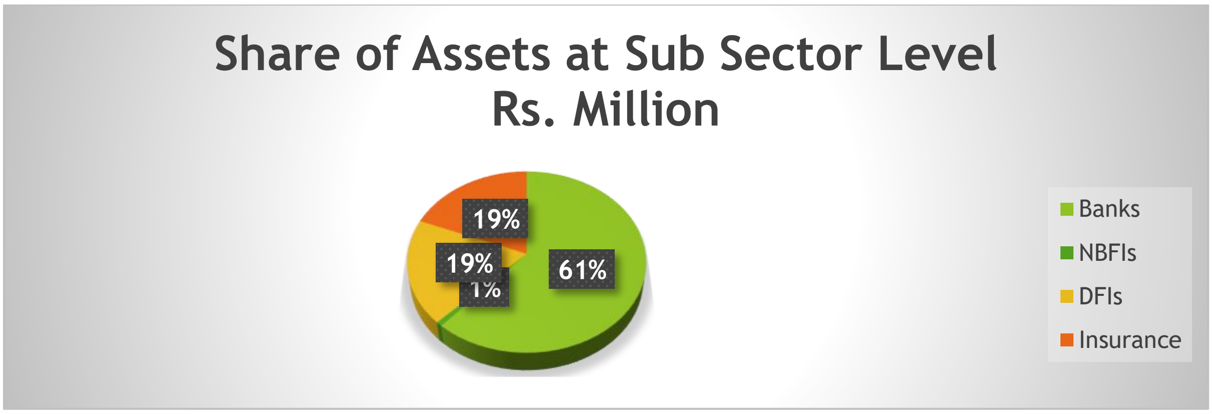
FINANCIAL SECTOR

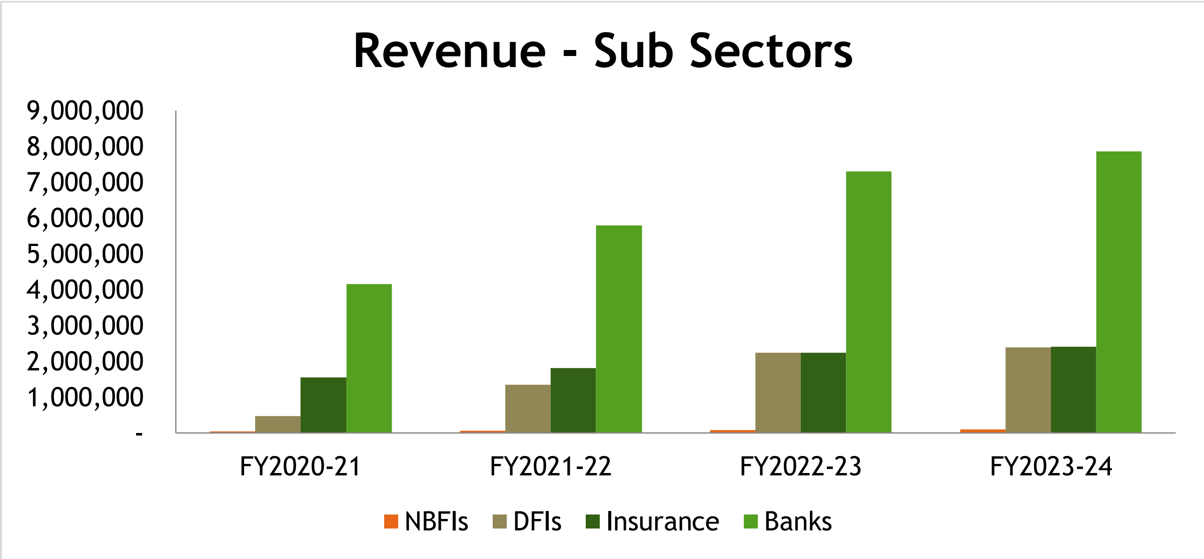
	Financial	
Total number of SOEs	**35**	
Total number of Independent Companies	19	54%
Total number of Subsidiaries	16	46%
Total number of Board of Directors	**113**	
Total number of Executive Directors	22	19%
Total number of Non-Executive Directors	69	61%
Total number of Indpendent Directors	22	19%

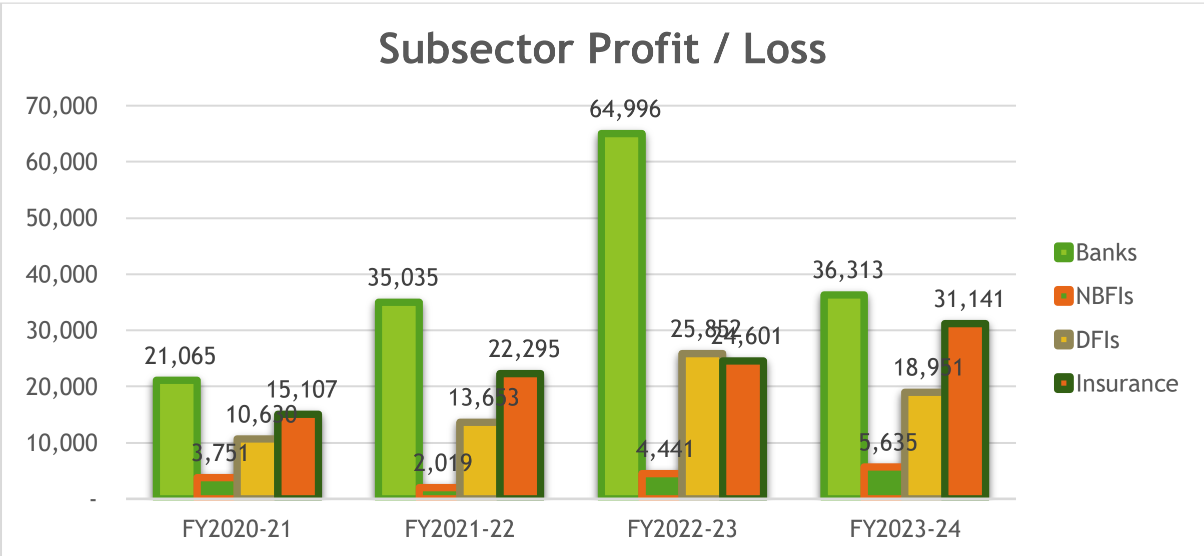
	FY2021-22	FY2022-23	FY2023-24
Total Employees	**30,476**	**30,849**	**30,024**

PKR MILLIONS

	FY2021-22	FY2022-23	FY2023-24	
Lendnigs	**134,324**	**593,437**	**814,242**	37%
Investments	6,244,887	8,363,085	9,002,114	8%
Other Assets	2,640,656	2,905,602	2,952,705	2%
Total Assets	9,019,867	11,862,124	12,769,061	8%
Deposits and Other Accounts	2,786,830	3,808,600	4,244,594	11%
Bills Payable and other Liabilites	2,137,105	2,550,972	2,726,615	7%
Borrowing and Loan	3,516,049	4,704,985	4,981,918	6%
Total Liabilities	8,439,984	11,064,556	11,953,127	8%
Total Equity	579,882	797,568	815,934	2%
Revenue	**624,701**	**867,210**	**845,597**	-2%
Operating Profit/(Loss)	123,414	208,461	155,784	-25%
Net Profit/(Loss)	73,002	119,890	92,040	-23%
Net Profit/Loss Margin	**12%**	**14%**	**11%**	**-21%**
Return on Assets	1.17%	1.43%	1.02%	**-29%**
Investment to Deposit Ratio	224.09%	219.58%	212.08%	**-3%**
Loan to Deposit Ratio	126.17%	123.54%	117.37%	**-5%**
Total Dividned Paid to GOP	3,891	2,530	4,241	**68%**
Tax Paid to GoP	50,413	88,571	63,744	**-28%**
Foreign loans disbursed during the year	-	-	-	**-**
Domestic loans disbursed during the year	-	-	-	**-**
Total subsidies disbursed during the year	-	-	-	**-**
Total equity injection during the year	-	-	3,000	**-**
Net Flow to GoP	54,304	91,101	64,986	**-29%**
Total Loans Outstanding	-	-	-	**-**
Total Guarantees Outstanding	65,000	65,000	65,000	**0%**


Share of Assets at Sub Sector Level
Rs. Million
19%
19%
1%
61%
Banks
NBFIs
DFIs
Insurance


Revenue - Sub Sectors
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
FY2020-21
FY2021-22
FY2022-23
FY2023-24
NBFIs
DFIs
Insurance
Banks


Subsector Profit / Loss
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
21,065
3,751
10,630
15,107
35,035
2,019
13,653
22,295
64,996
4,441
25,852
24,601
36,313
5,635
18,951
31,141
FY2020-21
FY2021-22
FY2022-23
FY2023-24
Banks
NBFIs
DFIs
Insurance

FINANCIAL SECTOR

Financial Sector One pager Accounts

1 Zarai Taraqiati Bank Limited

ZTBL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Banks
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Special Enactment

Shareholding Pattern

GoP	Government of Punjab	Other
100%	0%	0%

Number of Employees	7,130	-5.6%	7551, was the HR strength in FY2023

in Million Rs.

Established 2002

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	20,575	24,496	14,537
Non Markup Interest/Incom	2,672	2,562	1,421
Net Income	23,247	27,058	15,958
Provisions/Reversals	(5,609)	(5,505)	(3,653)
Non-Markup Interest Expens	14,285	14,715	12,153
Total Expense	8,676	9,210	8,500
Operating Profit	14,571	17,847	7,458
Tax	6,162	6,696	2,335
Net Profit/Loss	8,409	11,151	5,123

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	54,000	54,000

Balance Sheet	FY2024	FY2023	FY2022
Investments	508,072	372,112	306,850
All Other Assets	186,458	190,313	184,243
Total Assets	694,530	562,426	491,092
Share Capital	52,678	52,678	52,678
Accumulated Profit/Loss	11,790	11,452	(1,204)
Others	11,790	11,143	8,238
Equity	76,258	75,273	59,713
Deposits & Other Accounts	50,585	55,863	47,333
Other Liabilities	567,687	431,289	384,047
Total Liabilities	618,272	487,152	431,380
Total Equity + Liabilities	694,530	562,425	491,092

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	6,162	6,696
Dividend		
Markup Income	-	-
Total Inflow	**6,162**	**6,696**

Net Flows to GoP	6,162	6,696

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	11.03%	14.81%	8.58%
Return on Assets (ROA)	1.21%	1.98%	1.04%
Return on Capital Invested	1.31%	2.20%	1.15%
Equity Multiplier	910.76%	647.18%	722.43%
Current Ratio	10.04	6.66	6.48
Net Working Capital	457,488	316,249	259,517
LTL to Total Assets	82%	77%	78%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	54,462	54,462
Pension Liablity	-	-

Profit / Loss Graph

FINANCIAL SECTOR

2 National Bank of Pakistan

NBP

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Banks
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Special Enactment

Shareholding Pattern

GoP	Genreral Public	Other
76%	7%	18%

Number of Employees			
	15,693	-1.7%	15960, was the HR strength in FY2023

Established	1949

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	156,740	169,354	117,102
Non Markup Interest/Incom	50,009	44,772	39,273
Net Income	206,749	214,126	156,375
Provisions/Reversals	55,676	15,382	13,116
Non-Markup Interest Expens	97,909	95,445	79,661
Total Expense	153,585	110,827	92,778
Operating Profit	53,164	103,299	63,597
Tax	25,671	49,978	32,648
Net Profit/Loss	27,494	53,321	30,949

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	
Grants	-	
Equity Injection	-	
Loans in CFY	-	
Total Outflow	-	-
GoP Loans Outstanding	-	
GoP Guarantee Outstanding	-	

Balance Sheet	FY2024	FY2023	FY2022
Investments	4,728,866	4,414,174	3,482,936
All Other Assets	2,381,581	2,254,700	1,768,830
Total Assets	7,110,447	6,668,874	5,251,766
Share Capital	21,275	21,275	21,275
Accumulated Profit/Loss	208,968	225,693	178,190
Others	156,241	150,445	110,836
Equity	386,485	397,414	310,300
Deposits & Other Accounts	4,102,585	3,673,110	2,665,273
Other Liabilities	2,621,377	2,598,350	2,276,192
Total Liabilities	6,723,962	6,271,460	4,941,466
Total Equity + Liabilities	7,110,447	6,668,874	5,251,766

Value Addition / Inflow

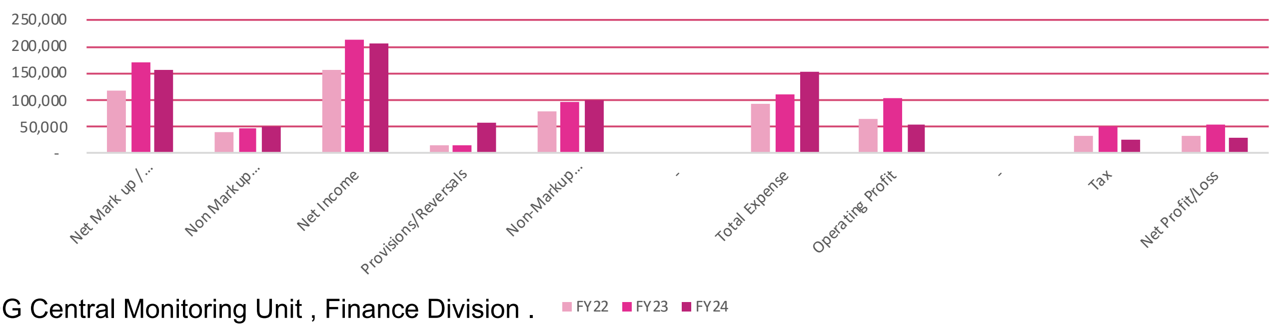
	FY2024	FY2023
Other Tax Contribution	-	
Tax Revenue	25,671	49,978
Dividend		
Markup Income	-	
Total Inflow	**25,671**	**49,978**

Net Flows to GoP	25,671	49,978

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	7.11%	13.42%	9.97%
Return on Assets (ROA)	0.39%	0.80%	0.59%
Return on Capital Invested	0.91%	1.78%	1.20%
Equity Multiplier	1839.77%	1578.07%	1592.48%
Current Ratio	1.15	1.20	1.31
Net Working Capital	626,281	741,064	817,663
LTL to Total Assets	37%	39%	43%

Debt Information	FY2024	FY2023
Cash Development Loan	-	
Foreign Relent Loan	-	
Bank Loan	-	
Accrued Interest	-	
Other Loan	69,304	
Pension Liablity	-	

Profit / Loss Graph



3 First Women Bank Limited

FWBL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Banks
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	NBP	Other
83%	2%	15%

Number of Employees	482	-13.2%	555, was the HR strength in FY2023

in Million Rs.

Established 1989

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	1,893	2,091	539
Non Markup Interest/Incom	192	94	41
Net Income	2,085	2,185	580
Provisions/Reversals	66	112	27
Non-Markup Interest Expens	1,514	1,423	595
Total Expense	1,581	1,535	622
Operating Profit	504	650	(42)
Tax	95	126	29
Net Profit/Loss	410	524	(71)

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	41,917	44,360	29,189
All Other Assets	15,586	27,018	16,969
Total Assets	57,503	71,378	46,158
Share Capital	3,994	3,994	3,994
Accumulated Profit/Loss	(1,787)	(1,638)	(2,306)
Others	800	1,202	624
Equity	3,007	3,558	2,312
Deposits & Other Accounts	28,335	31,332	24,856
Other Liabilities	26,161	36,488	18,989
Total Liabilities	54,496	67,820	43,845
Total Equity + Liabilities	57,503	71,378	46,158

Value Addition / Inflow

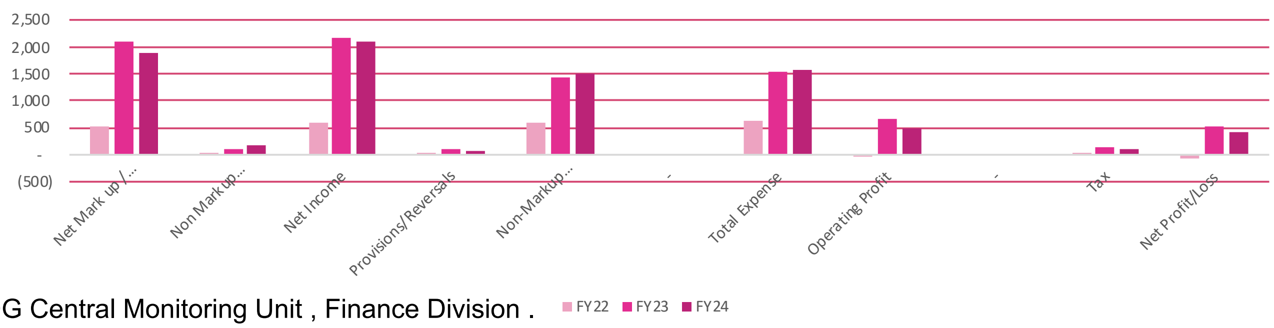
Other Tax Contribution		
Tax Revenue	95	126
Dividend		
Markup Income		
Total Inflow	**95**	**126**

Net Flows to GoP	95	126

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	13.63%	14.73%	-3.06%
Return on Assets (ROA)	0.71%	0.73%	-0.15%
Return on Capital Invested	1.40%	1.31%	-0.33%
Equity Multiplier	1912.54%	1906.13%	1896.15%
Current Ratio	1.48	1.42	1.17
Net Working Capital	13,582	13,028	4,332
LTL to Total Assets	45%	51%	41%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



4 House Building Finance Company Limited

HBFC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	NBFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	SBP	Other
10%	90%	0%

Number of Employees	480	-5.7%	509, was the HR strength in FY2023

Established 1952

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	5,083	4,776	3,193
Non Markup Interest/Incom	112	116	89
Net Income	5,195	4,891	3,282
Provisions/Reversals	(72)	(323)	(262)
Non-Markup Interest Expens	1,685	1,883	1,636
Total Expense	1,613	1,560	1,374
Operating Profit	3,582	3,331	1,908
Tax	1,344	1,069	430
Net Profit/Loss	2,238	2,262	1,478

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	11,000	11,000

Balance Sheet	FY2024	FY2023	FY2022
Investments	40,117	34,177	18,009
All Other Assets	20,119	21,057	19,297
Total Assets	60,237	55,234	37,306
Share Capital	19,365	19,365	19,365
Accumulated Profit/Loss	5,450	4,574	1,574
Others	2,932	2,701	2,166
Equity	27,747	26,640	23,105
Deposits & Other Accounts	-	-	-
Other Liabilities	32,489	28,594	14,201
Total Liabilities	32,489	28,594	14,201
Total Equity + Liabilities	60,237	55,234	37,306

Value Addition / Inflow

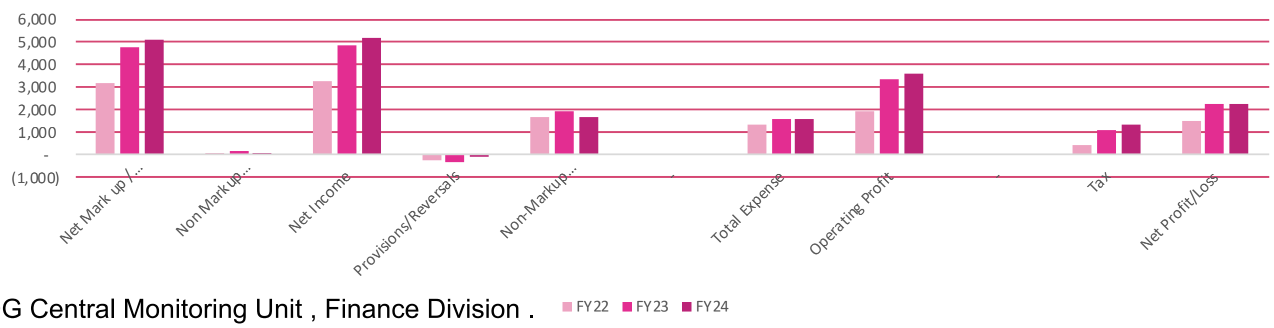
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	1,344	1,069
Dividend		
Markup Income	-	-
Total Inflow	**1,344**	**1,069**

Net Flows to GoP	1,344	1,069

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	8.07%	8.49%	6.40%
Return on Assets (ROA)	3.72%	4.09%	3.96%
Return on Capital Invested	3.72%	4.09%	3.96%
Debt/Equity	117.09%	107.34%	61.46%
Current Ratio			
Net Working Capital	40,117	34,177	18,009
LTL to Total Assets	54%	52%	38%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	1,012	-

Profit / Loss Graph



FINANCIAL SECTOR

5 Pak China Investment Company Limited

PCICL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of China	Other
50%	50%	0%

Number of Employees	45	0.0%	45, was the HR strength in FY2023

in Million Rs.

Established 2007

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	4,247	4,109	2,376
Non Markup Interest/Incom	527	888	838
Net Income	4,773	4,997	3,214
Provisions/Reversals	257	450	572
Non-Markup Interest Expens	824	768	610
Total Expense	1,081	1,219	1,182
Operating Profit	3,692	3,778	2,032
Tax	1,381	1,426	806
Net Profit/Loss	2,312	2,352	1,226

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	43,440	18,325	73,659
All Other Assets	29,986	27,577	20,776
Total Assets	73,426	45,901	94,435
Share Capital	10,021	9,921	9,911
Accumulated Profit/Loss	10,285	9,450	7,753
Others	2,784	2,384	2,112
Equity	23,090	21,756	19,776
Deposits & Other Accounts	391	371	1,503
Other Liabilities	49,945	23,775	73,156
Total Liabilities	50,336	24,146	74,659
Total Equity + Liabilities	73,426	45,901	94,435

Value Addition / Inflow

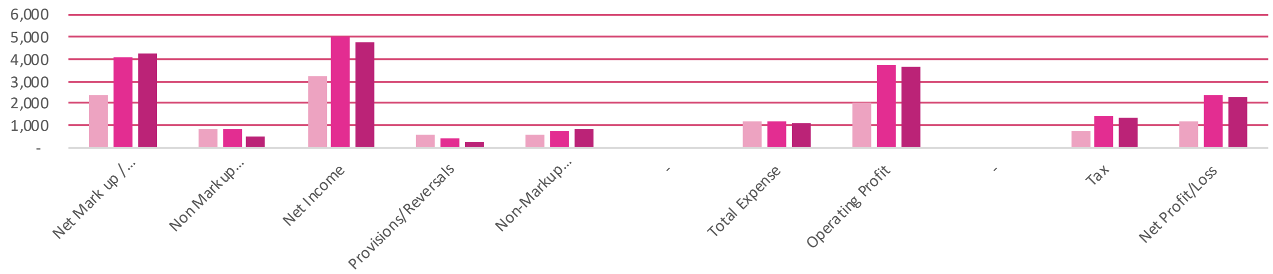
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	1,381	1,426
Dividend		
Markup Income		
Total Inflow	**1,381**	**1,426**

Net Flows to GoP	1,381	1,426

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	10.01%	10.81%	6.20%
Return on Assets (ROA)	3.15%	5.12%	1.30%
Return on Capital Invested	3.17%	5.17%	1.32%
Debt/Equity	218.00%	110.98%	377.53%
Current Ratio	111.20	49.45	48.99
Net Working Capital	43,049	17,954	72,155
LTL to Total Assets	68%	52%	77%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



6 Pak Iran Investment Company

PAIR

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Iran	Other
50%	50%	0%

Number of Employees	52	2.0%	51, was the HR strength in FY2023

in Million Rs.

Established	2007

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	1,624	1,701	1,112
Non Markup Interest/Incom	186	224	110
Net Income	1,810	1,924	1,221
Provisions/Reversals	72	171	97
Non-Markup Interest Expens	599	647	470
Total Expense	671	818	567
Operating Profit	1,139	1,106	654
Tax	405	337	208
Net Profit/Loss	733	769	446

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	24,168	22,651	21,089
All Other Assets	14,401	13,791	11,652
Total Assets	38,568	36,442	32,741
Share Capital	6,000	6,000	6,000
Accumulated Profit/Loss	3,181	3,146	2,948
Others	1,381	1,435	825
Equity	10,562	10,581	9,773
Deposits & Other Accounts	3,686	2,724	1,772
Other Liabilities	24,320	23,136	21,196
Total Liabilities	28,006	25,861	22,968
Total Equity + Liabilities	38,568	36,442	32,741

Value Addition / Inflow

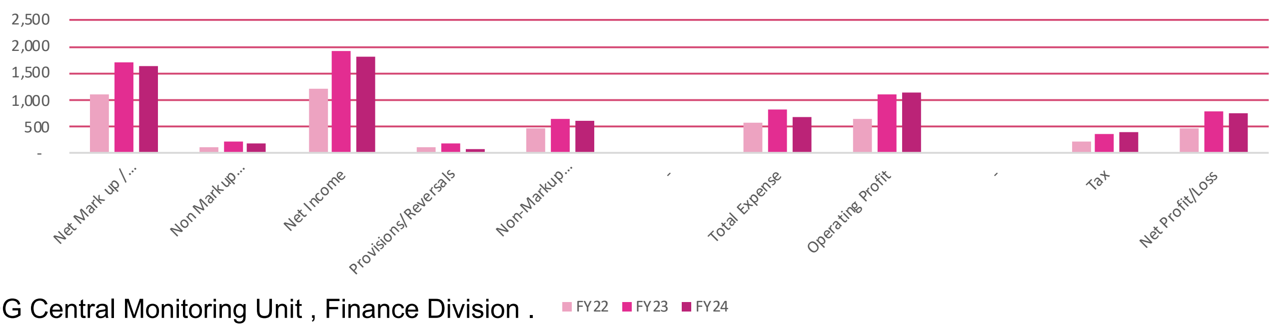
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	405	337
Dividend	225	175
Markup Income		
Total Inflow	**630**	**512**

Net Flows to GoP	630	512

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	6.94%	7.27%	4.56%
Return on Assets (ROA)	1.90%	2.11%	1.36%
Return on Capital Invested	2.10%	2.28%	1.44%
Debt/Equity	265.16%	244.40%	235.01%
Current Ratio	6.56	8.31	11.90
Net Working Capital	20,482	19,926	19,317
LTL to Total Assets	63%	63%	65%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



7 Pak Libya Holding Company (Private) Limited

PLHC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Libya	Other
50%	50%	0%

Number of Employees	71	-20.2%	89, was the HR strength in FY2023

Established	1978

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	(1,361)	841	(2)
Non Markup Interest/Incom	1,779	(80)	(77)
Net Income	417	761	(78)
Provisions/Reversals	83	(128)	(374)
Non-Markup Interest Expens	1,480	553	514
Total Expense	1,563	425	140
Operating Profit	(1,146)	336	(218)
Tax	(602)	111	88
Net Profit/Loss	(544)	225	(306)

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	480,948	392,606	106,689
All Other Assets	30,529	19,096	18,002
Total Assets	511,477	411,702	124,691
Share Capital	8,142	8,142	8,142
Accumulated Profit/Loss	(2,728)	(2,220)	(2,398)
Others	(1,080)	1,308	(1,632)
Equity	4,334	7,230	4,111
Deposits & Other Accounts	7,666	5,006	5,627
Other Liabilities	499,477	399,466	114,952
Total Liabilities	507,143	404,472	120,579
Total Equity + Liabilities	511,477	411,702	124,691

Value Addition / Inflow

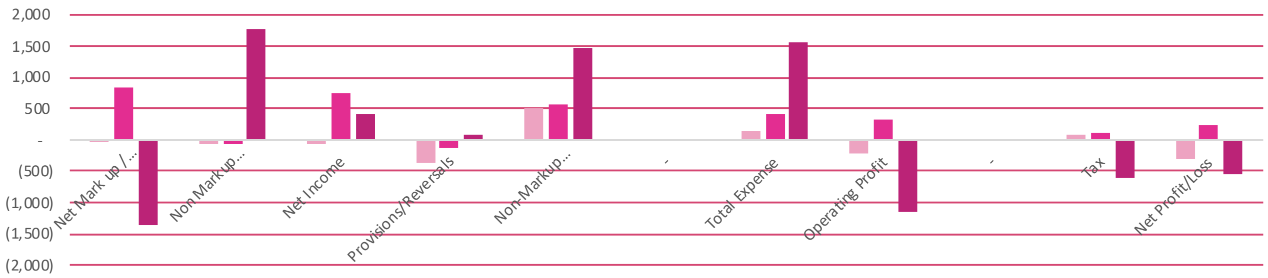
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	(602)	111
Dividend		
Markup Income		
Total Inflow	**(602)**	**111**

Net Flows to GoP	(602)	111

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-12.55%	3.11%	-7.46%
Return on Assets (ROA)	-0.11%	0.05%	-0.25%
Return on Capital Invested	-0.11%	0.06%	-0.26%
Debt/Equity	11701.18%	5594.36%	2932.91%
Current Ratio	62.74	78.43	18.96
Net Working Capital	473,282	387,600	101,061
LTL to Total Assets	98%	97%	92%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



FINANCIAL SECTOR

8 Pak Oman Investment Company

POIC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	UnConsolidated
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Ministry of Finance Govt. of Oman	Other
50%	50%	0%

Number of Employees	125	5.0%	119, was the HR strength in FY2023

in Million Rs.

Established 2001

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	17	2,826	832
Non Markup Interest/Incom	1,021	446	570
Net Income	1,038	3,272	1,402
Provisions/Reversals	36	1,048	109
Non-Markup Interest Expens	1,057	1,226	688
Total Expense	1,093	2,274	797
Operating Profit	(55)	998	604
Tax	(116)	255	198
Net Profit/Loss	61	742	406

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	382,836	335,500	125,434
All Other Assets	31,092	31,440	32,161
Total Assets	413,928	366,940	157,595
Share Capital	6,150	6,150	6,150
Accumulated Profit/Loss	(212)	245	423
Others	1,691	2,160	1,905
Equity	7,629	8,555	8,478
Deposits & Other Accounts	13,020	12,218	13,521
Other Liabilities	393,279	346,166	135,596
Total Liabilities	406,299	358,385	149,117
Total Equity + Liabilities	413,928	366,940	157,595

Value Addition / Inflow

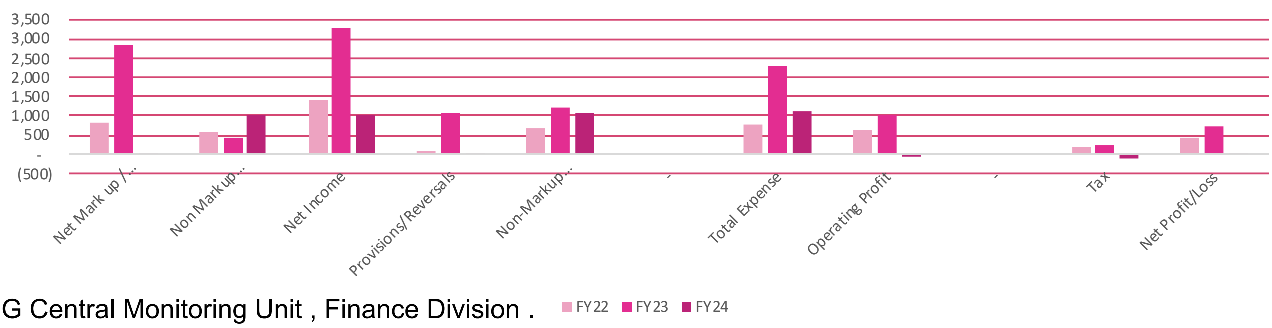
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	(116)	255
Dividend	169	154
Markup Income		
Total Inflow	**53**	**409**

Net Flows to GoP	53	409

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	0.79%	8.68%	4.79%
Return on Assets (ROA)	0.01%	0.20%	0.26%
Return on Capital Invested	0.02%	0.21%	0.28%
Debt/Equity	5325.79%	4189.13%	1758.87%
Current Ratio	29.40	27.46	9.28
Net Working Capital	369,816	323,282	111,913
LTL to Total Assets	95%	94%	86%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



9 Pak Kuwait Investment Company (Private) Limited

PKIC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Kuwait	Other
50%	50%	0%

Number of Employees			
	88	11.4%	79, was the HR strength in FY2023

Established	1979

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	(5,411)	6,077	2,532
Non Markup Interest/Incom	30,095	28,004	14,653
Net Income	24,684	34,081	17,185
Provisions/Reversals	(164)	(146)	1,175
Non-Markup Interest Expens	2,526	2,759	2,015
Total Expense	2,362	2,613	3,190
Operating Profit	22,322	31,467	13,995
Tax	7,076	11,172	2,965
Net Profit/Loss	15,246	20,296	11,030

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

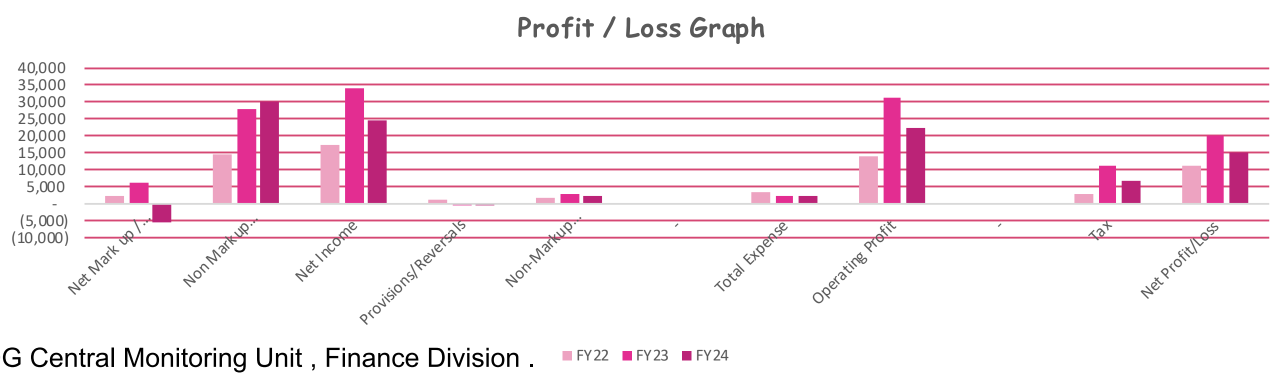
Balance Sheet	FY2024	FY2023	FY2022
Investments	974,956	1,045,809	724,288
All Other Assets	87,213	93,641	73,808
Total Assets	1,062,169	1,139,450	798,096
Share Capital	16,000	16,000	16,000
Accumulated Profit/Loss	45,391	40,897	22,493
Others	21,015	20,580	11,449
Equity	82,405	77,477	49,941
Deposits & Other Accounts	27,023	19,271	13,685
Other Liabilities	952,741	1,042,702	734,470
Total Liabilities	979,764	1,061,973	748,155
Total Equity + Liabilities	1,062,169	1,139,450	798,096

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	7,076	11,172
Dividend	656	
Markup Income		
Total Inflow	**7,731**	**11,172**
Net Flows to GoP	**7,731**	**11,172**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	18.50%	26.20%	22.09%
Return on Assets (ROA)	1.44%	1.78%	1.38%
Return on Capital Invested	1.47%	1.81%	1.41%
Debt/Equity	1188.96%	1370.70%	1498.07%
Current Ratio	36.08	54.27	52.93
Net Working Capital	947,933	1,026,538	710,603
LTL to Total Assets	90%	92%	92%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		



10 Pak Brunei Investment Company

PBIC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Brunei	Other
50%	50%	0%

Number of Employees	87	11.5%	78, was the HR strength in FY2023

in Million Rs.

Established 2006

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	1,046	1,826	1,118
Non Markup Interest/Incom	576	571	250
Net Income	1,622	2,396	1,368
Provisions/Reversals	138	289	(20)
Non-Markup Interest Expens	775	710	549
Total Expense	913	1,000	528
Operating Profit	709	1,397	839
Tax	118	437	298
Net Profit/Loss	591	960	541

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	187,848	156,763	42,816
All Other Assets	38,690	32,539	38,487
Total Assets	226,538	189,302	81,304
Share Capital	6,000	6,000	6,000
Accumulated Profit/Loss	3,347	3,351	3,509
Others	1,797	1,557	606
Equity	11,144	10,908	10,115
Deposits & Other Accounts	174	12	55
Other Liabilities	215,220	178,381	71,134
Total Liabilities	215,394	178,393	71,189
Total Equity + Liabilities	226,538	189,302	81,304

Value Addition / Inflow

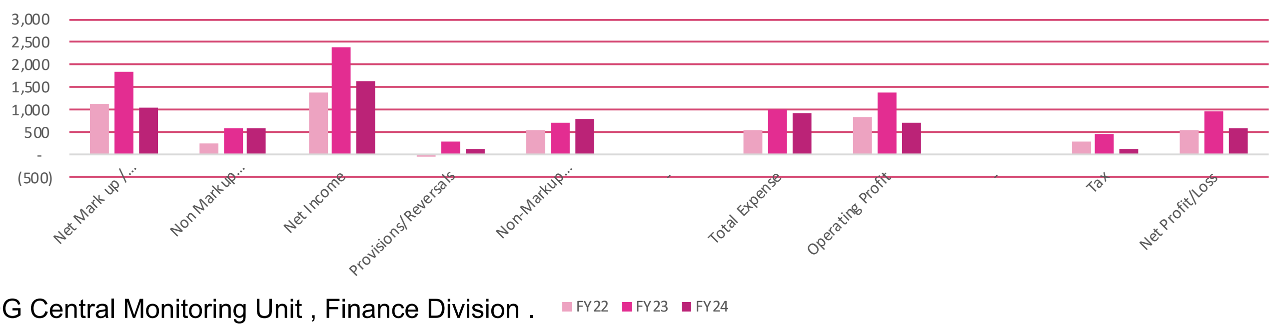
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	118	437
Dividend	150	
Markup Income		
Total Inflow	**268**	**437**

Net Flows to GoP	268	437

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	5.30%	8.80%	5.35%
Return on Assets (ROA)	0.26%	0.51%	0.67%
Return on Capital Invested	0.26%	0.51%	0.67%
Debt/Equity	1932.86%	1635.40%	703.78%
Current Ratio	1078.64	12642.15	781.78
Net Working Capital	187,674	156,750	42,761
LTL to Total Assets	95%	94%	87%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



FINANCIAL SECTOR

11 Saudi Pak Industrial and Agricultural Investment Company Lim

SPIAICL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	DFIs
Ministry	M/o Finance
Accounts are:	UnConsolidated
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Saudi Arabia	Other
50%	50%	0%

Number of Employees 67 -4.3%

70, was the HR strength in FY2023

in Million Rs.

Established 1981

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	320	334	499
Non Markup Interest/Incom	1,080	1,253	740
Net Income	1,400	1,587	1,240
Provisions/Reversals	248	467	318
Non-Markup Interest Expens	566	561	528
Total Expense	813	1,029	846
Operating Profit	587	558	394
Tax	34	50	83
Net Profit/Loss	552	508	311

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	51,648	35,337	36,321
All Other Assets	20,031	20,801	17,286
Total Assets	71,680	56,137	53,607
Share Capital	6,765	6,765	6,765
Accumulated Profit/Loss	4,279	3,943	4,175
Others	3,421	3,471	3,103
Equity	14,464	14,179	14,044
Deposits & Other Accounts	6,158	3,665	1,953
Other Liabilities	51,057	38,294	37,610
Total Liabilities	57,215	41,959	39,563
Total Equity + Liabilities	71,680	56,137	53,607

Value Addition / Inflow

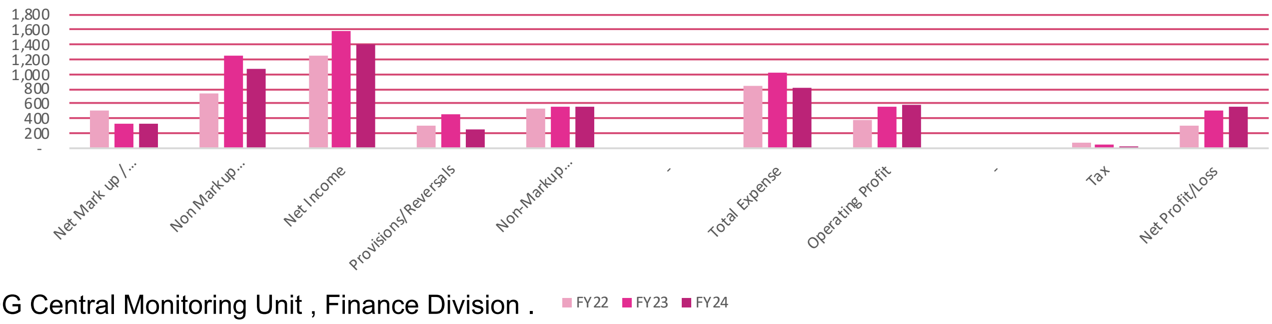
Other Tax Contribution		
Tax Revenue	34	50
Dividend		
Markup Income		
Total Inflow	**34**	**50**

Net Flows to GoP **34** **50**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	3.82%	3.58%	2.21%
Return on Assets (ROA)	0.77%	0.90%	0.58%
Return on Capital Invested	0.84%	0.97%	0.60%
Debt/Equity	395.56%	295.92%	281.72%
Current Ratio	8.39	9.64	18.60
Net Working Capital	45,490	31,672	34,368
LTL to Total Assets	71%	68%	70%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



12 State Life Insurance Corporation

SLIC

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Insurance
Ministry	M/o Commerce
Accounts are:	UnConsolidated
Reporting Period End	31-Dec-2023
Incorporation	Special Enactment

Shareholding Pattern

GoP	Employee s	Other
100%	0%	0%

Number of Employees	4,876	-0.3%	4890, was the HR strength in FY2023

in Million Rs.

Established 1972

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	241,878	267,844	243,393
Non Markup Interest/Incom	281,005	257,852	140,115
Net Income	522,883	525,696	383,508
Provisions/Reversals	229,505	253,704	-
Non-Markup Interest Expens	263,003	247,513	362,866
Total Expense	492,508	501,217	362,866
Operating Profit	30,375	24,479	20,642
Tax	12,005	9,760	6,939
Net Profit/Loss	18,370	14,720	13,702

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	1,417,941	1,386,552	1,233,660
All Other Assets	694,646	544,132	368,648
Total Assets	2,112,588	1,930,684	1,602,308
Share Capital	8,000	8,000	6,200
Accumulated Profit/Loss	39,611	30,470	18,191
Others	1,032	1,662	3,413
Equity	48,643	40,132	27,803
Deposits & Other Accounts	-	-	-
Other Liabilities	2,063,945	1,890,551	1,574,505
Total Liabilities	2,063,945	1,890,551	1,574,505
Total Equity + Liabilities	2,112,588	1,930,684	1,602,308

Value Addition / Inflow

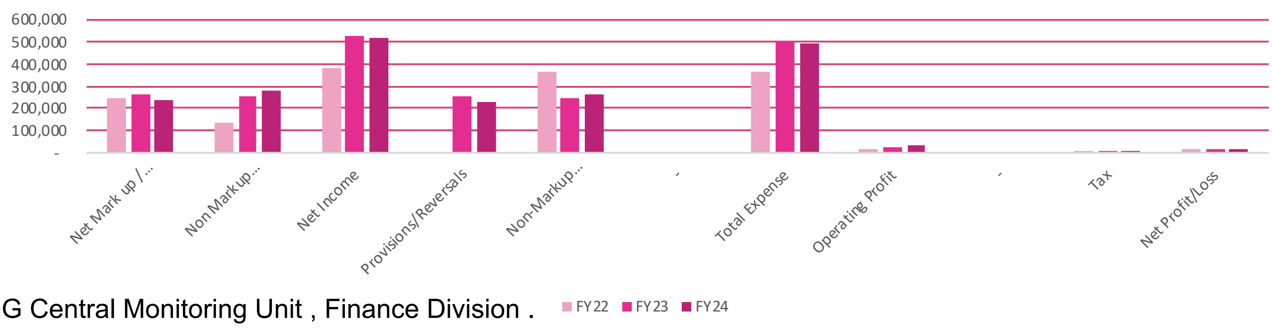
Other Tax Contribution		
Tax Revenue	12,005	9,760
Dividend	2,500	2,000
Markup Income		
Total Inflow	**14,505**	**11,760**

Net Flows to GoP	14,505	11,760

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	37.77%	36.68%	49.28%
Return on Assets (ROA)	0.87%	0.76%	0.86%
Return on Capital Invested	0.87%	0.76%	0.86%
Debt/Equity	4243.08%	4710.81%	5662.98%
Current Ratio			
Net Working Capital	1,417,941	1,386,552	1,233,660
LTL to Total Assets	98%	98%	98%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



FINANCIAL SECTOR

13 National Insurance Company Limited

NICL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Insurance
Ministry	M/o Commerce
Accounts are:	Un-Audited
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee s	Other
100%	0%	0%

Number of Employees	592	0.0%	592, was the HR strength in FY2023

in Million Rs.

Established 2000

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	10,087	9,563	-
Non Markup Interest/Incom	13,972	12,166	16,577
Net Income	24,059	21,729	16,577
Provisions/Reversals	-	6,299	-
Non-Markup Interest Expens	7,661	4,756	8,781
Total Expense	7,661	11,055	8,781
Operating Profit	16,397	10,674	7,796
Tax	6,395	4,163	2,261
Net Profit/Loss	10,002	6,511	5,535

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	56,593	57,927	-
All Other Assets	82,169	86,184	70,462
Total Assets	138,763	144,111	70,462
Share Capital	2,000	2,000	2,000
Accumulated Profit/Loss	47,194	40,948	30,779
Others	14,624	14,324	-
Equity	63,817	57,271	32,779
Deposits & Other Accounts	678	1,018	-
Other Liabilities	74,267	85,822	37,683
Total Liabilities	74,945	86,839	37,683
Total Equity + Liabilities	138,763	144,111	70,462

Value Addition / Inflow

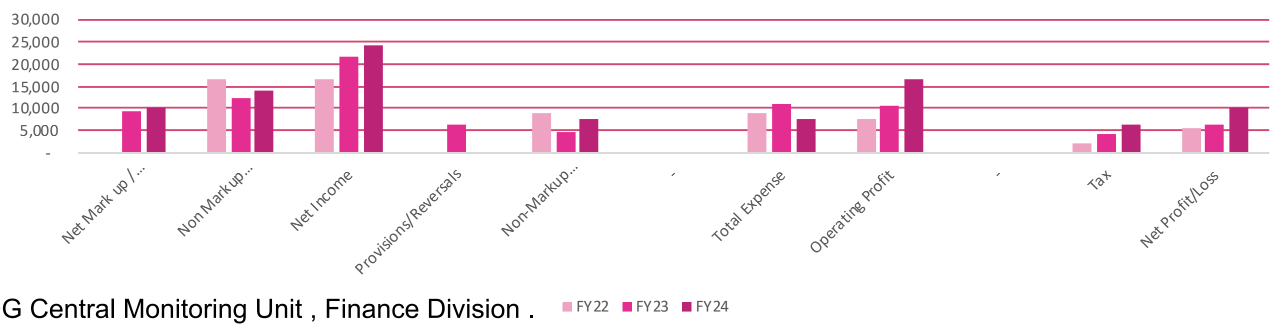
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	6,395	4,163
Dividend		
Markup Income		
Total Inflow	**6,395**	**4,163**

Net Flows to GoP	6,395	4,163

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	15.67%	11.37%	16.89%
Return on Assets (ROA)	7.21%	4.52%	7.86%
Return on Capital Invested	7.24%	4.55%	7.86%
Debt/Equity	117.44%	151.63%	114.96%
Current Ratio	83.49	56.91	
Net Working Capital	55,915	56,909	0
LTL to Total Assets	54%	60%	53%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



14 Pakistan Reinsurance Company Limited

PRCL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Insurance
Ministry	M/o Commerce
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	SLICO	Other
45%	24%	31%

Number of Employees			
	182	-1.1%	184, was the HR strength in FY2023

Established	1952

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	-	-	-
Non Markup Interest/Incom	10,172	12,620	9,844
Net Income	10,172	12,620	9,844
Provisions/Reversals	374	217	(543)
Non-Markup Interest Expens	5,583	7,214	6,830
Total Expense	5,957	7,431	6,287
Operating Profit	4,214	5,189	3,557
Tax	1,944	2,124	932
Net Profit/Loss	2,270	3,065	2,625

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	20,857	19,118	12,662
All Other Assets	52,487	57,770	51,192
Total Assets	73,344	76,887	63,855
Share Capital	9,000	9,000	9,000
Accumulated Profit/Loss	-	-	-
Others	9,697	9,140	5,321
Equity	18,697	18,140	14,321
Deposits & Other Accounts	3,469	3,351	-
Other Liabilities	51,178	55,397	49,534
Total Liabilities	54,647	58,748	49,534
Total Equity + Liabilities	73,344	76,887	63,855

Value Addition / Inflow

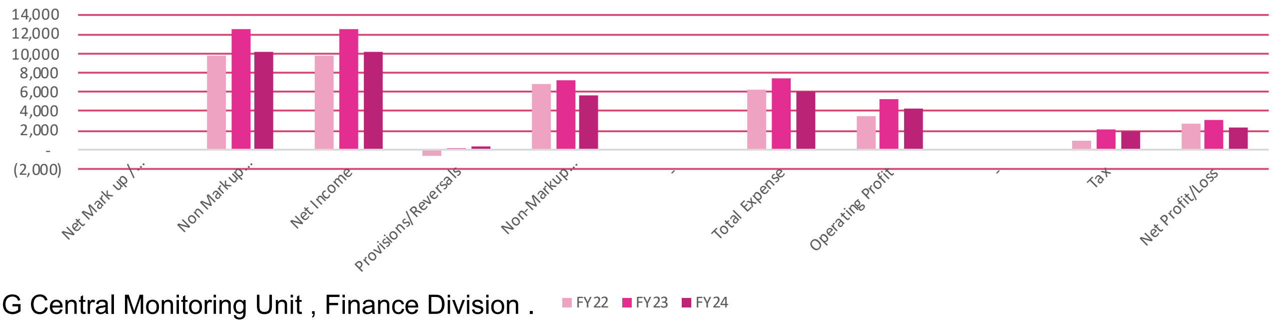
Other Tax Contribution		
Tax Revenue	1,944	2,124
Dividend	459	903
Markup Income		
Total Inflow	**2,403**	**3,027**

Net Flows to GoP	2,403	3,027

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	12.14%	16.90%	18.33%
Return on Assets (ROA)	3.10%	3.99%	4.11%
Return on Capital Invested	3.25%	4.17%	4.11%
Debt/Equity	292.28%	323.86%	345.87%
Current Ratio	6.01	5.71	
Net Working Capital	17,388	15,767	12,662
LTL to Total Assets	70%	72%	78%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



15 Exim Bank of Pakistan Limited

EBPL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	NBFIs
Ministry	M/o Finance
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	21	-4.5%	22, was the HR strength in FY2023

in Million Rs.

Established	2015

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	2,662	2,295	1,320
Non Markup Interest/Incom	2	(2)	-
Net Income	2,664	2,292	1,320
Provisions/Reversals	0	0	-
Non-Markup Interest Expens	294	282	271
Total Expense	294	282	271
Operating Profit	2,369	2,011	1,049
Tax	138	277	309
Net Profit/Loss	2,231	1,734	740

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	
Grants	-	
Equity Injection	3,000	
Loans in CFY	-	
Total Outflow	**3,000**	**-**
GoP Loans Outstanding	-	
GoP Guarantee Outstanding	-	

Balance Sheet	FY2024	FY2023	FY2022
Investments	21,515	13,510	10,441
All Other Assets	754	517	2,676
Total Assets	22,269	14,027	13,117
Share Capital	13,000	10,000	10,000
Accumulated Profit/Loss	2,478	1,387	2,337
Others	2,663	2,391	584
Equity	18,142	13,778	12,921
Deposits & Other Accounts	-	-	-
Other Liabilities	4,128	249	196
Total Liabilities	4,128	249	196
Total Equity + Liabilities	22,269	14,027	13,117

Value Addition / Inflow

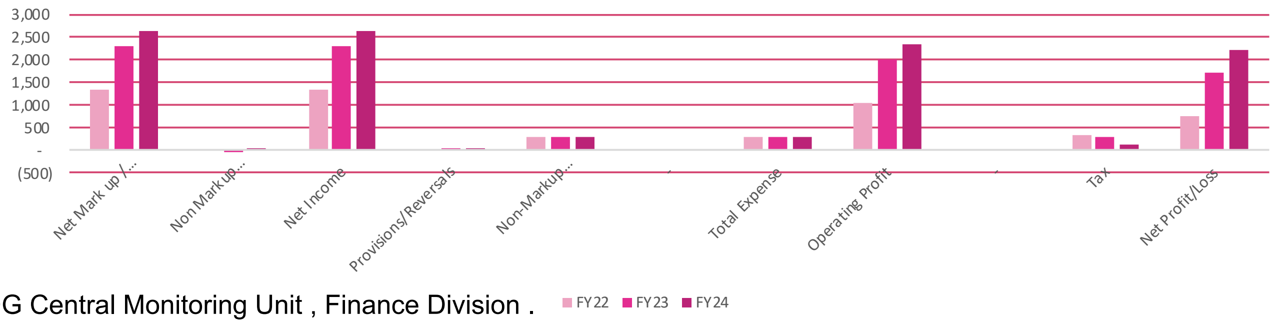
	FY2024	FY2023
Other Tax Contribution	-	
Tax Revenue	138	277
Dividend		
Markup Income	-	
Total Inflow	**138**	**277**

Net Flows to GoP	(2,862)	277

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	12.30%	12.58%	5.72%
Return on Assets (ROA)	10.02%	12.36%	5.64%
Return on Capital Invested	10.02%	12.36%	5.64%
Debt/Equity	22.75%	1.81%	1.52%
Current Ratio			
Net Working Capital	21,515	13,510	10,441
LTL to Total Assets	19%	2%	1%

Debt Information	FY2024	FY2023
Cash Development Loan	-	
Foreign Relent Loan	-	
Bank Loan	-	
Accrued Interest	-	
Other Loan	-	
Pension Liablity	-	

Profit / Loss Graph



FINANCIAL SECTOR

16 Postal Life Insurance Company Limited

PLICL

Company type	PSC - Commercial
Sector	Financial
Sub-sector	Insurance
Ministry	M/o Communication
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
0%	0%	100%

Number of Employees #N/A , was the HR strength in FY2023

Established 2021

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	2,270	1,065	3,045
Non Markup Interest/Incom	7,376	4,638	7,008
Net Income	9,646	5,703	10,053
Provisions/Reversals	5,653	4,456	5,615
Non-Markup Interest Expens	3,250	803	3,810
Total Expense	8,903	5,259	9,424
Operating Profit	743	444	629
Tax	246	139	196
Net Profit/Loss	498	305	432

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Investments	5,181	4,264	3,930
All Other Assets	80,071	77,488	71,427
Total Assets	85,253	81,752	75,357
Share Capital	4,000	4,000	4,000
Accumulated Profit/Loss	1,476	1,143	593
Others	1,142	1,130	863
Equity	6,618	6,273	5,456
Deposits & Other Accounts	825	659	2,642
Other Liabilities	77,809	74,821	67,259
Total Liabilities	78,635	75,480	69,901
Total Equity + Liabilities	85,253	81,752	75,357

Value Addition / Inflow

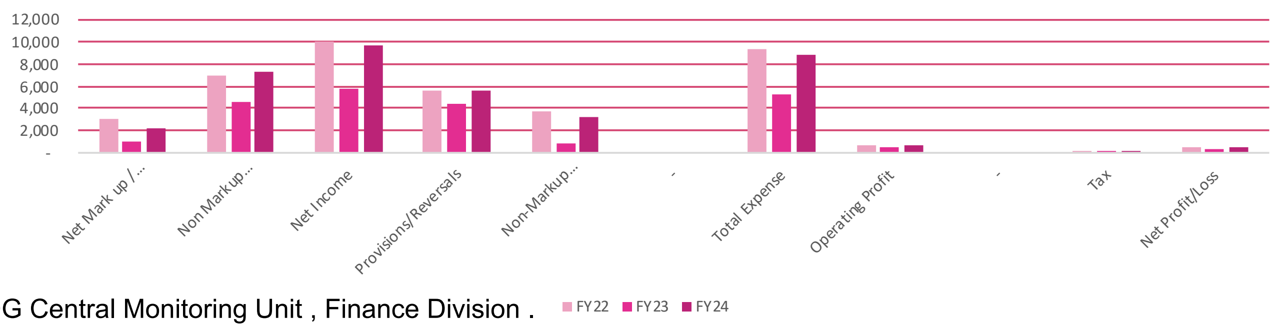
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	246	139
Dividend		
Markup Income		
Total Inflow	**246**	**139**

Net Flows to GoP	246	139

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	7.52%	4.86%	7.93%
Return on Assets (ROA)	0.58%	0.37%	0.57%
Return on Capital Invested	0.59%	0.38%	0.59%
Debt/Equity	1188.18%	1203.29%	1281.08%
Current Ratio	6.28	6.47	1.49
Net Working Capital	4,356	3,605	1,288
LTL to Total Assets	91%	92%	89%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



FINANCIAL SECTOR

17 National Investment Trust Limited

NIT

Company type	PSC - Commercial
Sector	Financial
Sub-sector	NBFIs
Ministry	M/o Finance
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Banks	Other
8%	50%	42%

Number of Employees	164	-4.1%	171, was the HR strength in FY2023

in Million Rs.

Established 1962

Income Statement

Income Statement	FY2024	FY2023	FY2022
Net Mark up/Interest Incom	1,330	1,022	1,122
Non Markup Interest/Income	1,823	869	524
Net Income	3,153	1,891	1,646
Provisions/Reversals	(438)	58	1,199
Non-Markup Interest Expens	977	937	845
Total Expense	538	995	2,044
Operating Profit	2,614	896	(399)
Tax	1,448	451	(200)
Net Profit/Loss	1,166	446	(199)

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Investments	15,210	9,903	12,203
All Other Assets	1,132	975	1,090
Total Assets	16,343	10,878	13,293
Share Capital	95	95	95
Accumulated Profit/Loss	12,288	7,896	10,355
Others	508	412	473
Equity	12,892	8,403	10,923
Deposits & Other Accounts	-	-	-
Other Liabilities	3,451	2,475	2,370
Total Liabilities	3,451	2,475	2,370
Total Equity + Liabilities	16,343	10,878	13,293

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	1,448	451
Dividend	83	293
Markup Income		
Total Inflow	**1,531**	**743**

Net Flows to GoP	1,531	743

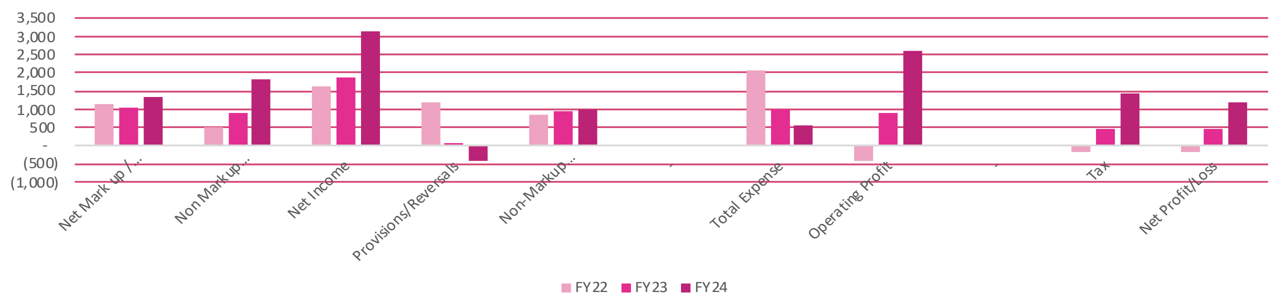
Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	9.05%	5.30%	-1.82%
Return on Assets (ROA)	7.14%	4.10%	-1.50%
Return on Capital Invested	7.14%	4.10%	-1.50%
Debt/Equity	26.77%	29.45%	21.70%
Current Ratio			
Net Working Capital	15,210	9,903	12,203
LTL to Total Assets	21%	23%	18%

Debt Information

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



OIL & GAS SECTOR

Oil & Gas Sector

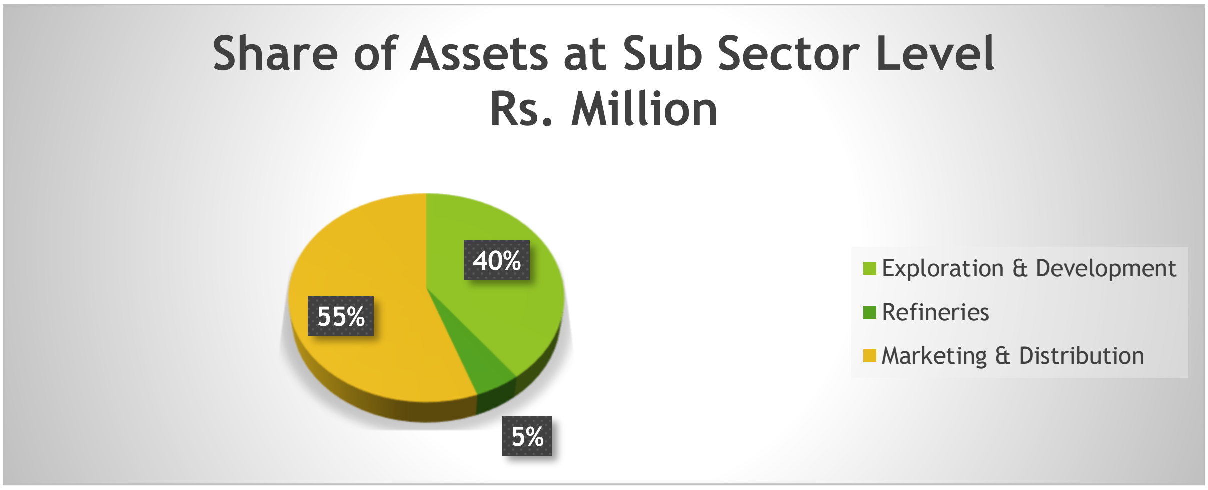
in Rs Million

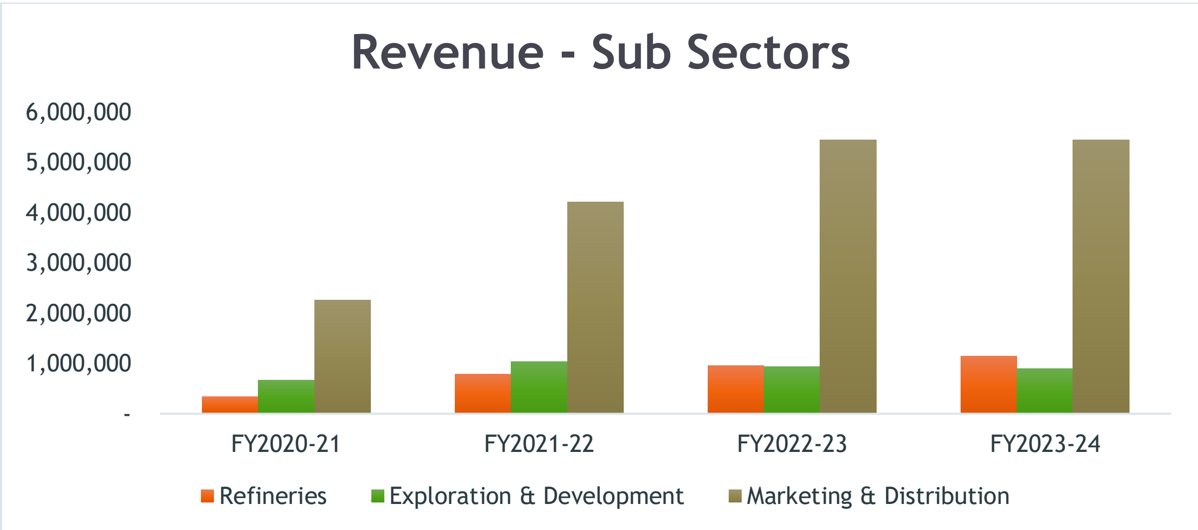
Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Oil and Gas Development Company Limited	Oil & Gas	Exploration & Development	208,976	1,604,254	463,698
2	Pakistan Petroleum Limited	Oil & Gas	Exploration & Development	115,477	913,041	291,241
3	Government Holdings (Private) Limited	Oil & Gas	Exploration & Development	69,150	495,759	137,927
4	Pak Arab Refinery Company	Oil & Gas	Refineries	55,085	372,402	1,143,395
5	Pakistan State Oil Company Limited	Oil & Gas	Marketing & Distribution	19,650	1,063,519	3,742,082
6	Sui Northern Gas Pipelines Limited	Oil & Gas	Marketing & Distribution	10,724	1,975,634	1,233,544
7	Sui Southern Gas Company Limited	Oil & Gas	Marketing & Distribution	2,765	1,182,630	466,652

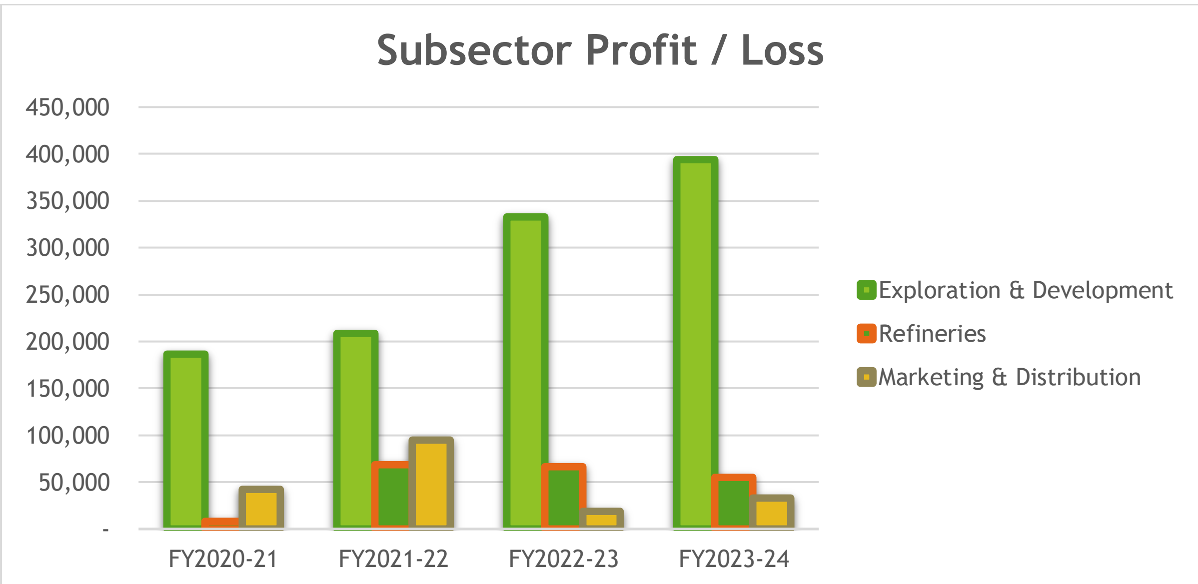
OIL & GAS SECTOR

	FY2022-23	FY2023-24	% Change
Total number of SOEs	**16**		
Total number of Independent Companies	8		50%
Total number of Subsidiaries	8		50%
Total number of Board of Directors	**66**		
Total number of Executive Directors	6		9%
Total number of Non-Executive Directors	40		61%
Total number of Indpendent Directors	20		30%
Total Employees	**35,592**	**35,011**	-2%
PKR MILLIONS			
Current Assets	5,521,980	6,025,103	9%
Non Current Assets	1,568,807	1,582,136	1%
Total Assets	7,090,786	7,607,239	7%
Current Liabilities	3,938,284	4,204,992	7%
Total Debt	827,453	797,052	-4%
Non Current Liabilities	840,315	673,627	-20%
Total Liabilities	4,778,599	4,878,619	2%
Total Equity	2,312,187	2,728,620	18%
Net Revenue	7,342,931	7,478,538	2%
Gross Profit/(Loss)	919,122	950,338	3%
Operating Profit/(Loss)	646,722	725,763	12%
Net Profit/(Loss)	418,182	481,827	15%
Net Profit/Loss Margin	5.7%	6.4%	13%
Return on Assets	5.9%	6.3%	7%
Return on Equity	18.1%	17.7%	-2%
Return on Capital Invested	20.5%	21.3%	4%
Current Ratio	1.40	1.43	2%
Net Working Capital	1,583,695	1,820,111	15%
Debt to Equity	206.7%	178.8%	-13%
Debt to Total Assets	0.12	0.10	-10%
Total Dividned Paid to GOP	59,108	74,835	27%
Total Tax Paid to GOP	323,126	233,755	-28%
Other Tax Contribution during the year	814,373	783,765	-4%
Interest During the Year	-	-	-
Total loans disbursed during the year	-	-	-
Total Grants disbursed in the year	-	-	-
Total Subsidies disbursed in the year	462,766	313,508	-32%
Total equity injection during the year	525	1,124	114%
Net Flow to GoP	733,316	777,723	6%
Total Loans Outstanding	-	-	-
Total Guarantees Outstanding	250,000	170,000	-32%

OIL & GAS SECTOR







OIL & GAS SECTOR

Oil & Gas One Pager Accounts

18 Government Holdings (Private) Limited

GHPL

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Exploration & Development
Ministry	I/o Energy (Petroleum Divisic
Accounts are:	UnConsolidated
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP		Other
100%	0%	0%

Number of Employees	77	13.2%	68, was the HR strength in FY2023

Established 2000

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	137,927	237,544	497,540
Cost of Sales	16,401	132,491	402,726
Gross Profit	121,526	105,053	94,814
Operating Expenses	18,323	3,082	2,920
Other Expenses	9,670	66,636	54,397
Other Income	23,847	(213)	5,687
Finance Cost	16,446	(323)	6,288
Profit before Tax (PBT)	100,934	35,445	36,895
Tax	31,784	24,481	15,636
Net Profit / (Loss)	69,150	10,965	21,259

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	1,124	525
Loans in CFY	-	-
Total Outflow	**1,124**	**525**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	65,000	65,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	313,722	377,875	409,097
Non-Current Assets	182,037	299,511	209,104
Total Assets	495,759	677,385	618,202
Share Capital	23,221	23,221	21,328
Accumulated profit/(loss)	289,739	191,796	137,913
Others	40,896	25,000	59,310
Total Equity	353,856	240,018	218,551
Current Liabilities	67,165	184,268	250,182
Non Current Liabilities	74,739	253,099	149,469
Total Liabilities	141,903	437,368	399,651
Total Equity + Liabilities	495,759	677,385	618,202

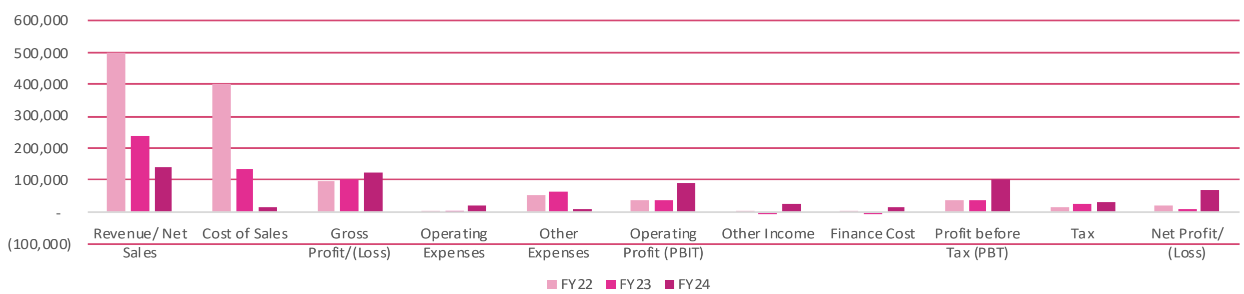
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	**30,591**	**46,000**
Tax Revenue	31,784	24,481
Dividend	7,000	5,000
Markup Income	-	-
Total Inflow	**69,375**	**75,481**
Net Flows to GoP	**68,251**	**74,956**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	19.54%	4.57%	9.73%
Return on Assets (ROA)	13.95%	1.62%	3.44%
Return on Capital Invested	16.13%	2.22%	5.78%
Debt/Equity	40.10%	182.22%	182.86%
Current Ratio	4.67	2.05	1.64
Net Working Capital	246,558	193,606	158,915
LTL to Total Assets	15%	37%	24%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	71,899	70,447
Accrued Interest	-	-
Other Loan	6,134	6,175
Pension Liablity	-	-

Profit / Loss Graph



OIL & GAS SECTOR

19 Oil and Gas Development Company Limited

OGDCL

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Exploration & Development
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
75%	10%	15%

Number of Employees	10,971	-3.9%	11418, was the HR strength in FY2023

Established 1997

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	463,698	413,594	335,464
Cost of Sales	180,385	143,867	118,548
Gross Profit	283,313	269,727	216,916
Operating Expenses	8,890	7,251	-
Other Expenses	28,023	39,222	35,074
Other Income	54,530	165,235	50,680
Finance Cost	7,143	4,715	-
Profit before Tax (PBT)	293,787	383,774	232,522
Tax	84,811	159,154	98,738
Net Profit / (Loss)	208,976	224,620	133,784

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,060,489	959,118	778,538
Non-Current Assets	543,765	464,947	351,445
Total Assets	1,604,254	1,424,065	1,129,983
Share Capital	43,009	43,009	43,009
Accumulated profit/(loss)	1,169,166	1,001,777	811,509
Others	38,321	38,112	20,874
Total Equity	1,250,496	1,082,898	875,393
Current Liabilities	180,856	160,964	139,066
Non Current Liabilities	172,902	180,203	115,525
Total Liabilities	353,758	341,167	254,590
Total Equity + Liabilities	1,604,254	1,424,065	1,129,983

Value Addition / Inflow

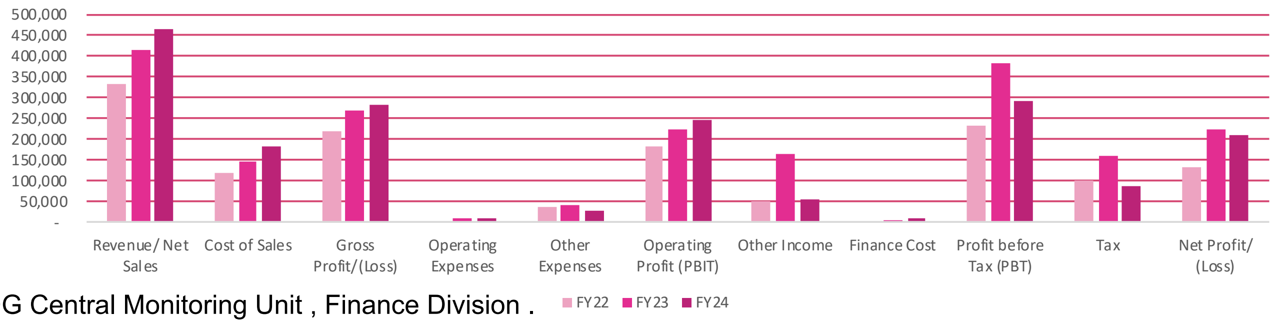
	FY2024	FY2023
Other Tax Contribution	**105,120**	**92,000**
Tax Revenue	84,811	159,154
Dividend	27,891	26,771
Markup Income	-	-
Total Inflow	**217,822**	**277,925**

Net Flows to GoP	217,822	277,925

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	16.71%	20.74%	15.28%
Return on Assets (ROA)	13.03%	15.77%	11.84%
Return on Capital Invested	14.68%	17.78%	13.50%
Debt/Equity	28.29%	31.51%	29.08%
Current Ratio	5.86	5.96	5.60
Net Working Capital	879,633	798,154	639,472
LTL to Total Assets	11%	13%	10%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	55,576	42,916

Profit / Loss Graph



OIL & GAS SECTOR

20 Pakistan Petroleum Limited

PPL

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Exploration & Development
Ministry	l/o Energy (Petroleum Divisio
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
68%	7%	25%

Number of Employees	2,573	-1.3%	2606, was the HR strength in FY2023

Established	1950

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	291,241	288,053	202,199
Cost of Sales	101,341	96,153	70,591
Gross Profit	189,899	191,900	131,608
Operating Expenses	19,534	22,387	-
Other Expenses	25,964	20,453	46,373
Other Income	17,527	17,405	14,144
Finance Cost	1,649	1,552	1,249
Profit before Tax (PBT)	160,279	164,913	98,131
Tax	44,802	67,690	44,585
Net Profit / (Loss)	115,477	97,223	53,546

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	710,880	594,749	446,840
Non-Current Assets	202,161	195,363	178,105
Total Assets	913,041	790,111	624,945
Share Capital	27,210	27,210	27,210
Accumulated profit/(loss)	-	-	407,665
Others	613,522	513,538	-
Total Equity	640,732	540,747	434,875
Current Liabilities	200,083	177,758	125,312
Non Current Liabilities	72,226	71,605	64,759
Total Liabilities	272,309	249,364	190,070
Total Equity + Liabilities	913,041	790,111	624,945

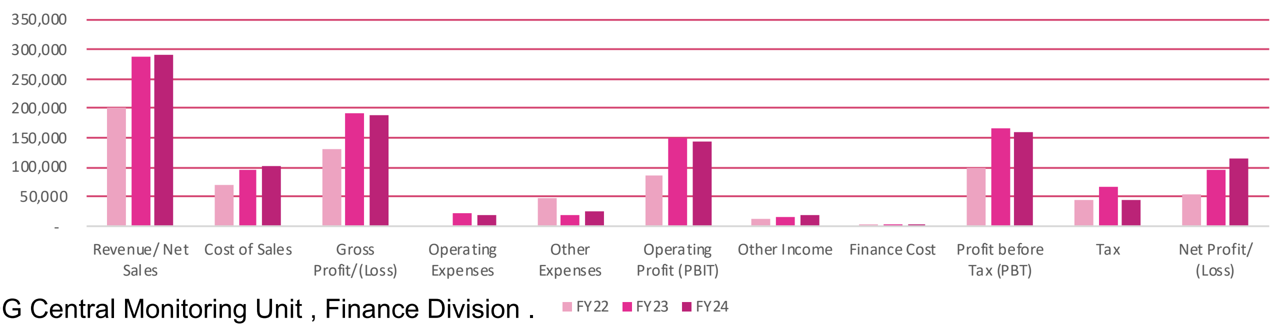
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	**84,170**	**84,000**
Tax Revenue	44,802	67,690
Dividend	9,184	2,755
Markup Income	-	-
Total Inflow	**138,156**	**154,445**
Net Flows to GoP	**138,156**	**154,445**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	18.02%	17.98%	12.31%
Return on Assets (ROA)	12.65%	12.30%	8.57%
Return on Capital Invested	16.20%	15.88%	10.72%
Debt/Equity	42.50%	46.11%	43.71%
Current Ratio	3.55	3.35	3.57
Net Working Capital	510,797	416,990	321,528
LTL to Total Assets	8%	9%	10%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	1,266	-
Accrued Interest	-	-
Other Loan	-	1,128
Pension Liablity	7,374	6,194

Profit / Loss Graph



21 Sui Southern Gas Company Limited

SSGC

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Marketing & Distribution
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	UnConsolidated
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
53%	7%	40%

Number of Employees	8,706	0.0%	8706, was the HR strength in FY2023

in Million Rs.

Established 1954

Income Statement	FY2024	FY2023	FY2022
Revenues	466,652	449,501	375,559
Cost of Sales	452,707	423,301	367,841
Gross Profit	13,945	26,200	7,719
Operating Expenses	7,525	40,823	27,793
Other Expenses	26,482	1,908	-
Other Income	40,095	23,559	17,630
Finance Cost	13,468	8,619	5,196
Profit before Tax (PBT)	6,566	(1,591)	(7,641)
Tax	3,801	10	3,771
Net Profit / (Loss)	2,765	(1,601)	(11,412)

Government Support / Outflow

	FY2024	FY2023
Subsidies	69,831	85,252
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**69,831**	**85,252**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	12,000	16,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	968,126	867,617	615,817
Non-Current Assets	214,503	197,997	181,906
Total Assets	1,182,630	1,065,614	797,724
Share Capital	8,809	8,809	8,809
Accumulated profit/(loss)	(73,590)	(76,355)	(72,422)
Others	64,963	64,858	60,038
Total Equity	182	(2,688)	(3,574)
Current Liabilities	1,088,938	986,790	733,126
Non Current Liabilities	93,509	81,512	68,173
Total Liabilities	1,182,448	1,068,302	801,299
Total Equity + Liabilities	1,182,630	1,065,614	797,724

Value Addition / Inflow

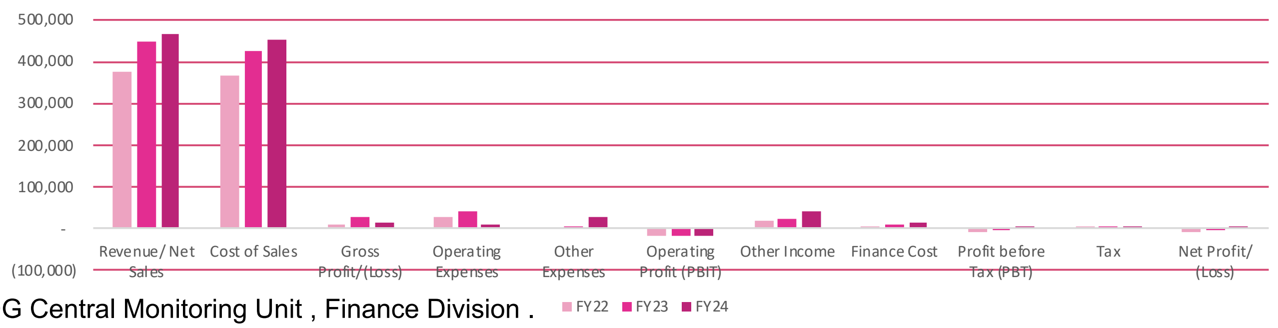
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	3,801	10
Dividend		
Markup Income	-	-
Total Inflow	**3,801**	**10**

Net Flows to GoP	(66,030)	(85,242)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	1519.25%	-59.57%	-319.27%
Return on Assets (ROA)	0.23%	-0.15%	-1.43%
Return on Capital Invested	2.95%	-2.03%	-17.67%
Debt/Equity	649728.67%	-39744.66%	-22417.41%
Current Ratio	0.89	0.88	0.84
Net Working Capital	(120,812)	(119,173)	(117,309)
LTL to Total Assets	8%	8%	9%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	42,541	32,189
Accrued Interest	19,147	19,502
Other Loan	37,857	34,162
Pension Liablity	8,380	7,472

Profit / Loss Graph



OIL & GAS SECTOR

22 Pakistan State Oil Company Limited

PSO

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Marketing & Distribution
Ministry	I/o Energy (Petroleum Divisic
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	1976

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
50%	3%	47%

Number of Employees: 2,505 -1.6% 2545, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	3,742,082	3,539,155	2,541,730
Cost of Sales	3,630,188	3,454,750	2,363,603
Gross Profit	111,894	84,406	178,127
Operating Expenses	27,176	22,478	22,869
Other Expenses	10,517	4,515	14,773
Other Income	29,935	15,927	26,038
Finance Cost	55,968	43,410	5,963
Profit before Tax (PBT)	48,169	29,929	160,561
Tax	28,518	20,113	64,838
Net Profit / (Loss)	19,650	9,816	95,723

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	30,000	100,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	978,777	989,384	894,687
Non-Current Assets	84,742	78,070	72,000
Total Assets	1,063,519	1,067,454	966,687
Share Capital	4,695	4,695	4,695
Accumulated profit/(loss)	-	-	-
Others	246,338	227,649	222,649
Total Equity	251,033	232,344	227,343
Current Liabilities	790,980	813,849	722,068
Non Current Liabilities	21,507	21,260	17,276
Total Liabilities	812,487	835,110	739,344
Total Equity + Liabilities	1,063,519	1,067,454	966,687

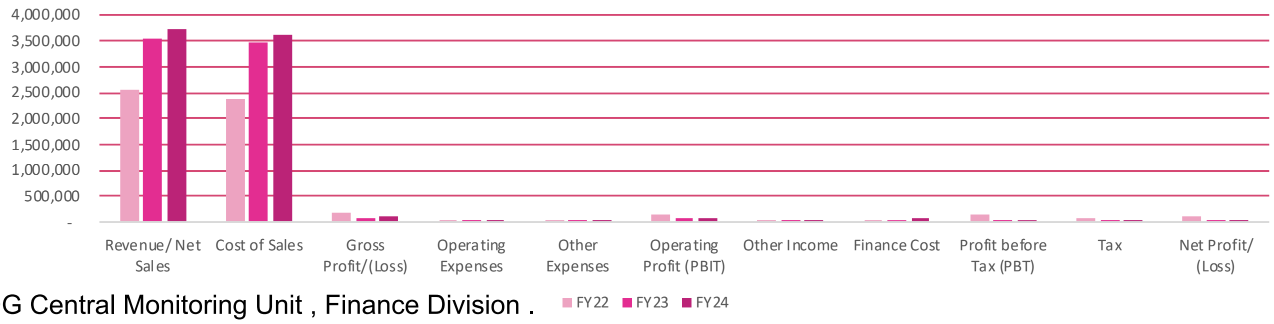
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	**281,080**	**255,000**
Tax Revenue	28,518	20,113
Dividend	791	1,055
Markup Income	-	-
Total Inflow	**310,389**	**276,168**
Net Flows to GoP	**310,389**	**276,168**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	7.83%	4.22%	42.10%
Return on Assets (ROA)	1.85%	0.92%	9.90%
Return on Capital Invested	7.21%	3.87%	39.13%
Debt/Equity	323.66%	359.43%	325.21%
Current Ratio	1.24	1.22	1.24
Net Working Capital	187,797	175,534	172,619
LTL to Total Assets	2%	2%	2%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	428,997	452,540
Accrued Interest	5,425	12,000
Other Loan	7,808	6,744
Pension Liablity	10,077	11,803

Profit / Loss Graph



23 Sui Northern Gas Pipelines Limited

SNGPL

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Marketing & Distribution
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	Nine Months
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
46%	4%	50%

Number of Employees 8,278 -1.3% 8387, was the HR strength in FY2023

Established	1963

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	1,233,544	1,459,044	1,293,677
Cost of Sales	1,096,400	1,331,585	1,208,156
Gross Profit	137,144	127,458	85,522
Operating Expenses	18,466	21,431	31,634
Other Expenses	-	6,022	2,539
Other Income	31,547	36,288	21,452
Finance Cost	131,212	120,521	57,296
Profit before Tax (PBT)	19,012	15,772	15,504
Tax	8,289	5,208	5,137
Net Profit / (Loss)	10,724	10,564	10,366

Government Support / Outflow

	FY2024	FY2023
Subsidies	243,677	377,514
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**243,677**	**377,514**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	63,000	69,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,671,487	1,400,048	1,006,499
Non-Current Assets	304,147	284,667	261,608
Total Assets	1,975,634	1,684,716	1,268,107
Share Capital	6,342	6,342	6,342
Accumulated profit/(loss)	49,016	39,243	33,306
Others	-	-	-
Total Equity	55,358	45,585	39,648
Current Liabilities	1,713,200	1,438,456	1,028,762
Non Current Liabilities	207,076	200,674	199,697
Total Liabilities	1,920,276	1,639,130	1,228,459
Total Equity + Liabilities	1,975,634	1,684,715	1,268,107

Value Addition / Inflow

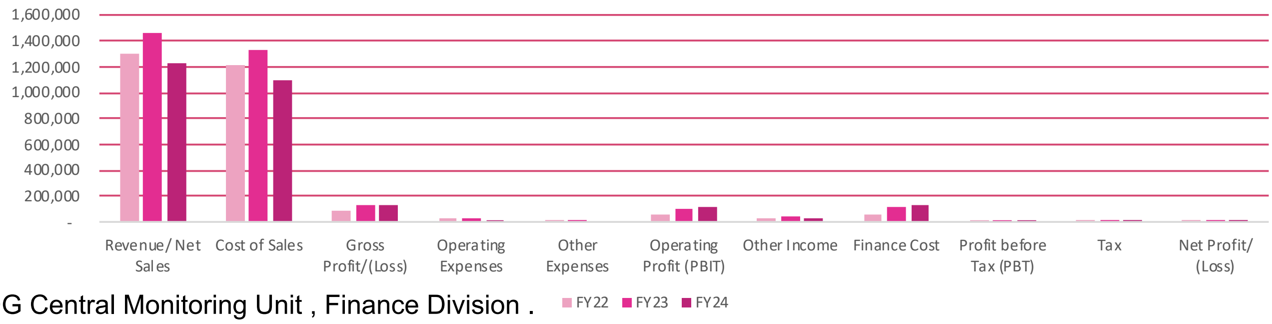
	FY2024	FY2023
Other Tax Contribution	-	**178,447**
Tax Revenue	8,289	5,208
Dividend		1,507
Markup Income	-	-
Total Inflow	**8,289**	**185,163**

Net Flows to GoP	**(235,389)**	**(192,351)**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	19.37%	23.17%	26.15%
Return on Assets (ROA)	0.54%	0.63%	0.82%
Return on Capital Invested	4.09%	4.29%	4.33%
Debt/Equity	3468.82%	3595.73%	3098.41%
Current Ratio	0.98	0.97	0.98
Net Working Capital	(41,713)	(38,408)	(22,263)
LTL to Total Assets	10%	12%	16%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	164,961	144,312
Accrued Interest	365,002	261,113
Other Loan	28,960	31,100
Pension Liablity	16,998	14,613

Profit / Loss Graph



OIL & GAS SECTOR

24 Pak Arab Refinery Company

PARCO

Company type	PSC - Commercial
Sector	Oil & Gas
Sub-sector	Refineries
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Arab Emirates	Other
60%	40%	0%

Number of Employees			
Number of Employees	1,901	2.1%	1862, was the HR strength in FY2023

Established	1974

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	1,143,395	956,040	790,351
Cost of Sales	1,050,779	841,663	658,490
Gross Profit	92,617	114,377	131,861
Operating Expenses	11,421	8,186	8,786
Other Expenses	12,583	8,005	11,494
Other Income	23,158	16,150	5,791
Finance Cost	4,934	1,271	1,948
Profit before Tax (PBT)	86,836	113,064	115,425
Tax	31,750	46,469	46,707
Net Profit / (Loss)	55,085	66,595	68,718

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	321,621	333,189	234,069
Non-Current Assets	50,781	48,252	47,882
Total Assets	372,402	381,442	281,951
Share Capital	11,605	11,605	11,605
Accumulated profit/(loss)	145,417	141,736	114,854
Others	19,941	19,941	15,075
Total Equity	176,963	173,283	141,534
Current Liabilities	163,770	176,198	121,715
Non Current Liabilities	31,669	31,961	18,701
Total Liabilities	195,439	208,159	140,417
Total Equity + Liabilities	372,402	381,442	281,951

Value Addition / Inflow

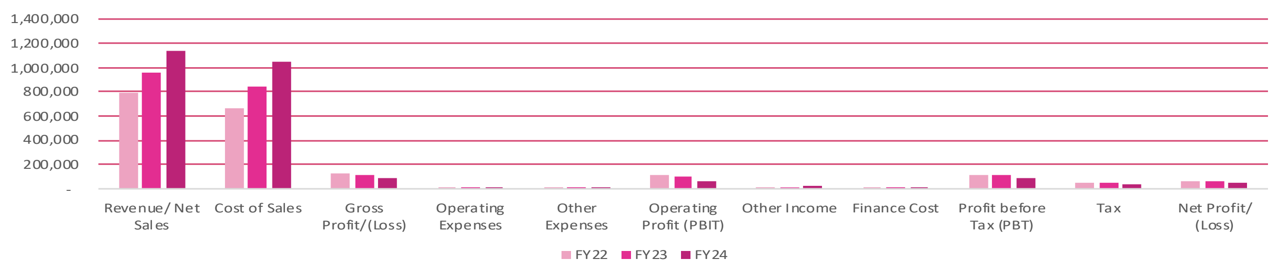
	FY2024	FY2023
Other Tax Contribution	**282,804**	**158,926**
Tax Revenue	31,750	46,469
Dividend	29,968	22,020
Markup Income	-	-
Total Inflow	**344,523**	**227,415**

Net Flows to GoP	344,523	227,415

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	31.13%	38.43%	48.55%
Return on Assets (ROA)	14.79%	17.46%	24.37%
Return on Capital Invested	26.40%	32.45%	42.89%
Debt/Equity	110.44%	120.13%	99.21%
Current Ratio	1.96	1.89	1.92
Net Working Capital	157,851	156,991	112,354
LTL to Total Assets	9%	8%	7%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	6,551	48,561
Accrued Interest	-	-
Other Loan	78	94
Pension Liablity	-	-

Profit / Loss Graph



POWER SECTOR

Power Sector

in Rs Million .

Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	National Power Parks Management	Power	GENCOs	76,815	515,082	409,986
2	Multan Electric Power Company Limited	Power	DISCOs	31,879	400,872	597,609
3	Water and Power Development Authority	Power	GENCOs	22,208	1,523,358	73,145
4	National Transmission and Despatch Company	Power	Transmission	8,049	781,057	71,402
5	GENCO-I: Jamshoro Power Company Limited	Power	GENCOs	4,733	216,311	3,007
6	Faisalabad Electric Supply Company Limited	Power	DISCOs	998	395,061	461,024
7	Private Power & Infrastructure Board	Power	Management	704	5,567	1,656
8	Power Planning and Monitoring Company (Private) Limited	Power	Management	353	1,313	799
9	Power Holding (Private) Limited	Power	Management	187	812,483	205,049
10	GENCO Holding Company Limited	Power	Management	3	163	244
11	Central Power Purchase Agency (Guarantee) Limited	Power	Management	(56)	85,641	2,964
12	GENCO-IV: Lakhra Power Generation Company Limited	Power	GENCOs	(193)	16,726	-
13	Neelum Jhelum Hydro Power Company	Power	GENCOs	(7,050)	441,101	29,860
14	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	Power	GENCOs	(7,877)	235,665	38,716
15	Gujranwala Electric Power Company Limited	Power	DISCOs	(8,583)	243,991	335,786
16	Tribal Electric Supply Company Limited	Power	DISCOs	(9,506)	192,270	57,863
17	Islamabad Electric Supply Company Limited	Power	DISCOs	(15,800)	391,030	326,352
18	GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo	Power	GENCOs	(17,644)	156,825	30,968
19	Hyderabad Electric Supply Company Limited	Power	DISCOs	(22,192)	192,055	163,581
20	Lahore Electric Supply Company Limited	Power	DISCOs	(34,595)	486,758	657,171
21	Sukkur Electric Power Company Limited	Power	DISCOs	(37,096)	210,314	101,179
22	Peshawar Electric Supply Company Limited	Power	DISCOs	(88,723)	406,891	327,483
23	Quetta Electric Supply Company Limited	Power	DISCOs	(120,452)	288,747	157,833

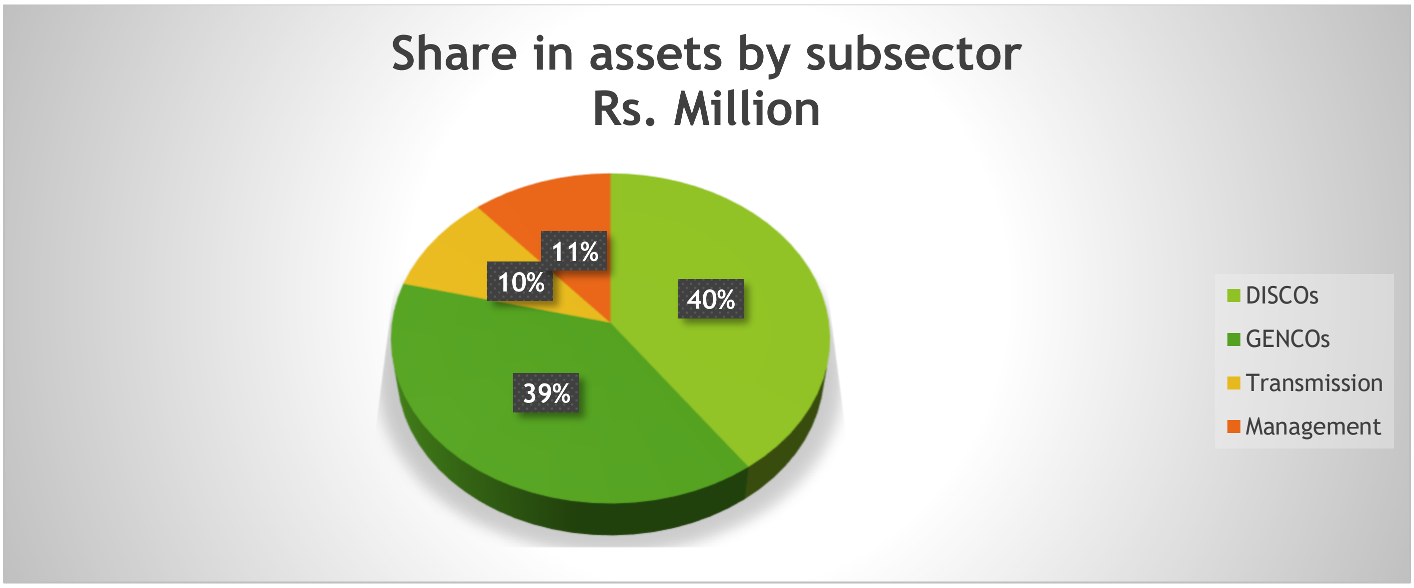
POWER SECTOR

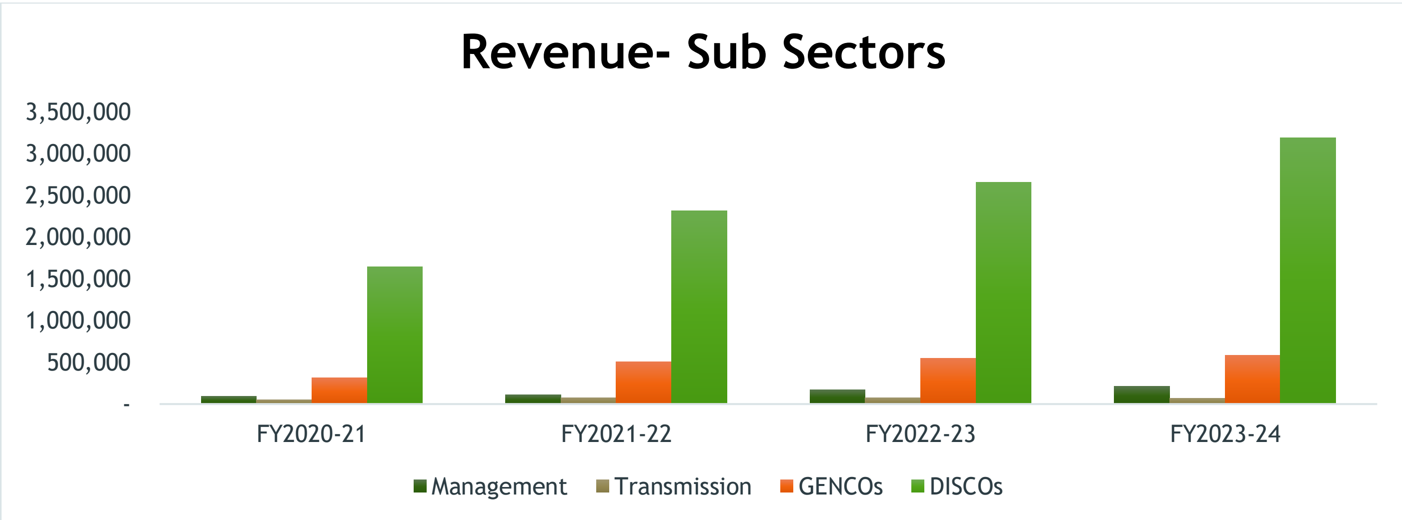
	FY2022-23	FY2023-24	% Change
Total number of SOEs	**24**		
Total number of Independent Companies	23		96%
Total number of Subsidiaries	1		4%
Total number of Board of Directors	**236**		
Total number of Executive Directors	29		12%
Total number of Non-Executive Directors	101		43%
Total number of Indpendent Directors	106		45%
Total Employees	**129,845**	**128,434**	-1%

PKR MILLIONS

	FY2022-23	**FY2023-24**	**% Change**
Current Assets	3,537,154	3,436,060	-3%
Non Current Assets	4,081,203	4,563,221	12%
Total Assets	7,618,358	7,999,282	5%
Current Liabilities	5,156,925	5,471,297	6%
Total Debt	2,188,039	2,216,556	1%
Non Current Liabilities	3,274,108	3,442,863	5%
Total Liabilities	8,431,033	8,914,160	6%
Total Equity	(812,673)	(914,879)	-13%
Net Revenue	3,446,778	4,053,678	18%
Gross Profit/(Loss)	378,690	470,928	24%
Operating Profit/(Loss)	(79,573)	(37,508)	53%
Net Profit/(Loss)	(269,677)	(223,838)	17%
Net Profit/Loss Margin	-7.8%	-5.5%	29%
Return on Assets	-3.5%	-2.8%	21%
Return on Equity	-33.2%	-24.5%	26%
Return on Capital Invested	-3.2%	-1.5%	54%
Current Ratio	0.69	0.63	-8%
Net Working Capital	(1,619,771)	(2,035,237)	-26%
Debt to Equity	1037.4%	974.4%	-6%
Debt to Total Assets	0.29	0.28	-4%
Total Dividned Paid to GOP	-	-	-
Total Tax Paid to GOP	36,259	44,353	22%
Other Tax Contribution during the year	449,335	603,757	34%
Interest During the Year	137,033	165,863	21%
Total loans disbursed during the year	46,406	234,973	406%
Total Grants disbursed in the year	242,711	298,111	23%
Total Subsidies disbursed in the year	437,343	360,232	-18%
Total equity injection during the year	287,229	95,440	-67%
Net Flow to GoP	(391,063)	(174,783)	55%
Total Loans Outstanding	880,692	1,015,959	15%
Total Guarantees Outstanding	1,042,447	897,000	-14%

POWER SECTOR





POWER SECTOR

Power Sector One Pager Accounts

25 Faisalabad Electric Supply Company Limited

FESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees			
13,214	-1.0%	13354, was the HR strength in FY2023	

Established 1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	461,024	377,787	337,812
Cost of Sales	424,588	360,599	316,040
Gross Profit	36,436	17,188	21,772
Operating Expenses	44,407	38,989	28,092
Other Expenses	-	-	-
Other Income	15,233	11,561	8,054
Finance Cost	882	882	470
Profit before Tax (PBT)	6,379	(11,122)	1,264
Tax	5,381	3,861	3,249
Net Profit / (Loss)	998	(14,983)	(1,985)

Government Support / Outflow

	FY2024	FY2023
Subsidies	26,249	51,200
Grants	-	-
Equity Injection	4,098	7,078
Loans in CFY	-	-
Total Outflow	**30,347**	**58,278**
GoP Loans Outstanding	5,541	5,541
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	164,028	145,857	157,727
Non-Current Assets	231,033	161,841	144,105
Total Assets	395,061	307,698	301,832
Share Capital	0	0	0
Accumulated profit/(loss)	(91,605)	(96,763)	(77,475)
Others	140,680	87,562	81,188
Total Equity	49,075	(9,201)	3,713
Current Liabilities	132,801	124,381	121,227
Non Current Liabilities	213,185	192,518	176,893
Total Liabilities	345,986	316,899	298,119
Total Equity + Liabilities	395,061	307,698	301,832

Value Addition / Inflow

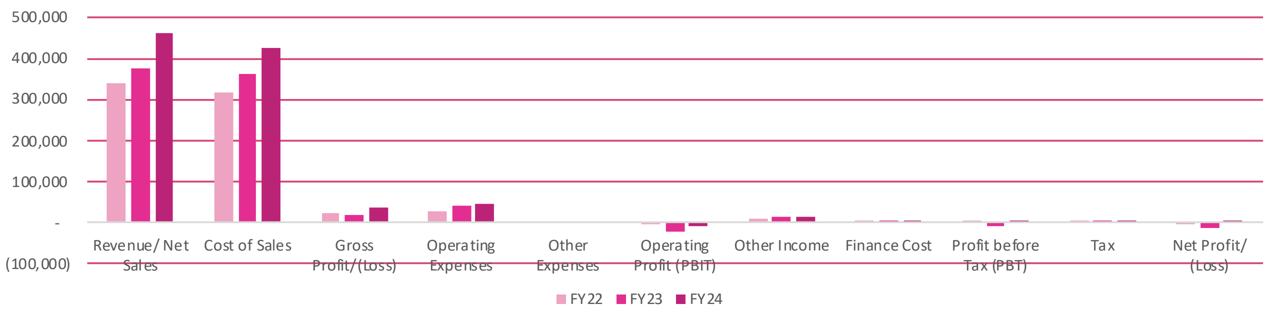
	FY2024	FY2023
Other Tax Contribution	**101,929**	**74,156**
Tax Revenue	5,381	3,861
Dividend		
Markup Income	880	880
Total Inflow	**108,190**	**78,897**

Net Flows to GoP	77,843	20,619

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	2.03%	-162.84%	-53.46%
Return on Assets (ROA)	0.25%	-4.87%	-0.66%
Return on Capital Invested	0.38%	-8.17%	-1.10%
Debt/Equity	705.02%	-3444.18%	8029.34%
Current Ratio	1.24	1.17	1.30
Net Working Capital	31,227	21,476	36,500
LTL to Total Assets	54%	63%	59%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	5,541	5,541
Bank Loan	-	-
Accrued Interest	6,111	5,232
Other Loan	-	-
Pension Liablity	122,339	109,949

Profit / Loss Graph



26 Hyderabad Electric Supply Company Limited

HESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	1998

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees	7,715	-1.9%	7868, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	163,581	116,741	105,527
Cost of Sales	166,680	128,215	114,502
Gross Profit	(3,099)	(11,475)	(8,976)
Operating Expenses	19,749	26,840	13,287
Other Expenses	-	-	31,303
Other Income	4,106	3,658	2,779
Finance Cost	2,399	2,067	2,678
Profit before Tax (PBT)	(21,141)	(36,723)	(53,465)
Tax	1,052	956	944
Net Profit / (Loss)	(22,192)	(37,680)	(54,409)

Government Support / Outflow

	FY2024	FY2023
Subsidies	44,337	34,105
Grants	-	-
Equity Injection	-	1,000
Loans in CFY	73,347	-
Total Outflow	**117,683**	**35,105**
GoP Loans Outstanding	9,325	9,325
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	136,104	123,704	91,283
Non-Current Assets	55,951	48,552	47,294
Total Assets	192,055	172,256	138,577
Share Capital	0	0	0
Accumulated profit/(loss)	(447,043)	(264,600)	(250,130)
Others	165,582	0	-
Total Equity	(281,460)	(264,600)	(250,130)
Current Liabilities	403,136	370,172	323,798
Non Current Liabilities	70,379	66,684	64,909
Total Liabilities	473,515	436,856	388,707
Total Equity + Liabilities	192,055	172,256	138,577

Value Addition / Inflow

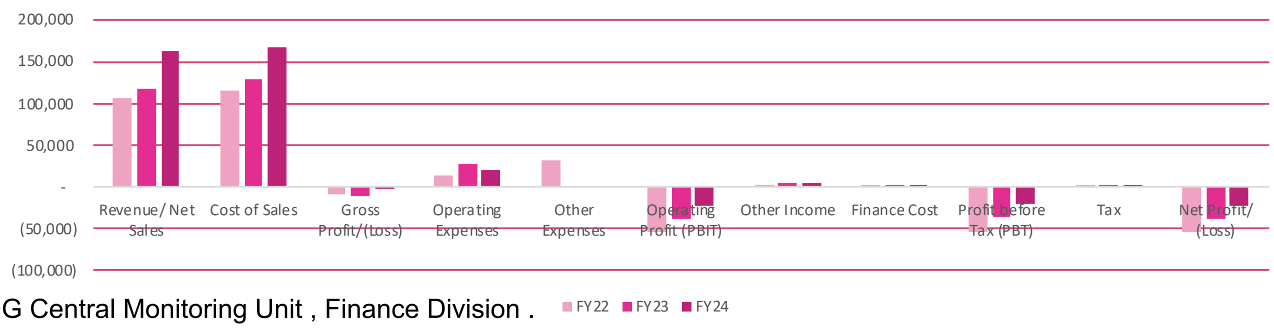
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	1,052	956
Dividend		
Markup Income	-	-
Total Inflow	**1,052**	**956**

Net Flows to GoP	(116,632)	(34,149)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-7.88%	-14.24%	-21.75%
Return on Assets (ROA)	-11.56%	-21.87%	-39.26%
Return on Capital Invested	10.51%	19.04%	29.38%
Debt/Equity	-168.24%	-165.10%	-155.40%
Current Ratio	0.34	0.33	0.28
Net Working Capital	(267,032)	(246,468)	(232,515)
LTL to Total Assets	37%	39%	47%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	9,325	9,325
Bank Loan	-	-
Accrued Interest	11,542	11,542
Other Loan	-	-
Pension Liablity	58,905	51,178

Profit / Loss Graph



27 Quetta Electric Supply Company Limited

QESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees	4,985	-2.8%	5130, was the HR strength in FY2023

in Million Rs.

Established 1998

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	157,833	132,900	116,898
Cost of Sales	173,957	135,319	120,306
Gross Profit	(16,123)	(2,419)	(3,408)
Operating Expenses	107,419	83,690	66,706
Other Expenses	-	-	-
Other Income	15,828	7,738	-
Finance Cost	10,662	8,380	5,477
Profit before Tax (PBT)	(118,376)	(86,751)	(75,590)
Tax	2,076	1,735	829
Net Profit / (Loss)	(120,452)	(88,487)	(76,419)

Government Support / Outflow

	FY2024	FY2023
Subsidies	35,525	38,362
Grants	-	-
Equity Injection	24,733	38,162
Loans in CFY	2,207	6,969
Total Outflow	**62,465**	**83,492**
GoP Loans Outstanding	28,729	26,523
GoP Guarantee Outstanding	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	164,232	154,812	134,262
Non-Current Assets	124,515	113,800	100,902
Total Assets	288,747	268,612	235,164
Share Capital	0	0	0
Accumulated profit/(loss)	(722,395)	(594,268)	(493,413)
Others	216,916	191,735	155,813
Total Equity	(505,480)	(402,532)	(337,600)
Current Liabilities	640,295	540,556	477,321
Non Current Liabilities	153,931	130,589	95,443
Total Liabilities	794,226	671,145	572,764
Total Equity + Liabilities	288,747	268,612	235,164

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	**35,086**	**22,115**
Tax Revenue	2,076	1,735
Dividend		
Markup Income	2,440	2,447
Total Inflow	**39,602**	**26,297**

Net Flows to GoP	(22,863)	(57,195)

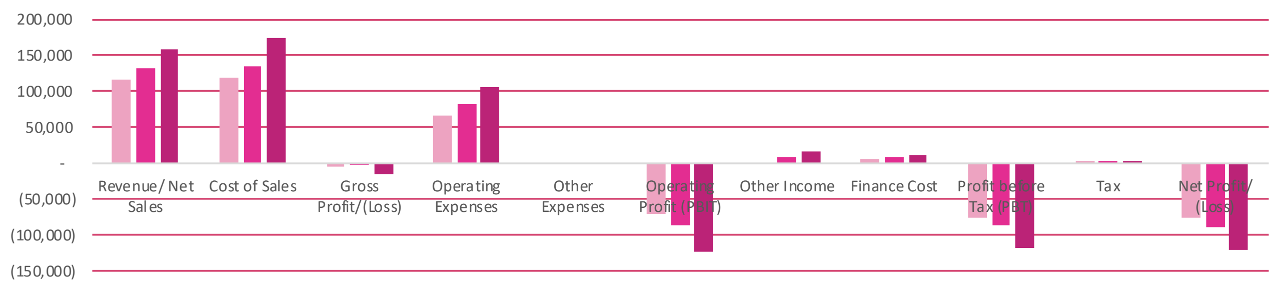
Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-23.83%	-21.98%	-22.64%
Return on Assets (ROA)	-41.72%	-32.94%	-32.50%
Return on Capital Invested	34.26%	32.54%	31.56%
Debt/Equity	-157.12%	-166.73%	-169.66%
Current Ratio	0.26	0.29	0.28
Net Working Capital	(476,064)	(385,743)	(343,059)
LTL to Total Assets	53%	49%	41%

Debt Information

Debt Information	FY2024	FY2023
Cash Development Loan	15,441	13,234
Foreign Relent Loan	13,288	13,288
Bank Loan	-	-
Accrued Interest	23,293	20,800
Other Loan	-	-
Pension Liablity	82,233	64,791

Profit / Loss Graph



28 Tribal Electric Supply Company Limited

TESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees			
Number of Employees	1,024	0.0%	1024, was the HR strength in FY2023

Established	2002

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	57,863	64,412	32,263
Cost of Sales	64,772	52,640	47,386
Gross Profit	(6,909)	11,772	(15,123)
Operating Expenses	3,298	5,975	7,118
Other Expenses	-	-	-
Other Income	702	1,374	1,319
Finance Cost	2	91	225
Profit before Tax (PBT)	(9,506)	7,080	(21,147)
Tax	-	-	-
Net Profit / (Loss)	(9,506)	7,080	(21,147)

Government Support / Outflow

	FY2024	FY2023
Subsidies	12,527	15,500
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**12,527**	**15,500**
GoP Loans Outstanding	19,233	19,422
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	169,232	192,360	129,513
Non-Current Assets	23,038	21,106	18,575
Total Assets	192,270	213,465	148,088
Share Capital	0	0	0
Accumulated profit/(loss)	5,068	33,101	(37,756)
Others	427	427	-
Total Equity	5,495	33,528	(37,756)
Current Liabilities	156,357	152,159	159,542
Non Current Liabilities	30,419	27,778	26,302
Total Liabilities	186,776	179,937	185,845
Total Equity + Liabilities	192,270	213,465	148,088

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	-	91
Total Inflow	**-**	**91**

Net Flows to GoP	(12,527)	(15,409)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-173.00%	21.12%	-56.01%
Return on Assets (ROA)	-4.94%	3.32%	-14.28%
Return on Capital Invested	-26.47%	11.55%	184.63%
Debt/Equity	3399.20%	536.67%	-492.22%
Current Ratio	1.08	1.26	0.81
Net Working Capital	12,875	40,201	(30,029)
LTL to Total Assets	16%	13%	18%

Debt Information	FY2024	FY2023
Cash Development Loan	-	189
Foreign Relent Loan	19,233	19,233
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph

29 Peshawar Electric Supply Company Limited

PESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees	12,686	-0.5%	12755, was the HR strength in FY2023

Established	1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	327,483	279,495	225,243
Cost of Sales	371,678	322,564	292,803
Gross Profit	(44,195)	(43,069)	(67,560)
Operating Expenses	55,497	45,790	38,175
Other Expenses	-	-	-
Other Income	15,921	12,483	7,784
Finance Cost	922	1,066	1,914
Profit before Tax (PBT)	(84,694)	(77,442)	(99,866)
Tax	4,029	3,153	2,263
Net Profit / (Loss)	(88,723)	(80,595)	(102,128)

Government Support / Outflow

	FY2024	FY2023
Subsidies	20,595	39,272
Grants	-	-
Equity Injection	24,766	38,012
Loans in CFY	1,612	1,184
Total Outflow	**46,974**	**78,468**
GoP Loans Outstanding	13,230	12,735
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	278,355	245,854	238,942
Non-Current Assets	128,536	116,013	101,919
Total Assets	406,891	361,867	340,861
Share Capital	0	-	0
Accumulated profit/(loss)	(665,226)	(548,913)	(452,222)
Others	205,821	130,868	92,855
Total Equity	(459,405)	(418,045)	(359,367)
Current Liabilities	626,031	522,626	470,269
Non Current Liabilities	240,265	257,286	229,959
Total Liabilities	866,296	779,912	700,228
Total Equity + Liabilities	406,891	361,867	340,861

Value Addition / Inflow

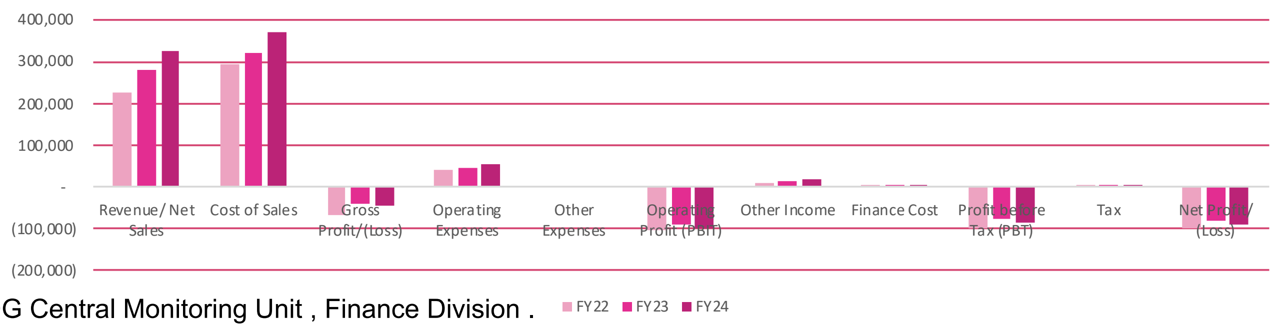
	FY2024	FY2023
Other Tax Contribution	**44,208**	**31,936**
Tax Revenue	4,029	3,153
Dividend		
Markup Income	916	1,062
Total Inflow	**49,153**	**36,152**

Net Flows to GoP	2,179	(42,316)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-19.31%	-19.28%	-28.42%
Return on Assets (ROA)	-21.81%	-22.27%	-29.96%
Return on Capital Invested	40.49%	50.13%	78.92%
Debt/Equity	-188.57%	-186.56%	-194.85%
Current Ratio	0.44	0.47	0.51
Net Working Capital	(347,676)	(276,772)	(231,327)
LTL to Total Assets	59%	71%	67%

Debt Information	FY2024	FY2023
Cash Development Loan	125	1,242
Foreign Relent Loan	13,105	11,492
Bank Loan	-	-
Accrued Interest	4,748	3,791
Other Loan	-	-
Pension Liablity	172,770	148,528

Profit / Loss Graph



POWER SECTOR

30 Lahore Electric Supply Company Limited

LESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees	20,857	-1.1%	21085, was the HR strength in FY2023

Established 1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	657,171	572,382	529,862
Cost of Sales	637,524	564,429	505,443
Gross Profit	19,647	7,953	24,419
Operating Expenses	63,773	53,191	61,804
Other Expenses	-	-	-
Other Income	18,627	22,610	13,961
Finance Cost	881	1,215	1,230
Profit before Tax (PBT)	(26,380)	(23,843)	(24,654)
Tax	8,215	6,996	5,562
Net Profit / (Loss)	(34,595)	(30,839)	(30,216)

Government Support / Outflow

	FY2024	FY2023
Subsidies	22,817	63,373
Grants	-	-
Equity Injection	13,311	20,331
Loans in CFY	-	-
Total Outflow	**36,128**	**83,704**
GoP Loans Outstanding	8,047	8,670
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	354,014	382,965	409,211
Non-Current Assets	132,745	122,819	108,288
Total Assets	486,758	505,784	517,499
Share Capital	103,630	90,319	76,726
Accumulated profit/(loss)	(257,320)	(274,274)	(199,185)
Others	6,738	6,738	-
Total Equity	(146,952)	(177,217)	(122,459)
Current Liabilities	430,624	398,993	379,515
Non Current Liabilities	203,086	284,008	260,442
Total Liabilities	633,710	683,001	639,958
Total Equity + Liabilities	486,758	505,784	517,499

Value Addition / Inflow

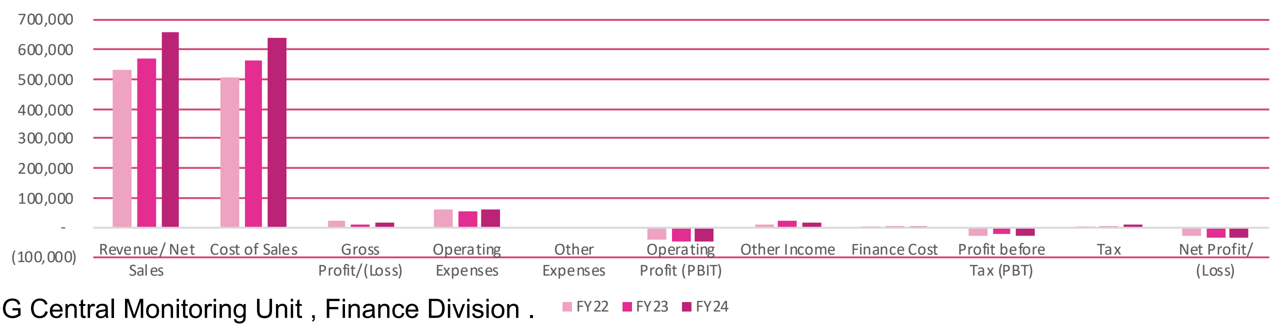
Other Tax Contribution	**131,372**	**99,165**
Tax Revenue	8,215	6,996
Dividend		
Markup Income	875	875
Total Inflow	**140,462**	**107,036**

Net Flows to GoP	104,334	23,332

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-23.54%	-17.40%	-24.67%
Return on Assets (ROA)	-7.11%	-6.10%	-5.84%
Return on Capital Invested	-61.63%	-28.88%	-21.90%
Debt/Equity	-431.24%	-385.40%	-522.59%
Current Ratio	0.82	0.96	1.08
Net Working Capital	(76,611)	(16,028)	29,695
LTL to Total Assets	42%	56%	50%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	8,047	8,670
Bank Loan	-	-
Accrued Interest	6,088	5,812
Other Loan	-	-
Pension Liablity	153,031	156,324

Profit / Loss Graph



31 Islamabad Electric Supply Company Limited

IESCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
88%	0%	12%

Number of Employees	11,364	-2.9%	11701, was the HR strength in FY2023

in Million Rs.

Established 1998

Income Statement	FY2024	FY2023	FY2022
Revenues	326,352	275,324	239,952
Cost of Sales	302,698	241,264	226,704
Gross Profit	23,655	34,060	13,248
Operating Expenses	37,320	33,269	29,362
Other Expenses	-	-	-
Other Income	13,427	8,092	4,888
Finance Cost	2,423	2,359	2,573
Profit before Tax (PBT)	(2,662)	6,524	(13,799)
Tax	13,138	7,190	2,594
Net Profit / (Loss)	(15,800)	(666)	(16,393)

Government Support / Outflow

	FY2024	FY2023
Subsidies	72,313	71,500
Grants	-	-
Equity Injection	4,787	10,600
Loans in CFY	5,345	-
Total Outflow	**82,445**	**82,100**
GoP Loans Outstanding	18,511	13,165
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	180,758	160,042	184,269
Non-Current Assets	210,273	178,174	161,937
Total Assets	391,030	338,216	346,205
Share Capital	5,798	5,798	5,798
Accumulated profit/(loss)	(126,975)	(92,302)	(83,719)
Others	118,616	115,686	106,962
Total Equity	(2,560)	29,182	29,041
Current Liabilities	230,900	194,036	225,577
Non Current Liabilities	162,691	114,998	91,587
Total Liabilities	393,591	309,034	317,164
Total Equity + Liabilities	391,030	338,216	346,205

Value Addition / Inflow

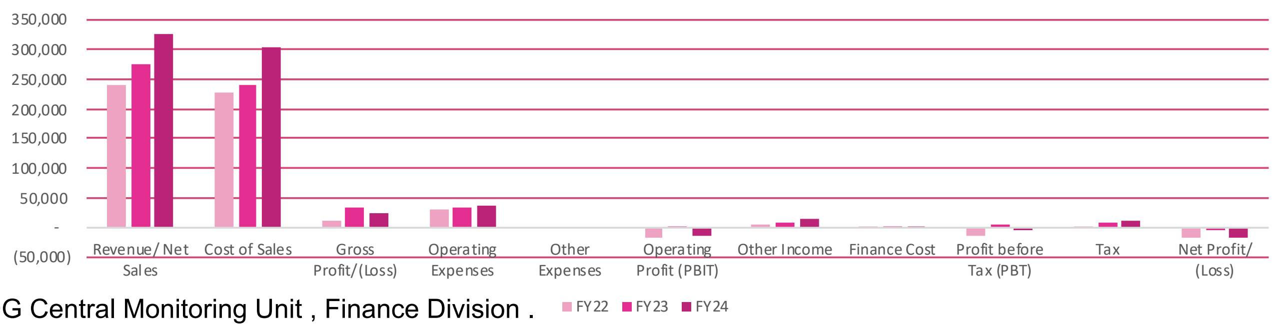
	FY2024	FY2023
Other Tax Contribution	**63,420**	**45,976**
Tax Revenue	13,138	7,190
Dividend		
Markup Income	2,226	1,745
Total Inflow	**78,785**	**54,911**

Net Flows to GoP	(3,661)	(27,189)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-617.12%	-2.28%	-56.45%
Return on Assets (ROA)	-4.04%	-0.20%	-4.74%
Return on Capital Invested	-9.87%	-0.46%	-13.59%
Debt/Equity	-15372.82%	1058.99%	1092.12%
Current Ratio	0.78	0.82	0.82
Net Working Capital	(50,142)	(33,994)	(41,308)
LTL to Total Assets	42%	34%	26%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	18,511	13,165
Bank Loan	-	-
Accrued Interest	12,595	10,369
Other Loan	-	-
Pension Liablity	99,706	61,347

Profit / Loss Graph



32 Gujranwala Electric Power Company Limited

GEPCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	1998

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees			
	11,479	3.9%	11047, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	335,786	305,023	234,609
Cost of Sales	314,174	258,627	228,252
Gross Profit	21,612	46,395	6,357
Operating Expenses	34,532	30,386	24,307
Other Expenses	1,435	1,191	5,395
Other Income	8,510	9,493	4,929
Finance Cost	1,723	1,682	1,626
Profit before Tax (PBT)	(7,568)	22,630	(20,042)
Tax	1,015	937	544
Net Profit / (Loss)	(8,583)	21,693	(20,586)

Government Support / Outflow	FY2024	FY2023
Subsidies	25,916	23,220
Grants	-	-
Equity Injection	2,335	3,678
Loans in CFY	-	-
Total Outflow	**28,252**	**26,898**
GoP Loans Outstanding	8,215	8,215
GoP Guarantee Outstanding	-	-

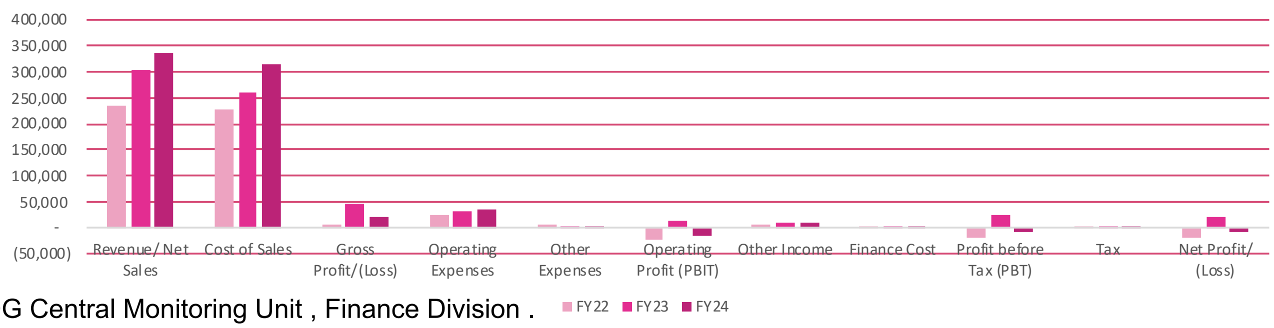
Balance Sheet	FY2024	FY2023	FY2022
Current Assets	151,142	161,429	133,262
Non-Current Assets	92,849	76,479	64,622
Total Assets	243,991	237,908	197,884
Share Capital	0	0	-
Accumulated profit/(loss)	(40,351)	(20,217)	(20,148)
Others	25,684	23,349	-
Total Equity	(14,667)	3,132	(20,148)
Current Liabilities	113,123	95,276	88,489
Non Current Liabilities	145,535	139,501	129,543
Total Liabilities	258,658	234,776	218,032
Total Equity + Liabilities	243,991	237,908	197,884

Value Addition / Inflow	FY2024	FY2023
Other Tax Contribution	**61,404**	**45,797**
Tax Revenue	1,015	937
Dividend		
Markup Income	1,720	1,679
Total Inflow	**64,140**	**48,412**
Net Flows to GoP	**35,888**	**21,514**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-58.52%	692.67%	-102.17%
Return on Assets (ROA)	-3.52%	9.12%	-10.40%
Return on Capital Invested	-6.56%	15.21%	-18.82%
Debt/Equity	-1763.55%	7496.60%	-1082.15%
Current Ratio	1.34	1.69	1.51
Net Working Capital	38,019	66,153	44,773
LTL to Total Assets	60%	59%	65%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	8,215	8,215
Bank Loan	-	-
Accrued Interest	13,613	11,893
Other Loan	-	-
Pension Liablity	3,402	3,402

Profit / Loss Graph



33 Multan Electric Power Company Limited

MEPCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees	14,461	-2.4%	14821, was the HR strength in FY2023

Established 1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	597,609	450,775	416,128
Cost of Sales	526,488	438,574	406,935
Gross Profit	71,121	12,201	9,193
Operating Expenses	62,435	54,216	35,920
Other Expenses	-	-	-
Other Income	25,429	20,644	10,238
Finance Cost	925	1,064	1,998
Profit before Tax (PBT)	33,191	(22,435)	(18,487)
Tax	1,312	937	4,327
Net Profit / (Loss)	31,879	(23,372)	(22,814)

Government Support / Outflow

	FY2024	FY2023
Subsidies	74,717	77,811
Grants	-	-
Equity Injection	6,220	11,869
Loans in CFY	298	-
Total Outflow	**81,235**	**89,680**
GoP Loans Outstanding	14,359	14,579
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	246,004	203,954	229,051
Non-Current Assets	154,868	140,188	129,534
Total Assets	400,872	344,142	358,585
Share Capital	10,824	10,824	10,824
Accumulated profit/(loss)	(173,711)	(190,837)	(147,180)
Others	67,729	61,509	49,640
Total Equity	(95,159)	(118,504)	(86,716)
Current Liabilities	204,363	197,447	217,981
Non Current Liabilities	291,667	265,199	227,320
Total Liabilities	496,031	462,646	445,301
Total Equity + Liabilities	400,872	344,142	358,585

Value Addition / Inflow

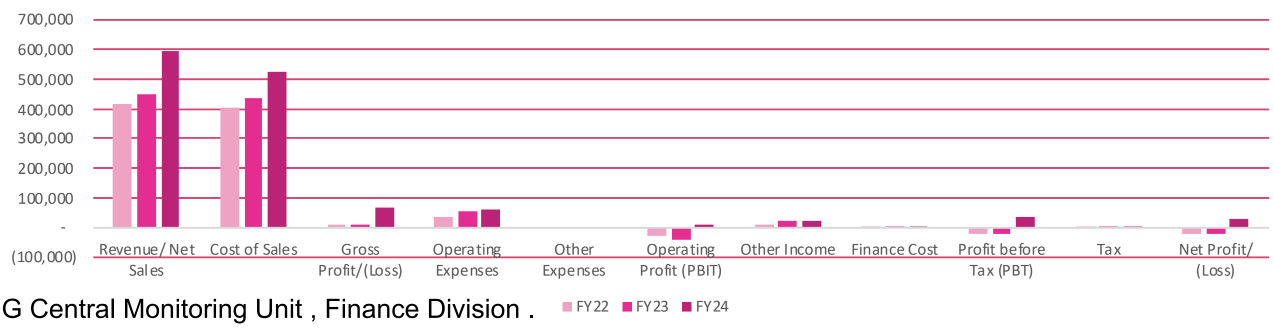
	FY2024	FY2023
Other Tax Contribution	**96,046**	**70,181**
Tax Revenue	1,312	937
Dividend		
Markup Income	921	1,062
Total Inflow	**98,279**	**72,180**

Net Flows to GoP	17,044	(17,500)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	33.50%	-19.72%	-26.31%
Return on Assets (ROA)	7.95%	-6.79%	-6.36%
Return on Capital Invested	16.22%	-15.93%	-16.23%
Debt/Equity	-521.27%	-390.41%	-513.52%
Current Ratio	1.20	1.03	1.05
Net Working Capital	41,641	6,507	11,070
LTL to Total Assets	73%	77%	63%

Debt Information	FY2024	FY2023
Cash Development Loan	797	1,315
Foreign Relent Loan	13,562	13,264
Bank Loan	-	-
Accrued Interest	11,208	10,287
Other Loan	-	-
Pension Liablity	163,920	137,742

Profit / Loss Graph



34 Sukkur Electric Power Company Limited

SEPCO

Company type	PSC - Commercial
Sector	Power
Sub-sector	DISCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
100%	0%	0%

Number of Employees			
	5,543	-2.0%	5657, was the HR strength in FY2023

in Million Rs.

Established	2010

Income Statement	FY2024	FY2023	FY2022
Revenues	101,179	83,470	75,383
Cost of Sales	106,185	87,788	81,094
Gross Profit	(5,006)	(4,319)	(5,711)
Operating Expenses	11,224	15,229	6,877
Other Expenses	-	4,086	2,411
Other Income	1,641	2,220	1,903
Finance Cost	22,367	9,224	16,375
Profit before Tax (PBT)	(36,955)	(30,638)	(29,473)
Tax	140	29	11
Net Profit / (Loss)	(37,096)	(30,667)	(29,484)

Government Support / Outflow

	FY2024	FY2023
Subsidies	25,235	23,000
Grants	-	-
Equity Injection	15,190	24,500
Loans in CFY	-	-
Total Outflow	**40,425**	**47,500**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	173,710	155,187	117,661
Non-Current Assets	36,604	33,777	31,175
Total Assets	210,314	188,965	148,835
Share Capital	0	0	0
Accumulated profit/(loss)	(436,703)	(374,601)	(322,503)
Others	118,160	102,970	77,592
Total Equity	(318,543)	(271,631)	(244,911)
Current Liabilities	443,185	377,503	336,679
Non Current Liabilities	85,672	83,093	57,068
Total Liabilities	528,856	460,596	393,746
Total Equity + Liabilities	210,314	188,965	148,836

Value Addition / Inflow

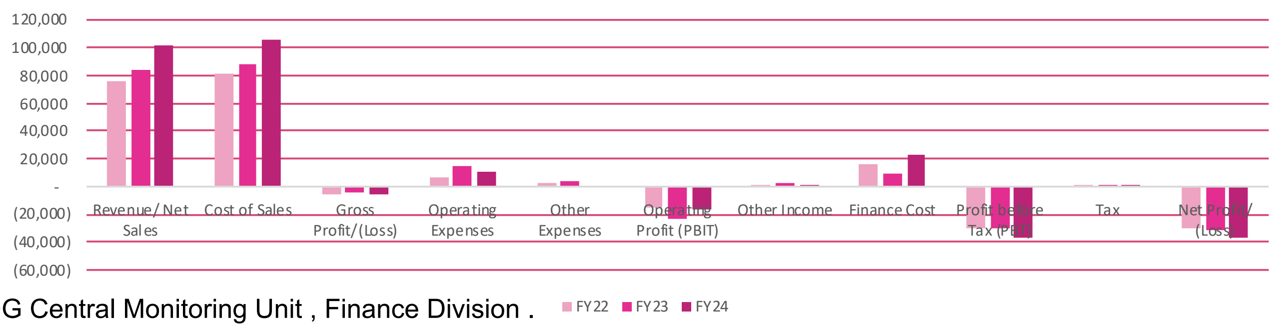
	FY2024	FY2023
Other Tax Contribution	**8,730**	**6,825**
Tax Revenue	140	29
Dividend		
Markup Income	91,645	69,606
Total Inflow	**100,515**	**76,459**

Net Flows to GoP	60,090	28,959

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-11.65%	-11.29%	-12.04%
Return on Assets (ROA)	-17.64%	-16.23%	-19.81%
Return on Capital Invested	15.93%	16.27%	15.70%
Debt/Equity	-166.02%	-169.57%	-160.77%
Current Ratio	0.39	0.41	0.35
Net Working Capital	(269,475)	(222,315)	(219,018)
LTL to Total Assets	41%	44%	38%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



35 GENCO-I: Jamshoro Power Company Limited

GENCO-I (JPCL)

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Directors & Others	Other
100%	0%	0%

Number of Employees	1,182	-5.7%	1254, was the HR strength in FY2023

Established 1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	3,007	4,494	10,768
Cost of Sales	4,668	5,326	11,936
Gross Profit	(1,661)	(832)	(1,168)
Operating Expenses	1,626	1,328	1,245
Other Expenses	333	9	-
Other Income	8,356	1,268	(116)
Finance Cost	4	9	1,289
Profit before Tax (PBT)	4,733	(910)	(3,818)
Tax	-	-	162
Net Profit / (Loss)	4,733	(910)	(3,979)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	8,383	8,877
Total Outflow	**8,383**	**8,877**
GoP Loans Outstanding	140,238	120,831
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	22,026	15,753	9,802
Non-Current Assets	194,285	177,723	107,402
Total Assets	216,311	193,476	117,204
Share Capital	8,129	8,129	8,129
Accumulated profit/(loss)	(29,442)	(30,625)	(25,148)
Others	-	-	-
Total Equity	(21,313)	(22,496)	(17,019)
Current Liabilities	189,950	183,457	117,608
Non Current Liabilities	47,674	32,516	16,614
Total Liabilities	237,624	215,973	134,223
Total Equity + Liabilities	216,311	193,477	117,204

Value Addition / Inflow

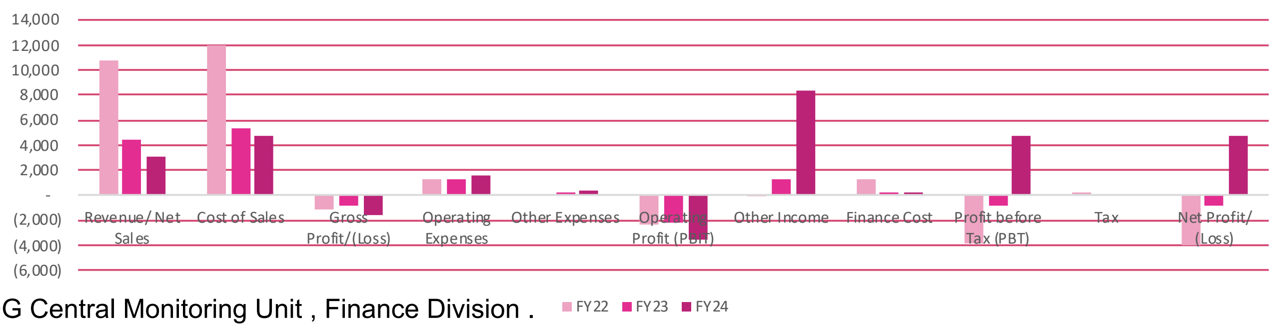
	FY2024	FY2023
Other Tax Contribution	**8**	**184**
Tax Revenue	-	-
Dividend		
Markup Income	2	9
Total Inflow	**10**	**193**

Net Flows to GoP	(8,373)	(8,684)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	22.21%	-4.05%	-23.38%
Return on Assets (ROA)	2.19%	-0.47%	-3.40%
Return on Capital Invested	17.96%	-9.08%	983.07%
Debt/Equity	-1114.92%	-960.05%	-788.66%
Current Ratio	0.12	0.09	0.08
Net Working Capital	(167,924)	(167,704)	(107,807)
LTL to Total Assets	22%	17%	14%

Debt Information	FY2024	FY2023
Cash Development Loan	19,615	48
Foreign Relent Loan	120,623	120,782
Bank Loan	-	-
Accrued Interest	32,776	20,673
Other Loan	-	-
Pension Liablity	28,059	21,284

Profit / Loss Graph



36 GENCO-II: Central Power Generation Company Limited , Thern ENCO-II (CPGCL)

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Individuals	Other
100%	0%	0%

Number of Employees		
1,706	-2.5%	1749, was the HR strength in FY2023

Established	1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	30,968	54,233	42,477
Cost of Sales	47,293	64,652	45,832
Gross Profit	(16,325)	(10,419)	(3,355)
Operating Expenses	967	1,126	870
Other Expenses	-	-	-
Other Income	1,981	701	467
Finance Cost	1,946	2,648	1,815
Profit before Tax (PBT)	(17,257)	(13,492)	(5,573)
Tax	387	678	531
Net Profit / (Loss)	(17,644)	(14,170)	(6,104)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	97,000
Loans in CFY	-	1,171
Total Outflow	**-**	**98,171**
GoP Loans Outstanding	6,512	9,453
GoP Guarantee Outstanding	7,000	22,194

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	57,791	95,360	104,015
Non-Current Assets	99,034	101,120	97,732
Total Assets	156,825	196,480	201,747
Share Capital	1	1	1
Accumulated profit/(loss)	(68,165)	(51,012)	(10,290)
Others	3,344	3,344	3,344
Total Equity	(64,820)	(47,667)	(6,945)
Current Liabilities	183,226	207,993	152,334
Non Current Liabilities	38,419	36,155	56,358
Total Liabilities	221,645	244,148	208,692
Total Equity + Liabilities	156,825	196,481	201,747

Value Addition / Inflow

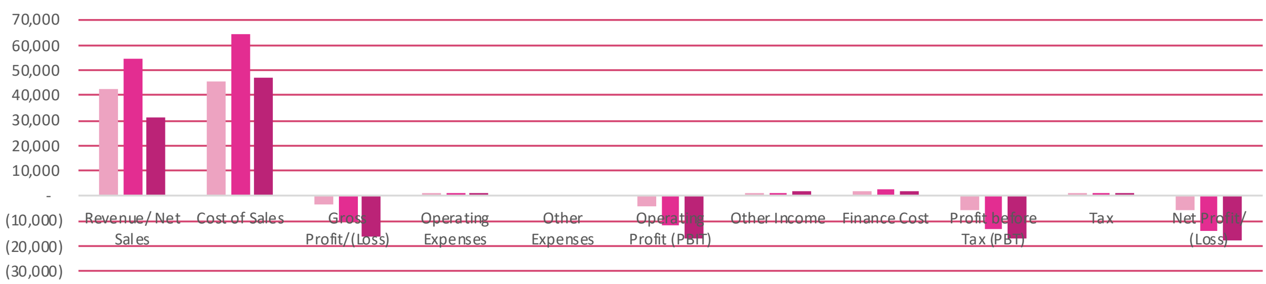
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	387	678
Dividend		
Markup Income	1,880	2,512
Total Inflow	**2,267**	**3,190**

Net Flows to GoP	2,267	(94,981)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-27.22%	-29.73%	-87.89%
Return on Assets (ROA)	-11.25%	-7.21%	-3.03%
Return on Capital Invested	66.83%	123.09%	-12.35%
Debt/Equity	-341.94%	-512.20%	-3004.92%
Current Ratio	0.32	0.46	0.68
Net Working Capital	(125,435)	(112,633)	(48,319)
LTL to Total Assets	24%	18%	28%

Debt Information	FY2024	FY2023
Cash Development Loan	6,512	9,319
Foreign Relent Loan	-	134
Bank Loan	-	-
Accrued Interest	2,296	10,757
Other Loan	7,416	22,194
Pension Liablity	38,419	36,063

Profit / Loss Graph



FY22 FY23 FY24

37 GENCO-III: Northern Power Generation Company Limited, The

ENCO-III (NPGCL)

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees: 1,564 | -5.6% | 1656, was the HR strength in FY2023

Established 1998

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	38,716	50,524	58,226
Cost of Sales	42,123	50,871	59,174
Gross Profit	(3,407)	(347)	(947)
Operating Expenses	1,715	1,016	1,027
Other Expenses	1,763	145	771
Other Income	2,290	1,498	1,794
Finance Cost	2,751	2,599	2,037
Profit before Tax (PBT)	(7,345)	(2,609)	(2,988)
Tax	531	632	764
Net Profit / (Loss)	(7,877)	(3,240)	(3,752)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	1,770	2,811
GoP Guarantee Outstanding	9,000	11,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	69,345	72,012	84,703
Non-Current Assets	166,320	149,769	153,451
Total Assets	235,665	221,781	238,154
Share Capital	17,900	17,900	17,900
Accumulated profit/(loss)	(52,736)	(47,507)	(38,586)
Others	116,772	96,960	96,960
Total Equity	81,936	67,353	76,274
Current Liabilities	105,239	107,590	120,908
Non Current Liabilities	48,490	46,838	40,972
Total Liabilities	153,729	154,428	161,879
Total Equity + Liabilities	235,665	221,781	238,154

Value Addition / Inflow

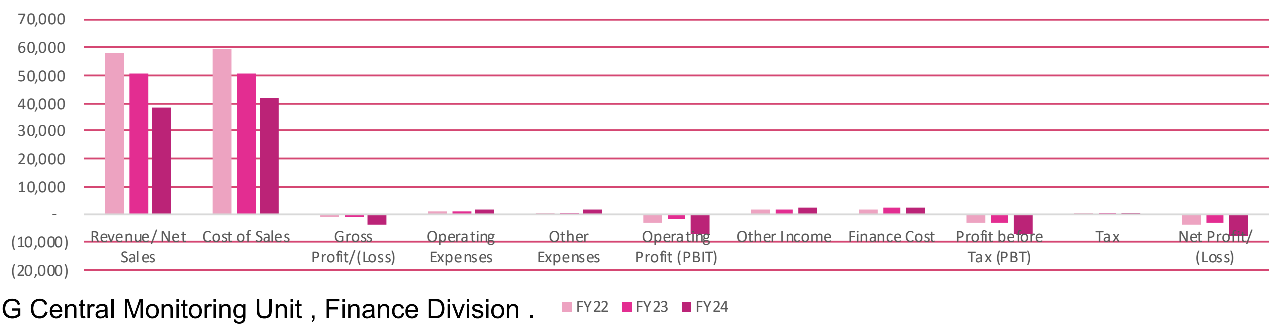
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	531	632
Dividend		
Markup Income	183	204
Total Inflow	**714**	**836**

Net Flows to GoP	714	836

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-9.61%	-4.81%	-4.92%
Return on Assets (ROA)	-3.34%	-1.46%	-1.58%
Return on Capital Invested	-6.04%	-2.84%	-3.20%
Debt/Equity	187.62%	229.28%	212.23%
Current Ratio	0.66	0.67	0.70
Net Working Capital	(35,894)	(35,578)	(36,205)
LTL to Total Assets	21%	21%	17%

Debt Information	FY2024	FY2023
Cash Development Loan	1,770	2,811
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	3,108	3,194
Other Loan	8,601	11,287
Pension Liablity	40,007	35,581

Profit / Loss Graph



38 GENCO-IV: Lakhra Power Generation Company Limited

ENCO-IV (LPGCL)

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	PMDC	Other
0%	50%	50%

Number of Employees	319	-0.6%	321, was the HR strength in FY2023

in Million Rs.

Established 2002

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	193	491	712
Other Expenses	-	-	-
Other Income	1	12	12
Finance Cost	1	1	1
Profit before Tax (PBT)	(193)	(480)	(702)
Tax	0	-	0
Net Profit / (Loss)	(193)	(480)	(702)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	137
Total Outflow	**-**	**137**
GoP Loans Outstanding	14	102
GoP Guarantee Outstanding	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	16,712	16,749	16,784
Non-Current Assets	14	16	18
Total Assets	16,726	16,765	16,801
Share Capital	4,034	4,034	4,034
Accumulated profit/(loss)	(9,145)	(8,946)	(8,465)
Others	1,990	1,842	1,841
Total Equity	(3,122)	(3,070)	(2,591)
Current Liabilities	17,801	17,809	17,486
Non Current Liabilities	2,046	2,026	1,906
Total Liabilities	19,847	19,835	19,392
Total Equity + Liabilities	16,726	16,765	16,801

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	0	-
Dividend		
Markup Income	1	1
Total Inflow	**1**	**1**

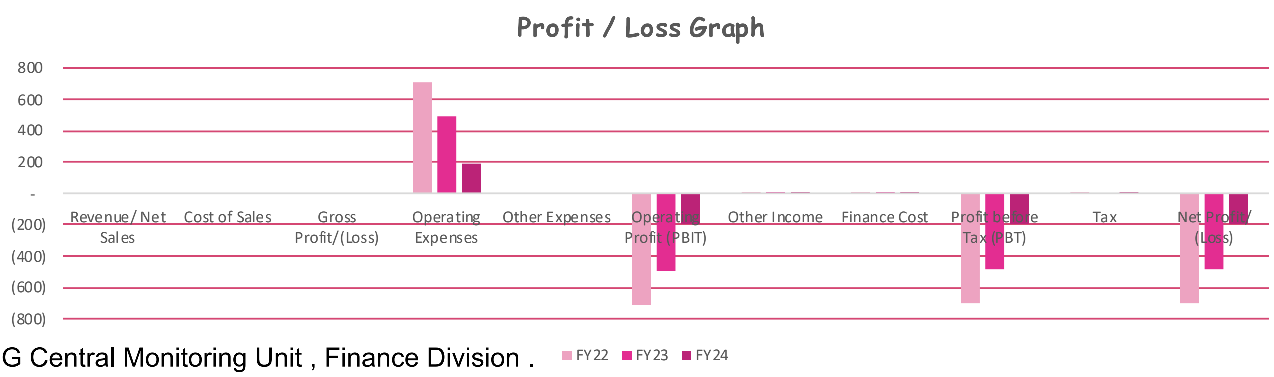
Net Flows to GoP	**1**	**(136)**

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-6.19%	-15.64%	-27.09%
Return on Assets (ROA)	-1.16%	-2.86%	-4.18%
Return on Capital Invested	17.97%	45.98%	102.53%
Debt/Equity	-635.82%	-646.09%	-748.54%
Current Ratio	0.94	0.94	0.96
Net Working Capital	(1,089)	(1,060)	(702)
LTL to Total Assets	12%	12%	11%

Debt Information

Debt Information	FY2024	FY2023
Cash Development Loan	14	102
Foreign Relent Loan	-	-
Bank Loan	6,133	6,133
Accrued Interest	12	11
Other Loan	-	-
Pension Liablity	2,045	1,976



39 National Transmission and Despatch Company

NTDC

Company type	PSC - Commercial
Sector	Power
Sub-sector	Transmission
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
88%	12%	0%

Number of Employees	9,812	-2.3%	10045, was the HR strength in FY2023

in Million Rs.

Established 1998

Income Statement	FY2024	FY2023	FY2022
Revenues	71,402	73,861	76,326
Cost of Sales	-	-	-
Gross Profit	71,402	73,861	76,326
Operating Expenses	47,579	41,459	33,856
Other Expenses	-	2,482	153
Other Income	7,755	5,216	4,133
Finance Cost	19,716	16,046	10,137
Profit before Tax (PBT)	11,861	19,091	36,314
Tax	3,812	6,692	19,750
Net Profit / (Loss)	8,049	12,399	16,564

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	75,966	2,537
Total Outflow	**75,966**	**2,537**
GoP Loans Outstanding	276,427	228,259
GoP Guarantee Outstanding	59,000	72,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	155,592	175,925	162,102
Non-Current Assets	625,465	499,310	392,247
Total Assets	781,057	675,235	554,349
Share Capital	52,700	52,700	52,700
Accumulated profit/(loss)	147,481	134,749	121,674
Others	7,163	7,163	7,163
Total Equity	207,344	194,613	181,537
Current Liabilities	182,190	153,927	122,046
Non Current Liabilities	391,523	326,695	250,766
Total Liabilities	573,713	480,622	372,812
Total Equity + Liabilities	781,057	675,235	554,349

Value Addition / Inflow

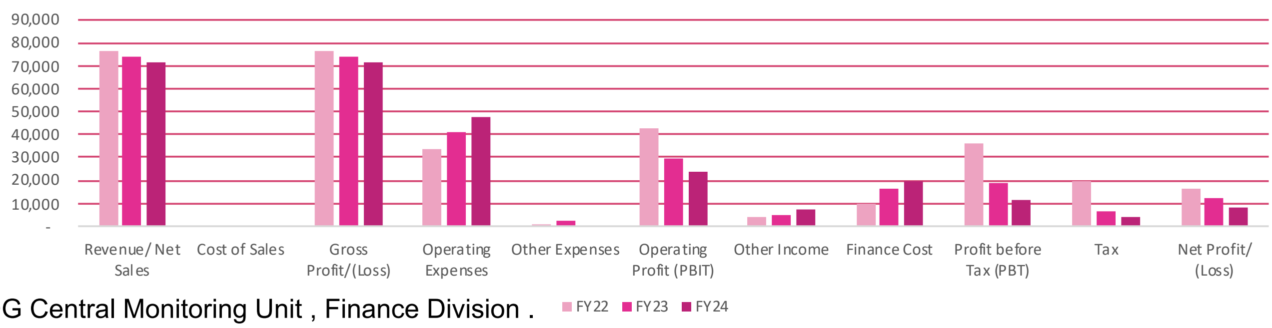
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	3,812	6,692
Dividend		
Markup Income	19,695	16,020
Total Inflow	**23,508**	**22,711**

Net Flows to GoP	(52,458)	20,174

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	3.88%	6.37%	9.12%
Return on Assets (ROA)	1.03%	1.84%	2.99%
Return on Capital Invested	1.34%	2.38%	3.83%
Debt/Equity	276.70%	246.96%	205.36%
Current Ratio	0.85	1.14	1.33
Net Working Capital	(26,598)	21,998	40,056
LTL to Total Assets	50%	48%	45%

Debt Information	FY2024	FY2023
Cash Development Loan	11,376	32,333
Foreign Relent Loan	265,051	195,926
Bank Loan	64,838	66,627
Accrued Interest	57,564	46,777
Other Loan	156	221
Pension Liablity	89,757	79,287

Profit / Loss Graph



POWER SECTOR

40 Power Planning and Monitoring Company (Private) Limited

PPMC

Company type	PSC - Commercial
Sector	Power
Sub-sector	Management
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees			
Number of Employees	80	-16.7%	96, was the HR strength in FY2023

in Million Rs.

Established	1998

Income Statement	FY2024	FY2023	FY2022
Revenues	799	706	504
Cost of Sales	-	-	-
Gross Profit	799	706	504
Operating Expenses	413	423	524
Other Expenses	-	-	-
Other Income	231	175	31
Finance Cost	1	2	3
Profit before Tax (PBT)	617	455	8
Tax	264	128	8
Net Profit / (Loss)	353	327	(0)

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,279	918	1,011
Non-Current Assets	34	33	50
Total Assets	1,313	951	1,061
Share Capital	7	7	7
Accumulated profit/(loss)	680	327	-
Others	-	-	-
Total Equity	687	334	7
Current Liabilities	626	611	1,030
Non Current Liabilities	-	6	24
Total Liabilities	626	616	1,054
Total Equity + Liabilities	1,313	951	1,061

Value Addition / Inflow

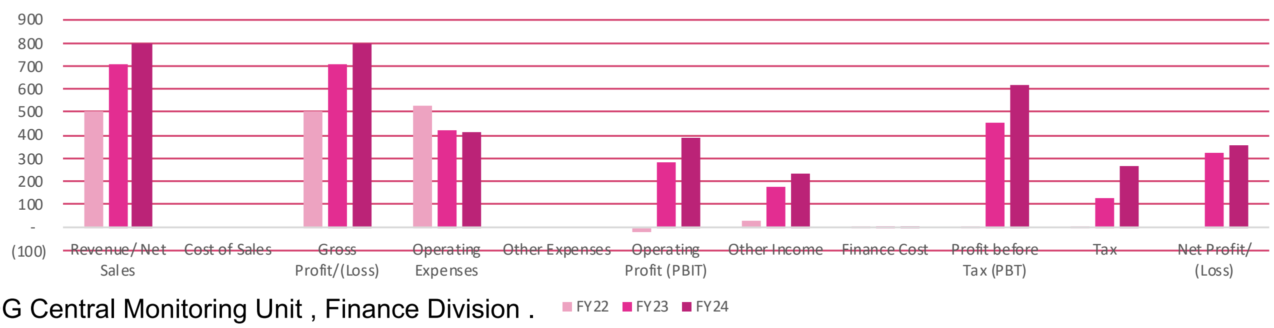
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	264	128
Dividend		
Markup Income		
Total Inflow	**264**	**128**

Net Flows to GoP	264	128

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	51.35%	97.88%	0.00%
Return on Assets (ROA)	26.88%	34.41%	0.00%
Return on Capital Invested	51.35%	96.24%	0.00%
Debt/Equity	91.06%	184.42%	14849.19%
Current Ratio	2.04	1.50	0.98
Net Working Capital	653	307	(19)
LTL to Total Assets	0%	1%	2%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



POWER SECTOR

41 Water and Power Development Authority

WAPDA

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Water Resources
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	9,443	2.0%	9262, was the HR strength in FY2023

Established 1958

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	73,145	74,793	98,711
Cost of Sales	35,347	28,911	26,660
Gross Profit	37,797	45,882	72,051
Operating Expenses	3,360	2,734	2,234
Other Expenses	-	-	11,198
Other Income	53,921	13,407	11,059
Finance Cost	66,151	49,038	50,239
Profit before Tax (PBT)	22,208	7,517	19,439
Tax	-	-	-
Net Profit / (Loss)	22,208	7,517	19,439

Government Support / Outflow	FY2024	FY2023
Subsidies	-	-
Grants	42,658	43,901
Equity Injection	-	-
Loans in CFY	67,814	25,532
Total Outflow	**110,472**	**69,433**
GoP Loans Outstanding	298,192	232,885
GoP Guarantee Outstanding	128,000	142,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	407,265	499,949	466,697
Non-Current Assets	1,116,093	929,779	734,137
Total Assets	1,523,358	1,429,728	1,200,835
Share Capital	63,001	63,000	-
Accumulated profit/(loss)	176,253	186,947	185,633
Others	-	-	63,001
Total Equity	239,254	249,947	248,634
Current Liabilities	656,495	652,540	490,836
Non Current Liabilities	627,609	527,241	461,365
Total Liabilities	1,284,103	1,179,781	952,201
Total Equity + Liabilities	1,523,358	1,429,728	1,200,835

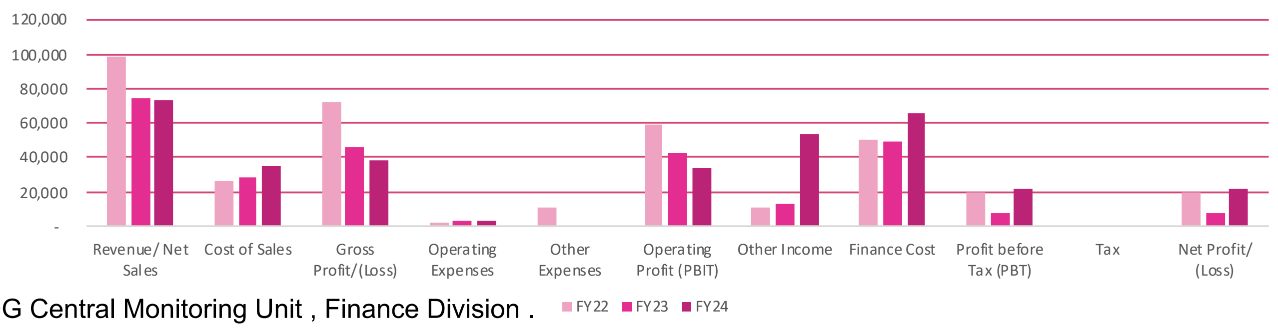
Value Addition / Inflow		
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	28,721	23,160
Total Inflow	**28,721**	**23,160**

Net Flows to GoP	(81,751)	(46,273)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	9.28%	3.01%	7.82%
Return on Assets (ROA)	1.46%	0.53%	1.62%
Return on Capital Invested	2.56%	0.97%	2.74%
Debt/Equity	536.71%	472.01%	382.97%
Current Ratio	0.62	0.77	0.95
Net Working Capital	(249,230)	(152,591)	(24,139)
LTL to Total Assets	41%	37%	38%

Debt Information	FY2024	FY2023
Cash Development Loan	79,734	82,241
Foreign Relent Loan	218,459	150,644
Bank Loan	103,300	59,447
Accrued Interest	7,276	4,451
Other Loan	217,298	243,609
Pension Liablity	109,257	69,558

Profit / Loss Graph



POWER SECTOR

42 National Power Parks Management

NPPMCL

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	M/o Energy (Power Division)
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	2015

Shareholding Pattern

GoP	Directors & Others	Other
98%	0%	2%

Number of Employees			
Number of Employees	78	-15.2%	92, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	409,986	354,634	297,177
Cost of Sales	349,661	312,279	268,961
Gross Profit	60,324	42,355	28,216
Operating Expenses	462	489	506
Other Expenses	47	770	283
Other Income	43,827	30,205	17,551
Finance Cost	26,492	26,063	11,629
Profit before Tax (PBT)	77,151	45,238	33,349
Tax	336	308	23
Net Profit / (Loss)	76,815	44,930	33,327

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	11,000	30,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	364,416	296,828	261,090
Non-Current Assets	150,667	157,081	154,267
Total Assets	515,082	453,909	415,356
Share Capital	55,500	55,500	55,500
Accumulated profit/(loss)	229,503	152,708	107,781
Others	61,000	61,000	61,000
Total Equity	346,003	269,208	224,281
Current Liabilities	147,614	157,045	158,636
Non Current Liabilities	21,466	27,656	32,440
Total Liabilities	169,080	184,701	191,076
Total Equity + Liabilities	515,082	453,909	415,356

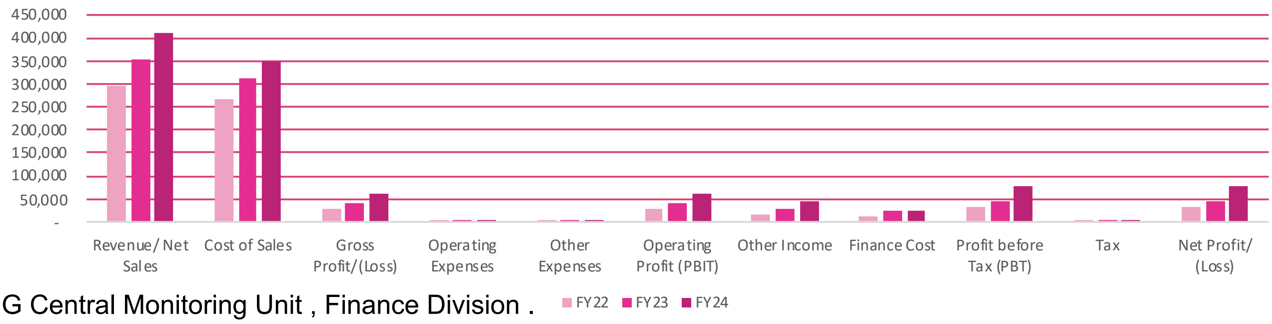
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	**61,554**	**53,000**
Tax Revenue	336	308
Dividend		
Markup Income	-	-
Total Inflow	**61,890**	**53,308**
Net Flows to GoP	**61,890**	**53,308**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	22.20%	16.69%	14.86%
Return on Assets (ROA)	14.91%	9.90%	8.02%
Return on Capital Invested	20.90%	15.13%	12.98%
Debt/Equity	48.87%	68.61%	85.19%
Current Ratio	2.47	1.89	1.65
Net Working Capital	216,802	139,783	102,454
LTL to Total Assets	4%	6%	8%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	45,227	45,253
Accrued Interest	-	-
Other Loan	34,313	46,823
Pension Liablity	-	-

Profit / Loss Graph



43 Neelum Jhelum Hydro Power Company

NJHPC

Company type	PSC - Commercial
Sector	Power
Sub-sector	GENCOs
Ministry	Ministry of Water Resource
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	WAPDA	Other
0%	100%	0%

Number of Employees			
	519	-0.4%	521, was the HR strength in FY2023

in Million Rs.

Established	2004

Income Statement	FY2024	FY2023	FY2022
Revenues	29,860	7,253	-
Cost of Sales	14,705	15,827	-
Gross Profit	15,155	(8,573)	-
Operating Expenses	(1,902)	4,926	-
Other Expenses	6,913	5,131	-
Other Income	5,816	3,653	-
Finance Cost	20,517	22,478	-
Profit before Tax (PBT)	(4,557)	(37,454)	-
Tax	2,493	1,529	-
Net Profit / (Loss)	(7,050)	(38,984)	-

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	167,615	167,615
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	80,656	72,421	-
Non-Current Assets	360,445	369,772	-
Total Assets	441,101	442,193	-
Share Capital	41,663	41,663	-
Accumulated profit/(loss)	(55,957)	(48,906)	-
Others	79,306	79,306	-
Total Equity	65,013	72,063	-
Current Liabilities	367,222	340,099	-
Non Current Liabilities	8,866	30,031	-
Total Liabilities	376,088	370,129	-
Total Equity + Liabilities	441,101	442,193	-

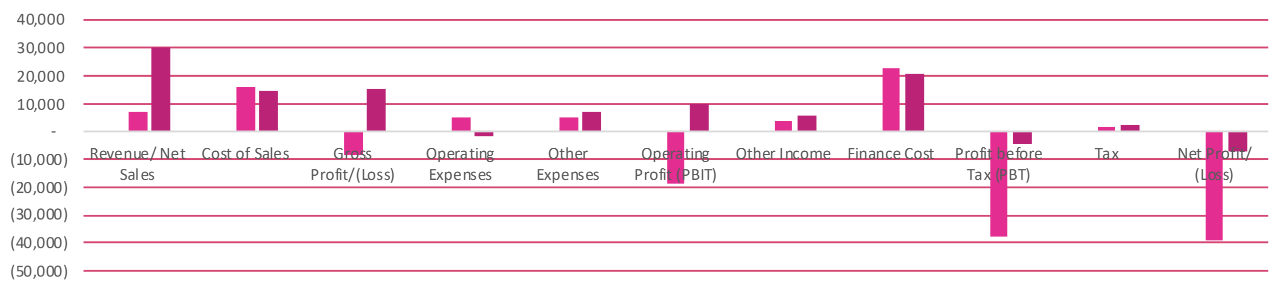
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	2,493	1,529
Dividend		
Markup Income	13,758	15,681
Total Inflow	**16,251**	**17,210**
Net Flows to GoP	**16,251**	**17,210**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-10.84%	-54.10%	
Return on Assets (ROA)	-1.60%	-8.82%	
Return on Capital Invested	-9.54%	-38.18%	
Debt/Equity	578.48%	513.62%	
Current Ratio	0.22	0.21	
Net Working Capital	(286,566)	(267,678)	0
LTL to Total Assets	2%	7%	

Debt Information	FY2024	FY2023
Cash Development Loan	19,147	19,147
Foreign Relent Loan	148,468	148,468
Bank Loan	-	-
Accrued Interest	134,919	121,161
Other Loan	30,000	40,500
Pension Liablity	-	-

Profit / Loss Graph



POWER SECTOR

44 Central Power Purchase Agency (Guarantee) Limited

CPPA (G)

Company type	PSC - Commercial
Sector	Power
Sub-sector	Management
Ministry	M/o Energy (Power Division)
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	2009

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	240	3.4%	232, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	2,964	2,370	1,149
Cost of Sales	-	-	-
Gross Profit	2,964	2,370	1,149
Operating Expenses	2,907	1,380	1,146
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	57	7	17
Profit before Tax (PBT)	1	983	(14)
Tax	56	339	50
Net Profit / (Loss)	(56)	644	(64)

Government Support / Outflow

	FY2024	FY2023
Subsidies		-
Grants		-
Equity Injection		-
Loans in CFY		-
Total Outflow	-	-
GoP Loans Outstanding		561
GoP Guarantee Outstanding		-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	85,106	72,369	25,846
Non-Current Assets	535	329	246
Total Assets	85,641	72,698	26,093
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	136	402	(174)
Total Equity	136	402	(174)
Current Liabilities	85,229	72,297	26,244
Non Current Liabilities	276	-	24
Total Liabilities	85,504	72,297	26,267
Total Equity + Liabilities	85,641	72,699	26,093

Value Addition / Inflow

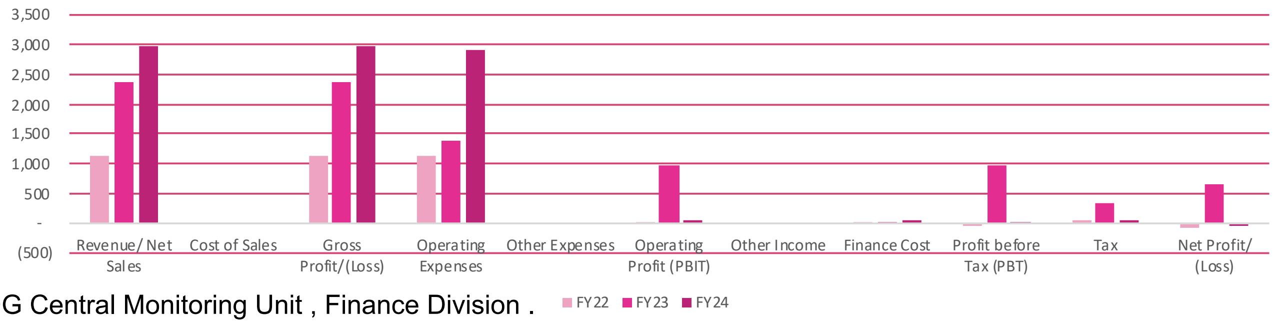
	FY2024	FY2023
Other Tax Contribution		-
Tax Revenue	56	339
Dividend		
Markup Income		-
Total Inflow	**56**	**339**

Net Flows to GoP	56	339

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-40.75%	160.20%	-36.85%
Return on Assets (ROA)	-0.06%	0.89%	-0.25%
Return on Capital Invested	-13.49%	160.20%	42.65%
Debt/Equity	62662.22%	17984.33%	-15069.21%
Current Ratio	1.00	1.00	0.98
Net Working Capital	(123)	72	(397)
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan		561
Foreign Relent Loan		-
Bank Loan		-
Accrued Interest		-
Other Loan		-
Pension Liablity		-

Profit / Loss Graph



POWER SECTOR

45 Power Holding (Private) Limited

PHPL

Company type	PSC - Commercial
Sector	Power
Sub-sector	Management
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	2009

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	6	0.0%	6, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	205,049	163,810	108,873
Cost of Sales	-	-	-
Gross Profit	205,049	163,810	108,873
Operating Expenses	19	19	18
Other Expenses	1	673	8
Other Income	291	201	77
Finance Cost	205,048	163,137	108,865
Profit before Tax (PBT)	271	182	59
Tax	84	53	17
Net Profit / (Loss)	187	129	42

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	255,453	198,810
Equity Injection	-	35,000
Loans in CFY	-	-
Total Outflow	**255,453**	**233,810**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	683,000	765,253

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	152,832	288,292	417,736
Non-Current Assets	659,651	683,258	553,950
Total Assets	812,483	971,550	971,686
Share Capital	15	15	15
Accumulated profit/(loss)	540	353	224
Others	-	-	-
Total Equity	555	368	239
Current Liabilities	152,281	287,929	417,504
Non Current Liabilities	659,646	683,253	553,943
Total Liabilities	811,928	971,182	971,447
Total Equity + Liabilities	812,483	971,550	971,686

Value Addition / Inflow

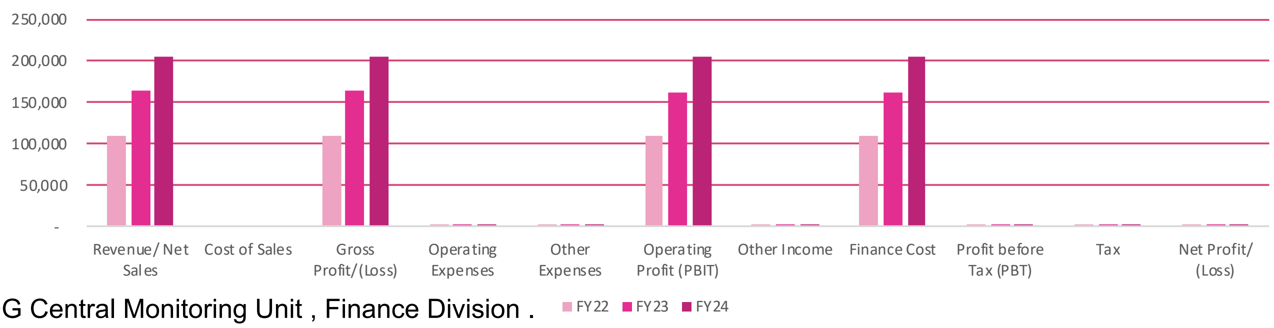
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	84	53
Dividend		
Markup Income	-	-
Total Inflow	**84**	**53**

Net Flows to GoP	(255,369)	(233,757)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	33.75%	35.05%	17.66%
Return on Assets (ROA)	0.02%	0.01%	0.00%
Return on Capital Invested	0.03%	0.02%	0.01%
Debt/Equity	146204.50%	263908.15%	406687.50%
Current Ratio	1.00	1.00	1.00
Net Working Capital	551	363	232
LTL to Total Assets	81%	70%	57%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	683,253	765,253
Accrued Interest	128,594	108,215
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



46 GENCO Holding Company Limited

GHCL

Company type	PSC - Commercial
Sector	Power
Sub-sector	Management
Ministry	M/o Energy (Power Division)
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	52	-20.0%	65, was the HR strength in FY2023

in Million Rs.

Established 2012

Income Statement	FY2024	FY2023	FY2022
Revenues	244	223	223
Cost of Sales	209	203	204
Gross Profit	36	20	19
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	4	5	1
Finance Cost	5	2	1
Profit before Tax (PBT)	35	23	19
Tax	32	18	17
Net Profit / (Loss)	3	5	2

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	127	121	168
Non-Current Assets	37	38	28
Total Assets	163	159	195
Share Capital	0	-	0
Accumulated profit/(loss)	27	24	20
Others	11	10	11
Total Equity	38	34	31
Current Liabilities	105	99	160
Non Current Liabilities	20	25	5
Total Liabilities	126	124	165
Total Equity + Liabilities	163	158	195

Value Addition / Inflow

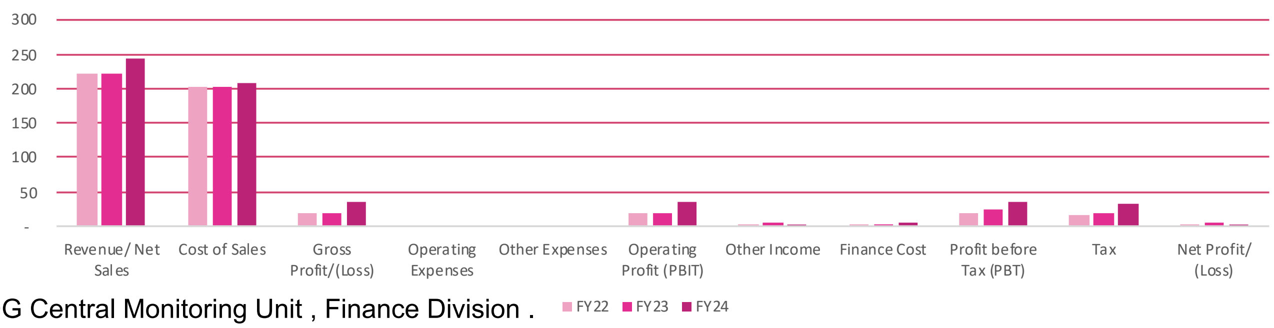
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	32	18
Dividend		
Markup Income		
Total Inflow	**32**	**18**

Net Flows to GoP	32	18

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	7.52%	15.29%	5.07%
Return on Assets (ROA)	1.73%	3.27%	0.79%
Return on Capital Invested	4.87%	8.81%	4.39%
Debt/Equity	334.21%	364.71%	538.33%
Current Ratio	1.20	1.22	1.05
Net Working Capital	21	22	8
LTL to Total Assets	13%	16%	2%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



47 Private Power & Infrastructure Board

PPIB

Company type	PSC - Commercial
Sector	Power
Sub-sector	Management
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP		Other

Number of Employees	105	1.0%	104, was the HR strength in FY2023

Established 2012

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	1,656	1,570	737
Cost of Sales	-	-	-
Gross Profit	1,656	1,570	737
Operating Expenses	952	810	687
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	704	760	50
Tax	-	89	19
Net Profit / (Loss)	704	671	31

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	
Grants	-	
Equity Injection	-	
Loans in CFY	-	
Total Outflow	-	-
GoP Loans Outstanding	-	
GoP Guarantee Outstanding	-	

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	5,337	4,294	2,423
Non-Current Assets	231	227	208
Total Assets	5,567	4,521	2,631
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	3,066	2,127	1,481
Total Equity	3,066	2,127	1,481
Current Liabilities	2,502	2,381	1,114
Non Current Liabilities	(1)	13	37
Total Liabilities	2,502	2,394	1,150
Total Equity + Liabilities	5,567	4,521	2,631

Value Addition / Inflow

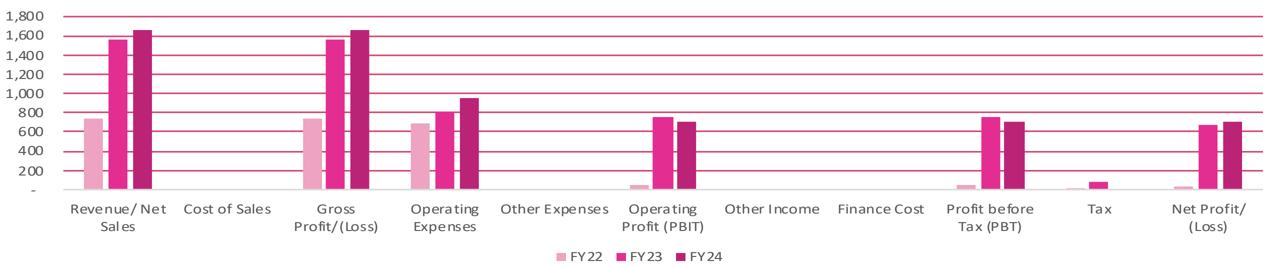
	FY2024	FY2023
Other Tax Contribution	-	
Tax Revenue	-	89
Dividend		
Markup Income	-	
Total Inflow	-	89

Net Flows to GoP	-	89

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	22.96%	31.53%	2.09%
Return on Assets (ROA)	12.64%	14.83%	1.17%
Return on Capital Invested	22.96%	31.34%	2.03%
Debt/Equity	81.61%	112.58%	77.70%
Current Ratio	2.13	1.80	2.17
Net Working Capital	2,834	1,912	1,309
LTL to Total Assets	0%	0%	1%

Debt Information	FY2024	FY2023
Cash Development Loan	-	
Foreign Relent Loan	-	
Bank Loan	-	
Accrued Interest	-	
Other Loan	61	
Pension Liablity	-	

Profit / Loss Graph



Infrastructure, Transport & ITC Sector

in Rs Million

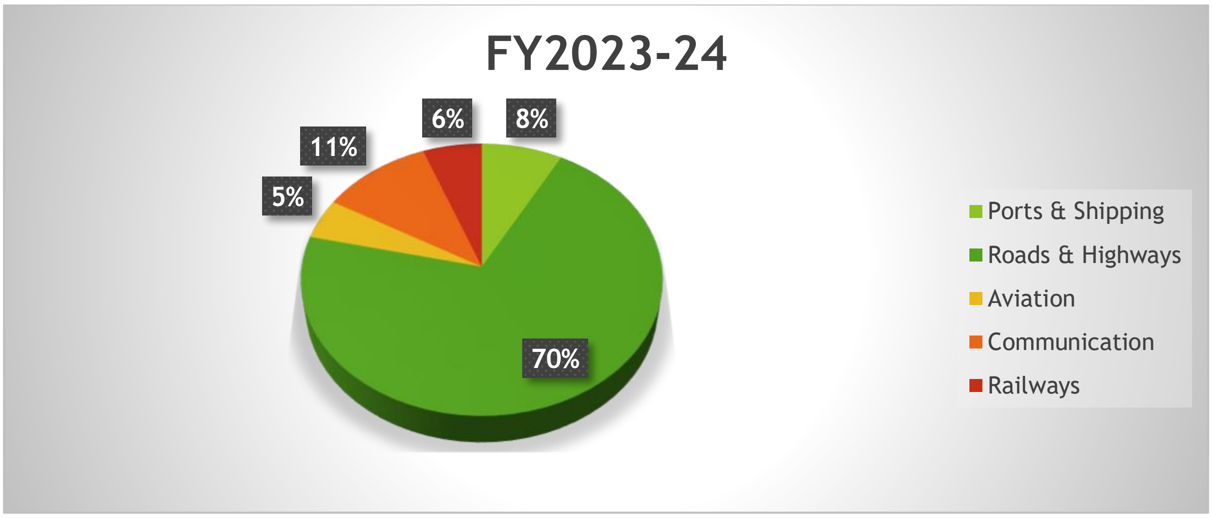
Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Port Qasim Authority	Infrastructure, Transport & ITC	Ports & Shipping	41,000	269,465	91,000
2	Karachi Port Trust	Infrastructure, Transport & ITC	Ports & Shipping	20,304	247,889	48,630
3	Pakistan National Shipping Corporation	Infrastructure, Transport & ITC	Ports & Shipping	20,182	99,894	46,076
4	National Telecommunication Corporation	Infrastructure, Transport & ITC	Communication	1,025	14,706	6,306
5	Pakistan Infrastructure Development Company Limited	Infrastructure, Transport & ITC	Roads & Highways	116	3,028	30
6	Railway Constructions Pakistan Limited	Infrastructure, Transport & ITC	Railways	78	4,642	1,940
7	Pakistan Railway Advisory and Consultancy Services Limited	Infrastructure, Transport & ITC	Railways	60	949	385
8	Railway Estate Development and Marketing Company	Infrastructure, Transport & ITC	Railways	29	308	89
9	Karachi Urban Transport Corporation	Infrastructure, Transport & ITC	Roads & Highways	-	-	-
10	Pakistan Railway Freight Transportation Company (Pvt) Ltd	Infrastructure, Transport & ITC	Railways	(791)	332	1
11	Gawadar Port Authority	Infrastructure, Transport & ITC	Ports & Shipping	(3,316)	35,328	352
12	Pakistan Telecommunication Company Limited	Infrastructure, Transport & ITC	Communication	(6,635)	643,598	146,738
13	Pakistan Post Office	Infrastructure, Transport & ITC	Communication	(13,429)	235,145	9,905
14	Pakistan Railways	Infrastructure, Transport & ITC	Railways	(51,375)	468,540	88,792
15	PIA Holding Company	Infrastructure, Transport & ITC	Aviation	(73,594)	389,513	244,665
16	National Highway Authority	Infrastructure, Transport & ITC	Roads & Highways	(295,583)	5,809,875	54,151

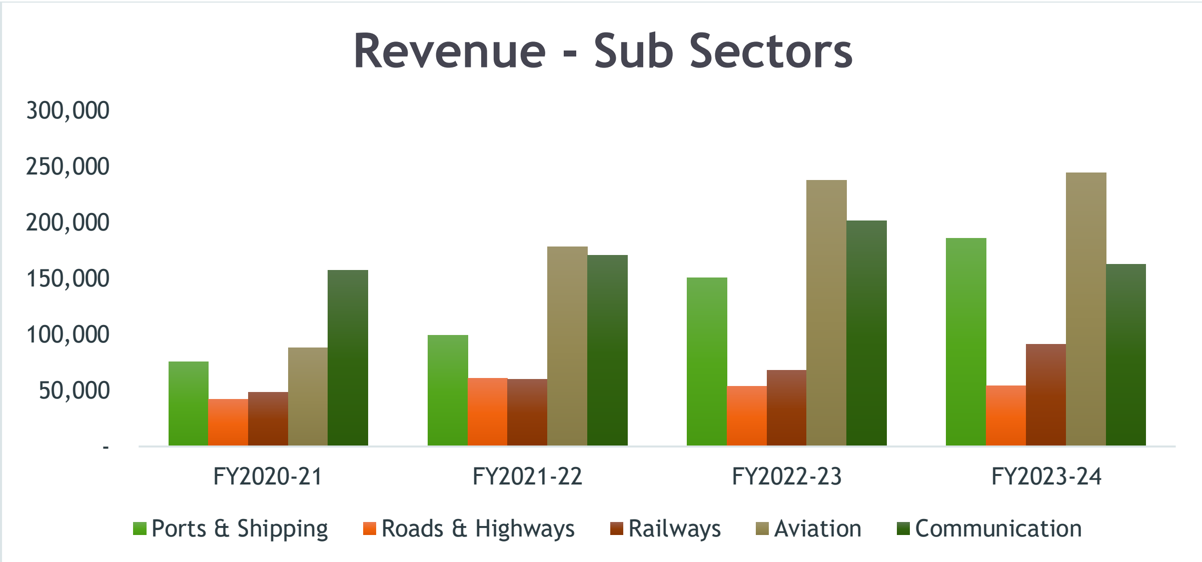
INFRASTRUCTURE, TRANSPORT & ITC SECTOR

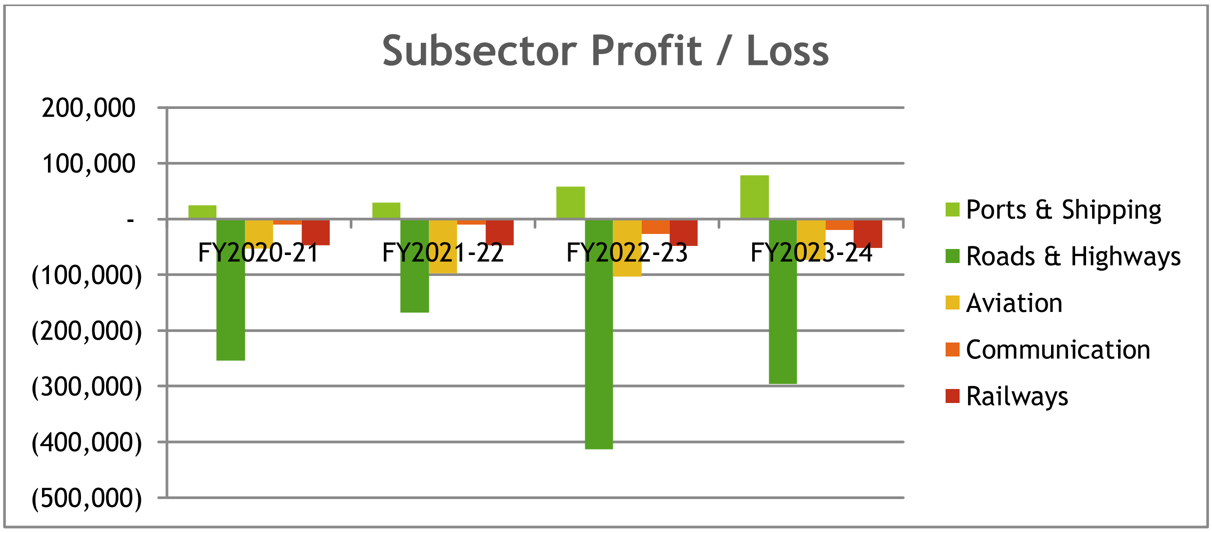
	Infrastructure, Transport & ITC		
Total number of SOEs	**40**		
Total number of Independent Companies	16		40%
Total number of Subsidiaries	24		60%
Total number of Board of Directors	**74**		
Total number of Executive Directors	21		28%
Total number of Non-Executive Directors	46		62%
Total number of Indpendent Directors	7		9%
Total Employees	**122,329**	**122,422** ▲	0%

PKR MILLIONS

	FY2022-23	**FY2023-24**	**% Change**
Current Assets	1,141,422	1,263,437 ▲	11%
Non Current Assets	6,719,391	6,959,774 ▲	4%
Total Assets	7,860,814	8,223,211 ▲	5%
Current Liabilities	2,519,447	2,715,623 ▲	8%
Total Debt	2,418,056	2,915,576 ▲	21%
Non Current Liabilities	2,649,068	2,924,077 ▲	10%
Total Liabilities	5,168,516	5,639,700 ▲	9%
Total Equity	2,692,298	2,583,511 ▼	-4%
Net Revenue	712,058	739,060 ▲	4%
Gross Profit/(Loss)	286,748	355,991 ▲	24%
Operating Profit/(Loss)	(303,719)	(150,014) ▲	51%
Net Profit/(Loss)	(533,493)	(361,929) ▲	32%
Net Profit/Loss Margin	-74.9%	-49.0% ▲	35%
Return on Assets	-6.8%	-4.4% ▲	35%
Return on Equity	-19.8%	-14.0% ▲	29%
Return on Capital Invested	-5.7%	-2.7% ▲	52%
Current Ratio	0.45	0.47 ▲	3%
Net Working Capital	(1,378,025)	(1,452,186) ▼	-5%
Debt to Equity	192.0%	218.3% ▲	14%
Debt to Total Assets	0.31	0.35 ▲	15%
Total Dividned Paid to GOP	1,156	2,891 ▲	150%
Total Tax Paid to GOP	17,336	16,945 ▼	-2%
Other Tax Contribution during the year	-	-	-
Interest During the Year	20,118	29,320 ▲	46%
Total loans disbursed during the year	106,800	100,494 ▼	-6%
Total Grants disbursed in the year	65,118	68,908 ▲	6%
Total Subsidies disbursed in the year	-	-	-
Total equity injection during the year	-	-	-
Net Flow to GoP	(133,308)	(120,247) ▲	10%
Total Loans Outstanding	2,269,863	2,370,357 ▲	4%
Total Guarantees Outstanding	224,000	247,000 ▲	10%


FY2023-24
6%
8%
11%
5%
70%
Ports & Shipping
Roads & Highways
Aviation
Communication
Railways


Revenue - Sub Sectors
300,000
250,000
200,000
150,000
100,000
50,000
-
FY2020-21
FY2021-22
FY2022-23
FY2023-24
Ports & Shipping
Roads & Highways
Railways
Aviation
Communication


Subsector Profit / Loss
200,000
100,000
-
(100,000)
(200,000)
(300,000)
(400,000)
(500,000)
FY2020-21
FY2021-22
FY2022-23
FY2023-24
Ports & Shipping
Roads & Highways
Aviation
Communication
Railways

Infrastructure, Transport & ITC Sector One Pager Accounts

48 Pakistan Telecommunication Company Limited

PTCL

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Communication
Ministry	ıation Technology & Telecom
Accounts are:	Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Special Enactment

Shareholding Pattern

GoP	Etisalat	Other
62%	26%	12%

Number of Employees	21,768	1.6%	21432, was the HR strength in FY2023

Established	1995

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	146,738	188,075	151,644
Cost of Sales	115,125	151,885	120,168
Gross Profit	31,613	36,190	31,475
Operating Expenses	20,655	25,641	20,429
Other Expenses	5,963	11,925	9,410
Other Income	22,415	30,248	15,647
Finance Cost	37,129	51,779	29,705
Profit before Tax (PBT)	(9,719)	(22,907)	(12,422)
Tax	(3,084)	(7,363)	(4,633)
Net Profit / (Loss)	(6,635)	(15,544)	(7,789)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	2,159	2,649
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**2,159**	**2,649**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	259,736	259,736	310,284
Non-Current Assets	383,862	383,862	333,103
Total Assets	643,598	643,598	643,387
Share Capital	51,000	51,000	51,000
Accumulated profit/(loss)	6,149	6,149	(2,672)
Others	1,031	1,031	28,847
Total Equity	58,180	58,180	77,175
Current Liabilities	322,559	322,559	354,640
Non Current Liabilities	262,859	262,859	211,572
Total Liabilities	585,418	585,418	566,212
Total Equity + Liabilities	643,598	643,598	643,387

Value Addition / Inflow

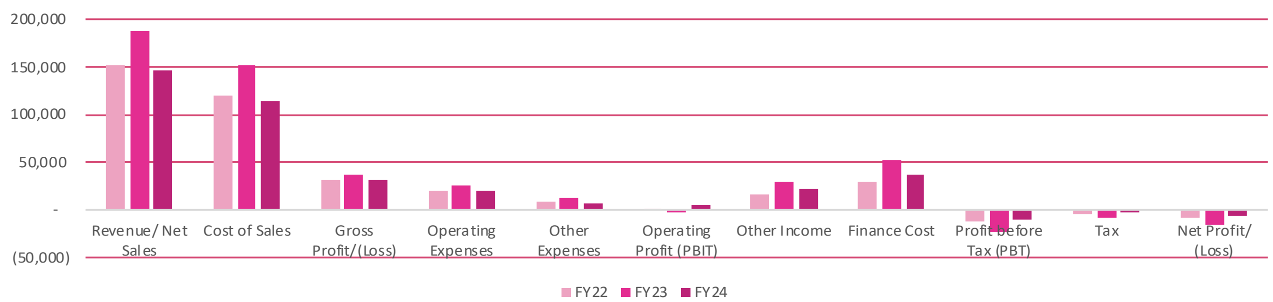
Other Tax Contribution	-	-
Tax Revenue	(3,084)	(7,363)
Dividend		
Markup Income	-	-
Total Inflow	**(3,084)**	**(7,363)**

Net Flows to GoP	(5,242)	(10,012)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-11.40%	-26.72%	-10.09%
Return on Assets (ROA)	-1.03%	-2.42%	-1.21%
Return on Capital Invested	-2.07%	-4.84%	-2.70%
Debt/Equity	1006.22%	1006.22%	733.68%
Current Ratio	0.81	0.81	0.87
Net Working Capital	(62,823)	(62,823)	(44,356)
LTL to Total Assets	41%	41%	33%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	95,536	123,846
Accrued Interest	-	-
Other Loan	2,065	17,005
Pension Liablity	36,259	34,656

Profit / Loss Graph



49 National Telecommunication Corporation

NTC

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Communication
Ministry	ıation Technology & Telecom
Accounts are:	P/L Only
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	2,126	-2.0%	2170, was the HR strength in FY2023

Established 1996

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	6,306	5,894	4,864
Cost of Sales	-	-	-
Gross Profit	6,306	5,894	4,864
Operating Expenses	6,099	5,795	4,816
Other Expenses	-	-	-
Other Income	823	731	410
Finance Cost	6	6	7
Profit before Tax (PBT)	1,025	824	452
Tax	-	227	121
Net Profit / (Loss)	1,025	596	332

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	8,949	8,949	8,557
Non-Current Assets	5,757	5,757	6,432
Total Assets	14,706	14,706	14,989
Share Capital	-	-	-
Accumulated profit/(loss)	1,508	1,508	896
Others	1,884	1,884	1,884
Total Equity	3,391	3,391	2,780
Current Liabilities	3,361	3,361	3,963
Non Current Liabilities	7,953	7,953	8,246
Total Liabilities	11,314	11,314	12,209
Total Equity + Liabilities	14,706	14,706	14,989

Value Addition / Inflow

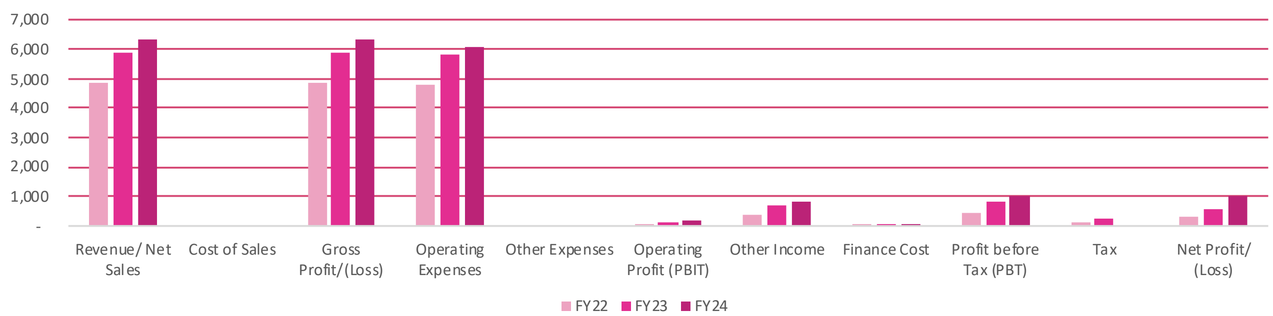
Other Tax Contribution		
Tax Revenue	-	227
Dividend		
Markup Income		
Total Inflow	-	**227**

Net Flows to GoP	-	227

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	30.21%	17.59%	11.93%
Return on Assets (ROA)	6.97%	4.06%	2.21%
Return on Capital Invested	9.03%	5.26%	3.01%
Debt/Equity	333.61%	333.61%	439.21%
Current Ratio	2.66	2.66	2.16
Net Working Capital	5,588	5,588	4,594
LTL to Total Assets	54%	54%	55%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



50 Pakistan Post Office

PPO

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Communication
Ministry	M/o Communication
Accounts are:	P/L Only
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	19,580	0.1%	19567, was the HR strength in FY2023

Established 1947

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	9,905	7,513	14,433
Cost of Sales	23,334	19,265	17,053
Gross Profit	(13,429)	(11,752)	(2,620)
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	(13,429)	(11,752)	(2,620)
Tax	-	-	-
Net Profit / (Loss)	(13,429)	(11,752)	(2,620)

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	233,808	233,808	233,808
Non-Current Assets	1,337	1,337	1,337
Total Assets	235,145	235,145	235,145
Share Capital	461	461	461
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	461	461	461
Current Liabilities	7,876	7,876	7,876
Non Current Liabilities	226,807	226,807	226,807
Total Liabilities	234,683	234,683	234,683
Total Equity + Liabilities	235,145	235,145	235,145

Value Addition / Inflow

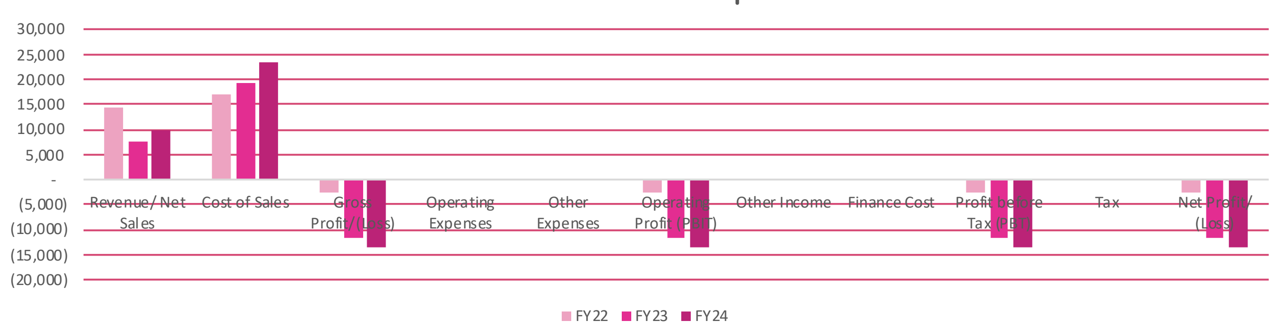
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	-	-
Dividend		
Markup Income		
Total Inflow	-	-

Net Flows to GoP	-	-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-2911.15%	-2547.63%	-567.99%
Return on Assets (ROA)	-5.71%	-5.00%	-1.11%
Return on Capital Invested	-5.91%	-5.17%	-1.15%
Debt/Equity	50874.58%	50874.58%	50874.58%
Current Ratio	29.69	29.69	29.69
Net Working Capital	225,932	225,932	225,932
LTL to Total Assets	96%	96%	96%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



51 Karachi Port Trust

KPT

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Ports & Shipping
Ministry	M/o Maritime Affairs
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	4,518	0.0%	4518, was the HR strength in FY2023

Established 1886

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	48,630	29,076	24,682
Cost of Sales	-	-	-
Gross Profit	48,630	29,076	24,682
Operating Expenses	32,417	26,360	23,101
Other Expenses	-	-	-
Other Income	6,554	1,906	2,277
Finance Cost	2,463	1,879	1,301
Profit before Tax (PBT)	20,304	2,744	2,557
Tax	-	-	-
Net Profit / (Loss)	20,304	2,744	2,557

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	4,852	-
Total Outflow	**4,852**	**-**
GoP Loans Outstanding	19,421	14,570
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	83,768	47,164	41,272
Non-Current Assets	164,121	147,204	150,799
Total Assets	247,890	194,368	192,071
Share Capital	965	965	965
Accumulated profit/(loss)	161,671	141,367	130,282
Others	29,822	29,822	29,822
Total Equity	192,458	172,154	161,069
Current Liabilities	8,342	7,644	15,074
Non Current Liabilities	47,089	14,570	15,928
Total Liabilities	55,431	22,214	31,002
Total Equity + Liabilities	247,889	194,368	192,071

Value Addition / Inflow

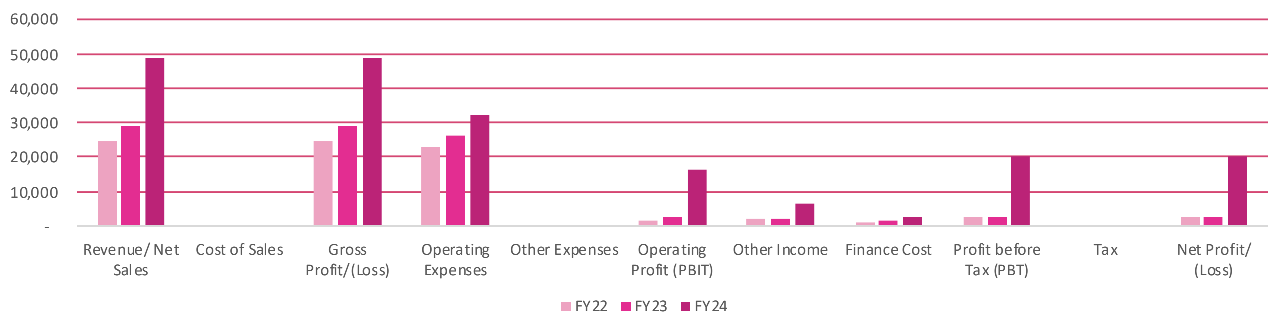
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	-	-
Total Inflow	**-**	**-**

Net Flows to GoP	(4,852)	-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	10.55%	1.59%	1.59%
Return on Assets (ROA)	8.19%	1.41%	1.33%
Return on Capital Invested	8.48%	1.47%	1.44%
Debt/Equity	28.80%	12.90%	19.25%
Current Ratio	10.04	6.17	2.74
Net Working Capital	75,426	39,520	26,198
LTL to Total Assets	19%	7%	8%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	19,421	14,570
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



52 Pakistan Railways

PR

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Railways
Ministry	M/o Railways
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees 61,500 -0.2% 61600, was the HR strength in FY2023

Established 1861

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	88,792	63,286	60,092
Cost of Sales	-	-	-
Gross Profit	88,792	63,286	60,092
Operating Expenses	88,380	74,413	67,699
Other Expenses	50,670	37,407	39,438
Other Income	9	-	2
Finance Cost	1,125	-	443
Profit before Tax (PBT)	(51,375)	(48,534)	(47,486)
Tax	-	-	-
Net Profit / (Loss)	(51,375)	(48,534)	(47,486)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	51,375	47,500
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**51,375**	**47,500**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	93,884	88,621	80,578
Non-Current Assets	374,656	353,230	328,915
Total Assets	468,540	441,851	409,493
Share Capital	347,391	314,739	289,433
Accumulated profit/(loss)	(6,888)	(37,834)	(42,099)
Others	26,053	57,293	57,989
Total Equity	366,556	334,198	305,322
Current Liabilities	19,999	26,722	24,497
Non Current Liabilities	81,985	80,930	79,673
Total Liabilities	101,984	107,653	104,170
Total Equity + Liabilities	468,540	441,851	409,493

Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	-	-
Total Inflow	**-**	**-**

Net Flows to GoP	(51,375)	(47,500)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-14.02%	-14.52%	-15.55%
Return on Assets (ROA)	-10.96%	-10.98%	-11.60%
Return on Capital Invested	-11.45%	-11.69%	-12.33%
Debt/Equity	27.82%	32.21%	34.12%
Current Ratio	4.69	3.32	3.29
Net Working Capital	73,885	61,898	56,081
LTL to Total Assets	17%	18%	19%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph

53 Railway Constructions Pakistan Limited

RAILCOP

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Railways
Ministry	M/o Railways
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	631	8.6%	581, was the HR strength in FY2023

in Million Rs.

Established 1981

Income Statement	FY2024	FY2023	FY2022
Revenues	1,940	4,434	-
Cost of Sales	1,979	3,649	-
Gross Profit	(40)	785	-
Operating Expenses	470	199	-
Other Expenses	-	-	-
Other Income	773	83	-
Finance Cost	118	0	-
Profit before Tax (PBT)	145	669	-
Tax	67	214	-
Net Profit / (Loss)	78	454	-

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	4,357	4,024	-
Non-Current Assets	285	204	-
Total Assets	4,642	4,228	-
Share Capital	200	200	-
Accumulated profit/(loss)	3,039	2,963	-
Others	98	97	-
Total Equity	3,337	3,260	-
Current Liabilities	1,068	921	-
Non Current Liabilities	237	47	-
Total Liabilities	1,305	968	-
Total Equity + Liabilities	4,642	4,228	-

Value Addition / Inflow

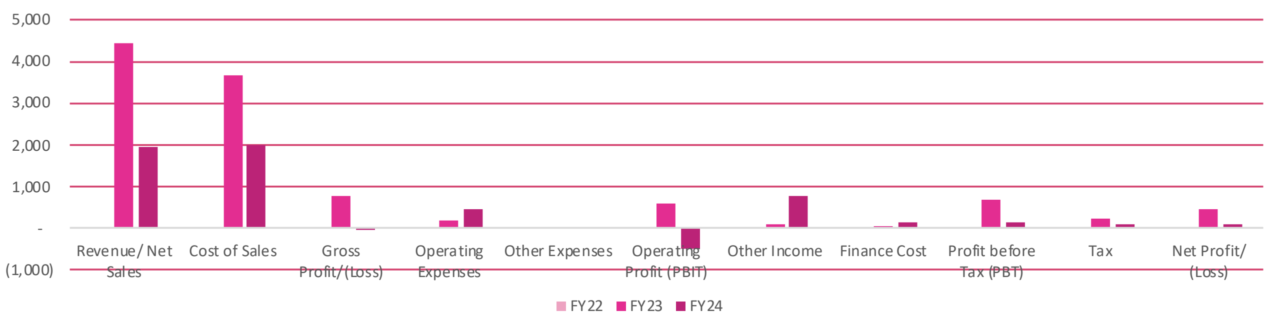
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	67	214
Dividend		
Markup Income		
Total Inflow	**67**	**214**

Net Flows to GoP	67	214

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	2.33%	13.94%	
Return on Assets (ROA)	1.68%	10.74%	
Return on Capital Invested	2.18%	13.74%	
Debt/Equity	39.11%	29.70%	
Current Ratio	4.08	4.37	
Net Working Capital	3,289	3,103	0
LTL to Total Assets	5%	1%	

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



54 Pakistan Railway Advisory and Consultancy Services Limited

PRACS

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Railways
Ministry	M/o Railways
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees: 341 | -26.0% | 461, was the HR strength in FY2023

Established: 1976

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	385	124	-
Cost of Sales	277	218	-
Gross Profit	109	(94)	-
Operating Expenses	79	57	-
Other Expenses	-	-	-
Other Income	43	12	-
Finance Cost	-	-	-
Profit before Tax (PBT)	72	(140)	-
Tax	12	(2)	-
Net Profit / (Loss)	60	(138)	-

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	918	818	-
Non-Current Assets	31	22	-
Total Assets	949	840	-
Share Capital	72	72	-
Accumulated profit/(loss)	603	525	-
Others	-	-	-
Total Equity	675	597	-
Current Liabilities	54	44	-
Non Current Liabilities	220	200	-
Total Liabilities	274	244	-
Total Equity + Liabilities	949	840	-

Value Addition / Inflow

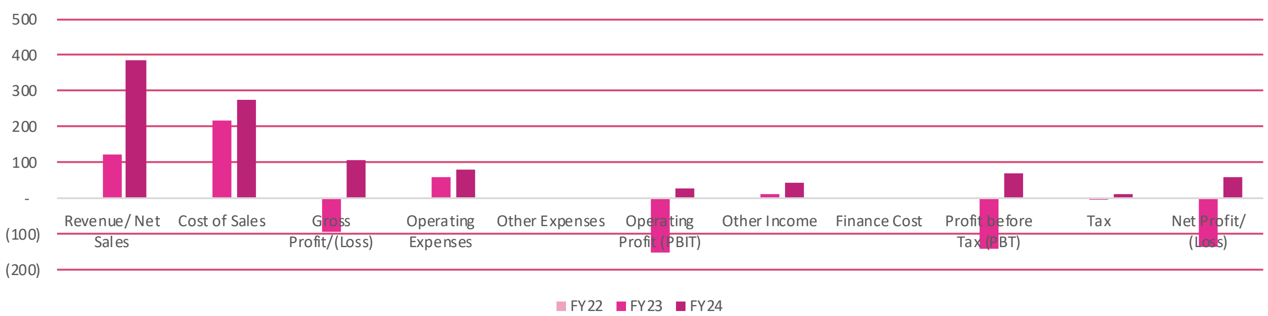
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	12	(2)
Dividend		
Markup Income		
Total Inflow	**12**	**(2)**

Net Flows to GoP	12	(2)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	8.88%	-23.14%	
Return on Assets (ROA)	6.32%	-16.43%	
Return on Capital Invested	6.70%	-17.34%	
Debt/Equity	40.59%	40.84%	
Current Ratio	17.01	18.59	
Net Working Capital	864	774	0
LTL to Total Assets	23%	24%	

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



55 PIA Holding Company

PIA

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Aviation
Ministry	Aviation Division
Accounts are:	Un-Audited/ ProRata
Reporting Period End	31-Dec-2023
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
85%	8%	7%

Number of Employees	8,082	0.0%	8083, was the HR strength in FY2023

Established 1953

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	244,665	237,883	178,552
Cost of Sales	211,187	219,256	179,307
Gross Profit	33,478	18,627	(755)
Operating Expenses	24,655	20,577	19,264
Other Expenses	14,070	25,959	33,536
Other Income	4,651	6,817	4,387
Finance Cost	70,622	79,429	51,718
Profit before Tax (PBT)	(71,219)	(100,521)	(100,886)
Tax	2,375	3,010	(3,355)
Net Profit / (Loss)	(73,594)	(103,531)	(97,531)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	7,000	15,000
Total Outflow	**7,000**	**15,000**
GoP Loans Outstanding	168,000	161,000
GoP Guarantee Outstanding	247,000	224,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	61,269	49,159	54,252
Non-Current Assets	328,244	116,998	267,013
Total Assets	389,513	166,157	321,265
Share Capital	52,345	52,345	52,345
Accumulated profit/(loss)	(785,610)	(760,780)	(652,133)
Others	142,824	19,191	109,792
Total Equity	(590,441)	(689,245)	(489,996)
Current Liabilities	432,527	488,619	386,921
Non Current Liabilities	547,427	366,783	424,340
Total Liabilities	979,954	855,402	811,261
Total Equity + Liabilities	389,513	166,157	321,265

Value Addition / Inflow

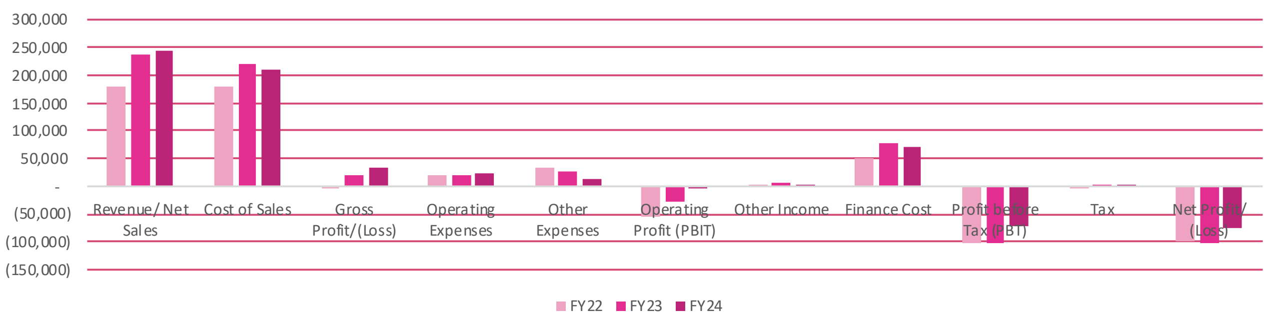
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	2,375	3,010
Dividend		
Markup Income	3,078	-
Total Inflow	**5,453**	**3,010**

Net Flows to GoP	(1,547)	(11,990)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-12.46%	-15.02%	-19.90%
Return on Assets (ROA)	-18.89%	-62.31%	-30.36%
Return on Capital Invested	171.09%	32.11%	148.55%
Debt/Equity	-165.97%	-124.11%	-165.56%
Current Ratio	0.14	0.10	0.14
Net Working Capital	(371,258)	(439,460)	(332,669)
LTL to Total Assets	141%	221%	132%

Debt Information	FY2024	FY2023
Cash Development Loan	168,000	161,000
Foreign Relent Loan	-	-
Bank Loan	420,920	-
Accrued Interest	85,458	-
Other Loan	23,861	-
Pension Liablity	-	-

Profit / Loss Graph



INFRASTRUCTURE, TRANSPORT & ITC SECTOR

56 Pakistan National Shipping Corporation

PNSC

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Ports & Shipping
Ministry	M/o Maritime Affairs
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
88%	2%	11%

Number of Employees	672	1.7%	661, was the HR strength in FY2023

Established 1979

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	46,076	54,771	27,714
Cost of Sales	27,428	27,578	19,713
Gross Profit	18,647	27,193	8,001
Operating Expenses	2,177	2,732	1,217
Other Expenses	752	449	1,353
Other Income	6,990	9,274	1,396
Finance Cost	1,015	1,411	531
Profit before Tax (PBT)	21,694	31,875	6,297
Tax	1,512	1,882	647
Net Profit / (Loss)	20,182	29,993	5,650

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	58,577	45,784	22,487
Non-Current Assets	41,317	40,206	30,909
Total Assets	99,894	85,990	53,396
Share Capital	1,321	1,321	1,321
Accumulated profit/(loss)	85,081	68,198	39,429
Others	1,926	1,561	1,634
Total Equity	88,328	71,080	42,383
Current Liabilities	8,473	11,260	6,648
Non Current Liabilities	3,093	3,650	4,365
Total Liabilities	11,566	14,910	11,013
Total Equity + Liabilities	99,894	85,990	53,396

Value Addition / Inflow

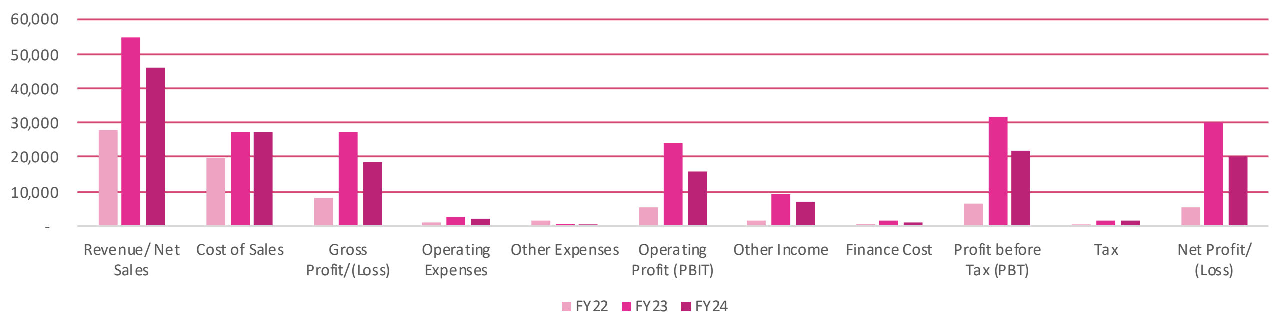
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	1,512	1,882
Dividend	2,891	1,156
Markup Income	-	-
Total Inflow	**4,403**	**3,038**

Net Flows to GoP	4,403	3,038

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	22.85%	42.20%	13.33%
Return on Assets (ROA)	20.20%	34.88%	10.58%
Return on Capital Invested	22.08%	40.14%	12.09%
Debt/Equity	13.09%	20.98%	25.98%
Current Ratio	6.91	4.07	3.38
Net Working Capital	50,104	34,524	15,839
LTL to Total Assets	3%	4%	8%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	2,821	7,244
Accrued Interest	-	-
Other Loan	15	98
Pension Liablity	1,129	740

Profit / Loss Graph



57 National Highway Authority

NHA

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Roads & Highways
Ministry	M/o Communication
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	3,060	-2.1%	3127, was the HR strength in FY2023

Established 1991

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	54,151	53,849	60,729
Cost of Sales	-	-	-
Gross Profit	54,151	53,849	60,729
Operating Expenses	209,338	208,352	21,095
Other Expenses	14,140	129,258	220,523
Other Income	30,153	24,536	13,278
Finance Cost	155,355	153,161	70
Profit before Tax (PBT)	(294,528)	(412,386)	(167,681)
Tax	1,056	1,068	882
Net Profit / (Loss)	(295,583)	(413,454)	(168,563)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	11,837	12,000
Equity Injection	-	-
Loans in CFY	88,643	91,800
Total Outflow	**100,480**	**103,800**
GoP Loans Outstanding	2,182,936	2,094,293
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	199,735	219,815	213,715
Non-Current Assets	5,610,139	5,620,348	5,675,891
Total Assets	5,809,875	5,840,163	5,889,606
Share Capital	-	-	-
Accumulated profit/(loss)	(1,798,188)	(1,552,884)	(1,186,947)
Others	4,070,520	4,120,799	4,176,233
Total Equity	2,272,332	2,567,915	2,989,286
Current Liabilities	1,821,435	1,615,481	1,306,394
Non Current Liabilities	1,716,108	1,656,767	1,593,926
Total Liabilities	3,537,543	3,272,248	2,900,321
Total Equity + Liabilities	5,809,875	5,840,163	5,889,606

Value Addition / Inflow

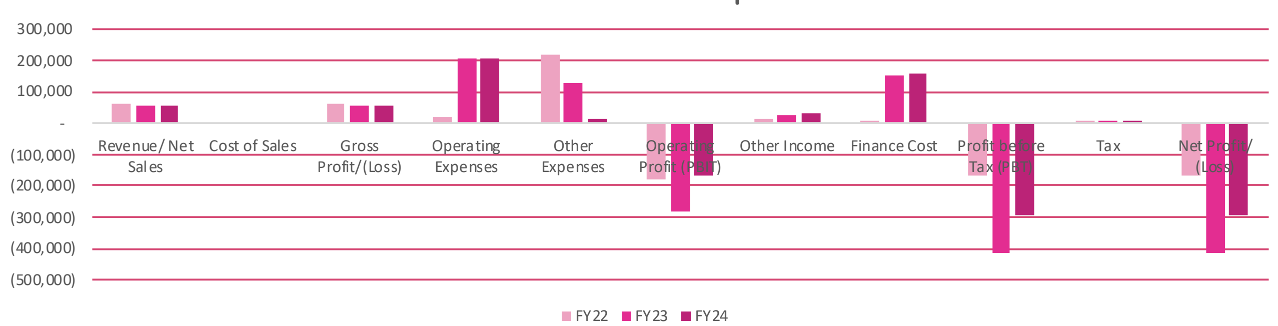
Other Tax Contribution	-	-
Tax Revenue	1,056	1,068
Dividend		
Markup Income	26,242	20,118
Total Inflow	**27,298**	**21,186**

Net Flows to GoP	(73,182)	(82,614)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-13.01%	-16.10%	-5.64%
Return on Assets (ROA)	-5.09%	-7.08%	-2.86%
Return on Capital Invested	-7.41%	-9.79%	-3.68%
Debt/Equity	155.68%	127.43%	97.02%
Current Ratio	0.11	0.14	0.16
Net Working Capital	(1,621,699)	(1,395,666)	(1,092,679)
LTL to Total Assets	30%	28%	27%

Debt Information	FY2024	FY2023
Cash Development Loan	1,316,771	1,243,424
Foreign Relent Loan	866,165	850,869
Bank Loan	-	-
Accrued Interest	1,242,754	1,061,319
Other Loan	-	-
Pension Liablity	8,671	8,671

Profit / Loss Graph



58 Port Qasim Authority

PQA

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Ports & Shipping
Ministry	M/o Maritime Affairs
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees #N/A , was the HR strength in FY2023

Established 1973

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	91,000	66,829	46,825
Cost of Sales	-	-	-
Gross Profit	91,000	66,829	46,825
Operating Expenses	28,000	19,325	15,429
Other Expenses	7,000	1,773	1,339
Other Income	-	1,308	1,133
Finance Cost	-	-	-
Profit before Tax (PBT)	56,000	47,038	31,190
Tax	15,000	18,268	9,045
Net Profit / (Loss)	41,000	28,770	22,145

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	254,056	179,248	167,785
Non-Current Assets	15,410	15,507	17,716
Total Assets	269,465	194,755	185,501
Share Capital	4,183	4,183	4,183
Accumulated profit/(loss)	156,432	137,957	99,755
Others	(4,375)	(4,375)	-
Total Equity	156,240	137,766	103,938
Current Liabilities	82,972	28,506	59,413
Non Current Liabilities	30,253	28,484	22,150
Total Liabilities	113,225	56,990	81,563
Total Equity + Liabilities	269,465	194,755	185,501

Value Addition / Inflow

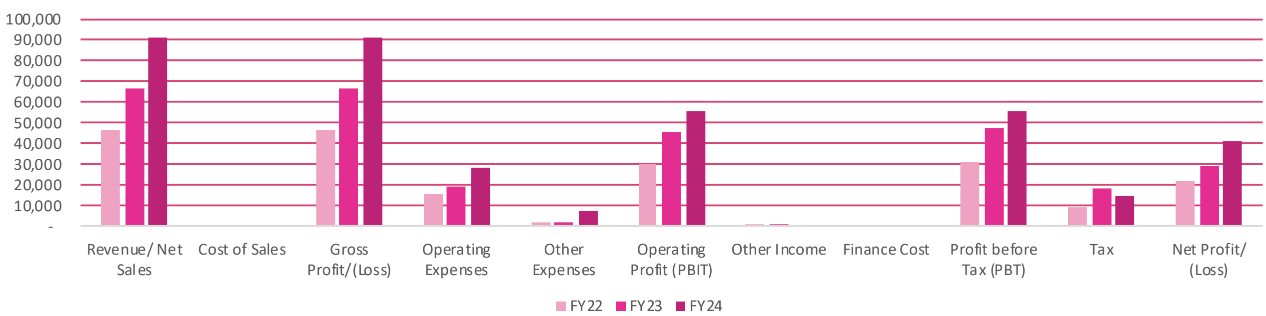
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	15,000	18,268
Dividend		
Markup Income		
Total Inflow	**15,000**	**18,268**

Net Flows to GoP	15,000	18,268

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	26.24%	20.88%	21.31%
Return on Assets (ROA)	15.22%	14.77%	11.94%
Return on Capital Invested	21.98%	17.31%	17.56%
Debt/Equity	72.47%	41.37%	78.47%
Current Ratio	3.06	6.29	2.82
Net Working Capital	171,084	150,743	108,372
LTL to Total Assets	11%	15%	12%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



59 Gawadar Port Authority

GPA

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Ports & Shipping
Ministry	M/o Maritime Affairs
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	#N/A	, was the HR strength in FY2023

Established 2002

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	352	146	89
Cost of Sales	3,727	3,448	-
Gross Profit	(3,375)	(3,301)	89
Operating Expenses	-	-	1,413
Other Expenses	-	-	-
Other Income	59	54	-
Finance Cost	-	-	-
Profit before Tax (PBT)	(3,316)	(3,248)	(1,323)
Tax	-	-	-
Net Profit / (Loss)	(3,316)	(3,248)	(1,323)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	3,537	2,969
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**3,537**	**2,969**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	771	292	340
Non-Current Assets	34,557	34,692	34,783
Total Assets	35,328	34,984	35,123
Share Capital	55,702	50,347	49,174
Accumulated profit/(loss)	(24,466)	(19,210)	(17,901)
Others	-	-	-
Total Equity	31,236	31,137	31,272
Current Liabilities	4,092	3,847	3,851
Non Current Liabilities	-	-	-
Total Liabilities	4,092	3,847	3,851
Total Equity + Liabilities	35,328	34,984	35,123

Value Addition / Inflow

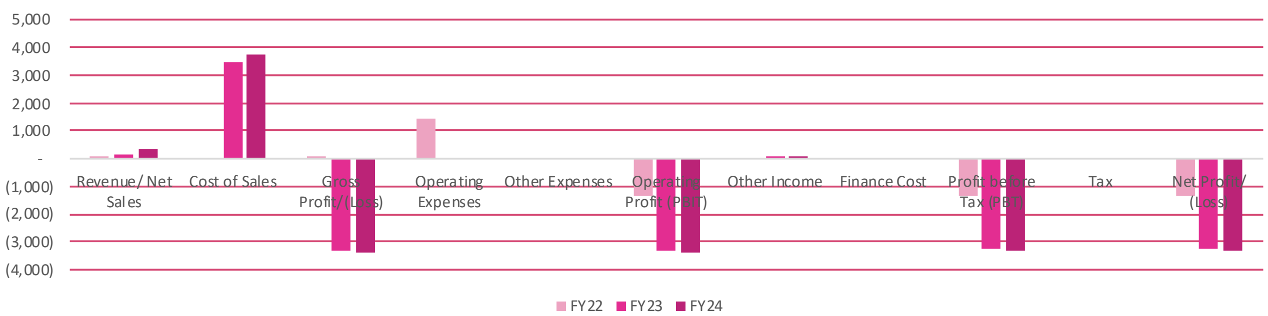
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	-	-
Total Inflow	**-**	**-**

Net Flows to GoP	(3,537)	(2,969)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-10.62%	-10.43%	-4.23%
Return on Assets (ROA)	-9.39%	-9.28%	-3.77%
Return on Capital Invested	-10.62%	-10.43%	-4.23%
Debt/Equity	13.10%	12.36%	12.31%
Current Ratio	0.19	0.08	0.09
Net Working Capital	(3,321)	(3,556)	(3,511)
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



60 Railway Estate Development and Marketing Company

REDAMCO

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Railways
Ministry	M/o Railways
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees 17 240.0% 5, was the HR strength in FY2023

Established 2012

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	89	10	-
Cost of Sales	11	-	-
Gross Profit	78	10	-
Operating Expenses	43	8	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	35	2	-
Tax	6	1	-
Net Profit / (Loss)	29	1	-

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	291	129	-
Non-Current Assets	17	6	-
Total Assets	308	134	-
Share Capital	0	0	-
Accumulated profit/(loss)	33	3	-
Others	0	0	-
Total Equity	33	3	-
Current Liabilities	276	131	-
Non Current Liabilities	-	-	-
Total Liabilities	276	131	-
Total Equity + Liabilities	308	134	-

Value Addition / Inflow

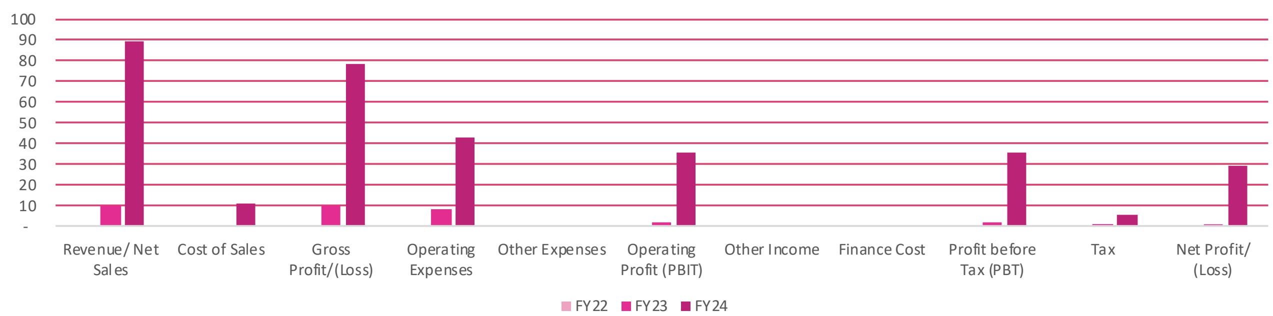
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	6	1
Dividend		
Markup Income		
Total Inflow	6	1

Net Flows to GoP	6	1

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	89.38%	36.13%	
Return on Assets (ROA)	9.53%	0.94%	
Return on Capital Invested	89.38%	36.13%	
Debt/Equity	840.48%	3757.22%	
Current Ratio	1.06	0.98	
Net Working Capital	15	(2)	0
LTL to Total Assets	0%	0%	

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



61 Pakistan Infrastructure Development Company Limited

PIDCL

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Roads & Highways
Ministry	M/o Housing & Works
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	64	0.0%	64, was the HR strength in FY2023

Established 2015

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	30	48	137
Cost of Sales	-	-	-
Gross Profit	30	48	137
Operating Expenses	250	183	180
Other Expenses	-	-	-
Other Income	336	209	163
Finance Cost	1	-	-
Profit before Tax (PBT)	116	74	119
Tax	-	-	-
Net Profit / (Loss)	116	74	119

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	3,002	2,759	2,163
Non-Current Assets	26	3	6
Total Assets	3,028	2,762	2,169
Share Capital	200	200	200
Accumulated profit/(loss)	405	289	215
Others	-	-	-
Total Equity	605	489	415
Current Liabilities	2,378	2,254	1,740
Non Current Liabilities	46	19	15
Total Liabilities	2,423	2,273	1,754
Total Equity + Liabilities	3,028	2,762	2,169

Value Addition / Inflow

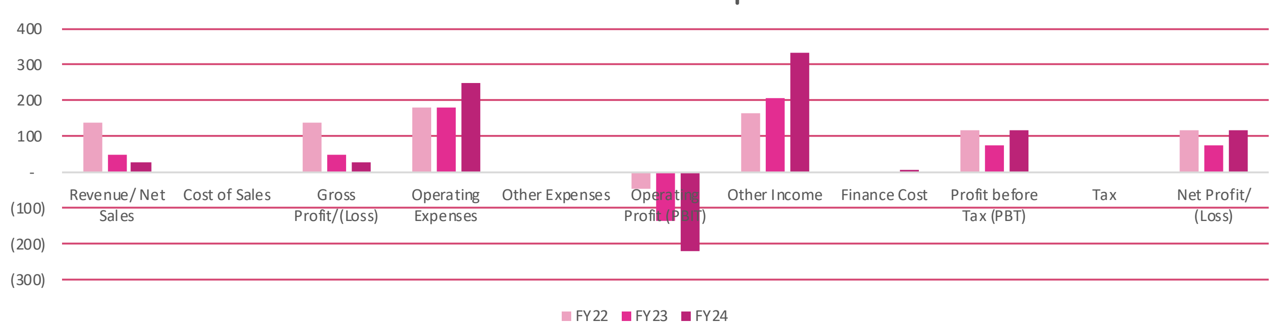
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	-	-
Dividend		
Markup Income		
Total Inflow	-	-

Net Flows to GoP	-	-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	19.16%	15.15%	28.73%
Return on Assets (ROA)	3.83%	2.68%	5.50%
Return on Capital Invested	17.81%	14.58%	27.74%
Debt/Equity	400.67%	464.82%	422.88%
Current Ratio	1.26	1.22	1.24
Net Working Capital	625	505	423
LTL to Total Assets	2%	1%	1%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



62 Pakistan Railway Freight Transportation Company (Pvt) Ltd

PRFTC

Company type	PSC - Commercial
Sector	Infrastructure, Transport & ITC
Sub-sector	Railways
Ministry	M/o Railways
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	63	5.0%	60, was the HR strength in FY2023

in Million Rs.

Established 2014

Income Statement	FY2024	FY2023	FY2022
Revenues	1	120	-
Cost of Sales	-	13	-
Gross Profit	1	108	-
Operating Expenses	85	52	-
Other Expenses	762	-	-
Other Income	56	50	-
Finance Cost	0	0	-
Profit before Tax (PBT)	(790)	105	-
Tax	0	30	-
Net Profit / (Loss)	(791)	75	-

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	317	1,118	-
Non-Current Assets	15	15	-
Total Assets	332	1,133	-
Share Capital	10	10	-
Accumulated profit/(loss)	111	902	-
Others	-	-	-
Total Equity	121	912	-
Current Liabilities	211	221	-
Non Current Liabilities	-	0	-
Total Liabilities	211	222	-
Total Equity + Liabilities	332	1,133	-

Value Addition / Inflow

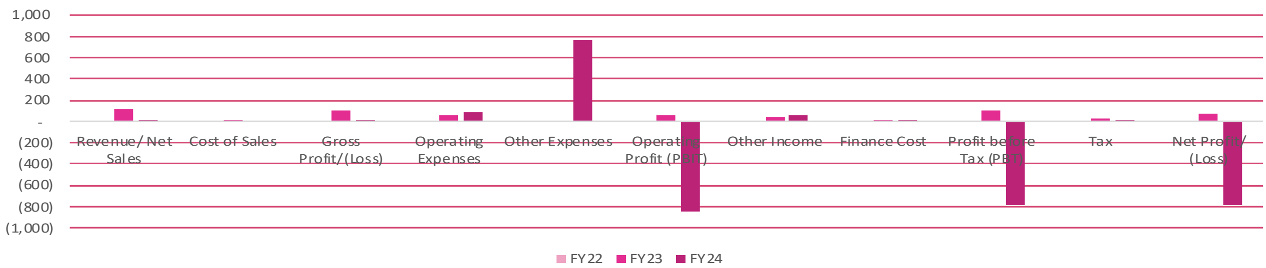
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	0	30
Dividend		
Markup Income		
Total Inflow	**0**	**30**

Net Flows to GoP	0	30

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-652.38%	8.17%	
Return on Assets (ROA)	-238.13%	6.58%	
Return on Capital Invested	-652.38%	8.17%	
Debt/Equity	173.96%	24.31%	
Current Ratio	1.51	5.05	
Net Working Capital	107	897	0
LTL to Total Assets	0%	0%	

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



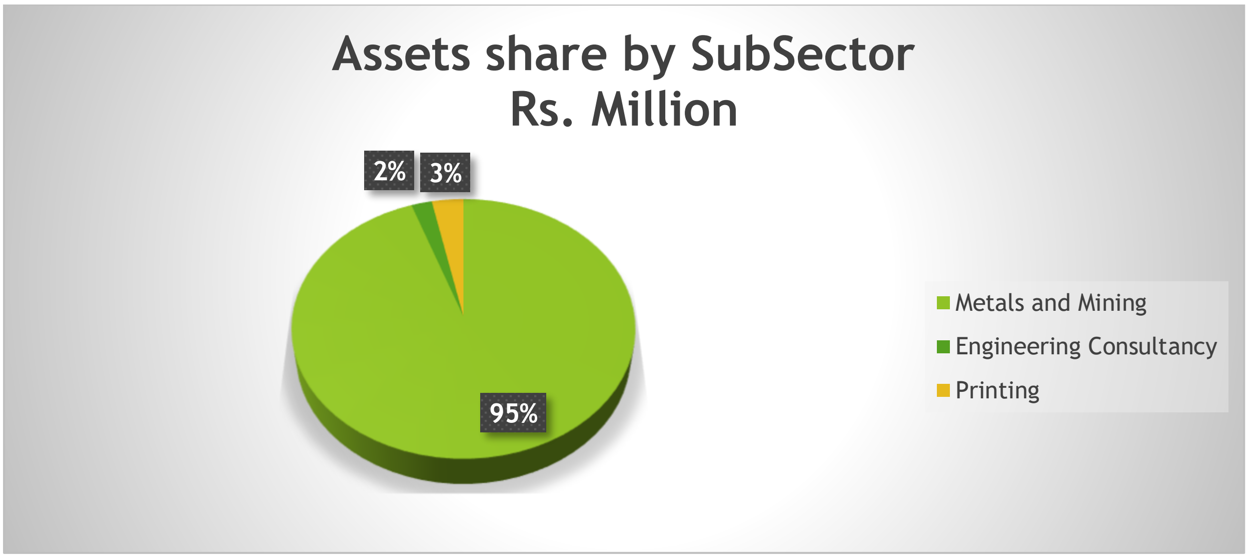
Manufacturing, Mining & Engineering Sector

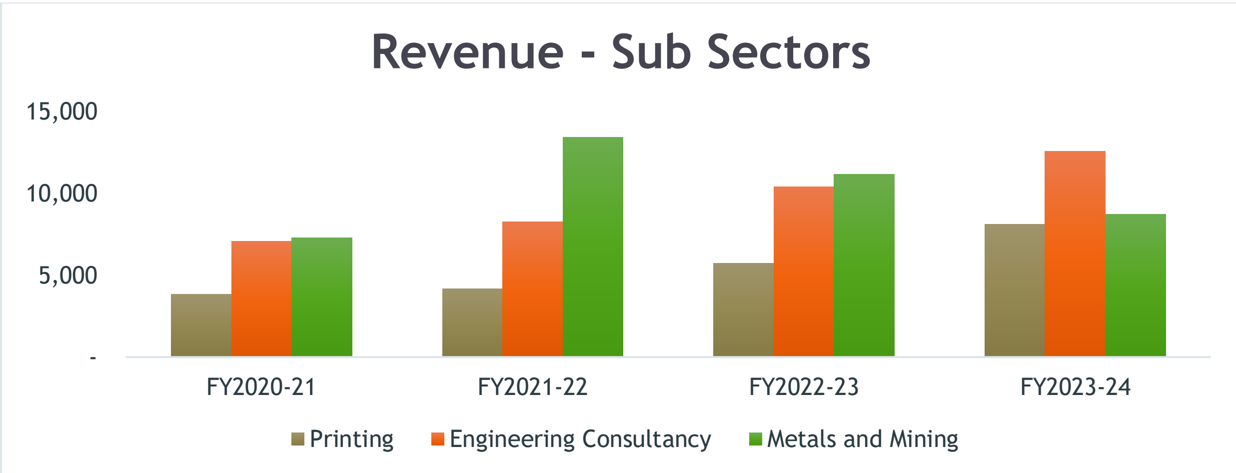
in Rs Million

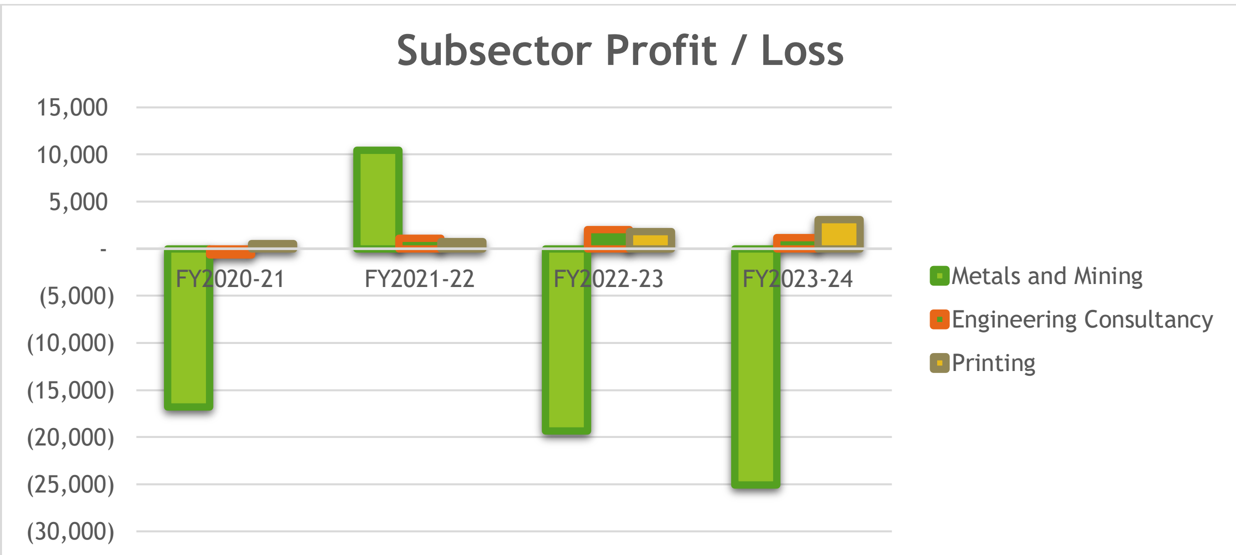
Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Saindak Metals Limited	Manufacturing, Mining & Engineering	Metals and Mining	3,467	27,484	3,349
2	National Security Printing Company (Private) Limited	Manufacturing, Mining & Engineering	Printing	2,906	26,280	6,803
3	Pakistan Mineral Development Corporation (Private) Limited	Manufacturing, Mining & Engineering	Metals and Mining	2,640	15,287	4,474
4	National Engineering Services Pakistan (Private) Limited	Manufacturing, Mining & Engineering	Engineering Consultancy	1,152	19,350	12,223
5	Printing Corporation of Pakistan (Private) Limited	Manufacturing, Mining & Engineering	Printing	153	3,709	1,314
6	STEDEC Technology Commercialization Corporation of Pakistan (Private) Limited	Manufacturing, Mining & Engineering	Engineering Consultancy	36	168	360
7	Pakistan Environmental Planning & Architectural Consultants (Private) Limited	Manufacturing, Mining & Engineering	Engineering Consultancy	-	-	-
8	State Engineering Corporation (Private) Limited	Manufacturing, Mining & Engineering	Metals and Mining	(7)	4,862	36
9	Pakistan Steel Mills Corporation (Private) Limited	Manufacturing, Mining & Engineering	Metals and Mining	(31,195)	824,143	860

MANUFACTURING, MINING & ENGINEERING SECTOR

	Manufacturing, Mining & Engineering		
Total number of SOEs	**23**		
Total number of Independent Companies	13		57%
Total number of Subsidiaries	10		43%
Total number of Board of Directors	**93**		
Total number of Executive Directors	21		23%
Total number of Non-Executive Directors	47		51%
Total number of Indpendent Directors	25		27%
Total Employees	**8,096**	**7,998**	-1%
	PKR MILLIONS		
	FY2022-23	**FY2023-24**	**% Change**
Current Assets	82,990	101,512	22%
Non Current Assets	827,285	819,769	-1%
Total Assets	910,276	921,281	1%
Current Liabilities	270,737	300,421	11%
Total Debt	162,503	163,839	1%
Non Current Liabilities	108,406	111,750	3%
Total Liabilities	379,143	412,171	9%
Total Equity	531,132	509,110	-4%
Net Revenue	27,317	29,419	8%
Gross Profit/(Loss)	2,863	4,188	46%
Operating Profit/(Loss)	(9,300)	(7,774)	16%
Net Profit/(Loss)	(15,471)	(20,847)	-35%
Net Profit/Loss Margin	-56.6%	-70.9%	-25%
Return on Assets	-1.7%	-2.3%	-33%
Return on Equity	-2.9%	-4.1%	-41%
Return on Capital Invested	-1.5%	-1.3%	14%
Current Ratio	0.31	0.34	10%
Net Working Capital	(187,746)	(198,909)	-6%
Debt to Equity	71.4%	81.0%	13%
Debt to Total Assets	0.18	0.18	0%
Total Dividned Paid to GOP	200	300	50%
Total Tax Paid to GOP	1,099	7,024	539%
Other Tax Contribution during the year	1,398	1,958	40%
Interest During the Year	10,582	11,456	8%
Total loans disbursed during the year	2,555	1,139	-55%
Total Grants disbursed in the year	-	-	-
Total Subsidies disbursed in the year	-	-	-
Total equity injection during the year	-	-	-
Net Flow to GoP	10,723	19,599	83%
Total Loans Outstanding	121,890	123,648	1%
Total Guarantees Outstanding	43,000	40,000	-7%


Assets share by SubSector
Rs. Million
2%
3%
95%
Metals and Mining
Engineering Consultancy
Printing


Revenue - Sub Sectors
15,000
10,000
5,000
-
FY2020-21
FY2021-22
FY2022-23
FY2023-24
Printing
Engineering Consultancy
Metals and Mining


Subsector Profit / Loss
15,000
10,000
5,000
-
(5,000)
(10,000)
(15,000)
(20,000)
(25,000)
(30,000)
FY2020-21
FY2021-22
FY2022-23
FY2023-24
Metals and Mining
Engineering Consultancy
Printing

Manufacturing, Mining & Engineering Sector One Pager Accounts

63 State Engineering Corporation (Private) Limited

SEC

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Metals and Mining
Ministry	M/o Industries and Productio
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	30	-6.3%	32, was the HR strength in FY2023

in Million Rs.

Established 1973

Income Statement	FY2024	FY2023	FY2022
Revenues	36	38	36
Cost of Sales	-	-	-
Gross Profit	36	38	36
Operating Expenses	52	50	36
Other Expenses	-	18	-
Other Income	12	0	0
Finance Cost	-	-	-
Profit before Tax (PBT)	(4)	(30)	1
Tax	2	2	2
Net Profit / (Loss)	(7)	(32)	(2)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	29	-
Total Outflow	**29**	**-**
GoP Loans Outstanding	288	258
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	403	391	417
Non-Current Assets	4,459	5,416	5,368
Total Assets	4,862	5,807	5,785
Share Capital	890	890	890
Accumulated profit/(loss)	(1,267)	(1,260)	(1,228)
Others	4,889	5,845	5,812
Total Equity	4,512	5,475	5,474
Current Liabilities	44	53	53
Non Current Liabilities	307	279	258
Total Liabilities	350	332	311
Total Equity + Liabilities	4,862	5,807	5,785

Value Addition / Inflow

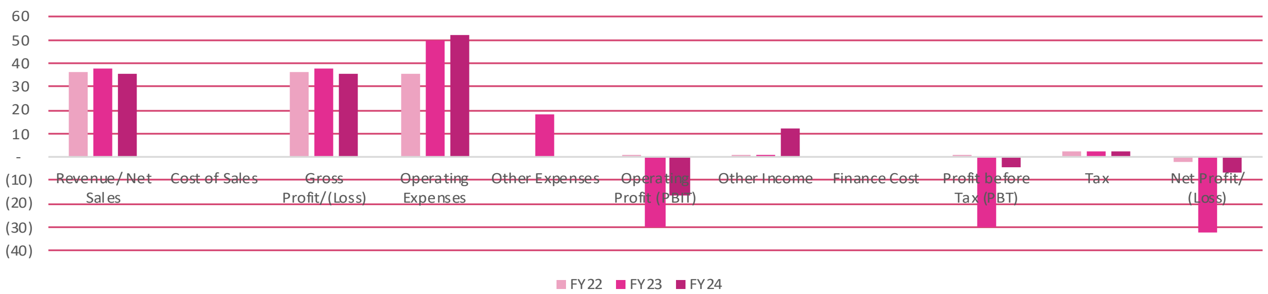
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	2	2
Dividend		
Markup Income	-	-
Total Inflow	**2**	**2**

Net Flows to GoP	(27)	2

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-0.15%	-0.59%	-0.03%
Return on Assets (ROA)	-0.14%	-0.55%	-0.03%
Return on Capital Invested	-0.14%	-0.56%	-0.03%
Debt/Equity	7.77%	6.07%	5.69%
Current Ratio	9.25	7.36	7.86
Net Working Capital	359	338	364
LTL to Total Assets	6%	5%	4%

Debt Information	FY2024	FY2023
Cash Development Loan	288	258
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



64 Pakistan Steel Mills Corporation (Private) Limited

PSM

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Metals and Mining
Ministry	M/o Industries and Productio
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	3,525	0.7%	3500, was the HR strength in FY2023

Established 1968

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	860	2,709	3,999
Cost of Sales	7,252	8,969	10,057
Gross Profit	(6,392)	(6,260)	(6,058)
Operating Expenses	6,536	6,569	4,156
Other Expenses	308	-	1,521
Other Income	2,062	2,940	31,500
Finance Cost	20,023	17,569	14,681
Profit before Tax (PBT)	(31,195)	(27,458)	5,084
Tax	-	(2,003)	(2,065)
Net Profit / (Loss)	(31,195)	(25,455)	7,149

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	1,109	2,555
Total Outflow	**1,109**	**2,555**
GoP Loans Outstanding	105,108	103,998
GoP Guarantee Outstanding	40,000	43,000

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	15,100	15,342	16,126
Non-Current Assets	809,043	815,490	822,536
Total Assets	824,143	830,832	838,662
Share Capital	17,206	17,206	17,206
Accumulated profit/(loss)	(255,827)	(224,631)	(206,068)
Others	702,871	702,871	707,520
Total Equity	464,250	495,446	518,658
Current Liabilities	256,057	232,946	211,639
Non Current Liabilities	103,835	102,440	108,365
Total Liabilities	359,892	335,386	320,004
Total Equity + Liabilities	824,143	830,832	838,662

Value Addition / Inflow

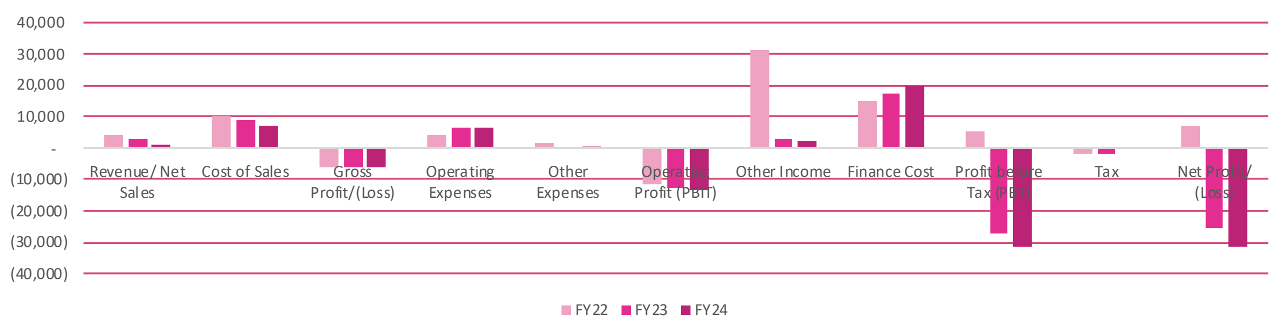
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	(2,003)
Dividend		
Markup Income	10,877	10,582
Total Inflow	**10,877**	**8,579**

Net Flows to GoP	9,767	6,024

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-6.72%	-5.14%	1.38%
Return on Assets (ROA)	-3.79%	-3.06%	0.85%
Return on Capital Invested	-5.49%	-4.26%	1.14%
Debt/Equity	77.52%	67.69%	61.70%
Current Ratio	0.06	0.07	0.08
Net Working Capital	(240,957)	(217,604)	(195,512)
LTL to Total Assets	13%	12%	13%

Debt Information	FY2024	FY2023
Cash Development Loan	105,108	103,998
Foreign Relent Loan	-	-
Bank Loan	38,230	38,230
Accrued Interest	123,374	103,351
Other Loan	1,961	2,384
Pension Liablity	-	-

Profit / Loss Graph



65 Saindak Metals Limited

SML

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Metals and Mining
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	102	0.0%	102, was the HR strength in FY2023

in Million Rs.

Established	1974

Income Statement	FY2024	FY2023	FY2022
Revenues	3,349	4,752	6,593
Cost of Sales	-	-	411
Gross Profit	3,349	4,752	6,182
Operating Expenses	879	889	-
Other Expenses	973	1,529	2,598
Other Income	4,102	2,623	1,076
Finance Cost	0	0	0
Profit before Tax (PBT)	5,599	4,956	4,661
Tax	2,131	563	2,224
Net Profit / (Loss)	3,467	4,394	2,437

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	15,734	15,734
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	25,579	21,233	18,417
Non-Current Assets	1,905	1,964	2,171
Total Assets	27,484	23,197	20,589
Share Capital	-	-	-
Accumulated profit/(loss)	7,322	3,841	(505)
Others	-	-	-
Total Equity	7,322	3,841	(505)
Current Liabilities	19,814	18,873	20,789
Non Current Liabilities	349	483	305
Total Liabilities	20,162	19,356	21,094
Total Equity + Liabilities	27,484	23,197	20,589

Value Addition / Inflow

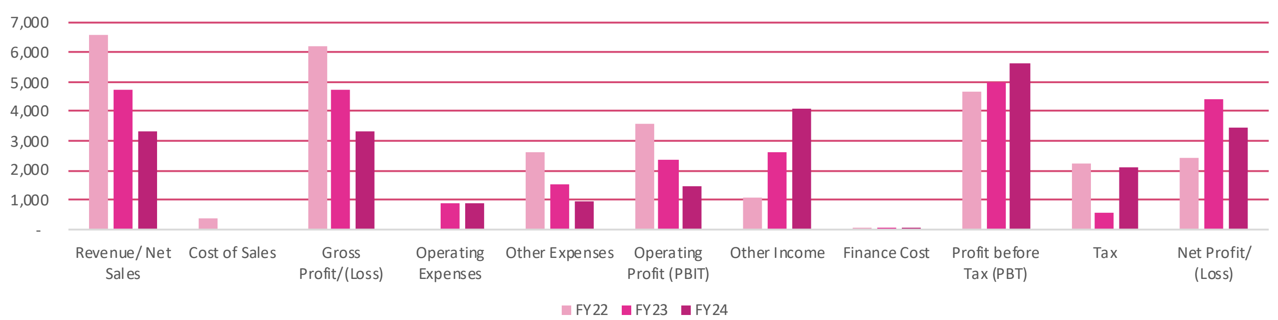
Other Tax Contribution	-	-
Tax Revenue	2,131	563
Dividend		
Markup Income	-	-
Total Inflow	**2,131**	**563**

Net Flows to GoP	2,131	563

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	47.36%	114.38%	482.52%
Return on Assets (ROA)	12.62%	18.94%	11.84%
Return on Capital Invested	45.20%	101.60%	-1219.07%
Debt/Equity	275.38%	503.90%	-4177.04%
Current Ratio	1.29	1.13	0.89
Net Working Capital	5,765	2,360	(2,371)
LTL to Total Assets	1%	2%	1%

Debt Information	FY2024	FY2023
Cash Development Loan	15,734	15,734
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	97	282

Profit / Loss Graph



66 Pakistan Environmental Planning & Architectural Consultants (

PEPAC

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Engineering Consultancy
Ministry	M/o Climate Change
Accounts are:	Not Provided
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees #N/A , was the HR strength in FY2023

in Million Rs.

Established 1974

Income Statement	FY2024	FY2023	FY2022
Revenues	-	52	59
Cost of Sales	-	42	44
Gross Profit	-	9	15
Operating Expenses	-	9	12
Other Expenses	-	-	0
Other Income	-	0	0
Finance Cost	-	0	0
Profit before Tax (PBT)	-	1	3
Tax	-	1	1
Net Profit / (Loss)	-	(0)	2

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	180	174
Non-Current Assets	-	2	2
Total Assets	-	182	176
Share Capital	-	1	1
Accumulated profit/(loss)	-	47	47
Others	-	-	-
Total Equity	-	48	48
Current Liabilities	-	135	128
Non Current Liabilities	-	-	-
Total Liabilities	-	135	128
Total Equity + Liabilities	-	182	176

Value Addition / Inflow

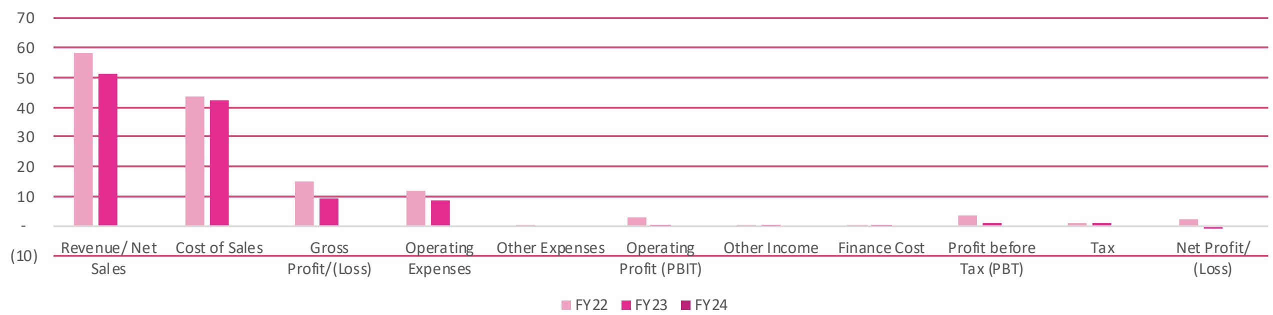
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	-	1
Dividend		
Markup Income		
Total Inflow	-	1

Net Flows to GoP	-	1

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		0.00%	4.99%
Return on Assets (ROA)		0.00%	1.35%
Return on Capital Invested		0.00%	4.99%
Debt/Equity		281.26%	268.73%
Current Ratio		1.34	1.36
Net Working Capital	0	46	46
LTL to Total Assets		0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



67 National Engineering Services Pakistan (Private) Limited

NESPAK

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Engineering Consultancy
Ministry	M/o Energy (Power Division)
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	2,612	-1.3%	2647, was the HR strength in FY2023

Established	1973

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	12,223	10,162	8,051
Cost of Sales	10,808	9,216	7,609
Gross Profit	1,415	946	443
Operating Expenses	-	-	-
Other Expenses	454	1,004	-
Other Income	692	2,377	881
Finance Cost	8	11	12
Profit before Tax (PBT)	1,645	2,307	1,311
Tax	493	287	228
Net Profit / (Loss)	1,152	2,021	1,083

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	17,544	16,144	14,708
Non-Current Assets	1,806	1,378	1,395
Total Assets	19,350	17,523	16,103
Share Capital	5	5	5
Accumulated profit/(loss)	1,174	11,588	9,245
Others	11,558	-	-
Total Equity	12,736	11,593	9,250
Current Liabilities	5,879	5,297	6,056
Non Current Liabilities	734	633	797
Total Liabilities	6,614	5,930	6,853
Total Equity + Liabilities	19,350	17,523	16,103

Value Addition / Inflow

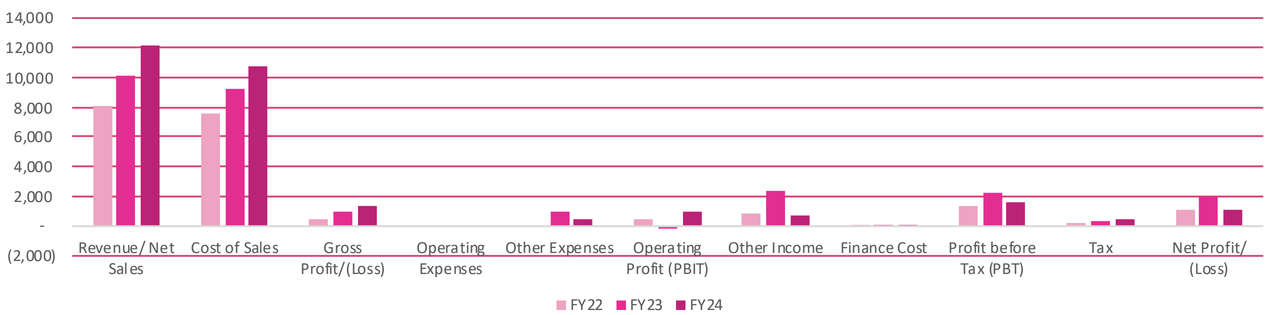
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	493	287
Dividend		
Markup Income		
Total Inflow	**493**	**287**

Net Flows to GoP	493	287

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	9.05%	17.43%	11.71%
Return on Assets (ROA)	5.96%	11.53%	6.73%
Return on Capital Invested	8.56%	16.53%	10.78%
Debt/Equity	51.93%	51.15%	74.08%
Current Ratio	2.98	3.05	2.43
Net Working Capital	11,664	10,847	8,653
LTL to Total Assets	4%	4%	5%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



68 National Security Printing Company (Private) Limited

NSPC

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Printing
Ministry	M/o Finance
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees 96 -21.3% 122, was the HR strength in FY2023

in Million Rs.

Established 1949

Income Statement	FY2024	FY2023	FY2022
Revenues	6,803	4,746	3,576
Cost of Sales	3,684	3,010	2,435
Gross Profit	3,119	1,736	1,142
Operating Expenses	704	512	541
Other Expenses	227	138	63
Other Income	3,350	1,646	822
Finance Cost	1	3	0
Profit before Tax (PBT)	5,537	2,729	1,360
Tax	2,631	1,030	384
Net Profit / (Loss)	2,906	1,699	976

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**-**	**-**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	24,577	19,351	13,571
Non-Current Assets	1,703	2,345	2,590
Total Assets	26,280	21,695	16,161
Share Capital	1	1	1
Accumulated profit/(loss)	-	-	-
Others	17,193	14,309	12,437
Total Equity	17,194	14,310	12,438
Current Liabilities	6,655	5,598	1,889
Non Current Liabilities	2,432	1,788	1,835
Total Liabilities	9,087	7,385	3,723
Total Equity + Liabilities	26,280	21,695	16,161

Value Addition / Inflow

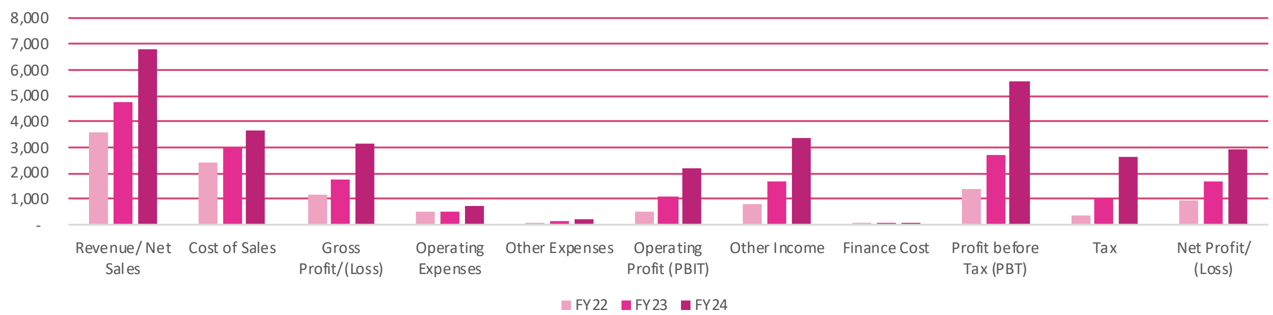
	FY2024	FY2023
Other Tax Contribution	**1,224**	**824**
Tax Revenue	2,631	1,030
Dividend		
Markup Income	-	-
Total Inflow	**3,855**	**1,854**

Net Flows to GoP	**3,855**	**1,854**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	16.90%	11.87%	7.85%
Return on Assets (ROA)	11.06%	7.83%	6.04%
Return on Capital Invested	14.81%	10.55%	6.84%
Debt/Equity	52.85%	51.61%	29.94%
Current Ratio	3.69	3.46	7.19
Net Working Capital	17,923	13,753	11,683
LTL to Total Assets	9%	8%	11%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	2,098	1,769

Profit / Loss Graph



69 Printing Corporation of Pakistan (Private) Limited

PCPL

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Printing
Ministry	Cabinet Division
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	507	-3.2%	524, was the HR strength in FY2023

in Million Rs.

Established	1969

Income Statement	FY2024	FY2023	FY2022
Revenues	1,314	999	610
Cost of Sales	606	549	389
Gross Profit	708	449	222
Operating Expenses	266	264	236
Other Expenses	-	2	2
Other Income	290	231	105
Finance Cost	580	303	307
Profit before Tax (PBT)	153	110	(218)
Tax	-	-	-
Net Profit / (Loss)	153	110	(218)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	2,519	1,900
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	3,635	2,696	1,772
Non-Current Assets	74	64	64
Total Assets	3,709	2,760	1,836
Share Capital	105	105	105
Accumulated profit/(loss)	(4,031)	(4,246)	(4,348)
Others	5	5	5
Total Equity	(3,922)	(4,137)	(4,239)
Current Liabilities	4,466	4,898	3,946
Non Current Liabilities	3,164	1,999	2,128
Total Liabilities	7,630	6,897	6,075
Total Equity + Liabilities	3,709	2,760	1,836

Value Addition / Inflow

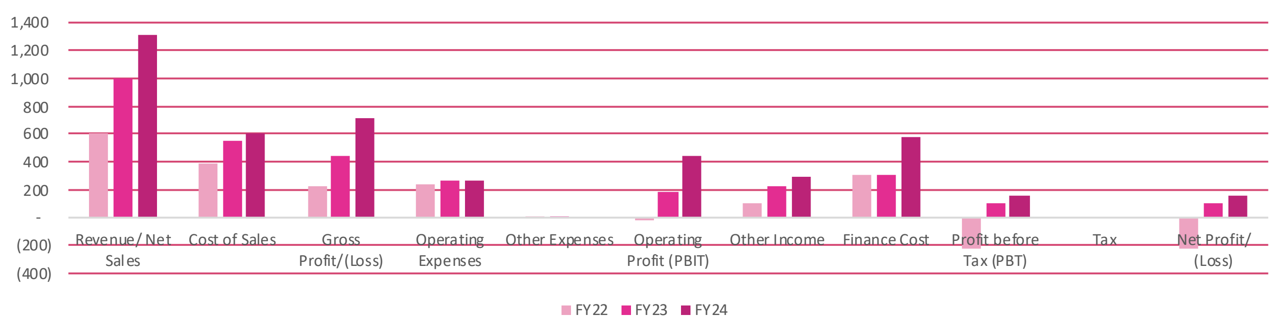
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	-
Dividend		
Markup Income	580	-
Total Inflow	**580**	-

Net Flows to GoP	580	-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	3.90%	2.67%	-5.14%
Return on Assets (ROA)	4.13%	4.00%	-11.88%
Return on Capital Invested	-20.22%	-5.17%	10.33%
Debt/Equity	-194.56%	-166.72%	-143.31%
Current Ratio	0.81	0.55	0.45
Net Working Capital	(831)	(2,202)	(2,175)
LTL to Total Assets	85%	72%	116%

Debt Information	FY2024	FY2023
Cash Development Loan	2,519	1,900
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	1,335	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



70 Pakistan Mineral Development Corporation (Private) Limited

PMDC

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Metals and Mining
Ministry	I/o Energy (Petroleum Divisio
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017
Established	1974

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
88%	12%	0%

Number of Employees	1,092	-3.9%	1136, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	4,474	3,662	2,817
Cost of Sales	2,609	2,513	1,949
Gross Profit	1,865	1,149	868
Operating Expenses	1,053	826	686
Other Expenses	471	327	69
Other Income	4,051	2,995	1,189
Finance Cost	-	-	-
Profit before Tax (PBT)	4,392	2,990	1,302
Tax	1,752	1,218	468
Net Profit / (Loss)	2,640	1,772	835

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	14,515	7,535	4,296
Non-Current Assets	772	620	800
Total Assets	15,287	8,155	5,096
Share Capital	35	35	35
Accumulated profit/(loss)	-	-	835
Others	6,832	4,407	2,112
Total Equity	6,867	4,442	2,982
Current Liabilities	7,491	2,929	1,176
Non Current Liabilities	928	784	938
Total Liabilities	8,419	3,713	2,114
Total Equity + Liabilities	15,287	8,155	5,096

Value Addition / Inflow

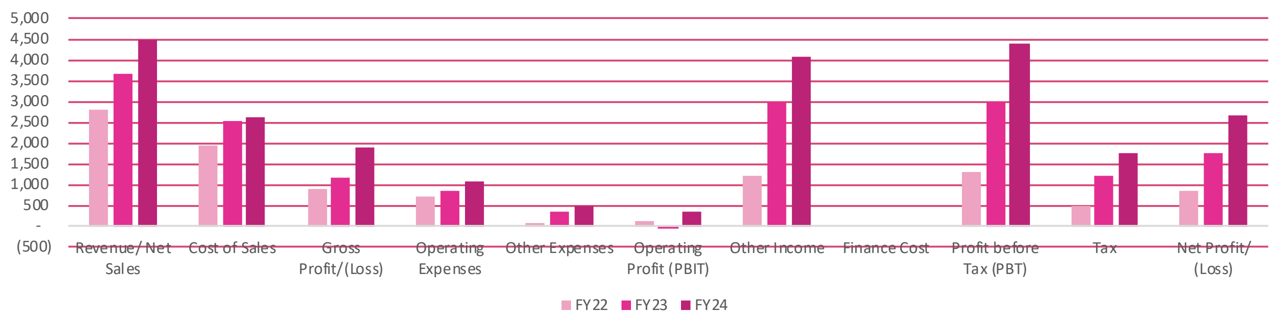
	FY2024	FY2023
Other Tax Contribution	**733**	**574**
Tax Revenue	1,752	1,218
Dividend	300	200
Markup Income	-	-
Total Inflow	**2,785**	**1,992**

Net Flows to GoP	2,785	1,992

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	38.45%	39.90%	27.99%
Return on Assets (ROA)	17.27%	21.73%	16.38%
Return on Capital Invested	33.87%	33.91%	21.29%
Debt/Equity	122.60%	83.60%	70.91%
Current Ratio	1.94	2.57	3.65
Net Working Capital	7,024	4,606	3,120
LTL to Total Assets	6%	10%	18%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	-	-

Profit / Loss Graph



71 STEDEC Technology Commercialization Corporation of Pakistan

STEDEC

Company type	PSC - Commercial
Sector	Manufacturing, Mining & Engineering
Sub-sector	Engineering Consultancy
Ministry	M/o Science & Technology
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	34	3.0%	33, was the HR strength in FY2023

in Million Rs.

Established 1987

Income Statement	FY2024	FY2023	FY2022
Revenues	360	199	166
Cost of Sales	273	154	136
Gross Profit	87	45	31
Operating Expenses	37	25	24
Other Expenses	3	1	1
Other Income	3	2	2
Finance Cost	0	0	0
Profit before Tax (PBT)	50	21	8
Tax	14	1	2
Net Profit / (Loss)	36	20	6

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	160	118	98
Non-Current Assets	8	7	9
Total Assets	168	124	106
Share Capital	72	72	72
Accumulated profit/(loss)	79	43	21
Others	-	-	-
Total Equity	151	115	94
Current Liabilities	16	9	13
Non Current Liabilities	-	-	0
Total Liabilities	16	9	13
Total Equity + Liabilities	168	124	106

Value Addition / Inflow

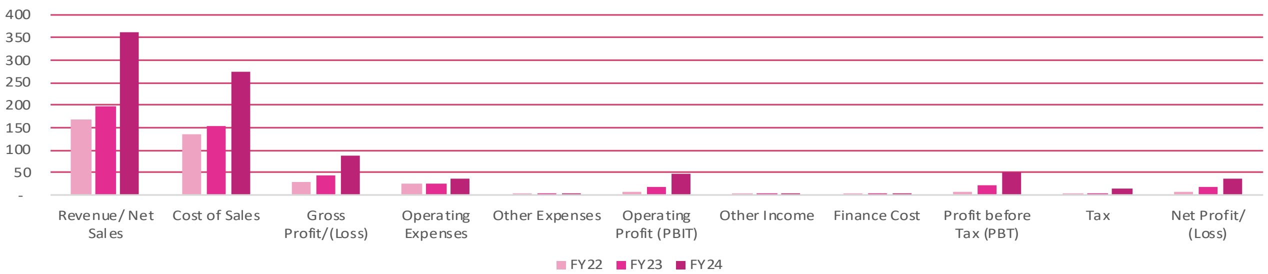
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	14	1
Dividend		
Markup Income		
Total Inflow	**14**	**1**

Net Flows to GoP	14	1

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	23.90%	17.15%	6.31%
Return on Assets (ROA)	21.55%	15.90%	5.55%
Return on Capital Invested	23.90%	17.15%	6.30%
Debt/Equity	10.88%	7.57%	13.83%
Current Ratio	9.69	13.51	7.66
Net Working Capital	143	109	85
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



INDUSTRIAL ESTATE DEVELOPMENT SECTOR

Industrial Estate Development Sector

in Rs Million .

Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Pakistan Industrial Development Corporation (Private) Limited	Industrial Estate Development	Industrial Estate Development	1,742	24,519	3,254
2	Export Processing Zones Authority	Industrial Estate Development	Industrial Estate Development	1,506	10,562	5,267
3	National Construction Limited	Industrial Estate Development	Industrial Estate Development	3	847	370
4	Pakistan Expo Centers (Pvt) Ltd	Industrial Estate Development	Industrial Estate Development	(194)	10,077	435

INDUSTRIAL ESTATE DEVELOPMENT SECTOR

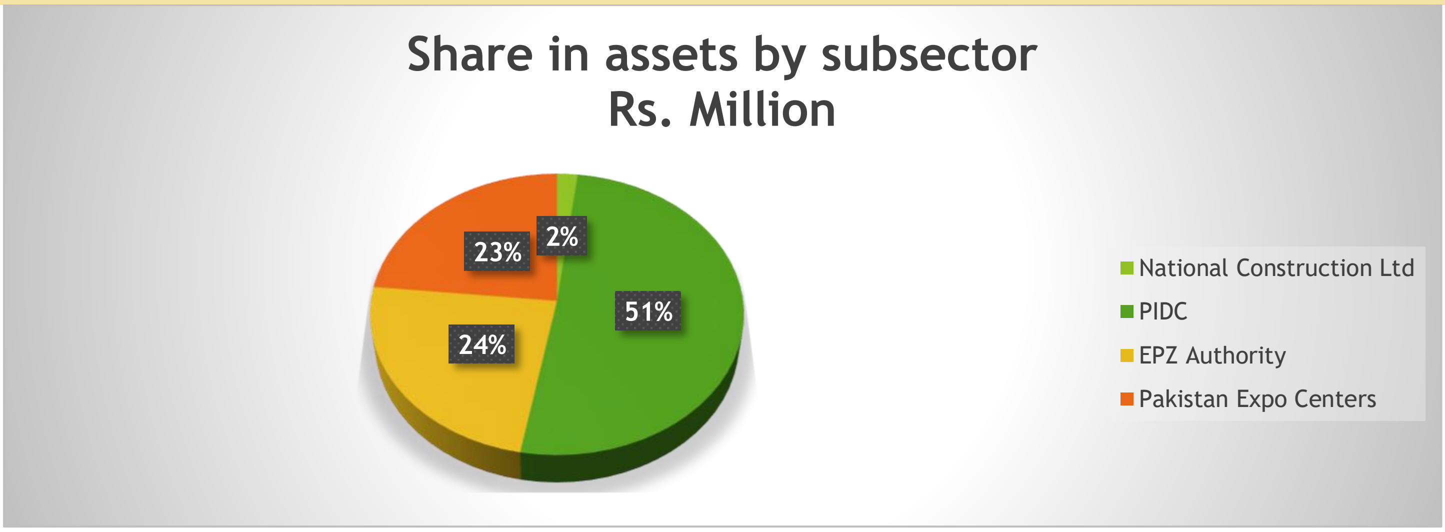
Industrial Est

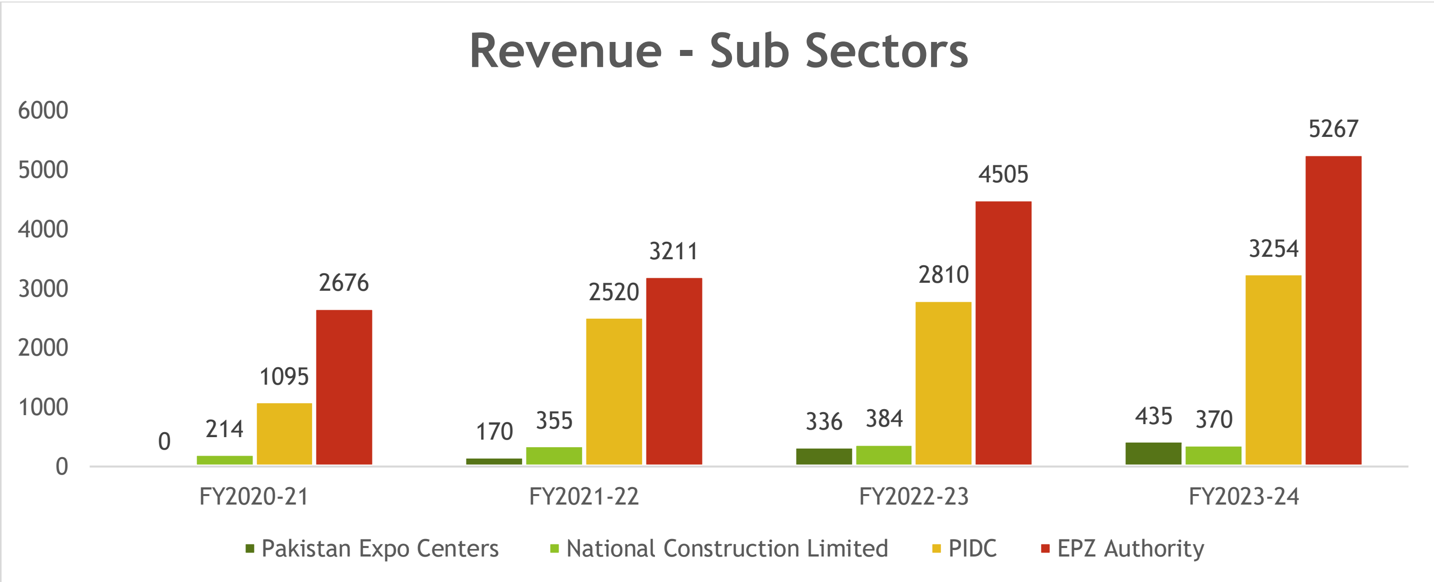
Total number of SOEs	**9**		
Total number of Independent Companies	5		56%
Total number of Subsidiaries	4		44%
Total number of Board of Directors	**48**		
Total number of Executive Directors	3		6%
Total number of Non-Executive Directors	33		69%
Total number of Indpendent Directors	12		25%
Total Employees	**985**	**986**	0%

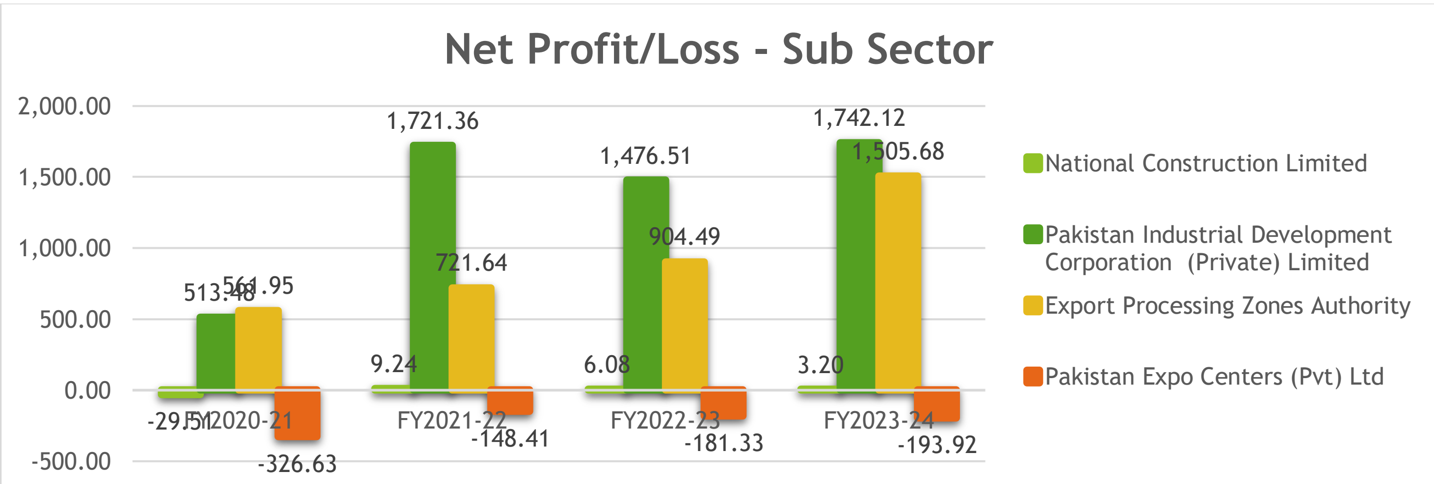
PKR MILLIONS

	FY2022-23	**FY2023-24**	**% Change**
Current Assets	27,222	27,825	2%
Non Current Assets	17,284	18,179	5%
Total Assets	44,506	46,004	3%
Current Liabilities	7,839	4,703	-40%
Total Debt	424	463	9%
Non Current Liabilities	5,983	7,183	20%
Total Liabilities	13,822	11,886	-14%
Total Equity	30,684	34,120	11%
Net Revenue	8,035	9,326	16%
Gross Profit/(Loss)	7,346	8,477	15%
Operating Profit/(Loss)	3,511	4,275	22%
Net Profit/(Loss)	2,206	3,057	39%
Net Profit/Loss Margin	27.5%	32.8%	19%
Return on Assets	5.0%	6.6%	34%
Return on Equity	7.2%	9.0%	25%
Return on Capital Invested	9.6%	10.4%	8%
Current Ratio	3.47	5.92	70%
Net Working Capital	19,382	23,123	19%
Debt to Equity	45.0%	34.8%	-23%
Debt to Total Assets	0.01	0.01	6%
Total Dividned Paid to GOP	80	85	6%
Total Tax Paid to GOP	1,382	1,553	12%
Other Tax Contribution during the year	-	-	-
Interest During the Year	-	-	-
Total loans disbursed during the year	-	-	-
Total Grants disbursed in the year	-	-	-
Total Subsidies disbursed in the year	-	-	-
Total equity injection during the year	-	-	-
Net Flow to GoP	1,462	1,638	12%
Total Loans Outstanding	-	-	-
Total Guarantees Outstanding	-	-	-

INDUSTRIAL ESTATE DEVELOPMENT SECTOR







INDUSTRIAL ESTATE DEVELOPMENT SECTOR

Industrial Estate Development One pager Accounts

72 National Construction Limited

NCL

Company type	PSC - Commercial
Sector	Industrial Estate Development
Sub-sector	ndustrial Estate Developmen
Ministry	M/o Housing & Works
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
87%	12%	1%

Number of Employees 60 -1.6% 61, was the HR strength in FY2023

Established 1978

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	370	384	355
Cost of Sales	356	332	305
Gross Profit	15	52	50
Operating Expenses	28	54	38
Other Expenses	-	-	-
Other Income	42	37	32
Finance Cost	0	1	1
Profit before Tax (PBT)	29	35	44
Tax	26	29	34
Net Profit / (Loss)	3	6	9

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	837	856	892
Non-Current Assets	11	12	13
Total Assets	847	868	905
Share Capital	199	199	199
Accumulated profit/(loss)	(59)	(62)	(68)
Others	-	-	-
Total Equity	140	137	131
Current Liabilities	672	701	751
Non Current Liabilities	35	31	24
Total Liabilities	707	732	774
Total Equity + Liabilities	847	868	905

Value Addition / Inflow

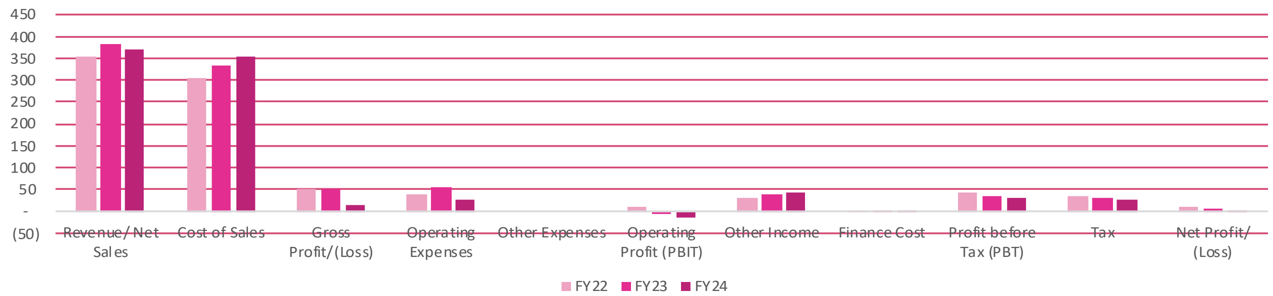
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	26	29
Dividend		
Markup Income		
Total Inflow	**26**	**29**

Net Flows to GoP	26	29

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	2.28%	4.44%	7.06%
Return on Assets (ROA)	0.38%	0.70%	1.02%
Return on Capital Invested	1.82%	3.62%	5.98%
Debt/Equity	504.84%	534.51%	591.86%
Current Ratio	1.24	1.22	1.19
Net Working Capital	164	156	142
LTL to Total Assets	4%	4%	3%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



INDUSTRIAL ESTATE DEVELOPMENT SECTOR

73 Pakistan Industrial Development Corporation (Private) Limite(

PIDC

Company type	PSC - Commercial
Sector	Industrial Estate Development
Sub-sector	ndustrial Estate Developmen
Ministry	M/o Industries and Productio
Accounts are:	UnConsolidated
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	137	-0.7%	138, was the HR strength in FY2023

in Million Rs.

Established 1952

Income Statement	FY2024	FY2023	FY2022
Revenues	3,254	2,810	2,520
Cost of Sales	-	-	349
Gross Profit	3,254	2,810	2,171
Operating Expenses	472	499	399
Other Expenses	151	38	7
Other Income	62	16	4
Finance Cost	4	0	0
Profit before Tax (PBT)	2,688	2,289	1,768
Tax	946	813	47
Net Profit / (Loss)	1,742	1,477	1,721

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	16,851	16,244	13,997
Non-Current Assets	7,669	6,419	5,308
Total Assets	24,519	22,663	19,305
Share Capital	906	906	906
Accumulated profit/(loss)	13,268	12,612	10,605
Others	5,626	2,011	1,893
Total Equity	19,801	15,529	13,404
Current Liabilities	2,057	5,383	5,367
Non Current Liabilities	2,661	1,752	533
Total Liabilities	4,719	7,135	5,900
Total Equity + Liabilities	24,519	22,663	19,305

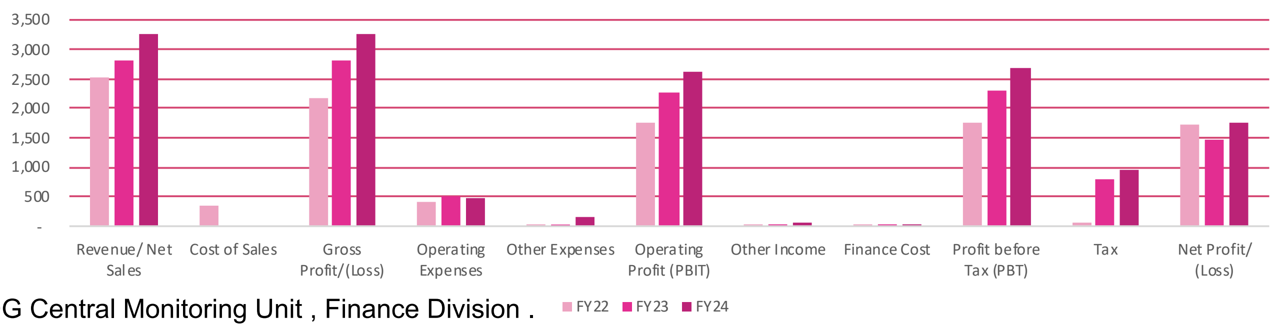
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	946	813
Dividend	85	80
Markup Income		
Total Inflow	**1,031**	**893**
Net Flows to GoP	**1,031**	**893**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	8.80%	9.51%	12.84%
Return on Assets (ROA)	7.11%	6.51%	8.92%
Return on Capital Invested	7.76%	8.54%	12.35%
Debt/Equity	23.83%	45.95%	44.02%
Current Ratio	8.19	3.02	2.61
Net Working Capital	14,793	10,861	8,630
LTL to Total Assets	11%	8%	3%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



INDUSTRIAL ESTATE DEVELOPMENT SECTOR

74 Export Processing Zones Authority

EPZA

Company type	PSC - Commercial
Sector	Industrial Estate Development
Sub-sector	ndustrial Estate Developmen
Ministry	M/o Industries and Productio
Accounts are:	P/L Only
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
0%	0%	100%

Number of Employees	628	0.3%	626, was the HR strength in FY2023

Established 1980

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	5,267	4,505	3,211
Cost of Sales	-	-	-
Gross Profit	5,267	4,505	3,211
Operating Expenses	3,322	3,060	2,237
Other Expenses	-	-	-
Other Income	176	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	2,121	1,445	974
Tax	615	540	253
Net Profit / (Loss)	1,506	904	722

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	9,032	9,032	6,872
Non-Current Assets	1,529	1,530	1,498
Total Assets	10,561	10,562	8,370
Share Capital	-	-	-
Accumulated profit/(loss)	5,610	5,610	4,706
Others	-	-	-
Total Equity	5,610	5,610	4,706
Current Liabilities	1,230	1,230	942
Non Current Liabilities	3,722	3,722	2,723
Total Liabilities	4,952	4,952	3,665
Total Equity + Liabilities	10,562	10,562	8,370

Value Addition / Inflow

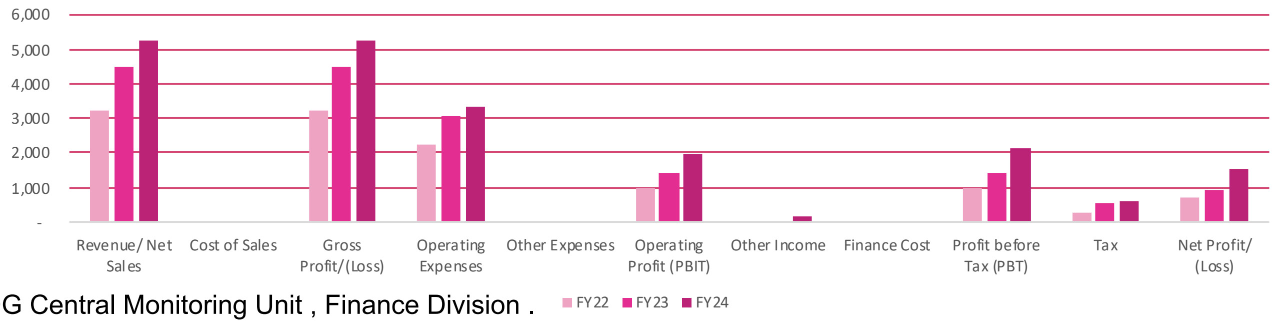
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	615	540
Dividend		
Markup Income		
Total Inflow	**615**	**540**

Net Flows to GoP	615	540

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	26.84%	16.12%	15.34%
Return on Assets (ROA)	14.26%	8.56%	8.62%
Return on Capital Invested	16.13%	9.69%	9.71%
Debt/Equity	88.27%	88.27%	77.88%
Current Ratio	7.34	7.34	7.30
Net Working Capital	7,802	7,802	5,930
LTL to Total Assets	35%	35%	33%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



INDUSTRIAL ESTATE DEVELOPMENT SECTOR

75 Pakistan Expo Centers (Pvt) Ltd

PEC

Company type	PSC - Commercial
Sector	Industrial Estate Development
Sub-sector	ndustrial Estate Developmen
Ministry	M/o Commerce
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Govt. of Punjab	Other
97%	3%	0%

Number of Employees			
Number of Employees	161	0.6%	160, was the HR strength in FY2023

in Million Rs.

Established 2004

Income Statement	FY2024	FY2023	FY2022
Revenues	435	336	170
Cost of Sales	493	358	404
Gross Profit	(58)	(21)	(234)
Operating Expenses	230	185	79
Other Expenses	-	-	21
Other Income	106	73	187
Finance Cost	46	48	1
Profit before Tax (PBT)	(228)	(181)	(148)
Tax	(34)	(0)	-
Net Profit / (Loss)	(194)	(181)	(148)

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,106	1,089	658
Non-Current Assets	8,971	9,323	7,476
Total Assets	10,077	10,412	8,133
Share Capital	6,000	6,000	6,000
Accumulated profit/(loss)	(1,599)	(1,495)	(1,385)
Others	4,169	4,903	2,616
Total Equity	8,569	9,408	7,231
Current Liabilities	743	526	503
Non Current Liabilities	764	478	399
Total Liabilities	1,507	1,004	902
Total Equity + Liabilities	10,077	10,412	8,133

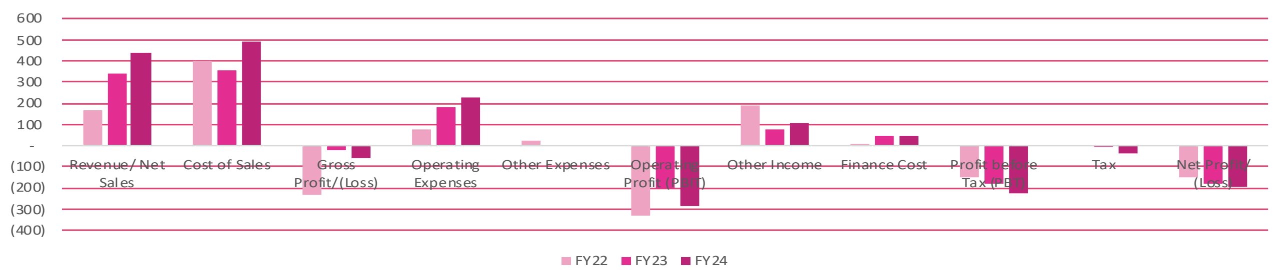
Value Addition / Inflow

	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	(34)	(0)
Dividend		
Markup Income	-	-
Total Inflow	**(34)**	**(0)**
Net Flows to GoP	**(34)**	**(0)**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-2.26%	-1.93%	-2.05%
Return on Assets (ROA)	-1.92%	-1.74%	-1.82%
Return on Capital Invested	-2.08%	-1.83%	-1.95%
Debt/Equity	17.59%	10.67%	12.47%
Current Ratio	1.49	2.07	1.31
Net Working Capital	363	564	154
LTL to Total Assets	8%	5%	5%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	463	424
Pension Liablity	-	-

Profit / Loss Graph



TRADING & MARKETING SECTOR

Trading & Marketing Sector

in Rs Million.

Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Trading Corporation of Pakistan (Private) Limited	Trading & Marketing	Trading	2,601	369,316	481
2	National Fertilizer Corporation of Pakistan (Private) Limited	Trading & Marketing	Chemicals	612	7,468	1,226
3	Pakistan Agricultural Storage & Services Corporation Limited	Trading & Marketing	Agricultural Storage	(1,681)	395,813	254,948
4	Utility Stores Corporation (Private) Limited	Trading & Marketing	Trading	(2,264)	59,822	84,219

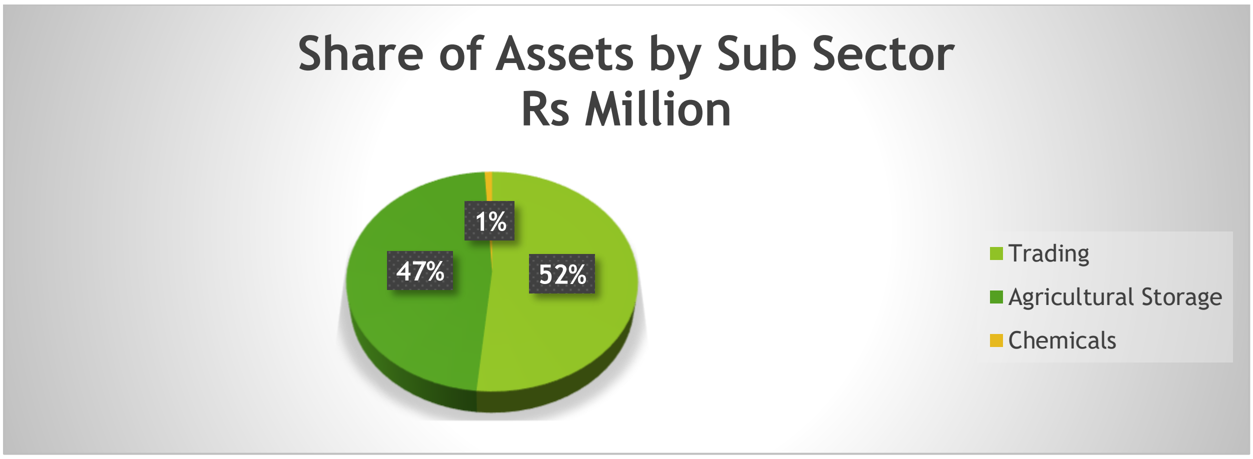
TRADING & MARKETING SECTOR

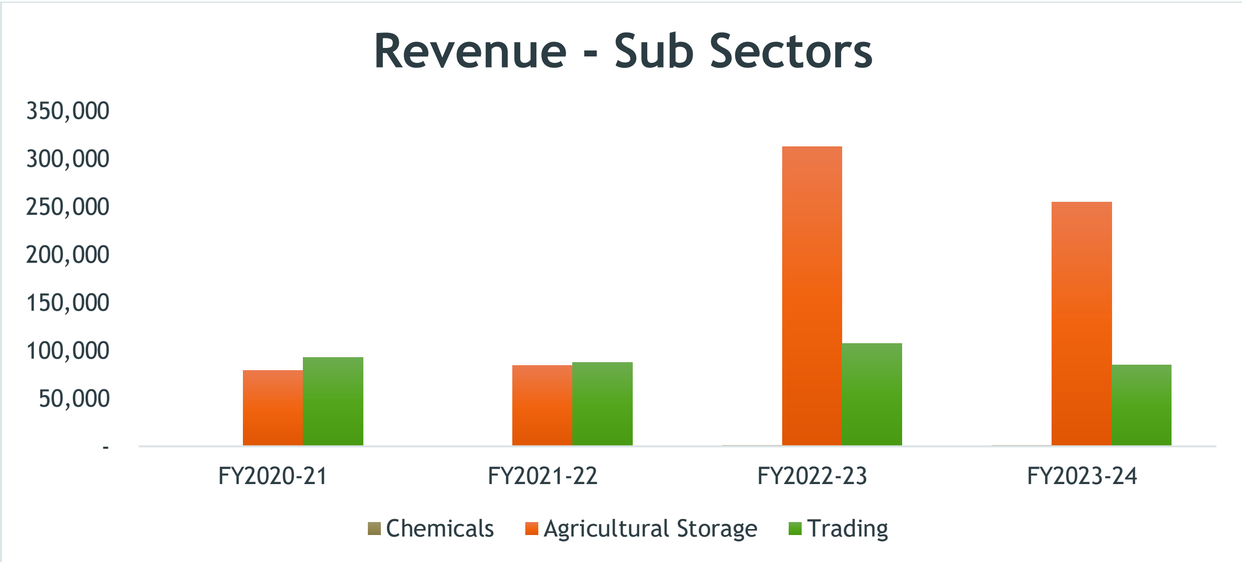
Total number of SOEs	**6**			
Total number of Independent Companies	4			67%
Total number of Subsidiaries	2			33%
Total number of Board of Directors	**32**			
Total number of Executive Directors	6			19%
Total number of Non-Executive Directors	21			66%
Total number of Indpendent Directors	5			16%
Total Employees	**13,525**	**13,507**	▼	0%

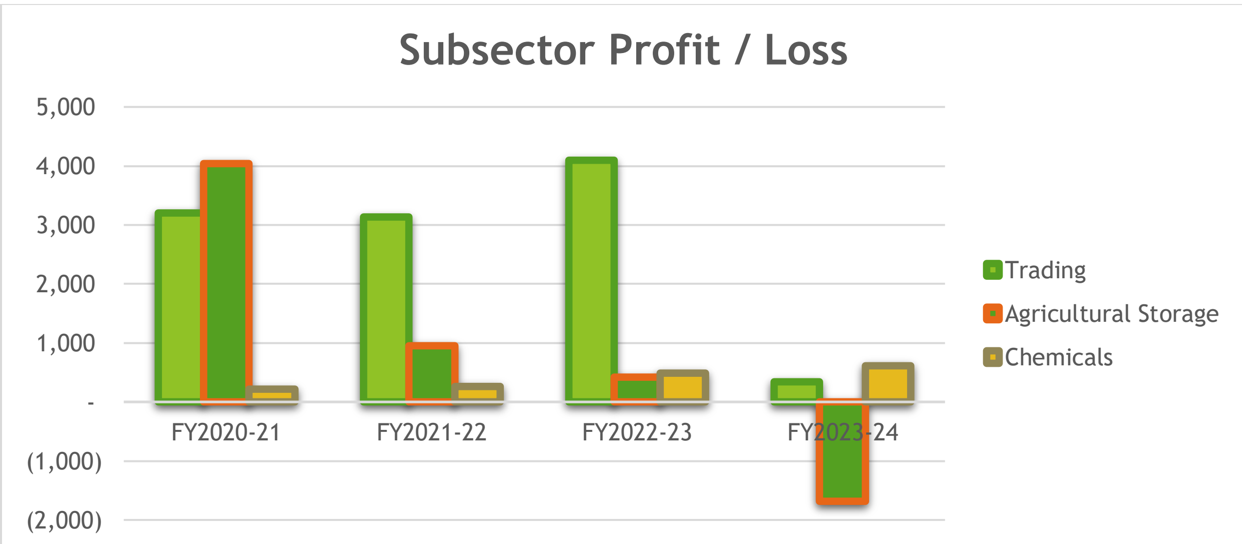
PKR MILLIONS

	FY2022-23	**FY2023-24**		**% Change**
Current Assets	693,900	765,087	▲	10%
Non Current Assets	21,915	67,332	▲	207%
Total Assets	715,816	832,418	▲	16%
Current Liabilities	655,103	727,325	▲	11%
Total Debt	558,738	640,374	▲	15%
Non Current Liabilities	8,853	8,175	▼	-8%
Total Liabilities	663,956	735,501	▲	11%
Total Equity	51,860	96,918	▲	87%
Net Revenue	420,994	340,875	▼	-19%
Gross Profit/(Loss)	35,421	79,784	▲	125%
Operating Profit/(Loss)	9,653	50,985	▲	428%
Net Profit/(Loss)	5,003	(732)	▲	115%
Net Profit/Loss Margin	1.2%	-0.2%	▲	118%
Return on Assets	0.7%	-0.1%	▲	113%
Return on Equity	9.6%	-0.8%	▲	108%
Return on Capital Invested	15.9%	48.5%	▲	205%
Current Ratio	1.06	1.05	▼	-1%
Net Working Capital	38,797	37,761	▼	-3%
Debt to Equity	1280.3%	758.9%	▼	-41%
Debt to Total Assets	0.78	0.77	▼	-1%
Total Dividned Paid to GOP	650	401	▼	-38%
Total Tax Paid to GOP	7,272	5,338	▼	-27%
Other Tax Contribution during the year	14,805	11,033	▼	-25%
Interest During the Year	-	-		-
Total loans disbursed during the year	-	-		-
Total Grants disbursed in the year	-	-		-
Total Subsidies disbursed in the year	51,237	102,211	▲	99%
Total equity injection during the year	-	-		-
Net Flow to GoP	(28,510)	(85,438)	▼	-200%
Total Loans Outstanding	888	888	▬	0%
Total Guarantees Outstanding	-	-		-

TRADING & MARKETING SECTOR







TRADING & MARKETING SECTOR

Trading & Marketing One pager Accounts

76 National Fertilizer Corporation of Pakistan (Private) Limited

NFC

Company type	PSC - Commercial
Sector	Trading & Marketing
Sub-sector	Chemicals
Ministry	M/o Industries and Productio
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees			
	63	-1.6%	64, was the HR strength in FY2023

in Million Rs.

Established 1973

Income Statement	FY2024	FY2023	FY2022
Revenues	1,226	902	509
Cost of Sales	-	-	-
Gross Profit	1,226	902	509
Operating Expenses	217	183	139
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	1,008	718	370
Tax	396	228	106
Net Profit / (Loss)	612	491	264

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	6,542	6,139	5,876
Non-Current Assets	925	698	658
Total Assets	7,468	6,836	6,534
Share Capital	1,059	1,059	1,059
Accumulated profit/(loss)	413	22	165
Others	5,929	5,655	5,188
Total Equity	7,400	6,736	6,412
Current Liabilities	63	93	42
Non Current Liabilities	4	7	80
Total Liabilities	68	101	122
Total Equity + Liabilities	7,468	6,836	6,534

Value Addition / Inflow

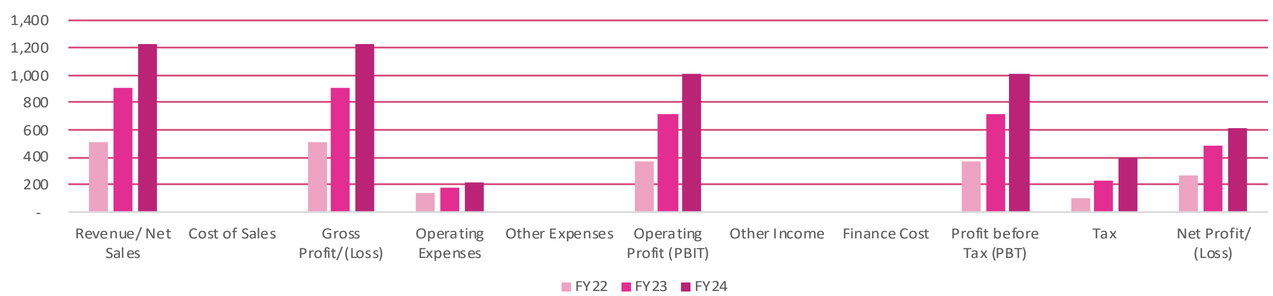
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	396	228
Dividend	200	200
Markup Income		
Total Inflow	596	428

	FY2024	FY2023
Net Flows to GoP	596	428

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	8.27%	7.28%	4.12%
Return on Assets (ROA)	8.20%	7.18%	4.04%
Return on Capital Invested	8.27%	7.27%	4.07%
Debt/Equity	0.91%	1.49%	1.91%
Current Ratio	103.06	65.98	140.61
Net Working Capital	6,479	6,046	5,834
LTL to Total Assets	0%	0%	1%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



77 Trading Corporation of Pakistan (Private) Limited

TCP

Company type	PSC - Commercial
Sector	Trading & Marketing
Sub-sector	Trading
Ministry	M/o Commerce
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees 387 -1.0% 391, was the HR strength in FY2023

Established 1967

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	481	3,103	1,490
Cost of Sales	-	-	-
Gross Profit	481	3,103	1,490
Operating Expenses	1,450	1,590	1,047
Other Expenses	-	-	-
Other Income	5,385	4,553	2,980
Finance Cost	4	2	-
Profit before Tax (PBT)	4,412	6,064	3,422
Tax	1,811	2,081	1,072
Net Profit / (Loss)	2,601	3,983	2,350

Government Support / Outflow

	FY2024	FY2023
Subsidies	13,818	1,599
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**13,818**	**1,599**
GoP Loans Outstanding	388	388
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	312,071	281,038	206,789
Non-Current Assets	57,245	11,007	10,739
Total Assets	369,316	292,045	217,528
Share Capital	1,000	1,000	1,000
Accumulated profit/(loss)	23,100	20,501	16,910
Others	45,740	-	-
Total Equity	69,840	21,501	17,910
Current Liabilities	299,284	270,364	199,510
Non Current Liabilities	192	180	108
Total Liabilities	299,476	270,544	199,618
Total Equity + Liabilities	369,316	292,045	217,528

Value Addition / Inflow

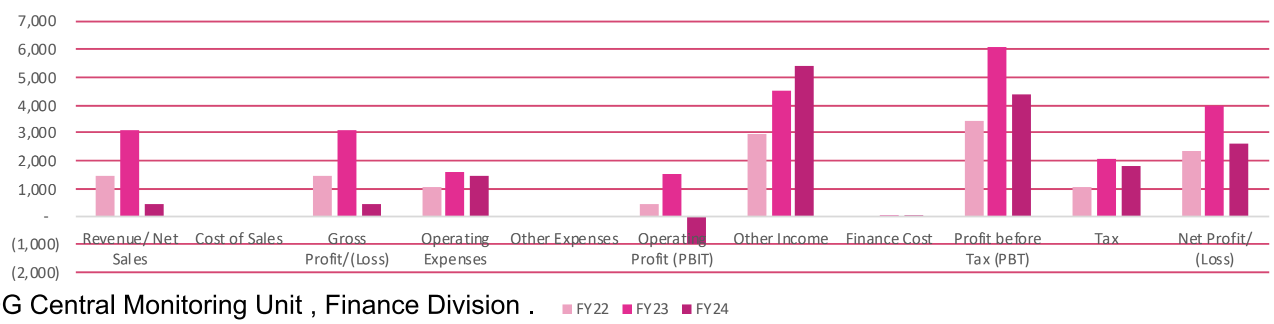
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	1,811	2,081
Dividend	10	390
Markup Income	-	-
Total Inflow	**1,821**	**2,471**

Net Flows to GoP (11,997) 872

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	3.72%	18.52%	13.12%
Return on Assets (ROA)	0.70%	1.36%	1.08%
Return on Capital Invested	3.71%	18.37%	13.04%
Debt/Equity	428.80%	1258.29%	1114.59%
Current Ratio	1.04	1.04	1.04
Net Working Capital	12,787	10,674	7,279
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan	388	388
Foreign Relent Loan	-	-
Bank Loan	281,225	252,393
Accrued Interest	15,525	14,844
Other Loan	-	-
Pension Liablity	153	133

Profit / Loss Graph



TRADING & MARKETING SECTOR

78 Utility Stores Corporation (Private) Limited

USC

Company type	PSC - Commercial
Sector	Trading & Marketing
Sub-sector	Trading
Ministry	M/o Industries and Productio
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	12,106	0.0%	12106, was the HR strength in FY2023

Established 1971

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	84,219	104,472	85,869
Cost of Sales	103,994	121,484	100,830
Gross Profit	(19,774)	(17,012)	(14,961)
Operating Expenses	14,262	13,286	9,583
Other Expenses	-	-	-
Other Income	33,384	32,508	26,938
Finance Cost	558	791	537
Profit before Tax (PBT)	(1,210)	1,419	1,857
Tax	1,054	1,307	1,074
Net Profit / (Loss)	(2,264)	111	782

Government Support / Outflow

	FY2024	FY2023
Subsidies	31,754	33,000
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**31,754**	**33,000**
GoP Loans Outstanding	500	500
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	51,416	55,469	46,718
Non-Current Assets	8,405	9,426	10,434
Total Assets	59,822	64,894	57,152
Share Capital	738	738	738
Accumulated profit/(loss)	(15,508)	(13,264)	(12,958)
Others	16,575	16,595	16,616
Total Equity	1,805	4,069	4,395
Current Liabilities	50,705	52,774	44,965
Non Current Liabilities	7,312	8,051	7,792
Total Liabilities	58,017	60,825	52,757
Total Equity + Liabilities	59,822	64,894	57,152

Value Addition / Inflow

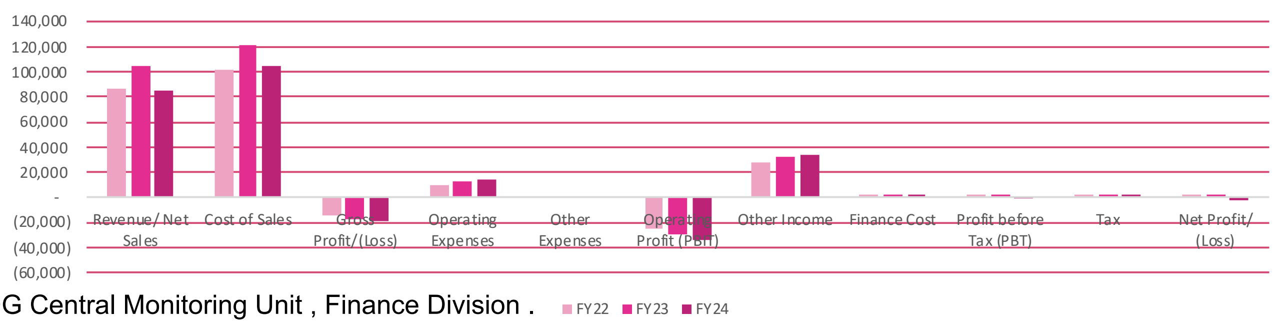
	FY2024	FY2023
Other Tax Contribution	**11,033**	**14,805**
Tax Revenue	1,054	1,307
Dividend		
Markup Income	-	-
Total Inflow	**12,088**	**16,112**

Net Flows to GoP	(19,667)	(16,888)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-125.45%	2.74%	17.80%
Return on Assets (ROA)	-3.78%	0.17%	1.37%
Return on Capital Invested	-24.84%	0.92%	6.42%
Debt/Equity	3214.58%	1494.85%	1200.32%
Current Ratio	1.01	1.05	1.04
Net Working Capital	711	2,694	1,753
LTL to Total Assets	12%	12%	14%

Debt Information	FY2024	FY2023
Cash Development Loan	500	500
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	2,451	3,134
Pension Liablity	-	-

Profit / Loss Graph



TRADING & MARKETING SECTOR

79 Pakistan Agricultural Storage & Services Corporation Limited

PASSCO

Company type	PSC - Commercial
Sector	Trading & Marketing
Sub-sector	Agricultural Storage
Ministry	National Food Security & Res
Accounts are:	Un-Audited
Reporting Period End	31-Mar-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	NBP	Other
25%	18%	57%

Number of Employees			
Number of Employees	951	-1.3%	964, was the HR strength in FY2023

Established 1973

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	254,948	312,517	84,342
Cost of Sales	157,097	264,089	70,634
Gross Profit	97,851	48,428	13,708
Operating Expenses	10,456	8,699	8,228
Other Expenses	2,414	2,009	1,532
Other Income	1,189	1,350	5,210
Finance Cost	85,775	34,996	7,149
Profit before Tax (PBT)	395	4,074	2,010
Tax	2,076	3,656	1,055
Net Profit / (Loss)	(1,681)	418	955

Government Support / Outflow

	FY2024	FY2023
Subsidies	56,638	16,638
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**56,638**	**16,638**
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	395,057	351,255	164,118
Non-Current Assets	756	785	787
Total Assets	395,813	352,040	164,905
Share Capital	30	30	30
Accumulated profit/(loss)	17,310	18,991	18,811
Others	533	533	533
Total Equity	17,873	19,554	19,374
Current Liabilities	377,273	331,872	145,059
Non Current Liabilities	667	614	472
Total Liabilities	377,940	332,486	145,531
Total Equity + Liabilities	395,813	352,040	164,905

Value Addition / Inflow

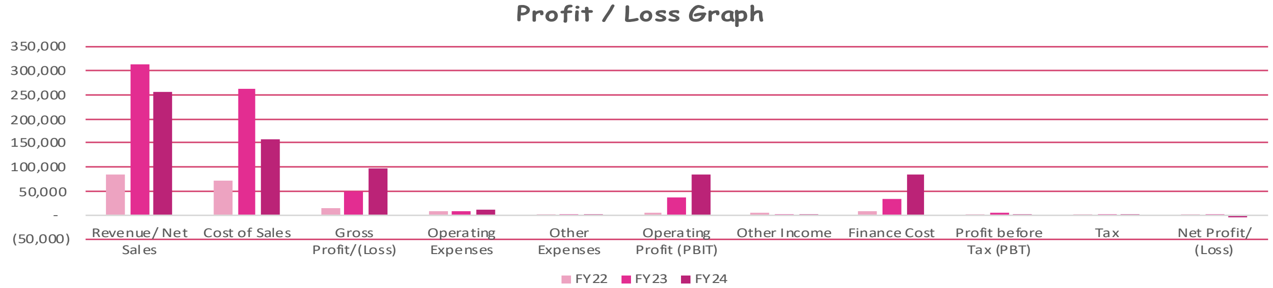
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	2,076	3,656
Dividend	191	60
Markup Income	-	-
Total Inflow	**2,267**	**3,716**

	FY2024	FY2023
Net Flows to GoP	**(54,371)**	**(12,922)**

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-9.41%	2.14%	4.93%
Return on Assets (ROA)	-0.42%	0.12%	0.58%
Return on Capital Invested	-9.07%	2.07%	4.81%
Debt/Equity	2114.61%	1700.35%	751.16%
Current Ratio	1.05	1.06	1.13
Net Working Capital	17,784	19,383	19,059
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	355,810	302,323
Accrued Interest	20,081	11,666
Other Loan	-	-
Pension Liablity	667	610

Profit / Loss Graph



MISCELLANEOUS SECTOR

111

Miscellaneous Sector

in Rs Million

Sr#	Entity Name	Sector	Sub Sector	Profit / Loss	Assets	Revenue
1	Overseas Employment Corporation (Private) Limited	Miscellaneous	Other Services	541	2,063	633
2	Pakistan Television Corporation Limited	Miscellaneous	Media Entertainment	202	28,543	18,397
3	Pakistan Tourism Development Corporation	Miscellaneous	Promotion & Advocacy	14	712	-
4	Pakistan Revenue Automation (Private) Limited	Miscellaneous	Other Services	7	1,360	1,855
5	Pakistan Broadcasting Corporation	Miscellaneous	Media Entertainment	(990)	3,667	6,996

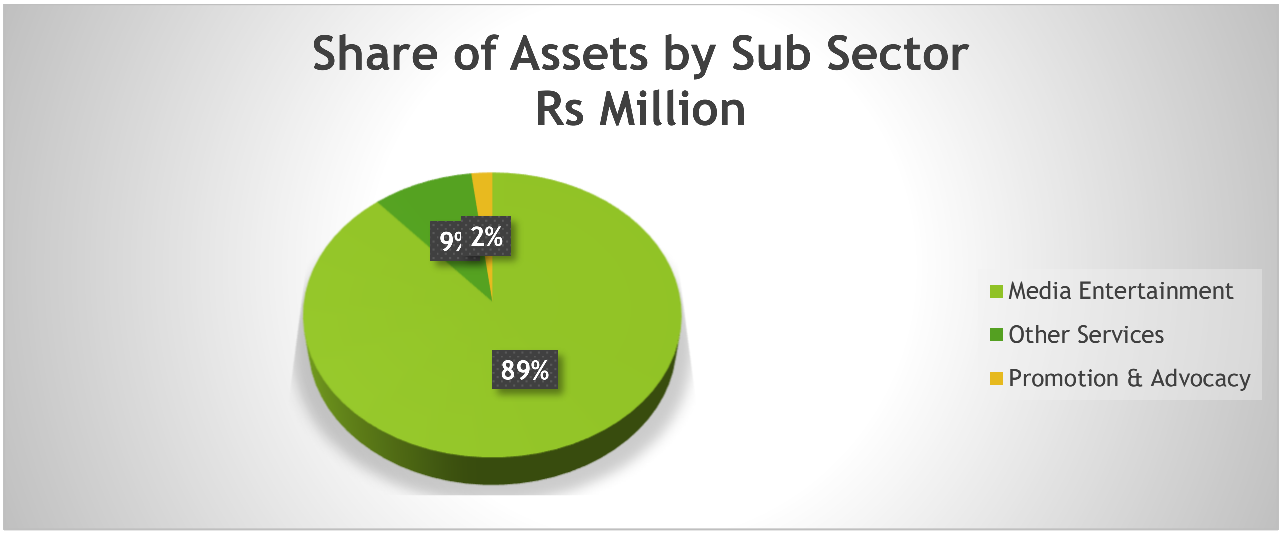
MISCELLANEOUS SECTOR

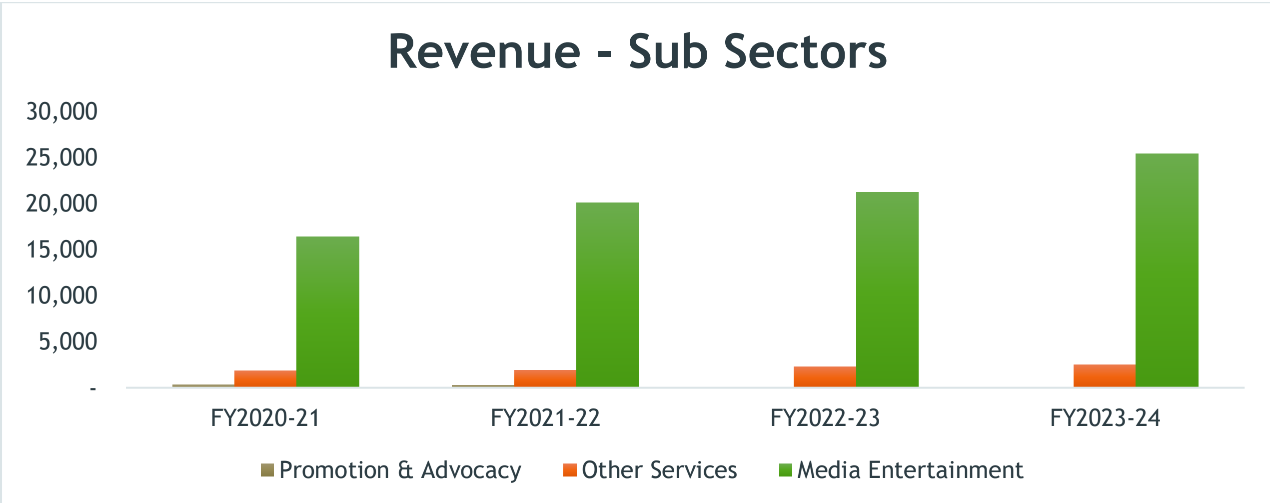
	Miscellaneous		
Total number of SOEs	**10**		
Total number of Independent Companies	6		60%
Total number of Subsidiaries	4		40%
Total number of Board of Directors	**53**		
Total number of Executive Directors	5		9%
Total number of Non-Executive Directors	36		68%
Total number of Indpendent Directors	12		23%
Total Employees	**5,578**	**5,371**	-4%

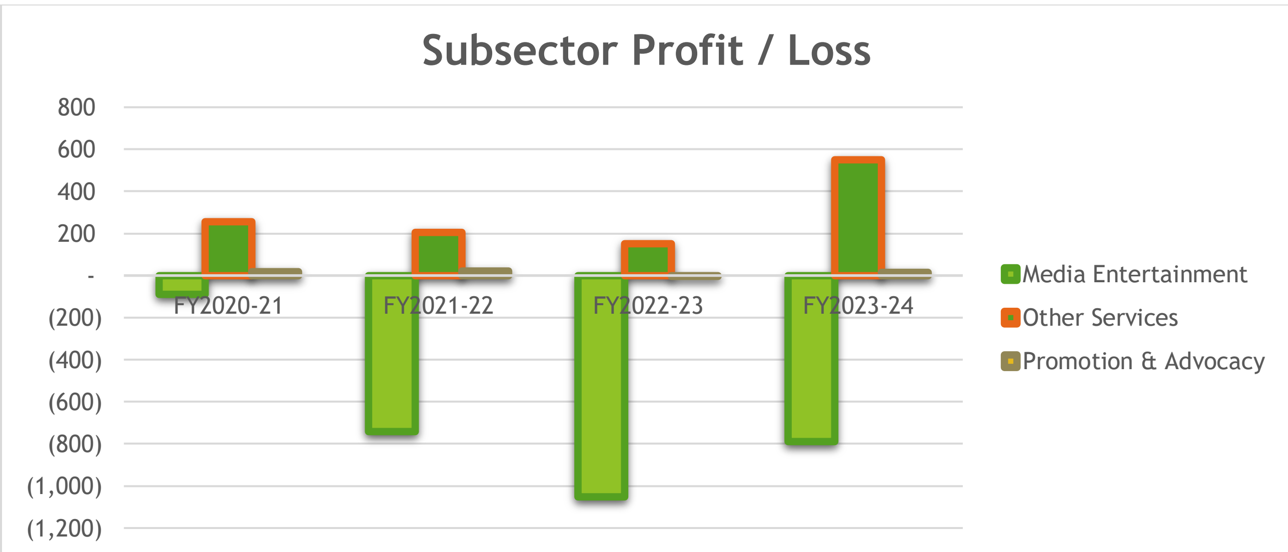
PKR MILLIONS

	FY2022-23	FY2023-24	% Change
Current Assets	16,108	21,188	32%
Non Current Assets	15,782	15,156	-4%
Total Assets	31,889	36,345	14%
Current Liabilities	9,389	12,595	34%
Total Debt	7,379	4,107	-44%
Non Current Liabilities	13,204	13,690	4%
Total Liabilities	22,593	26,284	16%
Total Equity	9,296	10,060	8%
Net Revenue	23,499	27,881	19%
Gross Profit/(Loss)	14,661	18,195	24%
Operating Profit/(Loss)	(648)	(349)	46%
Net Profit/(Loss)	(904)	(225)	75%
Net Profit/Loss Margin	-3.8%	-0.8%	79%
Return on Assets	-2.8%	-0.6%	78%
Return on Equity	-9.7%	-2.2%	77%
Return on Capital Invested	-2.9%	-1.5%	49%
Current Ratio	1.72	1.68	-2%
Net Working Capital	6,719	8,594	28%
Debt to Equity	243.0%	261.3%	8%
Debt to Total Assets	0.23	0.11	-51%
Total Dividned Paid to GOP	-	-	-
Total Tax Paid to GOP	530	145	-73%
Other Tax Contribution during the year	-	-	-
Interest During the Year	65	52	-20%
Total loans disbursed during the year	-	389	-
Total Grants disbursed in the year	-	-	-
Total Subsidies disbursed in the year	5,172	6,760	31%
Total equity injection during the year	-	-	-
Net Flow to GoP	(4,577)	(6,953)	-52%
Total Loans Outstanding	7,360	4,004	-46%
Total Guarantees Outstanding	-	-	-

MISCELLANEOUS SECTOR







MISCELLANEOUS SECTOR

Miscellaneous One pager Accounts

80 Pakistan Broadcasting Corporation

PBC

Company type	PSC - Commercial
Sector	Miscellaneous
Sub-sector	Media Entertainment
Ministry	ation, Broadcasting & Natior
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees #N/A , was the HR strength in FY2023

in Million Rs.

Established 1972

Income Statement	FY2024	FY2023	FY2022
Revenues	6,996	5,531	4,840
Cost of Sales	8,107	7,208	6,101
Gross Profit	(1,111)	(1,677)	(1,261)
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	121	62	129
Finance Cost	-	-	-
Profit before Tax (PBT)	(990)	(1,615)	(1,132)
Tax	-	2	8
Net Profit / (Loss)	(990)	(1,617)	(1,140)

Government Support / Outflow

	FY2024	FY2023
Subsidies	6,760	5,172
Grants	-	-
Equity Injection	-	-
Loans in CFY	389	-
Total Outflow	**7,149**	**5,172**
GoP Loans Outstanding	3,945	7,200
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	835	737	392
Non-Current Assets	2,832	2,602	2,647
Total Assets	3,667	3,339	3,039
Share Capital	-	-	-
Accumulated profit/(loss)	(32,823)	(31,832)	(30,245)
Others	33,310	32,244	30,964
Total Equity	487	412	720
Current Liabilities	3,180	2,927	2,320
Non Current Liabilities	-	-	-
Total Liabilities	3,180	2,927	2,320
Total Equity + Liabilities	3,667	3,339	3,039

Value Addition / Inflow

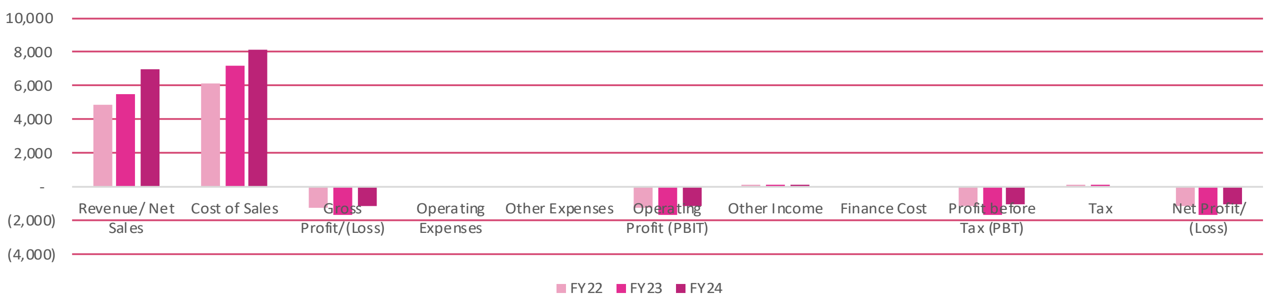
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	-	2
Dividend		
Markup Income	52	65
Total Inflow	**52**	**67**

Net Flows to GoP	(7,098)	(5,104)

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-203.31%	-392.70%	-158.48%
Return on Assets (ROA)	-27.01%	-48.43%	-37.52%
Return on Capital Invested	-203.31%	-392.70%	-158.48%
Debt/Equity	652.78%	710.80%	322.39%
Current Ratio	0.26	0.25	0.17
Net Working Capital	(2,345)	(2,190)	(1,928)
LTL to Total Assets	0%	0%	0%

Debt Information	FY2024	FY2023
Cash Development Loan	3,945	7,200
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	27,180	26,503

Profit / Loss Graph



MISCELLANEOUS SECTOR

81 Overseas Employment Corporation (Private) Limited

OECL

Company type	PSC - Commercial
Sector	Miscellaneous
Sub-sector	Other Services
Ministry	'akistanis and Human Resour
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	101	-1.9%	103, was the HR strength in FY2023

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	633	600	277
Cost of Sales	-	-	-
Gross Profit	633	600	277
Operating Expenses	364	295	207
Other Expenses	-	-	-
Other Income	274	192	116
Finance Cost	1	11	3
Profit before Tax (PBT)	541	486	182
Tax	-	168	51
Net Profit / (Loss)	541	318	132

Established 1976

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,966	1,019	605
Non-Current Assets	97	98	73
Total Assets	2,063	1,117	677
Share Capital	5	5	5
Accumulated profit/(loss)	1,093	559	277
Others	-	-	-
Total Equity	1,098	564	282
Current Liabilities	809	398	295
Non Current Liabilities	155	155	100
Total Liabilities	964	553	396
Total Equity + Liabilities	2,063	1,117	677

Value Addition / Inflow

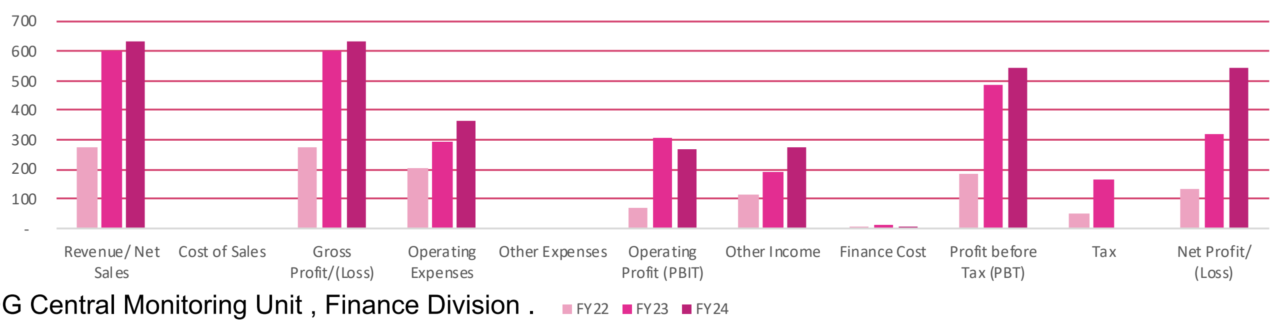
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	-	168
Dividend		
Markup Income		
Total Inflow	-	**168**

Net Flows to GoP	-	168

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	49.30%	56.33%	46.80%
Return on Assets (ROA)	26.25%	28.44%	19.46%
Return on Capital Invested	43.20%	44.18%	34.51%
Debt/Equity	87.81%	98.05%	140.46%
Current Ratio	2.43	2.56	2.05
Net Working Capital	1,157	621	309
LTL to Total Assets	8%	14%	15%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



82 Pakistan Television Corporation Limited

PTVC

Company type	PSC - Commercial
Sector	Miscellaneous
Sub-sector	Media Entertainment
Ministry	ation, Broadcasting & Natior
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees 4,408 -2.0% 4496, was the HR strength in FY2023

Established 1964

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	18,397	15,663	15,214
Cost of Sales	-	-	-
Gross Profit	18,397	15,663	15,214
Operating Expenses	17,977	14,280	9,652
Other Expenses	-	444	4,961
Other Income	-	-	38
Finance Cost	136	68	26
Profit before Tax (PBT)	285	871	613
Tax	83	305	214
Net Profit / (Loss)	202	566	398

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	**-**	**-**
GoP Loans Outstanding	59	160
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	16,818	12,939	12,624
Non-Current Assets	11,725	12,625	17,201
Total Assets	28,543	25,564	29,825
Share Capital	6,075	4,254	6,223
Accumulated profit/(loss)	(6,588)	(6,790)	(12,610)
Others	8,209	10,037	18,676
Total Equity	7,696	7,501	12,289
Current Liabilities	7,673	5,325	4,253
Non Current Liabilities	13,174	12,737	13,283
Total Liabilities	20,846	18,062	17,536
Total Equity + Liabilities	28,543	25,563	29,825

Value Addition / Inflow

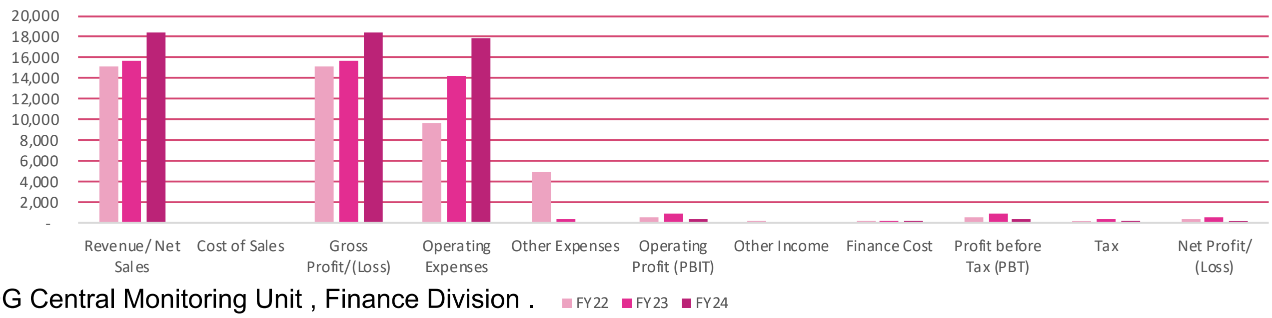
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	83	305
Dividend		
Markup Income	-	-
Total Inflow	**83**	**305**

Net Flows to GoP	83	305

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	2.63%	7.55%	3.24%
Return on Assets (ROA)	0.71%	2.21%	1.34%
Return on Capital Invested	0.97%	2.80%	1.56%
Debt/Equity	270.86%	240.79%	142.70%
Current Ratio	2.19	2.43	2.97
Net Working Capital	9,145	7,614	8,371
LTL to Total Assets	46%	50%	45%

Debt Information	FY2024	FY2023
Cash Development Loan	59	160
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	-	-
Pension Liablity	22,220	11,222

Profit / Loss Graph



MISCELLANEOUS SECTOR

83 Pakistan Revenue Automation (Private) Limited

PRAL

Company type	PSC - Commercial
Sector	Miscellaneous
Sub-sector	Other Services
Ministry	M/o Finance
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees	862	-12.0%	979, was the HR strength in FY2023

in Million Rs.

Established 1994

Income Statement	FY2024	FY2023	FY2022
Revenues	1,855	1,705	1,629
Cost of Sales	1,579	1,630	1,377
Gross Profit	277	75	252
Operating Expenses	198	232	178
Other Expenses	-	-	13
Other Income	13	50	65
Finance Cost	23	4	8
Profit before Tax (PBT)	69	(111)	117
Tax	62	54	45
Net Profit / (Loss)	7	(165)	72

Government Support / Outflow

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-
Total Outflow	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,193	938	1,055
Non-Current Assets	167	124	148
Total Assets	1,360	1,062	1,203
Share Capital	265	265	265
Accumulated profit/(loss)	286	304	458
Others	-	-	-
Total Equity	552	569	724
Current Liabilities	580	314	284
Non Current Liabilities	228	179	196
Total Liabilities	809	493	480
Total Equity + Liabilities	1,360	1,062	1,203

Value Addition / Inflow

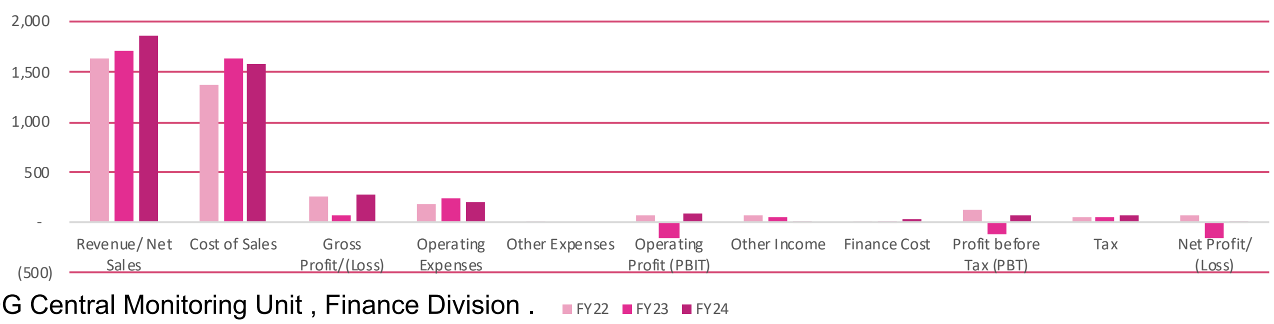
	FY2024	FY2023
Other Tax Contribution	-	-
Tax Revenue	62	54
Dividend		
Markup Income	-	-
Total Inflow	**62**	**54**

Net Flows to GoP	62	54

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	1.34%	-29.04%	9.92%
Return on Assets (ROA)	0.54%	-15.56%	5.96%
Return on Capital Invested	0.95%	-22.09%	7.80%
Debt/Equity	146.60%	86.66%	66.24%
Current Ratio	2.06	2.99	3.72
Net Working Capital	613	624	772
LTL to Total Assets	17%	17%	16%

Debt Information	FY2024	FY2023
Cash Development Loan	-	-
Foreign Relent Loan	-	-
Bank Loan	-	-
Accrued Interest	-	-
Other Loan	103	19
Pension Liablity	316	177

Profit / Loss Graph



MISCELLANEOUS SECTOR

84 Pakistan Tourism Development Corporation

PTDC

Company type	PSC - Commercial
Sector	Miscellaneous
Sub-sector	Promotion & Advocacy
Ministry	Cabinet Division
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	Employee Empowerment Trust	Other
88%	12%	0%

Number of Employees #N/A , was the HR strength in FY2023

in Million Rs.

Established 1970

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	2
Gross Profit	-	-	(2)
Operating Expenses	5	11	0
Other Expenses	-	46	-
Other Income	20	52	40
Finance Cost	-	-	-
Profit before Tax (PBT)	14	(5)	38
Tax	-	0	-
Net Profit / (Loss)	14	(5)	38

Government Support / Outflow

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
Total Outflow	-	-
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	376	475	354
Non-Current Assets	336	332	359
Total Assets	712	807	713
Share Capital	171	171	867
Accumulated profit/(loss)	(640)	(617)	(598)
Others	697	696	-
Total Equity	227	250	270
Current Liabilities	352	425	306
Non Current Liabilities	132	132	137
Total Liabilities	485	557	443
Total Equity + Liabilities	712	807	713

Value Addition / Inflow

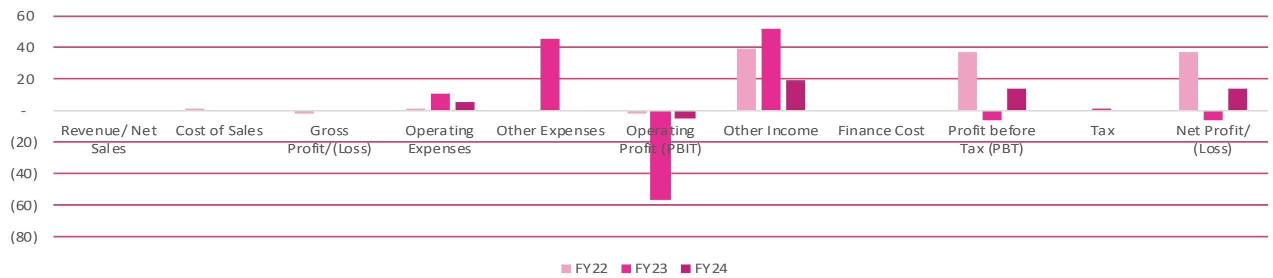
	FY2024	FY2023
Other Tax Contribution		
Tax Revenue	-	0
Dividend		
Markup Income		
Total Inflow	-	0

Net Flows to GoP	-	0

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	6.29%	-2.19%	14.03%
Return on Assets (ROA)	2.00%	-0.68%	5.31%
Return on Capital Invested	3.97%	-1.43%	9.30%
Debt/Equity	213.71%	223.08%	164.48%
Current Ratio	1.07	1.12	1.16
Net Working Capital	24	50	48
LTL to Total Assets	19%	16%	19%

Debt Information	FY2024	FY2023
Cash Development Loan		
Foreign Relent Loan		
Bank Loan		
Accrued Interest		
Other Loan		
Pension Liablity		

Profit / Loss Graph



Annexure(s)

Annexure 1:

The commercial State-Owned Enterprise (SOE) portfolio encompasses 94 entities, strategically categorized into eight distinct sectors. To ensure enhanced clarity and facilitate a better understanding of their operational and functional dynamics, these sectors have been further subdivided into 26 sub-sectors. This classification aims to provide a detailed framework for analyzing and presenting the performance of these enterprises.

As part of this report, we have incorporated both graphical and tabular data to illustrate the financial and non-financial performance of the commercial SOE portfolio. This high-level overview sets the stage for a more in-depth examination of individual sectoral performance in subsequent sections. Unless specified otherwise, all figures in this report are presented in Rs. million. The reporting period is Jul-23 to June24 for all SOEs in the FY2024 report.

Key Assumptions and Methodologies

Financial Year-End Data Adjustment

For entities with a financial year ending in alignment with the calendar year, specific adjustments were made to ensure consistency and comparability of data. In these cases, the financial data for July to December 2023 was prorated based on the entities' annual accounts, while the financial data for January to June 2024 was directly added. This methodology was applied across all entities in the Financial Sector, with the exception of the National Investment Trust (NIT). On the non-financial side, this adjustment was also applied to Pakistan Telecommunication Company Limited (PTCL) and PIA Holding Company.

Human Resource Assumptions

Human resource (HR) data plays a vital role in understanding the operational capacity of SOEs. For Fiscal Year 2024, the average employee count was used for entities where HR data was available. However, in cases where FY2024 HR data was not accessible, the average employee count over the last five years was utilized. This approach ensures a consistent baseline for analysis and minimizes potential data gaps.

The following entities relied on the five-year average employee count due to the unavailability of FY2024 HR data:

i. National Insurance Company Limited (NICL)
ii. Karachi Port Trust (KPT)
iii. Private Power and Infrastructure Board (PPIB)
iv. Sui Southern Gas Company Limited (SSGC)
v. Lahore Electric Supply Company (LESCO)
vi. GENCO-II
vii. Pak China Investment Company Limited (PCICL)
viii. Pakistan Reinsurance Company Limited (PRCL)
ix. National Engineering Services Pakistan (NESPAK)
x. Pakistan Television Corporation (PTVC)

xi. PIA Holding Company
xii. Hyderabad Electric Supply Company (HESCO)
xiii. National Telecommunication Corporation (NTC)
xiv. National Construction Limited (NCL)
xv. State Engineering Corporation (SEC)
xvi. Pakistan Post Office (PPO)
xvii. Pakistan Expo Centres (Pak Expo)
xviii. Export Processing Zones Authority (EPZA)
xix. Sui Northern Gas Pipelines Limited (SNGPL)

Missing HR Data

For certain entities, no HR information was available at all. These include:

i. Pakistan Tourism Development Corporation (PTDC)
ii. Port Qasim Authority (PQA)
iii. Postal Life Insurance Company Limited (PLICL)
iv. Gawadar Port Authority (GPA)
v. Pakistan Environmental Planning & Architectural Consultants (PEPAC)
vi. Pakistan Broadcasting Corporation (PBC)

Efforts have been made to highlight these data gaps to ensure transparency and provide clarity to the readers of this report.

Presentation of Data

To enhance readability and ensure comprehensive coverage, this report presents a mix of visual aids and narrative descriptions. Graphs and tables are extensively used to highlight trends, comparisons, and key performance indicators (KPIs) of the SOEs. The intention is to provide stakeholders with a clear and concise representation of the financial and operational health of these entities.

Annexure 2:

List of Federal Authorities & Regulatory Bodies, Executive Departments and Other Organizations not Covered in the Report

1. Civil Aviation Authority (CAA)
2. Competition Commission of Pakistan (CCP)
3. Securities & Exchange Commission of Pakistan (SECP)
4. State Bank of Pakistan (SBP)
5. Public Procurement Regulatory Authority (PPRA)
6. Pakistan Telecommunication Authority (PTA)
7. Abandoned Property Organization (APO)
8. Evacuee Trust Property Board (ETPB)
9. Trade Development Authority of Pakistan (TDAP)
10. National Electric Power Regulatory Authority (NEPRA)
11. Oil & Gas Regulatory Authority (OGRA)
12. Pakistan Electronic Media Regulatory Authority (PEMRA)
13. Pakistan Standards and Quality Control Authority (PSQCA)
14. Drug Regulatory Authority of Pakistan (DRAP)
15. National Tariff Commission (NTC)
16. Central Board Film Censors (CBFC)
17. Pakistan Environmental Protection Agency (PEPA)
18. National Aliens Registration Authority (NARA)
19. Pakistan Medical & Dental Council (PM & DC)
20. Higher Education Commission (HEC)
21. National Database and Registration Authority (NADRA)
22. Capital Development Authority (CDA)
23. Pakistan Engineering Council (PEC)
24. Private Power & Infrastructure Board (PPIB)
25. Engineering Development Board (EDB)
26. Intellectual Property Organization (IPO)
27. Board of Investment (BOI)
28. Earthquake Rehabilitation Authority (ERRA)
29. Agriculture Price Commission (APC)
30. Frequency Allocation Board (FAB)
31. Indus River System Authority (IRSA)
32. Alternate Energy Development Board (AEDB)
33. Pakistan National Council of Arts (PNCA)
34. Pakistan Sports Board (PSB)
35. Pakistan Cricket Board (PCB)
36. National Disaster Management Authority (NDMA)
37. National Information Telecommunication Board (NITB)
38. Pakistan Institute of Fashion Designing
39. Pakistan Industrial Technical Assistance Centre Lahore
40. Federal Medical & Dental College, Islamabad
41. NFC-Institute of Engineering & Technological Training Limited (NFC-IETTL)

Annexure 3:

Commercial SOES under Administrative Ministries

Aviation Division

Pakistan International Airlines Corporation

Cabinet Division

Pakistan Tourism Development Corporation

Printing Corporation of Pakistan (Private) Limited

M/o Commerce

Pakistan Expo Centers (Pvt) Ltd

Pakistan Textile City Limited

Trading Corporation of Pakistan (Private) Limited

National Insurance Company Limited

Pakistan Reinsurance Company Limited

State Life Insurance Corporation

M/o Communication

National Highway Authority
Postal Life Insurance Company Limited
Pakistan Post Office

M/o Defense Production

Karachi Shipyard and Engineering Works Limited

M/o Energy

Faisalabad Electric Supply Company Limited

Hyderabad Electric Supply Company Limited

Quetta Electric Supply Company Limited

Tribal Electric Supply Company Limited

Peshawar Electric Supply Company Limited

Lahore Electric Supply Company Limited

Islamabad Electric Supply Company Limited

Gujranwala Electric Power Company Limited

Multan Electric Power Company Limited

Sukkur Electric Power Company Limited

GENCO-I: Jamshoro Power Company Limited

GENCO-II: Central Power Generation Company Limited , Thermal Power Station, Guddo

GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh

GENCO-IV: Lakhra Power Generation Company Limited

National Transmission and Despatch Company

Power Planning and Monitoring Company (Private) Limited

National Engineering Services Pakistan (Private) Limited

National Power Parks Management

Central Power Purchase Agency (Guarantee) Limited
GENCO Holding Company Limited

Private Power & Infrastructure Board

Power Holding (Private) Limited

M/o Energy (Petroleum Division)

Government Holdings (Private) Limited

State Petroleum Refining & Petrochemical Corporation

Oil and Gas Development Company Limited

Pakistan Petroleum Limited

Sui Southern Gas Company Limited

Pakistan State Oil Company Limited

Sui Northern Gas Pipelines Limited
Saindak Metals Limited

Pakistan Mineral Development Corporation (Private) Limited

Pak Arab Refinery Company

M/o Finance

Zarai Taraqiati Bank Limited

SME Bank

Industrial Development Bank Limited

National Bank of Pakistan

First Women Bank Limited

House Building Finance Company Limited

Pak China Investment Company Limited

Pak Iran Investment Company

Pak Libya Holding Company (Private) Limited

Pak Oman Investment Company

Pak Kuwait Investment Company (Private) Limited

Pak Brunei Investment Company

Saudi Pak Industrial and Agricultural Investment Company Limited

National Security Printing Company (Private) Limited

Pakistan Revenue Automation (Private) Limited

Exim Bank of Pakistan Limited

National Investment Trust Limited

M/o Housing & Works

Pakistan Environmental Planning & Architectural Consultants (Private) Limited

National Construction Limited

Pakistan Infrastructure Development Company Limited

M/o Industries and Production

Export Processing Zones Authority

Heavy Mechanical Complex (Private) Limited

National Fertilizer Corporation of Pakistan (Private) Limited

Pakistan Industrial Development Corporation (Private) Limited

Pakistan Steel Mills Corporation (Private) Limited

Peoples Steel Mills Limited

Small and Medium Enterprise Development Authority

State Engineering Corporation (Private) Limited

Utility Stores Corporation (Private) Limited

M/o Information Technology & Telecommunication

Pakistan Telecommunication Company Limited

Telephone Industries of Pakistan

National Telecommunication Corporation

M/o Information, Broadcasting & National Heritage

Pakistan Broadcasting Corporation

Pakistan Television Corporation Limited

M/o National Food Security & Research

Pakistan Agricultural Storage & Services Corporation Limited

M/o Overseas Pakistanis and Human Resource Development

Overseas Employment Corporation (Private) Limited

M/o Maritime Affairs

Gwadar Port Authority

Karachi Port Trust

Pakistan National Shipping Corporation

Port Qasim Authority

M/o Railways

Pakistan Railways

Railway Constructions Pakistan Limited

Pakistan Railway Advisory and Consultancy Services Limited

Karachi Urban Transport Corporation

Railway Estate Development and Marketing Company

Pakistan Railway Freight Transportation Company (Pvt) Ltd

M/o Science & Technology

STEDEC Technology Commercialization Corporation of Pakistan (Private) Limited

M/o Water Resources

Water and Power Development Authority

Neelum Jhelum Hydro Power Company

Annexure 4:

List of Commercial SOEsand Subsidiaries

FINANCIAL

Banks	Entity ID
ZaraiTaraqiati Bank Limited - Kissan Support Services (Private) Limited	1
SME Bank - SME Leasing Limited	Drop
Industrial Development Bank Limited - Pakistan Industrial Development Financial Services (Private) Limited	Drop
National Bank of Pakistan - NBP Leasing Limited - CJSC Subsidiary Bank of NBP in Kazakhstan - CJSC Subsidiary Bank of NBP in Tajikistan - First National Bank Modaraba, Pakistan - NBP Exchange Company Limited - NBP Modarabah Management Company Limited - Taurus Securities Limited - NBP Fund Management Ltd (Formerly: Fullerton Asset Management Limited) - Cast-N-Link Products Limited	2
First Women Bank Limited	3
NBFC's and DFI's	
House Building Finance Company Limited	4
Pak China Investment Company Limited	5
Pak Iran Investment Company	6
Pak Libya Holding Company (Private) Limited	7
Pak Oman Investment Company	8
Pak Kuwait Investment Company (Private) Limited	9
Pak Brunei Investment Company	10
Saudi Pak Industrial and Agricultural Investment Company Limited	11
Exim Bank of Pakistan Limited	15
National Investment Trust Limited	17
Insurance	
State Life Insurance Corporation - Alpha Insurance Company Limited - State Life (Lakie Road) Properties (Private) Limited - State Life (Abdullah Haroon Road) Properties (Private) Limited	12
National Insurance Company Limited - Civic Centre Company (Private) Limited	13
Pakistan Reinsurance Company Limited	14
Postal Life Insurance Company Limited	16

INFRASTRUCTURE, TRANSPORT AND ITC

Ports & Shipping	
Karachi Port Trust	51
Pakistan National Shipping Corporation - Bolan Shipping (Private) Limited - Chitral Shipping (Private) Limited	56

- Hyderabad Shipping (Private) Limited	
- Islamabad Shipping (Private) Limited	
- Johar Shipping (Private) Limited	
- Kaghan Shipping (Private) Limited	
- Karachi Shipping (Private) Limited	
- Khairpur Shipping (Private) Limited	
- Lahore Shipping (Private) Limited	
- Lalazar Shipping (Private) Limited	
- Makran Shipping (Private) Limited	
- Malakand Shipping (Private) Limited	
- Multan Shipping (Private) Limited	
- Pakistan Cooperative Ship Stores (Private) Limited	
- Quetta Shipping (Private) Limited	
- Sargodha Shipping (Private) Limited	
- Shalamar Shipping (Private) Limited	
- Sibi Shipping (Private) Limited	
- Swat Shipping (Private) Limited	
Port Qasim Authority	58
Gawadar Port Authority	59
Railways	
Pakistan Railways	52
Pakistan Railway Freight Transportation Company (Pvt) Ltd	62
Railway Constructions Pakistan Limited	53
Pakistan Railway Advisory and Consultancy Services Limited	54
Railway Estate Development and Marketing Company	60
Roads & Highways	
Karachi Urban Transport Corporation	Drop
National Highway Authority	57
Pakistan Infrastructure Development Company Limited	61
Aviation	
Pakistan International Airlines Corporation Holding Co	55
- PIAC Investments Limited	
- Skyrooms (Private) Limited	
- Abacus Distribution Systems Pakistan (Private) Limited	
Communication	
National Telecommunication Corporation	49
Pakistan Post Office	50
Pakistan Telecommunications Company Limited	48
MANUFACTURING, MINING & ENGINEERING	
Metals and Mining	
State Engineering Corporation (Private) Limited	63
- Heavy Electrical Complex (Private) Limited	
- ENARPetrotech Services (Private) Limited	
- Pakistan Machine Tool Factory (Private) Limited	
- Pakistan Engineering Company Limited	
Heavy Mechanical Complex (Private) Limited	Drop
Karachi Shipyard and Engineering Works Limited	Drop
Telephone Industries of Pakistan	Drop
Peoples Steel Mills Limited	Drop
Pakistan Steel Mills Corporation (Private) Limited	64
- Pakistan Steel Fabricating Company (Private) Limited	
Saindak Metals Limited	65
Pakistan Mineral Development Corporation (Private) Limited	70
- Lakhra Coal Development Company Limited	

Annexure(s)

Annexure(s)

National Transmission and Despatch Company	39
Management	
Central Power Purchase Agency (Guarantee) Limited	44
Power Planning and Monitoring Company (Private) Limited	40
Power Holding (Private) Limited	45
Private Power & Infrastructure Board	47
Genco Holding Company Limited	46
INDUSTRIAL ESTATE DEVELOPMENT	
Pakistan Industrial Development Corporation (Private) Limited - Pakistan Automobile Corporation o Sind Engineering (Private) Limited - Republic Motors (Private) Limited - Morafco Industries Limited	73
National Construction Limited	72
Export Processing Zones Authority	74
Pakistan Expo Centers (Pvt) Ltd	75
Pakistan Textile City	Drop
TRADING& MARKETING	
Trading	
Trading Corporation of Pakistan (Private) Limited	77
Utility Stores Corporation (Private) Limited	78
Agricultural Storage	
Pakistan Agricultural Storage & Services Corporation Limited	79
Chemicals	
National Fertilizer Corporation of Pakistan (Private) Limited - National Fertilizer Marketing Limited - NFC Institute of Engineering and Fertilizer Research (Private) Limited, Faisalabad	76
MISCELLANEOUS	
Media Entertainment	
Pakistan Broadcasting Corporation	80
Pakistan Television Corporation Limited - Shalimar Recording & Broadcasting Corporation	82
Other Services	
Overseas Employment Corporation (Private) Limited	81
Pakistan Revenue Automation (Private) Limited	83
Promotion and Advocacy	
Small and Medium Enterprise Development Authority	Drop
Pakistan Tourism Development Corporation - Pakistan Tours (Private) Limited - PTDC Motels North (Private) Limited - PTDC-Associated Hotels of Pakistan Limited	84

Annexure 5

Accounts Droped for FY2024:

List of 10 Entiteis Excluded in the FY2024 Report

SR#	ENTITY NAME	ABBREVIATION	SECTOR	SUB-SECTOR
1	**State Petroleum Refining & Petrochemical Corporation**	PERAC	Oil & Gas	Refineries
2	**SME Bank**	SME	Financial	Banks
3	**Industrial Development Bank Limited**	IDBL	Financial	Banks
4	**Heavy Mechanical Complex (Private) Limited**	HMCL	Manufacturing, Mining & Engineering	Metals and Mining
5	**Karachi Shipyard and Engineering Works Limited**	KSY&EWL	Manufacturing, Mining & Engineering	Metals and Mining
6	**Telephone Industries of Pakistan**	TIP	Manufacturing, Mining & Engineering	Metals and Mining
7	**Peoples Steel Mills Limited**	PSML	Manufacturing, Mining & Engineering	Metals and Mining
8	**Karachi Urban Transport Corporation**	KUTC	Infrastructure, Transport & ITC	Roads & Highways
9	**Small and Medium Enterprise Development Authority**	SMEDA	Miscellaneous	Promotion & Advocacy
10	**Pakistan Textile City**	PTC	Industrial Estate Development	Industrial Estate Development

Federal Footprint(Non-Commercial)

State Owned Enterprises (SOEs)

Consolidated ReportFY2023-24

December 2024

Central Monitoring Unit
Ministry of Finance,
Government of Pakistan

Table of Contents

Non-Commercial SOEs

Executive Summary

The Annual Report on Non-Commercial State-Owned Enterprises (SOEs) in Pakistan forFY2024 provides a comprehensive overview of the financial and operational performance of non-commercial SOEs, which play a critical role in socio-economic development. These entities, established under Section 42 of the Companies Act 2017 or as trusts, funds, or federal authorities, are categorized into two primary sectors: **Funds, Foundations & Welfare Trusts** and **Sectoral Development**.

Key Highlights

Funds, Foundations & Welfare Trusts

- This sector focuses on socio-economic welfare, targeting specific groups and areas. It reported **total assets of Rs. 104,583 million** in FY2024, reflecting consistent growth despite a decline compared to FY2023 due to the unavailability of accounts for the Federal Government Employees Housing Foundation (assets of Rs. 72 billion in FY2023).
- **Revenue generation** for the sector stood at **Rs. 18,569 million**, with a **49% increase in net profit**, rising from Rs. 1,153 million in FY2023 to Rs. 1,720 million in FY2024.
- The profitability increased from **Rs. 1,152 million** in FY 2022-23 to **Rs. 1,720 million** in FY 2023-24, reflecting a **49.3% increase** over the previous year.
- The **Pakistan Housing Authority** demonstrated a significant turnaround, posting a profit of Rs. 335 million in FY2024 compared to a loss of Rs. 99 million in FY2023.
- The sector employed over **2,603 individuals**, contributing to employment generation and socio-economic development.
- The **Pakistan Poverty Alleviation Fund (PPAF)**, accounting for 30% of the sector's assets, continues to focus on poverty reduction programs, while the **National Disaster Risk Management Fund** supports disaster preparedness and recovery efforts.

Sectoral Development

- This sector, which includes entities focused on business facilitation, skills development, and support programs, has the **highest number of SOEs** in the non-commercial category.
- The sector reported an **asset base of Rs. 61,824 million** and **total revenue of Rs. 24,521 million**, showcasing its financial significance.
- Over **6,400 individuals** were employed in this sector, highlighting its role in job creation.

Non-Commercial SOEs Classification

- The profitability rose significantly from **Rs. 1,780 million** in FY 2022-23 to **Rs. 3,921 million** in FY 2023-24, marking a substantial **120.3% increase** compared to the prior year.
- The **National Rural Support Program (NRSP)** is the largest SOE in this category, representing over 50% of the sector's assets and revenues.
- A notable addition is the **Pakistan Single Window**, aimed at streamlining cross-border trade by reducing time and costs, positioning Pakistan as a regional trade hub.
- Research and innovation are key focuses, with entities like the **Engineering Development Board (EDB)** driving local manufacturing capabilities and sectoral strategies for sustainable growth.

Financial Support and Grants

- Non-commercial SOEs received **grants totaling Rs. 17,961 million** in FY2024.
- Outstanding loans include Rs. 4,176 million as a foreign relent loan for the Pakistan Poverty Alleviation Fund and Rs. 573 million as a cash development loan for Lahore Garment City.

Non-commercial SOEs in Pakistan continue to play a vital role in socio-economic development, with significant contributions to employment, poverty alleviation, and industrial innovation. While financial performance has improved in key sectors, challenges in data collection and reporting remain. The government's focus on enhancing efficiency and transparency in these entities is critical for sustained growth and development.

Non-Commercial SOEs Classification

Overview of Non-Commercial Portfolio

Indicator	Funds, Foundations & Welfare Trusts	Sectoral Development	Total (Non-Commercial)
Total Assets (Rs. Million)	104,583	61,824	166,407
Total Revenue (Rs. Million)	18,569	24,521	43,090
Profitability (Rs. Million)	1720	3921	5641
Employment (Number of Employees)	2,603	6,400	9,042

Government Support

Pakistan Poverty Alleviation Fund has loan outstanding amount of Rs. 4,176 million as a foreign Relent Loan and Lahore Garment City has Rs. 573 million Cash Development Loan.

Loan Outstanding (PKR Million FY2023-24)

Sr#	SOE Name	Amount	Type of Loan
1	Pakistan Poverty Alleviation Fund	4,176	FRL
2	Lahore Garment City	573	CDL

Grants for (PKR Million FY2023-24)

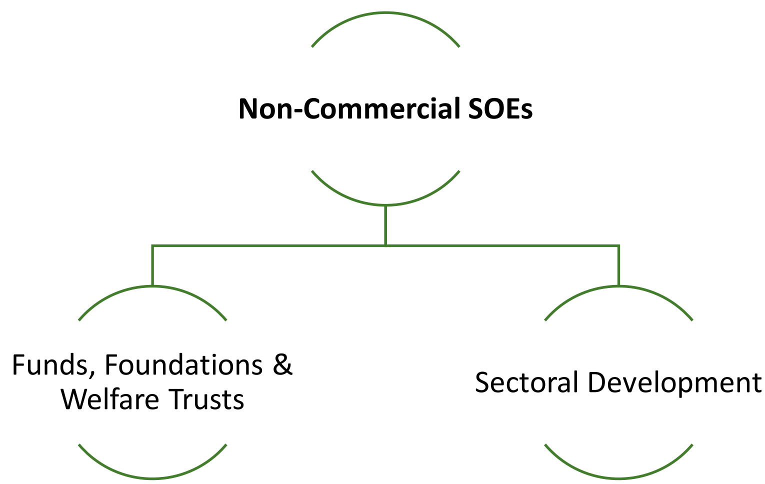
Sr#	Name SOE	Amount
1	National Rural Support Programme	10
2	Ghazi BrothaTaraqiati Idara	46
3	National Productivity Organization	96
4	Public Private Partnership Authority	133
5	Ignite (Formerly National ICT R&D Fund)	1,556
6	Universal Services Fund	16,120
	Total	**17,961**

Non-Commercial SOEs Classification

Non-Commercial Portfolio

Public Sector Non-Commercial SOEs in Pakistan have been established through registration under section 42 of the Companies Act 2017 or established as trust, fund, or foundation or Federal Authority. Below is the categorization scheme and overview of Non-Commercial SOEs financial performance for FY2024. All numbers in Rs. million (except HR, BOD, and entity numbers) and all figures/table)

Non-Commercial SOE Classification Scheme

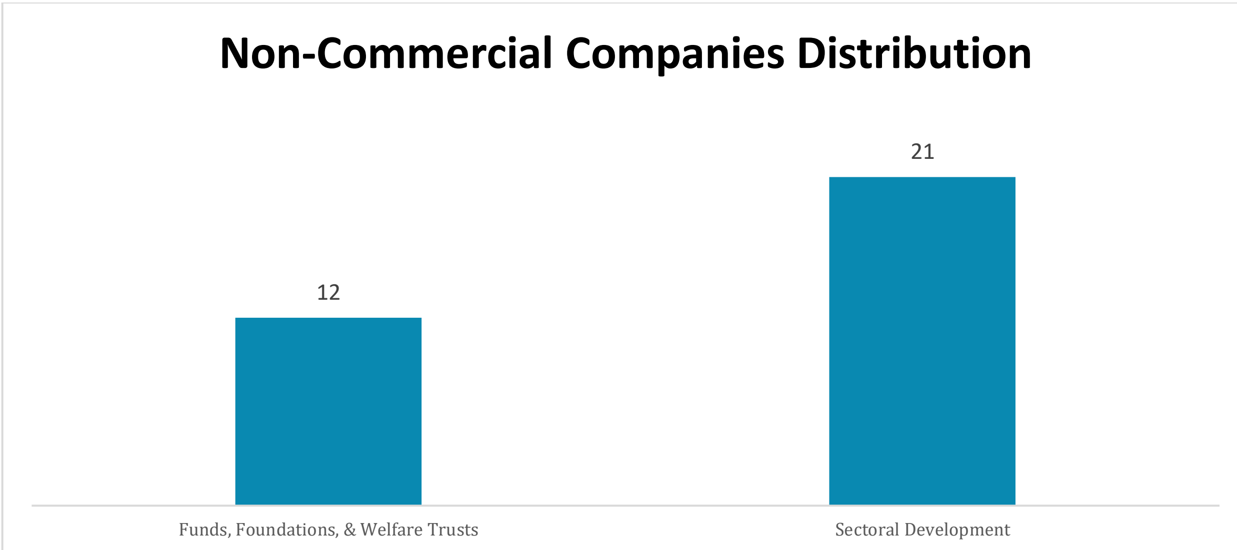


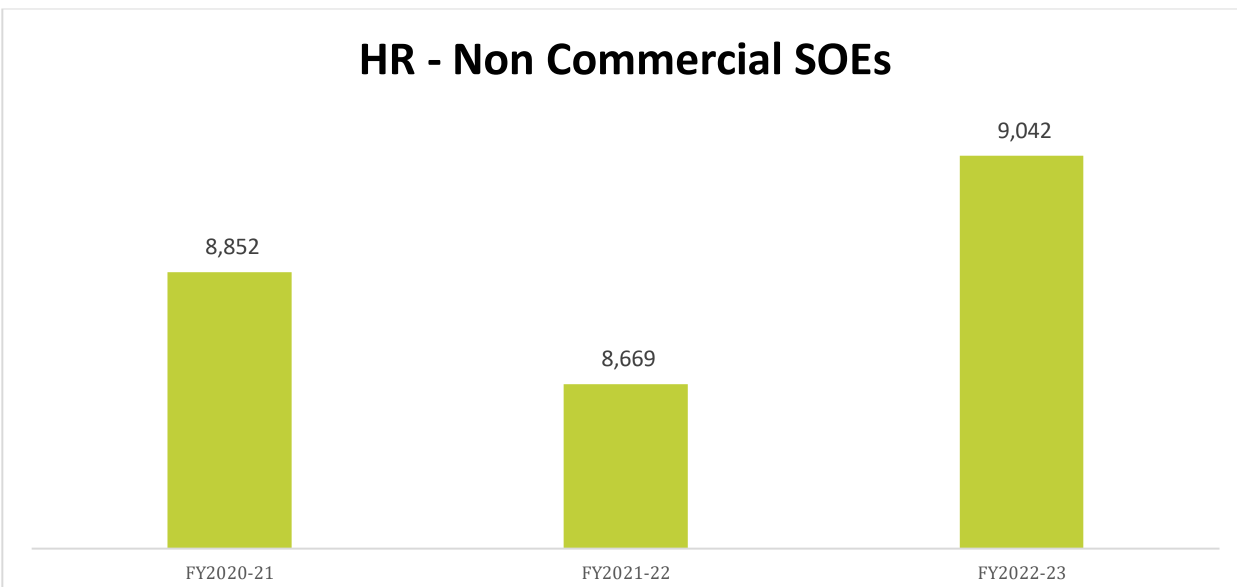
Non Commercial
Total Assets
FY2024 (PKR million)
166,407

Total Revenue
FY2024 (PKR million)
43,181

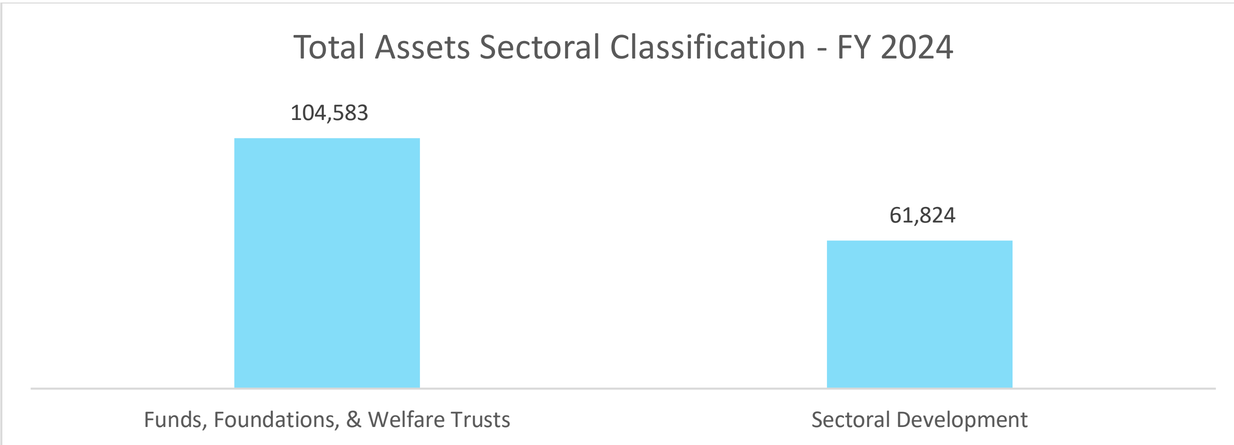
Total Number of Employees
FY2024 count
9,042

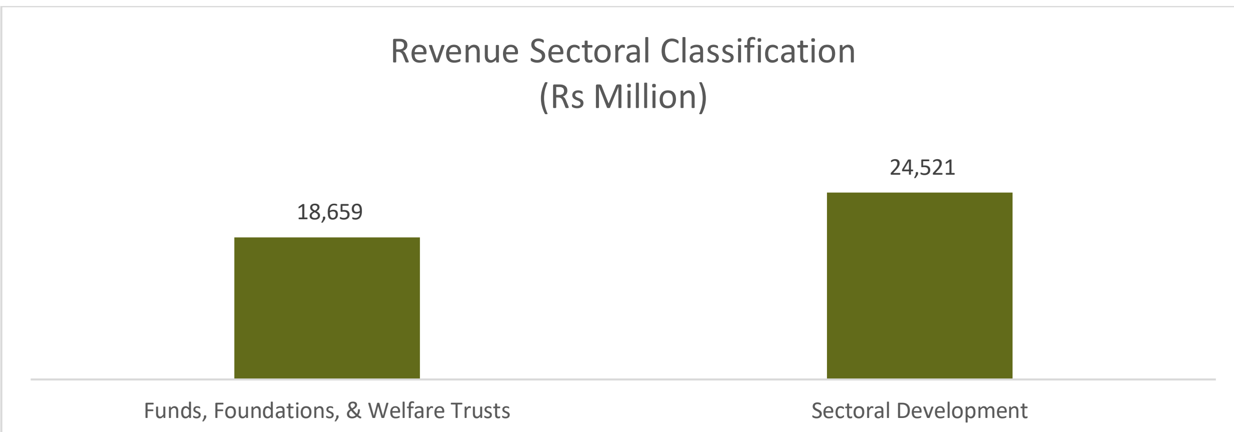
Non-Commercial SOEs Graphical Presentation

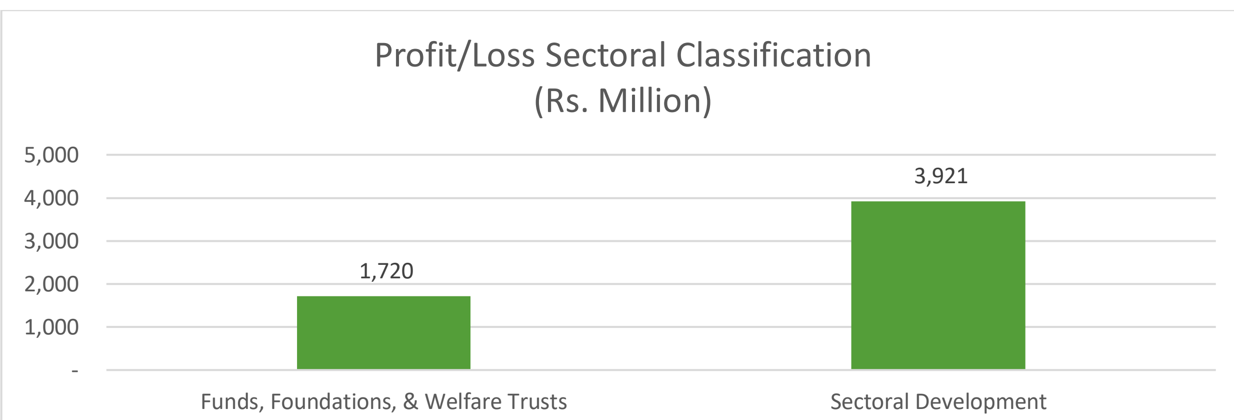




Non-Commercial SOEs Graphical Presentation







Funds, Foundation & Welfare Trust

This category includes funds, foundations and welfare trusts established for socio-economic wellbeing of target groups as well as targets areas, special cause.

Demonstrating significant asset capitalization among non-commercial State-Owned Enterprises (SOEs), this sector reported a total asset value of Rs. 104,583 million in FY2024, reflecting consistent growth over the years. However, the decline in the overall asset size compared to the previous fiscal year is attributed to the unavailability of accounts for the Federal Government Employees Housing Foundation, which had an asset base of Rs. 72 billion in FY2023.

In FY2024, the sector generated total revenue of Rs. 18,569 million. Notably, net profit for the sector increased by 49%, rising from Rs. 1,153 million in FY2023 to Rs. 1,720 million in FY2024. A remarkable turnaround was observed in the performance of the Pakistan Housing Authority, which posted a profit of Rs. 335 million in FY2024, compared to a loss of Rs. 99 million in FY2023.

This sector also plays a significant role in employment generation, providing opportunities to over 2,603 individuals, further contributing to socio-economic development across various regions.

Sectoral Economic Outlook

Total Assets
FY2024 (PKR million)

104,583

Total Revenue
(PKR million)

18,659

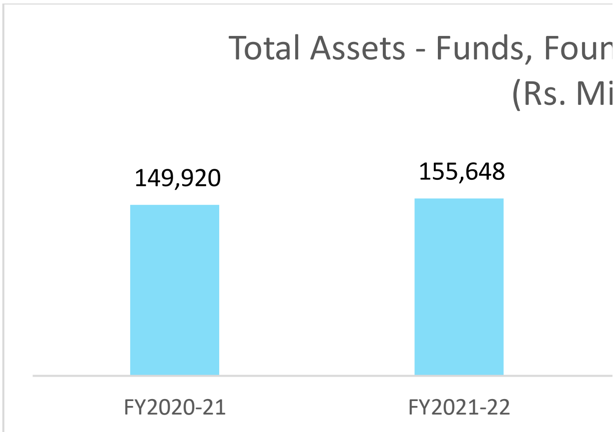
Number of Employees

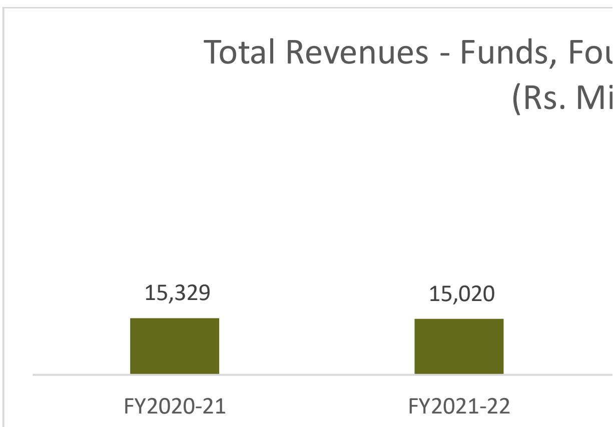
2,603

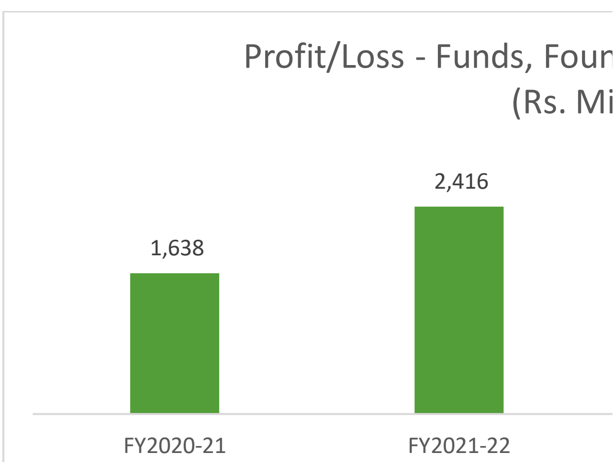
Another significant SOE, the Pakistan Poverty Alleviation Fund (PPAF), accounts for approximately 30 percent of total assets and focuses on uplifting the most vulnerable segments of society through the implementation of government-led poverty reduction programs. National Disaster Risk Mangement Funds with support of internatinal donors is buidling resilience and support the disaster preparedness and recovery effort all across Pakistan.

.

Funds, Foundation & Welfare Trust Graphical Presentation







Funds, Foundation & Welfare Trust Snapshot

List of Entities – Funds, Foundation & Welfare Trust

Funds, Foundations, & Welfare Trusts	Sr.
Pakistan Housing Authority	1
Pakistan Poverty Alleviation Fund	2
Overseas Pakistanis Foundation	3
Devolution Trust for Community Empowerment	4
Energy Conservation Fund	5
Federal Government Employees Housing Foundation	6
Fund for Protected Areas	7
Ghazi BrothaTaraqiati Idara	8
Mountain Areas Conservancy Fund	9
WAPDA Endowment Fund for Sports	10
Federal Liver Transplant Endowment Fund	11
National Disaster Risk Management Fund	12

Funds, Foundation & Welfare Trust Snapshot

Sectoral Profitability Index – Funds, Foundations & Welfare Trust

FY2024 values in Million Rs.

Rank	Entity Name	Sector	Net Surplus / (Deficit)	Assets	Revenue
1	Pakistan Poverty Alleviation Fund	Funds, Foundations, & Welfare Trusts	3,291	35,207	5,567
2	Pakistan Housing Authority	Funds, Foundations, & Welfare Trusts	335	26,304	1,711
3	Ghazi BrothaTaraqiati Idara	Funds, Foundations, & Welfare Trusts	129	1,514	309
4	WAPDA Endowment Fund for Sports	Funds, Foundations, & Welfare Trusts	4	164	13
5	National Disaster Risk Management Fund	Funds, Foundations, & Welfare Trusts	-	24,530	8,038
6	Overseas Pakistanis Foundation	Funds, Foundations & Welfare Trusts	(2,038)	16,864	3,022

Exclusion List:

I. Federal Government Employees Housing Foundation
II. Mountain Areas Conservancy Fund
III. Energy Conservation Fund
IV. Devolution Trust for Community Empowerment
V. Fund for Protected Areas
VI. Federal Liver Transplant Endowment Fund

Sectoral Development

This category includes non-commercial entities mainly in field of support services, business facilitation, skills development centers, and support programs.

The Sectoral Development has highest number of SOEs in the Non Commercial category. The aggregate asset base of the sector stands at Rs. 61,824 million, while its total revenue amounts to Rs. 24,521 million, showcasing the sector's significant financial scope. Moreover, this sector has contributed to the employment of more than 6,400 individuals.

The National Rural Support Program (NRSP) holds a prominent position as the largest SOE within this sector, representing over 50 percent of the sector's assets and revenues. A notable addition to this sector is the Pakistan Single Window, a newly established SOE aimed at streamlining the movement of cross-border goods. This initiative is designed to enhance efficiency in import and export processes by reducing both time and costs associated with cross-border trade. By offering a single entry point to fulfill all regulatory requirements, Pakistan Single Window seeks to position the country as a regional hub for trade, with enhanced connectivity to the landlocked Central Asian Republics..

Numerous SOEs in this sector focus on conducting high-quality research for industrial and infrastructure innovation. Entities within the textile and garment sectors, alongside development boards in various industrial domains, spearhead research initiatives. The Engineering Development Board (EDB) plays a central role in identifying local manufacturing capabilities across diverse sectors. In addition to facilitating research to inform government decision-making, the EDB formulates sectoral strategies aimed at enhancing market competitiveness and fostering sustainable industrial growth.

Sectoral Economic Outlook

Total Assets
FY2024(PKR million)

61,824

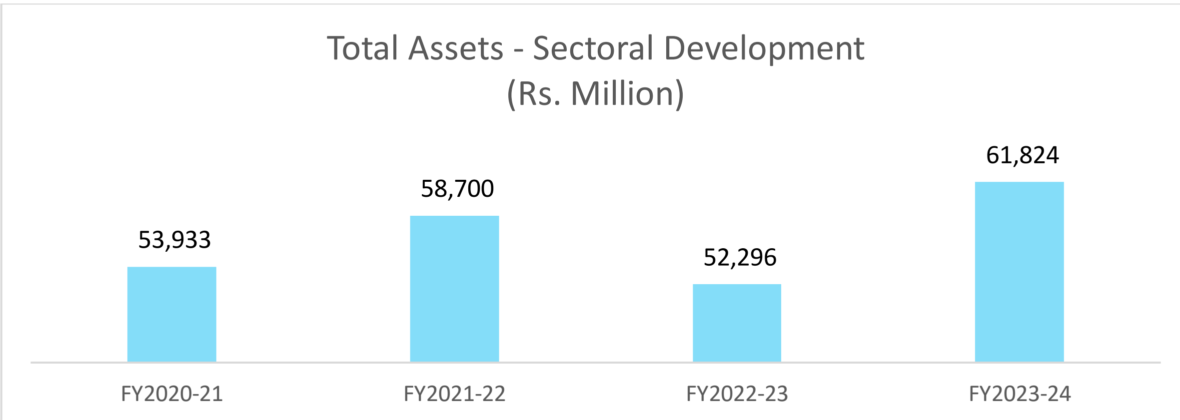
Total Revenue
(PKR million)

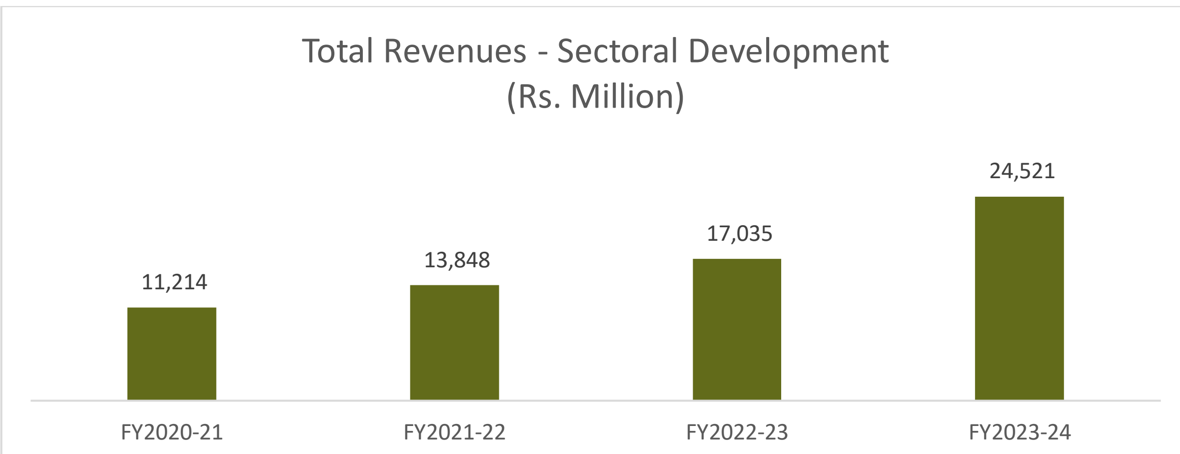
24,521

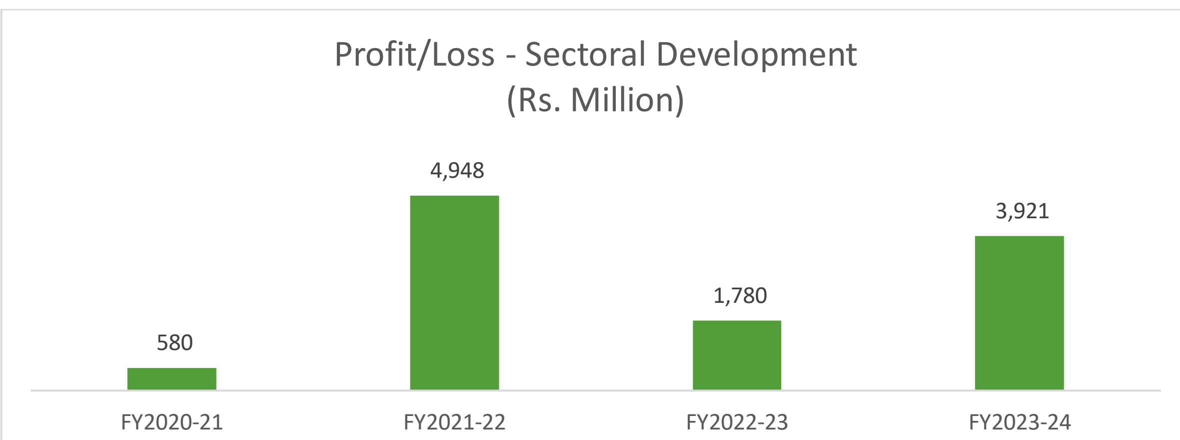
Number of Employees

6,439

Sectoral Development Graphical Presentation







Sectoral Development Snapshot

List of Entities – Sectoral Development

Sectoral Development	Sr.
Pakistan Stone Development Company	13
Pakistan Gems and Jewellery Development Company	14
Karachi Garment City Company	15
Faisalabad Garment City Company	16
Lahore Garment City Company	17
Gujranwala Tools, Dies &Moulds Center	18
Pakistan Software Export Board	19
Livestock & Dairy Development Board	20
Universal Services Fund	21
Public Private Partnership Authority (Formerly Infrastructure Project Development Facility)	22
Pakistan Horticulture Development and Export Company	23
Ignite (Formerly National ICT R&D Fund)	24
Ceramics Development & Training Complex	25
Pakistan Textile Testing Foundation	26
National Rural Support Programme	27
Agro Food Processing (AFP) Facilities, Multan	28
Engineeering Development Board	29
Pakistan Tobbaco Board	30
Pakistan Institute of Management	31
Pakistan Single Window	32
Gujranwala Business Centre	33

Sectoral Development Snapshot

Sectoral Profitability Index – Sectoral Development

FY2024 values in Million Rs.

Rank	Entity Name	Sector	Net Surplus / (Deficit)	Assets	Revenue
1	National Rural Support Programme	Sectoral Development	2,163	37,660	17,108
2	Pakistan Single Window	Sectoral Development	480	3,156	1,286
3	Pakistan Tobbaco Board	Sectoral Development	463	6,439	752
4	Pakistan Horticulture Development and Export Company	Sectoral Development	336	2,039	385
5	Pakistan Software Export Board	Sectoral Development	215	2,359	2,229
6	Public Private Partnership Authority	Sectoral Development	165	1,194	201
7	Lahore Garment City Company	Sectoral Development	66	978	88
8	Pakistan Institute of Management	Sectoral Development	33	435	333
9	Agro Food Processing (AFP) Facilities, Multan	Sectoral Development	2	476	85
10	Gujranwala Business Centre	Sectoral Development	2	54	16
11	Engineeering Development Board	Sectoral Development	0	-	189
12	Ignite (Formerly National ICT R&D Fund)	Sectoral Development	0	1,560	1,665
13	Universal Services Fund	Sectoral Development	0	4,656	75
14	Pakistan Stone Development Company	Sectoral Development	(5)	1,068	110

Exclusion List:

I. Faisalabad Garment City Company
II. Pakistan Textile Testing Foundation
III. Pakistan Gems and Jewellery Development Company
IV. Livestock & Dairy Development Board
V. Gujranwala Tools, Dies &Moulds Center
VI. Ceramics Development & Training Complex
VII. Karachi Garment City Company

Annexure(s)

Annexure 1:

Methodology

Data Collection:

This report is based on data provided by State-Owned Enterprises (SOEs), either directly or through their respective administrative ministries, to the Central Monitoring Unit (CMU). The data was primarily collected using annual reports, audited accoutns or mangment accounts in November 2024 for the fiscal year ending in June 2024.

Despite challenges, all submitted data is carefully reviewed and consolidated into a central database maintained by the Financial Analysis Wing of the Finance Division for report compilation.

Data Processing and Reporting:

A tailored data processing model was initially developed in 2014-15 with technical assistance from the World Bank and the Asian Development Bank. This model was further redesigned and recalibrated in FY2018 to enhance data flexibility and support the development of future reports with improved analytical frameworks and advanced visualization techniques.

Assumptions and Limitations:

While every effort has been made to ensure the accuracy of the data, the possibility of errors or omissions cannot be entirely ruled out due to the aforementioned challenges. Any inadvertent discrepancies in the report are deeply regretted.

Priority is given to audited financial reports during data collection, followed by management reports and other internal reporting mechanisms, such as Excel sheets, SAP modules, or formats shared with entities specifically for data collection.

Key Updates:

Funds, Foundation, and Welfare Trusts:

Data for the WAPDA Endowment Fund for Sports for FY2023 has been incorporated in this report. This information was unavailable at the time of the 2023 report's publication.

Sectoral Development:

Data for the following entities for FY2023 has also been added:

Pakistan Stone Development Company

Public Private Partnership Authority

Corrections:

In the FY2022 and FY2021 reports, the number of employees of the Pakistan Poverty Alleviation Fund (PPAF) was overstated at 4,483 and 4,774, respectively. These figures have been corrected in this year’s report.

Educational Enterprises:

Three enterprises in the educational sector have submitted their annual accounts this year. These entities, listed in Annex One-Pagers, are:

National Productivity Organization (Serial #34)

Fisheries Development Board (Serial #35)

Pakistan Cotton Standard Institute (Serial #36)

This section highlights the progress made in data inclusion and accuracy while underscoring our commitment to improving reporting processes for the benefit of all stakeholders.

Annexure 2:
List of SOEsthat have not shared data for the Aggregate report

Funds, Foundation, & Welfare Trust

i. Federal Government Employees Housing Foundation
ii. Mountain Areas Conservancy Fund
iii. Energy Conservation Fund
iv. Devolution Trust for Community Empowerment
v. Fund for Protected Areas
vi. Federal Liver Transplant Endowment Fund

Sectoral Development

vii. Faisalabad Garment City Company
viii. Pakistan Textile Testing Foundation
ix. Pakistan Gems and Jewellery Development Company
x. Livestock & Dairy Development Board
xi. Gujranwala Tools, Dies &Moulds Center
xii. Ceramics Development & Training Complex
xiii. Karachi Garment City Company

Annexure 4

Non-Commercial SOE under Administrative Ministries

Cabinet Division

Federal Liver Transplant Endowment Fund

M/o Climate Change

Fund for Protected Areas
Ghazi BrothaTaraqiati Idara
Mountain Areas Conservancy Fund

M/o Commerce

Pakistan Horticulture Development and Export Company
Pakistan Tobbaco Board
Pakistan Cotton Standards Institute

M/o Energy

Hydrocarbon Development Institute of Pakistan
Energy Conservation Fund
WAPDA Endowment Fund for Sports

M/o Finance

Pakistan Poverty Alleviation Fund
National Rural Support Programme
Pakistan Single Window

M/o Housing & Works

Federal Government Employees Housing Authority
Pakistan Housing Authority

M/o Industries and Production

National Productivity Organization
Pakistan Auto Sector Skills Development Company
Agro Food Processing (AFP) Facilities, Multan
Ceramics Development & Training Complex
Engineering Development Board
Gujranwala Tools, Dies &Moulds Center
Pakistan Institute of Management
Pakistan Stone Development Company
Pakistan Industrial Technical Assistance Centre Lahore
Gujranwala Business Centre

M/o Information Technology & Telecommunication

Virtual University of Pakistan
Ignite (Formerly National ICT R&D Fund)
Pakistan Software Export Board
Universal Services Funds

M/o Inter Provincial Coordination

National Academy of Performing Arts

M/o National Food Security & Research

Fisheries Development Board
Livestock & Dairy Development Board

M/o Overseas Pakistanis and Human Resource Development

Overseas Pakistanis Foundation

M/o Textile Industry

National Textile University
Plastics Technology Centre
Synthetic Fiber Development and Application Centre
Faisalabad Garment City Company
Karachi Garment City Company
Lahore Garment City Company
Pakistan Textile Testing Foundation

M/o Industries and Production

Engineering Development Board

Other Industry

Devolution Trust for Community Empowerment

M/o Federal Education and Professional Training

National Vocational & Technical Training Commission

M/o Planning, Development and Special Initiatives

National Disaster Risk Management Fund
Public Private Partnership Authority

Snapshot –Non-Commercial SOEs

1 Pakistan Housing Authority

PHA

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Housing & Works
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) 310 -0.6%

312, was the HR strength in FY2023

Established 1991

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	1,711	1,227	1,533
Cost of Sales	1,686	1,377	1,632
Gross Profit	25	(150)	(99)
Operating Expenses	686	612	473
Other Expenses	4	-	1
Other Income	1,123	756	655
Finance Cost	0	-	0
Profit before Tax (PBT)	458	(6)	82
Tax	123	93	75
Net Profit / (Loss)	335	(99)	7

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	25,942	23,693	20,795
Non-Current Assets	362	420	778
Total Assets	26,304	24,113	21,572
Share Capital	-	-	-
Accumulated profit/(loss)	2,064	1,725	1,499
Others	-	5	5
Total Equity	2,064	1,730	1,504
Current Liabilities	24,240	22,383	20,068
Non Current Liabilities	-	-	-
Total Liabilities	24,240	22,383	20,068
Total Equity + Liabilities	26,304	24,113	21,572

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	16.21%	-5.72%	0.46%
Return on Assets (ROA)	1.27%	-0.41%	0.03%
Return on Capital Invested	16.21%	-5.72%	0.46%
Debt/Equity	11.7	12.9	13.3
Current Ratio	1.07	1.06	1.04
Net Working Capital	1,703	1,310	726
LTL to Total Assets	0.00%	0.00%	0.00%

Economic Outlook

Total Assets

FY2024

In Million Rs.

26,304

Total Revenue

FY2024

In Million Rs.

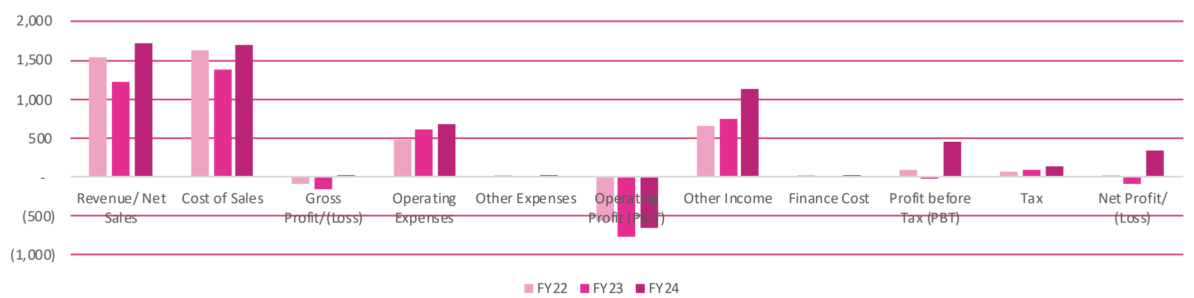
1,711

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



2 Pakistan Poverty Alleviation Fund

PPAF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Finance
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	123	-30.1%	176, was the HR strength in FY2023

Established 1997

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	5,567	4,953	3,394
Cost of Sales	-	-	-
Gross Profit	5,567	4,953	3,394
Operating Expenses	1,258	1,568	1,062
Other Expenses	787	779	1,297
Other Income	9	14	5
Finance Cost	241	253	264
Profit before Tax (PBT)	3,291	2,369	777
Tax	-	-	-
Net Profit / (Loss)	3,291	2,369	777

Economic Outlook

Total Assets

FY2024

In Million Rs.

35,207

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	16,943	15,859	16,513
Non-Current Assets	18,263	16,932	15,655
Total Assets	35,207	32,791	32,168
Share Capital	-	-	-
Accumulated profit/(loss)	7,794	7,446	6,936
Others	21,769	18,834	16,959
Total Equity	29,563	26,281	23,894
Current Liabilities	1,807	1,489	1,997
Non Current Liabilities	3,837	5,021	6,277
Total Liabilities	5,643	6,510	8,274
Total Equity + Liabilities	35,207	32,791	32,168

Total Revenue

FY2024

In Million Rs.

5,567

Key Indicators

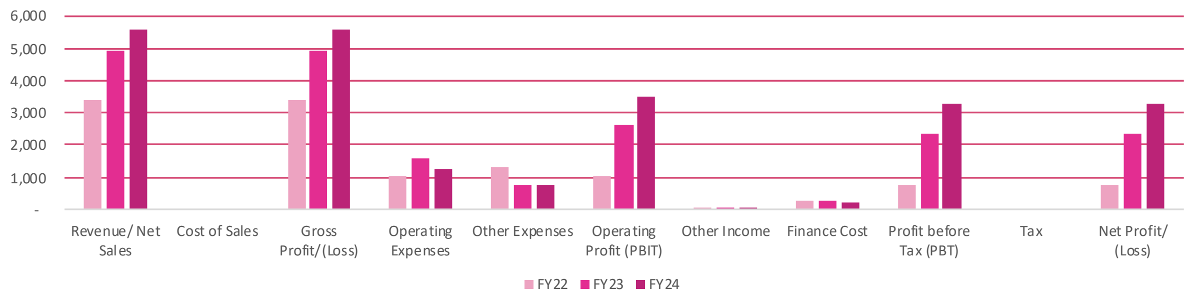
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	11.13%	9.01%	3.25%
Return on Assets (ROA)	9.35%	7.22%	2.41%
Return on Capital Invested	9.85%	7.57%	2.57%
Debt/Equity	0.2	0.2	0.3
Current Ratio	9.38	10.65	8.27
Net Working Capital	15,137	14,369	14,516
LTL to Total Assets	10.90%	15.31%	19.51%

Government Support

	FY2024	FY2023
Subsidies	-	
Grants	-	
Equity Injection	-	
Loans in CFY	-	

GoP Loans Outstanding	4,176	
GoP Guarantee Outstanding	-	

Profit / Loss Graph



3 Overseas Pakistanis Foundation

OPF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	erseas Pakistanis and Human Resource Devel
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	1,966	-0.5%	1975, was the HR strength in FY2023

Established 1979

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	3,022	2,753	4,832
Cost of Sales	-	-	-
Gross Profit	3,022	2,753	4,832
Operating Expenses	5,144	4,188	4,674
Other Expenses	-	-	-
Other Income	84	68	87
Finance Cost	-	-	-
Profit before Tax (PBT)	(2,038)	(1,367)	245
Tax	-	243	41
Net Profit / (Loss)	(2,038)	(1,610)	204

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	14,079	12,580	11,366
Non-Current Assets	2,785	2,815	2,726
Total Assets	16,864	15,395	14,092
Share Capital	-	-	-
Accumulated profit/(loss)	6,978	6,775	7,225
Others	-	-	-
Total Equity	6,978	6,775	7,225
Current Liabilities	7,290	5,943	4,993
Non Current Liabilities	2,596	2,677	1,874
Total Liabilities	9,886	8,620	6,867
Total Equity + Liabilities	16,864	15,395	14,092

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-29.21%	-23.76%	2.82%
Return on Assets (ROA)	-12.09%	-10.46%	1.45%
Return on Capital Invested	-21.29%	-17.03%	2.24%
Debt/Equity	1.4	1.3	1.0
Current Ratio	1.93	2.12	2.28
Net Working Capital	6,789	6,637	6,374
LTL to Total Assets	15.39%	17.39%	13.30%

Economic Outlook

Total Assets

FY2024

In Million Rs.

16,864

Total Revenue

FY2024

In Million Rs.

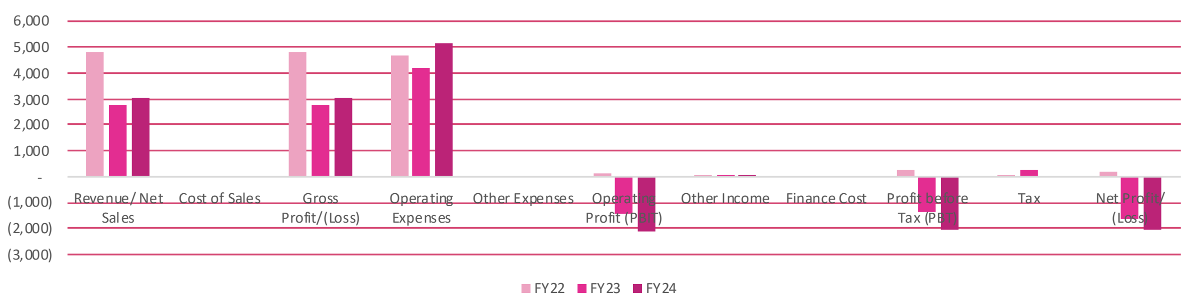
3,022

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



4 Devolution Trust for Community Empowerment

DTCE

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	Other Ministry
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
0%	0%	100%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established	2003

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

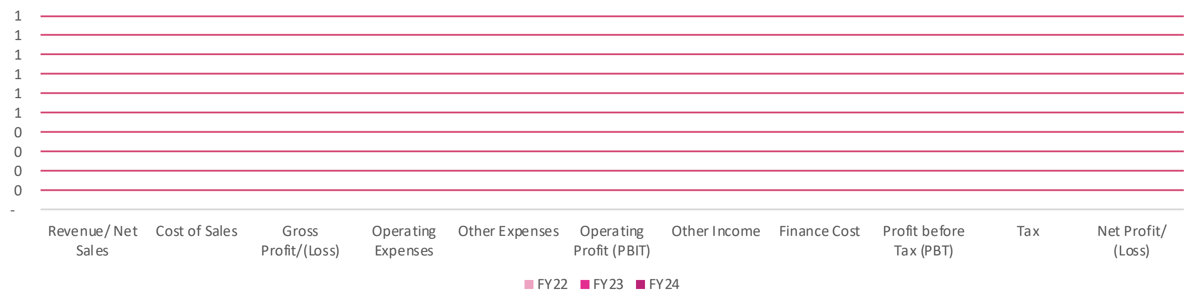
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



5 Energy Conservation Fund

ECF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Energy
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2002

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	-	43	32
Cost of Sales	-	-	-
Gross Profit	-	43	32
Operating Expenses	-	31	21
Other Expenses	-	1	1
Other Income	-	-	0
Finance Cost	-	-	-
Profit before Tax (PBT)	-	11	11
Tax	-	3	3
Net Profit / (Loss)	-	8	7

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	437	427
Non-Current Assets	-	1	1
Total Assets	-	438	429
Share Capital	-	214	214
Accumulated profit/(loss)	-	142	150
Others	-	-	-
Total Equity	-	356	364
Current Liabilities	-	82	65
Non Current Liabilities	-	-	-
Total Liabilities	-	82	65
Total Equity + Liabilities	-	438	429

Total Revenue

FY2024

In Million Rs.

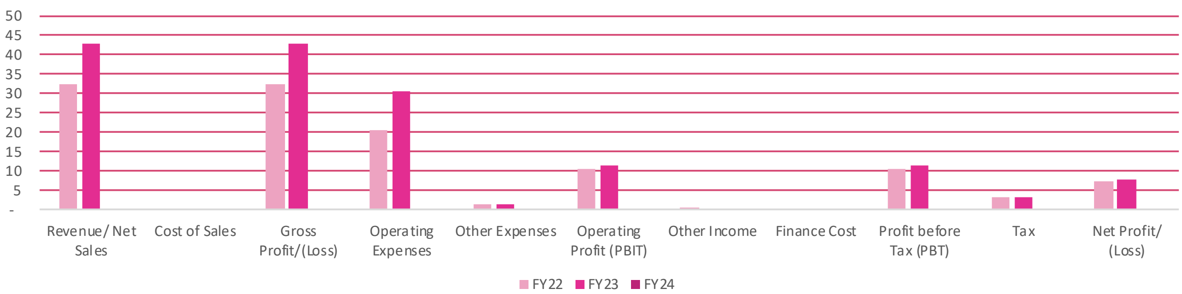
-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		2.20%	2.03%
Return on Assets (ROA)		1.79%	1.72%
Return on Capital Invested		2.20%	2.03%
Debt/Equity		0.2	0.2
Current Ratio		5.32	6.57
Net Working Capital	0	355	362
LTL to Total Assets		0.00%	0.00%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



6 Federal Government Employees Housing Foundation

FGEHF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Housing & Works
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established	1990

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	840	2,584
Cost of Sales	-	-	-
Gross Profit	-	840	2,584
Operating Expenses	-	532	1,275
Other Expenses	-	-	-
Other Income	-	13	8
Finance Cost	-	-	0
Profit before Tax (PBT)	-	321	1,318
Tax	-	54	-
Net Profit / (Loss)	-	267	1,318

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	71,562	63,559
Non-Current Assets	-	721	610
Total Assets	-	72,283	64,168
Share Capital	-	-	-
Accumulated profit/(loss)	-	8,333	5,709
Others	-	32	102
Total Equity	-	8,365	5,810
Current Liabilities	-	62,845	57,394
Non Current Liabilities	-	1,073	964
Total Liabilities	-	63,918	58,358
Total Equity + Liabilities	-	72,283	64,168

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		3.19%	22.68%
Return on Assets (ROA)		0.37%	2.05%
Return on Capital Invested		2.83%	19.45%
Debt/Equity		7.6	10.0
Current Ratio		1.14	1.11
Net Working Capital	0	8,717	6,164
LTL to Total Assets		1.48%	1.50%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

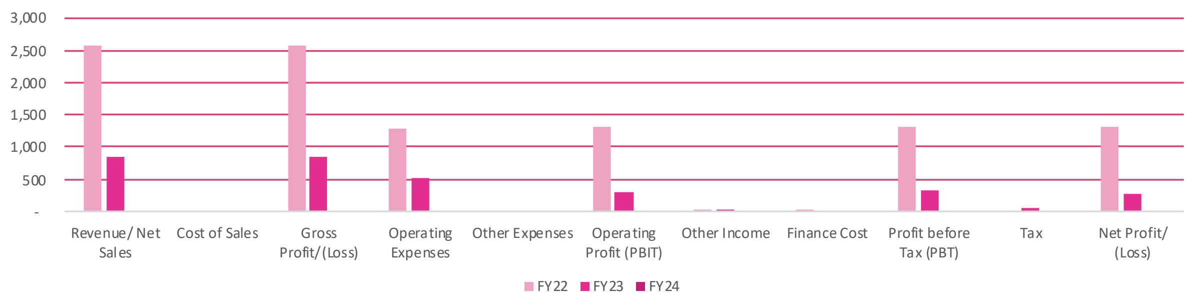
In Million Rs.

-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



7 Fund for Protected Areas

FPA

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Climate Change
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
0%	0%	100%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

in Million Rs.

Established	2007

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

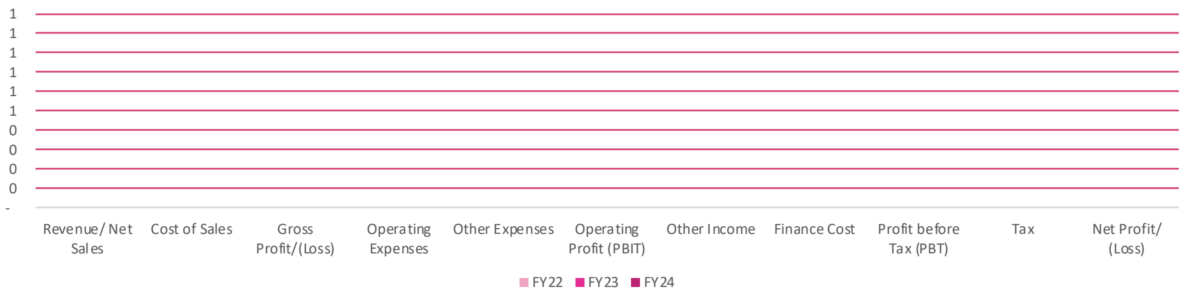
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



8 Ghazi Brotha Taraqiati Idara

GBTI

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Climate Change
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	116	-18.9%	143, was the HR strength in FY2023

Established 1995

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	309	222	165
Cost of Sales	-	-	-
Gross Profit	309	222	165
Operating Expenses	122	101	104
Other Expenses	12	-	10
Other Income	16	-	4
Finance Cost	63	40	18
Profit before Tax (PBT)	129	81	37
Tax	-	-	-
Net Profit / (Loss)	129	81	37

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,499	1,317	1,274
Non-Current Assets	15	5	4
Total Assets	1,514	1,322	1,279
Share Capital	-	-	-
Accumulated profit/(loss)	679	564	492
Others	211	151	127
Total Equity	890	715	620
Current Liabilities	575	608	647
Non Current Liabilities	48	-	12
Total Liabilities	624	608	659
Total Equity + Liabilities	1,514	1,323	1,279

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	14.47%	11.33%	6.00%
Return on Assets (ROA)	8.51%	6.13%	2.91%
Return on Capital Invested	13.72%	11.33%	5.89%
Debt/Equity	0.7	0.9	1.1
Current Ratio	2.61	2.17	1.97
Net Working Capital	924	709	627
LTL to Total Assets	3.19%	0.00%	0.92%

Economic Outlook

Total Assets

FY2024

In Million Rs.

1,514

Total Revenue

FY2024

In Million Rs.

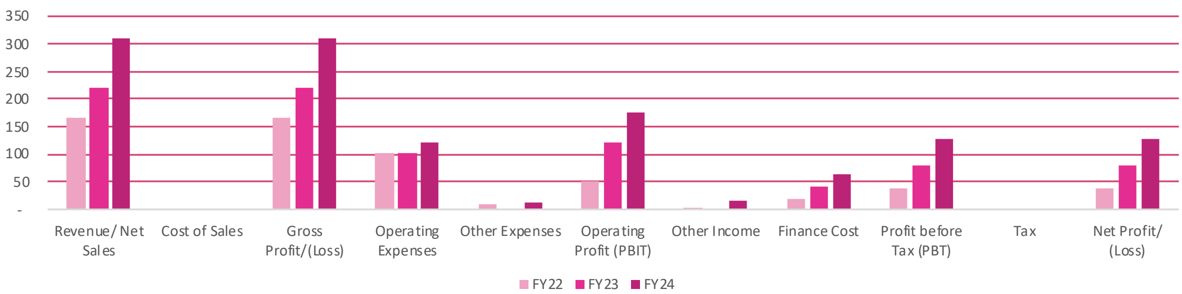
309

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	46	39
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



9 Mountain Areas Conservancy Fund

MACF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Climate Change
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2004

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	-	130	64
Cost of Sales	-	-	-
Gross Profit	-	130	64
Operating Expenses	-	2	2
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	127	62
Tax	-	-	-
Net Profit / (Loss)	-	127	62

Economic Outlook

Total Assets
FY2024
In Million Rs.
-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	939	812
Non-Current Assets	-	-	-
Total Assets	-	939	812
Share Capital	-	-	-
Accumulated profit/(loss)	-	939	812
Others	-	-	-
Total Equity	-	939	812
Current Liabilities	-	0	0
Non Current Liabilities	-	-	-
Total Liabilities	-	0	0
Total Equity + Liabilities	-	939	812

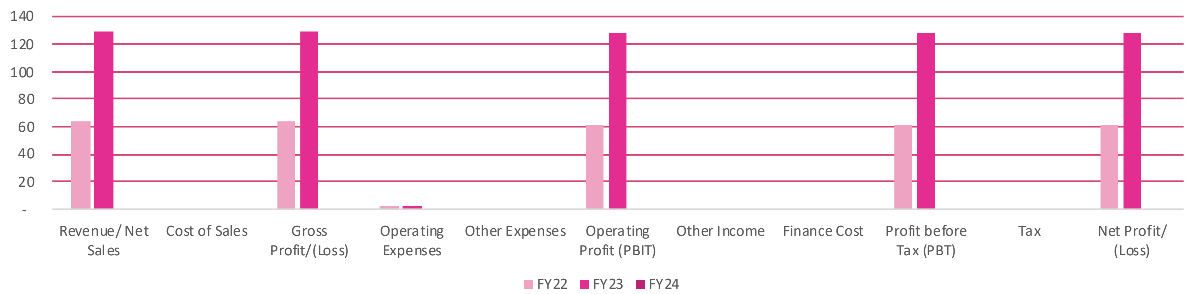
Total Revenue
FY2024
In Million Rs.
-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		13.55%	7.62%
Return on Assets (ROA)		13.55%	7.62%
Return on Capital Invested		13.55%	7.62%
Debt/Equity		0.0	0.0
Current Ratio		10289.28	15829.71
Net Working Capital	0	939	812
LTL to Total Assets		0.00%	0.00%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



10 WAPDA Endowment Fund for Sports

WEFS

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	M/o Energy
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	1	0.0%	1, was the HR strength in FY2023

Established	2010

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	13	20	11
Cost of Sales	-	-	-
Gross Profit	13	20	11
Operating Expenses	9	10	7
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	4	10	5
Tax	-	-	-
Net Profit / (Loss)	4	10	5

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	164	143	133
Non-Current Assets	-	-	-
Total Assets	164	143	133
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	164	143	133
Total Equity	164	143	133
Current Liabilities	0	1	-
Non Current Liabilities	-	-	-
Total Liabilities	0	1	-
Total Equity + Liabilities	164	143	133

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	2.62%	6.79%	3.41%
Return on Assets (ROA)	2.61%	6.77%	3.41%
Return on Capital Invested	2.62%	6.79%	3.41%
Debt/Equity	0.0	0.0	0.0
Current Ratio	331.78	276.69	
Net Working Capital	164	143	133
LTL to Total Assets	0.00%	0.00%	0.00%

Economic Outlook

Total Assets

FY2024

In Million Rs.

164

Total Revenue

FY2024

In Million Rs.

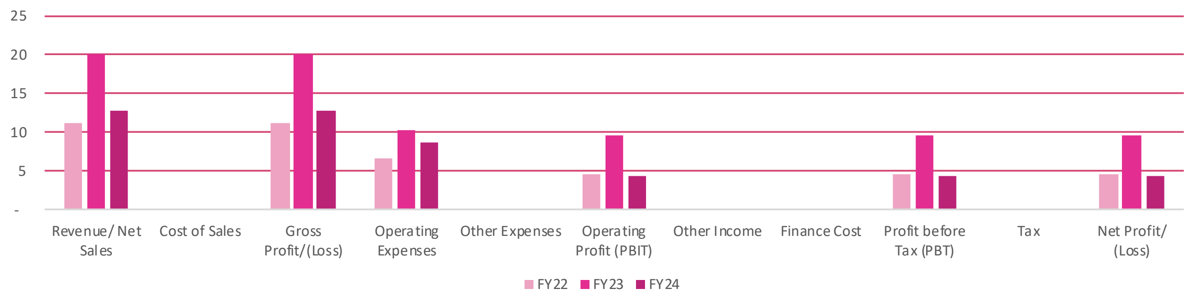
13

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



11 Federal Liver Transplant Endowment Fund

FLTEF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	Cabinet Division
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
0%	0%	100%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

in Million Rs.

Established 2012

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Total Revenue

FY2024

In Million Rs.

-

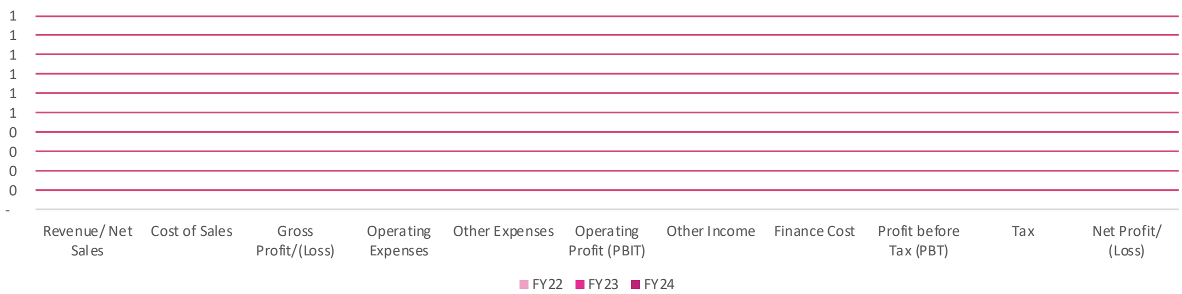
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



12 National Disaster Risk Management Fund

NDRMF

Company type	PSC - Non Commercial
Sector	Funds, Foundations, & Welfare Trusts
Sub-sector	Funds, Foundations, & Welfare Trusts
Ministry	I/o Planning, Development & Special Initiative
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Ord., 1984

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)			
	87	1.2%	86, was the HR strength in FY2023

Established 2016

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	8,038	39,702	2,405
Cost of Sales	8,038	39,702	2,405
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	23,945	24,216	20,892
Non-Current Assets	585	73	102
Total Assets	24,530	24,289	20,994
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	19,022	16,994	14,870
Total Equity	19,022	16,994	14,870
Current Liabilities	552	2	32
Non Current Liabilities	4,956	7,292	6,092
Total Liabilities	5,508	7,294	6,124
Total Equity + Liabilities	24,530	24,289	20,994

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	0.00%	0.00%	0.00%
Return on Assets (ROA)	0.00%	0.00%	0.00%
Return on Capital Invested	0.00%	0.00%	0.00%
Debt/Equity	0.3	0.4	0.4
Current Ratio	43.42	11509.55	659.04
Net Working Capital	23,394	24,214	20,861
LTL to Total Assets	20.20%	30.02%	29.02%

Economic Outlook

Total Assets

FY2024

In Million Rs.

24,530

Total Revenue

FY2024

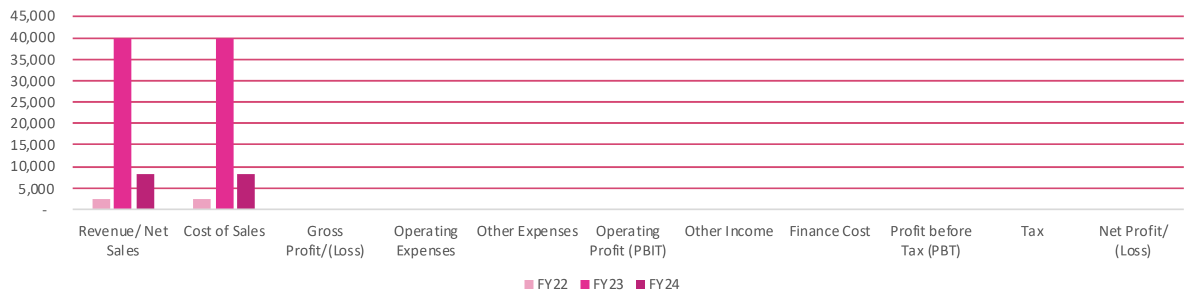
In Million Rs.

8,038

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



13 Pakistan Stone Development Company

PASDEC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	PIDC	Other
79%	21%	0%

Number of Employees (FY2024)	44	-10.2%	49, was the HR strength in FY2023

Established 2006

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	110	96	86
Cost of Sales	55	66	74
Gross Profit	55	31	12
Operating Expenses	76	86	80
Other Expenses	(2)	(8)	1
Other Income	14	12	42
Finance Cost	-	-	-
Profit before Tax (PBT)	(5)	(36)	(27)
Tax	-	-	-
Net Profit / (Loss)	(5)	(36)	(27)

Economic Outlook

Total Assets

FY2024

In Million Rs.

1,068

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	941	930	925
Non-Current Assets	127	157	160
Total Assets	1,068	1,087	1,086
Share Capital	1,022	1,022	2,194
Accumulated profit/(loss)	(2,019)	(2,016)	(1,986)
Others	1,173	1,173	-
Total Equity	175	179	209
Current Liabilities	849	859	873
Non Current Liabilities	44	48	4
Total Liabilities	893	908	877
Total Equity + Liabilities	1,068	1,087	1,086

Total Revenue

FY2024

In Million Rs.

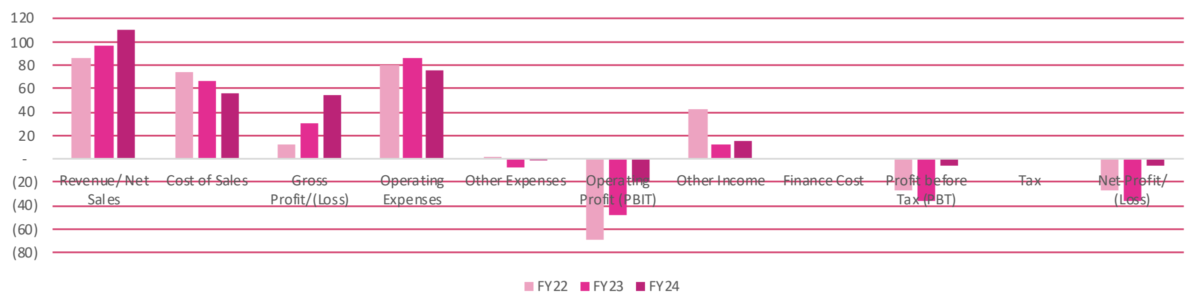
110

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	-2.97%	-20.28%	-13.00%
Return on Assets (ROA)	-0.49%	-3.34%	-2.50%
Return on Capital Invested	-2.38%	-15.97%	-12.76%
Debt/Equity	5.1	5.1	4.2
Current Ratio	1.11	1.08	1.06
Net Working Capital	92	70	52
LTL to Total Assets	4.09%	4.45%	0.37%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



14 Pakistan Gems and Jewellery Development Company

PGJDC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	PIDC	Other
84%	16%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

in Million Rs.

Established 2006

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	108
Cost of Sales	-	-	-
Gross Profit	-	-	108
Operating Expenses	-	-	55
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	53
Tax	-	-	-
Net Profit / (Loss)	-	-	53

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	21
Non-Current Assets	-	-	96
Total Assets	-	-	117
Share Capital	-	-	1,480
Accumulated profit/(loss)	-	-	(1,648)
Others	-	-	-
Total Equity	-	-	(168)
Current Liabilities	-	-	60
Non Current Liabilities	-	-	226
Total Liabilities	-	-	285
Total Equity + Liabilities	-	-	117

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			31.79%
Return on Assets (ROA)			45.69%
Return on Capital Invested			93.11%
Debt/Equity			-1.7
Current Ratio			0.35
Net Working Capital	0	0	(39)
LTL to Total Assets			192.80%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

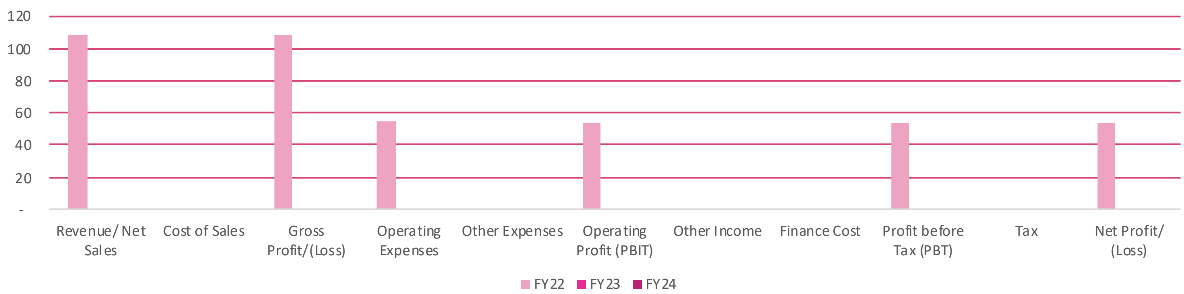
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



15 Karachi Garment City Company

KGCC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Textile Industry
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A

, was the HR strength in FY2023

Established	2005

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	3
Cost of Sales	-	-	-
Gross Profit	-	-	3
Operating Expenses	-	-	-
Other Expenses	-	-	6
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	(3)
Tax	-	-	-
Net Profit / (Loss)	-	-	(3)

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	171
Non-Current Assets	-	-	307
Total Assets	-	-	478
Share Capital	-	-	498
Accumulated profit/(loss)	-	-	(24)
Others	-	-	-
Total Equity	-	-	474
Current Liabilities	-	-	1
Non Current Liabilities	-	-	3
Total Liabilities	-	-	4
Total Equity + Liabilities	-	-	478

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			-0.53%
Return on Assets (ROA)			-0.53%
Return on Capital Invested			-0.53%
Debt/Equity			0.0
Current Ratio			291.34
Net Working Capital	0	0	171
LTL to Total Assets			0.67%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

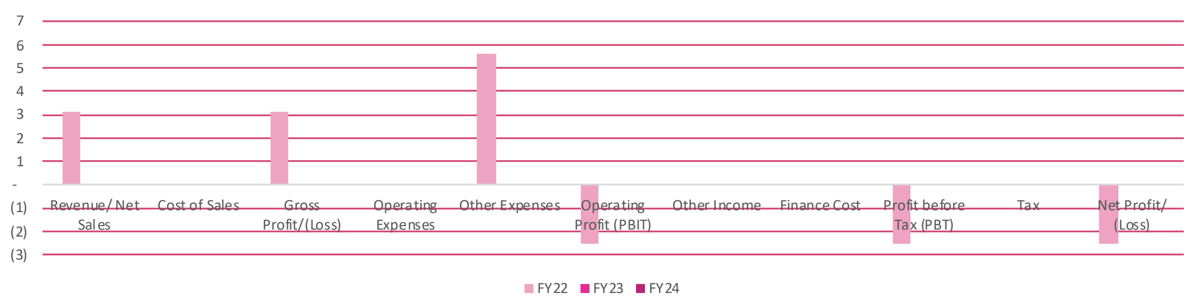
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



16 Faisalabad Garment City Company

FGCC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Textile Industry
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2006

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	72	66
Cost of Sales	-	-	-
Gross Profit	-	72	66
Operating Expenses	-	73	65
Other Expenses	-	-	-
Other Income	-	33	16
Finance Cost	-	-	-
Profit before Tax (PBT)	-	32	17
Tax	-	25	19
Net Profit / (Loss)	-	7	(2)

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	250	220
Non-Current Assets	-	525	540
Total Assets	-	775	760
Share Capital	-	691	691
Accumulated profit/(loss)	-	11	4
Others	-	-	-
Total Equity	-	702	695
Current Liabilities	-	25	19
Non Current Liabilities	-	47	46
Total Liabilities	-	72	65
Total Equity + Liabilities	-	775	760

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		1.00%	-0.33%
Return on Assets (ROA)		0.90%	-0.30%
Return on Capital Invested		0.93%	-0.31%
Debt/Equity		0.1	0.1
Current Ratio		9.84	11.59
Net Working Capital	0	225	201
LTL to Total Assets		6.07%	6.03%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

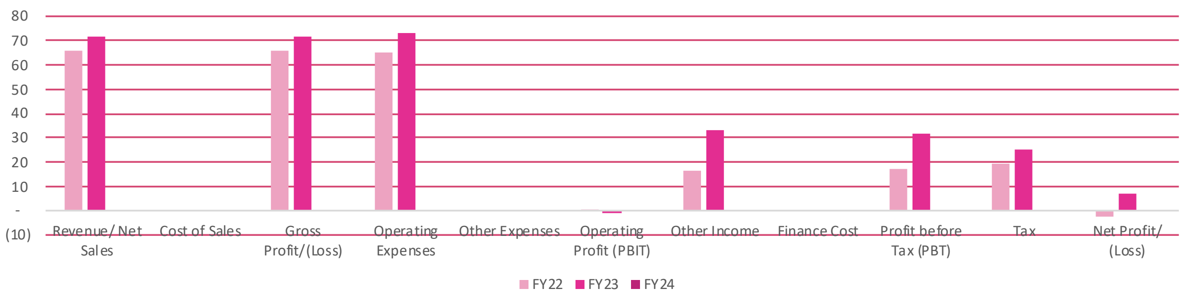
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



17 Lahore Garment City Company

LGCC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Textile Industry
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	15	0.0%	15, was the HR strength in FY2023

Established	2004

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	88	82	74
Cost of Sales	-	-	-
Gross Profit	88	82	74
Operating Expenses	77	57	36
Other Expenses	25	-	12
Other Income	132	79	38
Finance Cost	52	0	0
Profit before Tax (PBT)	66	104	66
Tax	-	-	-
Net Profit / (Loss)	66	104	66

Economic Outlook

Total Assets

FY2024

In Million Rs.

978

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	261	661	533
Non-Current Assets	717	406	424
Total Assets	978	1,067	957
Share Capital	123	123	123
Accumulated profit/(loss)	(222)	283	177
Others	-	-	-
Total Equity	(99)	406	300
Current Liabilities	175	51	48
Non Current Liabilities	901	611	609
Total Liabilities	1,076	662	657
Total Equity + Liabilities	978	1,068	957

Total Revenue

FY2024

In Million Rs.

88

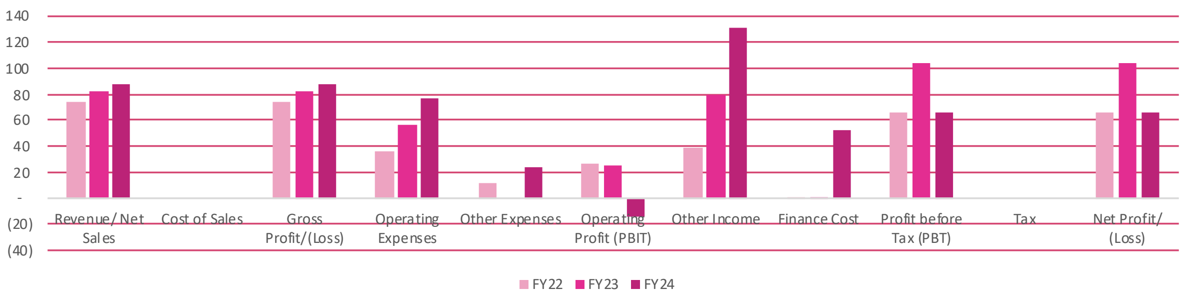
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	66.52%	25.61%	21.91%
Return on Assets (ROA)	6.71%	9.73%	6.87%
Return on Capital Invested	8.18%	10.22%	7.23%
Debt/Equity	-10.9	1.6	2.2
Current Ratio	1.49	12.97	11.09
Net Working Capital	85	610	485
LTL to Total Assets	92.17%	57.24%	63.62%

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	-	-
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	573	573
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



18 Gujranwala Tools, Dies & Moulds Center

GTDMC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established	2008

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

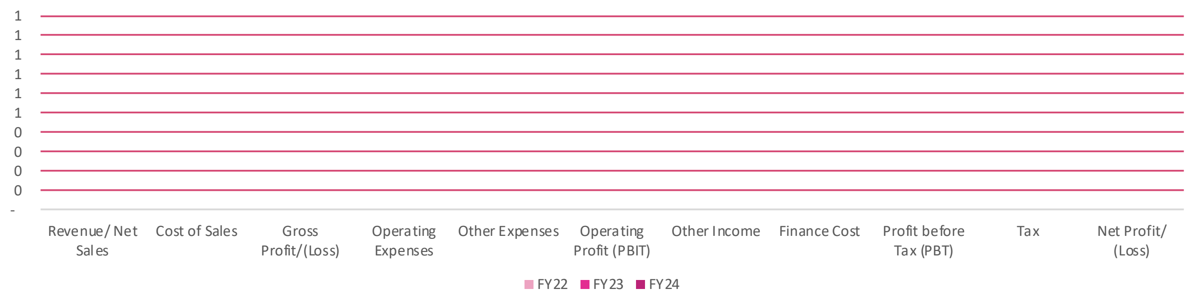
-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



19 Pakistan Software Export Board

PSEB

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	o Information Technology & Telecommunicat
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	132	13.8%	116, was the HR strength in FY2023

Established	1995

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	2,229	1,596	987
Cost of Sales	-	-	-
Gross Profit	2,229	1,596	987
Operating Expenses	2,199	1,788	899
Other Expenses	-	-	-
Other Income	186	120	38
Finance Cost	-	-	-
Profit before Tax (PBT)	215	(73)	126
Tax	-	16	14
Net Profit / (Loss)	215	(89)	112

Economic Outlook

Total Assets

FY2024

In Million Rs.

2,359

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,279	577	708
Non-Current Assets	1,080	713	732
Total Assets	2,359	1,290	1,440
Share Capital	-	-	-
Accumulated profit/(loss)	521	304	401
Others	-	-	-
Total Equity	521	304	401
Current Liabilities	117	105	66
Non Current Liabilities	1,721	881	973
Total Liabilities	1,838	986	1,039
Total Equity + Liabilities	2,359	1,290	1,440

Total Revenue

FY2024

In Million Rs.

2,229

Government Support

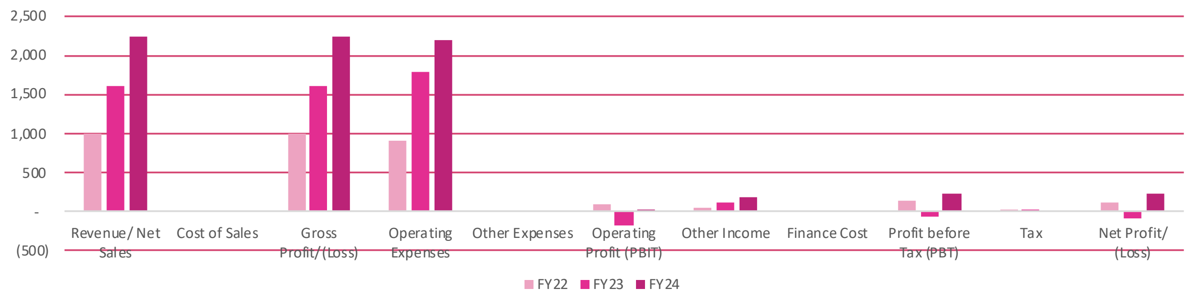
	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	41.36%	-29.15%	27.85%
Return on Assets (ROA)	9.13%	-6.87%	7.76%
Return on Capital Invested	9.61%	-7.48%	8.13%
Debt/Equity	3.5	3.2	2.6
Current Ratio	10.95	5.52	10.71
Net Working Capital	1,163	472	642
LTL to Total Assets	72.97%	68.31%	67.55%

Profit / Loss Graph



20 Livestock & Dairy Development Board

LDDB

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o National Food Security & Research
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2005

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	31
Cost of Sales	-	-	-
Gross Profit	-	-	31
Operating Expenses	-	-	13
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	19
Tax	-	-	-
Net Profit / (Loss)	-	-	19

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	278
Non-Current Assets	-	-	1
Total Assets	-	-	279
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	276
Others	-	-	-
Total Equity	-	-	276
Current Liabilities	-	-	2
Non Current Liabilities	-	-	1
Total Liabilities	-	-	2
Total Equity + Liabilities	-	-	279

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			6.70%
Return on Assets (ROA)			6.65%
Return on Capital Invested			6.69%
Debt/Equity			0.0
Current Ratio			185.33
Net Working Capital	0	0	277
LTL to Total Assets			0.21%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

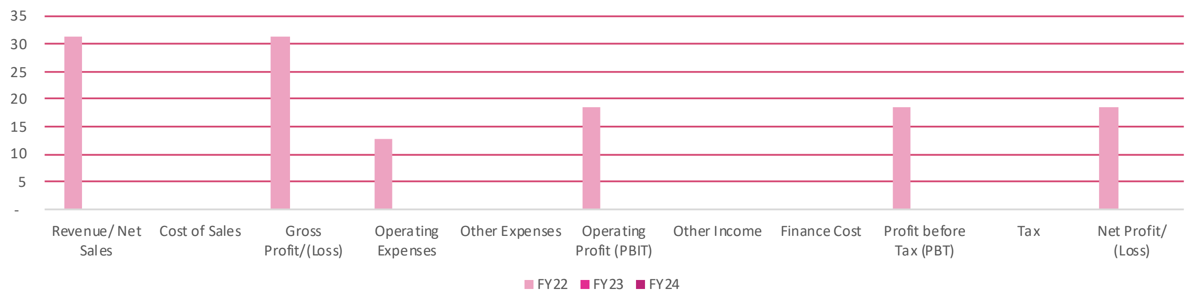
In Million Rs.

-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



21 Universal Services Fund

USF

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	o Information Technology & Telecommunicat
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	92	-6.1%	98, was the HR strength in FY2023

Established 2006

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	75	61	55
Cost of Sales	-	-	-
Gross Profit	75	61	55
Operating Expenses	578	569	518
Other Expenses	18,711	17,956	17,274
Other Income	19,215	18,462	17,737
Finance Cost	-	-	-
Profit before Tax (PBT)	(0)	(2)	0
Tax	-	-	-
Net Profit / (Loss)	(0)	(2)	0

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	4,499	7,014	7,497
Non-Current Assets	158	126	140
Total Assets	4,656	7,140	7,637
Share Capital	3,609	6,225	6,384
Accumulated profit/(loss)	145	115	-
Others	-	-	-
Total Equity	3,753	6,340	6,384
Current Liabilities	876	800	1,121
Non Current Liabilities	27	-	131
Total Liabilities	903	800	1,252
Total Equity + Liabilities	4,656	7,140	7,637

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	0.00%	-0.03%	0.00%
Return on Assets (ROA)	0.00%	-0.02%	0.00%
Return on Capital Invested	0.00%	-0.03%	0.00%
Debt/Equity	0.2	0.1	0.2
Current Ratio	5.13	8.77	6.68
Net Working Capital	3,622	6,214	6,375
LTL to Total Assets	0.57%	0.00%	1.71%

Economic Outlook

Total Assets

FY2024

In Million Rs.

4,656

Total Revenue

FY2024

In Million Rs.

75

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	16,120	18,340
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph

22 Public Private Partnership Authority

P3A

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	I/o Planning, Development & Special Initiative
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	41	2.5%	40, was the HR strength in FY2023

in Million Rs.

Established 2017

Income Statement	FY2024	FY2023	FY2022
Revenues	201	129	-
Cost of Sales	-	-	-
Gross Profit	201	129	-
Operating Expenses	168	143	-
Other Expenses	-	-	-
Other Income	133	106	-
Finance Cost	-	-	-
Profit before Tax (PBT)	165	93	-
Tax	-	-	-
Net Profit / (Loss)	165	93	-

Economic Outlook

Total Assets

FY2024

In Million Rs.

1,194

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,148	978	-
Non-Current Assets	46	46	-
Total Assets	1,194	1,024	-
Share Capital	-	-	-
Accumulated profit/(loss)	165	93	-
Others	997	904	-
Total Equity	1,163	997	-
Current Liabilities	31	27	-
Non Current Liabilities	-	-	-
Total Liabilities	31	27	-
Total Equity + Liabilities	1,194	1,024	-

Total Revenue

FY2024

In Million Rs.

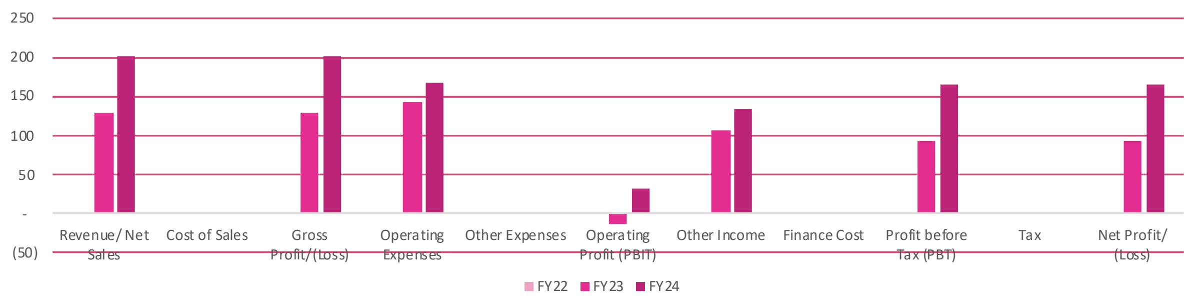
201

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	14.23%	9.35%	
Return on Assets (ROA)	13.86%	9.10%	
Return on Capital Invested	14.23%	9.35%	
Debt/Equity	0.0	0.0	
Current Ratio	37.02	36.52	
Net Working Capital	1,117	951	0
LTL to Total Assets	0.00%	0.00%	

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	133	106
Equity Injection	-	-
Loans in CFY	-	-
GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



23 Pakistan Horticulture Development and Export Company

PHDEC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Commerce
Accounts are:	Qualified
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	14	16.7%	12, was the HR strength in FY2023

Established	2009

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	385	249	121
Cost of Sales	-	-	-
Gross Profit	385	249	121
Operating Expenses	49	48	35
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	336	201	86
Tax	-	-	-
Net Profit / (Loss)	336	201	86

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	2,026	1,698	1,495
Non-Current Assets	13	7	6
Total Assets	2,039	1,705	1,501
Share Capital	1,000	1,000	1,000
Accumulated profit/(loss)	1,029	693	492
Others	-	-	-
Total Equity	2,029	1,693	1,492
Current Liabilities	7	12	9
Non Current Liabilities	3	-	-
Total Liabilities	10	12	9
Total Equity + Liabilities	2,039	1,705	1,501

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	16.57%	11.87%	5.77%
Return on Assets (ROA)	16.50%	11.79%	5.73%
Return on Capital Invested	16.55%	11.87%	5.77%
Debt/Equity	0.0	0.0	0.0
Current Ratio	302.67	141.50	169.30
Net Working Capital	2,019	1,686	1,486
LTL to Total Assets	0.14%	0.00%	0.00%

Economic Outlook

Total Assets

FY2024

In Million Rs.

2,039

Total Revenue

FY2024

In Million Rs.

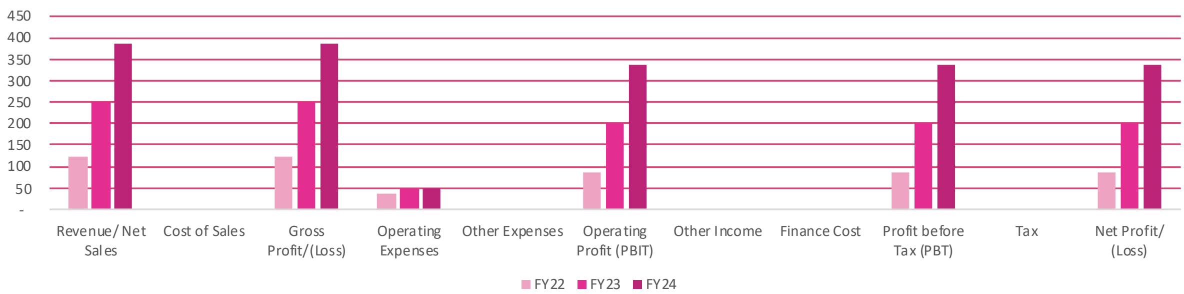
385

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



24 Ignite (Formerly National ICT R&D Fund)

Ignite

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	o Information Technology & Telecommunicat
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	50	4.2%	48, was the HR strength in FY2023

Established 2006

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	1,665	1,731	1,159
Cost of Sales	1,208	1,385	846
Gross Profit	458	346	313
Operating Expenses	432	331	278
Other Expenses	20	6	23
Other Income	1	-	-
Finance Cost	7	10	12
Profit before Tax (PBT)	(0)	0	0
Tax	-	-	-
Net Profit / (Loss)	(0)	0	0

Economic Outlook

Total Assets

FY2024

In Million Rs.

1,560

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	889	738	480
Non-Current Assets	670	238	240
Total Assets	1,560	976	720
Share Capital	-	-	1
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	1
Current Liabilities	1,020	768	509
Non Current Liabilities	540	208	209
Total Liabilities	1,560	976	718
Total Equity + Liabilities	1,560	976	720

Total Revenue

FY2024

In Million Rs.

1,665

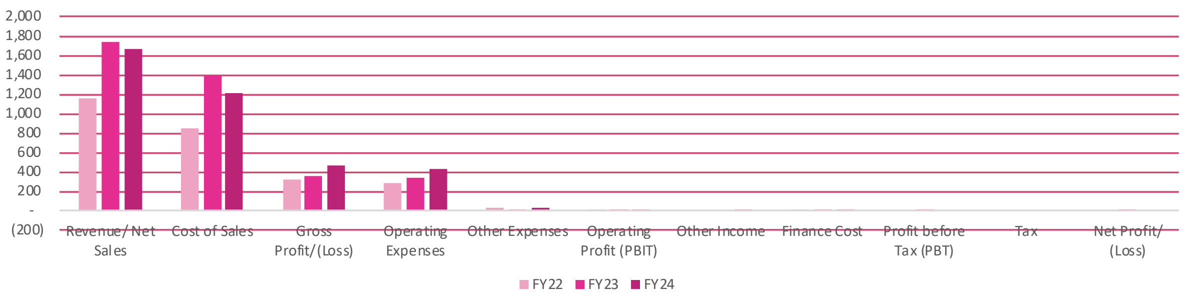
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			0.00%
Return on Assets (ROA)	0.00%	0.03%	0.00%
Return on Capital Invested	0.00%	0.12%	0.00%
Debt/Equity			498.8
Current Ratio	0.87	0.96	0.94
Net Working Capital	(131)	(30)	(29)
LTL to Total Assets	34.60%	21.32%	29.06%

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	1,556	1,483
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



25 Ceramics Development & Training Complex

CDTC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	#N/A	, was the HR strength in FY2023

Established	2008

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	-
Tax	-	-	-
Net Profit / (Loss)	-	-	-

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Total Revenue

FY2024

In Million Rs.

-

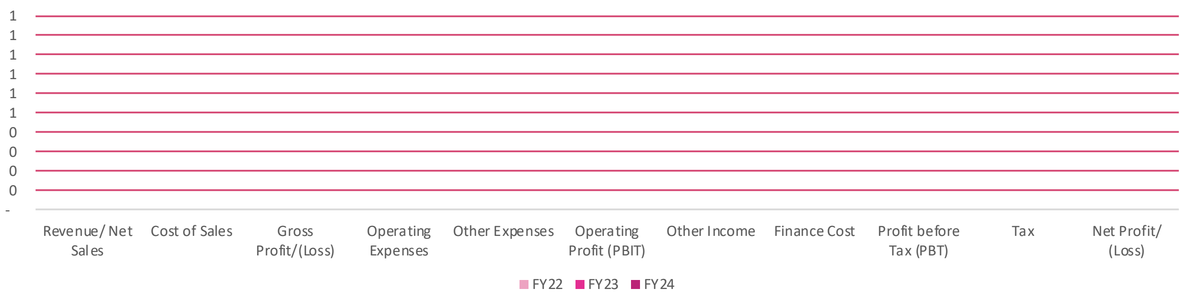
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



26 Pakistan Textile Testing Foundation

PTTF

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Textile Industry
Accounts are:	0
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	PTT Foundation	Other
33%	67%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2005

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	-	19	15
Cost of Sales	-	-	-
Gross Profit	-	19	15
Operating Expenses	-	19	15
Other Expenses	-	3	2
Other Income	-	5	6
Finance Cost	-	-	-
Profit before Tax (PBT)	-	3	4
Tax	-	-	-
Net Profit / (Loss)	-	3	4

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	157	142
Non-Current Assets	-	43	48
Total Assets	-	201	190
Share Capital	-	-	-
Accumulated profit/(loss)	-	13	11
Others	-	11	-
Total Equity	-	24	11
Current Liabilities	-	5	3
Non Current Liabilities	-	172	176
Total Liabilities	-	177	179
Total Equity + Liabilities	-	201	190

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)		11.50%	38.54%
Return on Assets (ROA)		1.37%	2.14%
Return on Capital Invested		1.40%	2.17%
Debt/Equity		7.4	17.0
Current Ratio		34.60	45.68
Net Working Capital	0	153	139
LTL to Total Assets		85.80%	92.81%

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

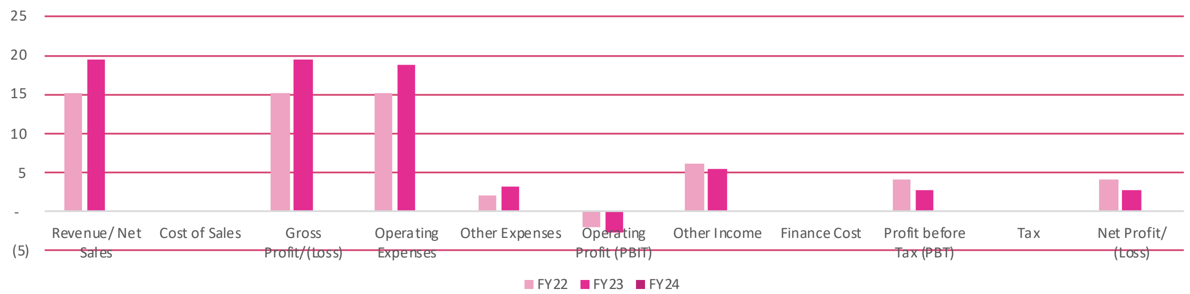
In Million Rs.

-

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



27 National Rural Support Programme

NRSP

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Finance
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	5,719	8.5%	5270, was the HR strength in FY2023

in Million Rs.

Established	1991

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	17,108	12,177	10,019
Cost of Sales	11,984	8,415	7,368
Gross Profit	5,124	3,762	2,652
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	33	-	-
Finance Cost	2,994	2,369	1,335
Profit before Tax (PBT)	2,163	1,393	1,317
Tax	-	-	-
Net Profit / (Loss)	2,163	1,393	1,317

Economic Outlook

Total Assets

FY2024

In Million Rs.

37,660

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	30,187	27,318	24,803
Non-Current Assets	7,473	6,596	10,477
Total Assets	37,660	33,914	35,280
Share Capital	505	505	505
Accumulated profit/(loss)	8,426	7,096	6,315
Others	6,906	6,075	5,414
Total Equity	15,837	13,676	12,234
Current Liabilities	17,478	17,237	23,046
Non Current Liabilities	4,345	3,001	-
Total Liabilities	21,824	20,238	23,046
Total Equity + Liabilities	37,660	33,914	35,280

Total Revenue

FY2024

In Million Rs.

17,108

Key Indicators

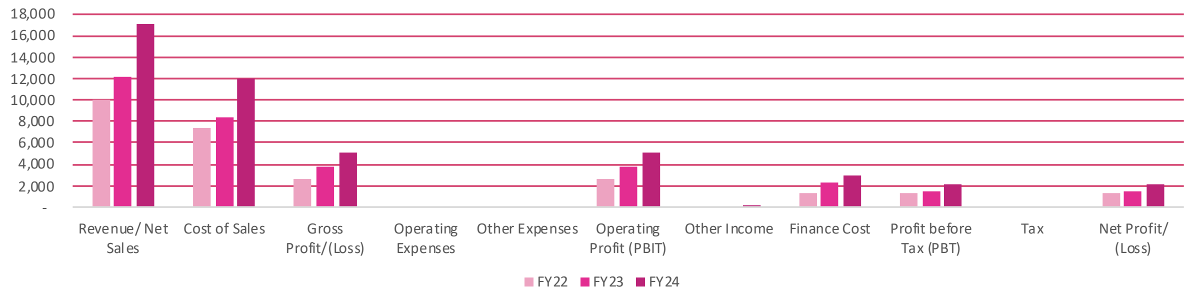
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	13.66%	10.19%	10.76%
Return on Assets (ROA)	5.74%	4.11%	3.73%
Return on Capital Invested	10.72%	8.35%	10.76%
Debt/Equity	1.4	1.5	1.9
Current Ratio	1.73	1.58	1.08
Net Working Capital	12,709	10,081	1,757
LTL to Total Assets	11.54%	8.85%	0.00%

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	10	10
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



28 Agro Food Processing (AFP) Facilities, Multan

AFP

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	SMEDA	Other
20%	40%	40%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

in Million Rs.

Established	2012

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	85	59	64
Cost of Sales	-	-	-
Gross Profit	85	59	64
Operating Expenses	87	75	67
Other Expenses	14	14	11
Other Income	18	15	10
Finance Cost	-	-	-
Profit before Tax (PBT)	2	(16)	(4)
Tax	-	-	-
Net Profit / (Loss)	2	(16)	(4)

Economic Outlook

Total Assets
FY2024
In Million Rs.
476

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	179	161	159
Non-Current Assets	298	316	340
Total Assets	476	477	498
Share Capital	1	1	-
Accumulated profit/(loss)	222	214	225
Others	148	152	147
Total Equity	370	367	373
Current Liabilities	25	24	26
Non Current Liabilities	81	85	100
Total Liabilities	106	110	126
Total Equity + Liabilities	476	477	498

Total Revenue
FY2024
In Million Rs.
85

Key Indicators

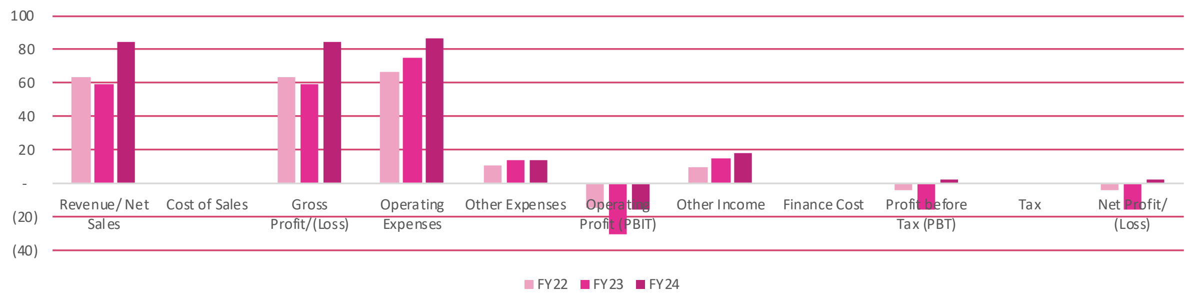
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	0.55%	-4.29%	-1.18%
Return on Assets (ROA)	0.42%	-3.30%	-0.88%
Return on Capital Invested	0.45%	-3.48%	-0.93%
Debt/Equity	0.3	0.3	0.3
Current Ratio	7.06	6.58	6.08
Net Working Capital	153	136	132
LTL to Total Assets	16.97%	17.93%	20.00%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



29 Engineeering Development Board

EDB

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	Ministry of Industries and Production
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Number of Employees (FY2024): 80 | 2.6% | 78, was the HR strength in FY2023

Established 1995

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	189	-	157
Cost of Sales	159	-	129
Gross Profit	30	-	28
Operating Expenses	30	-	28
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	0	-	(0)
Tax	-	-	-
Net Profit / (Loss)	0	-	(0)

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

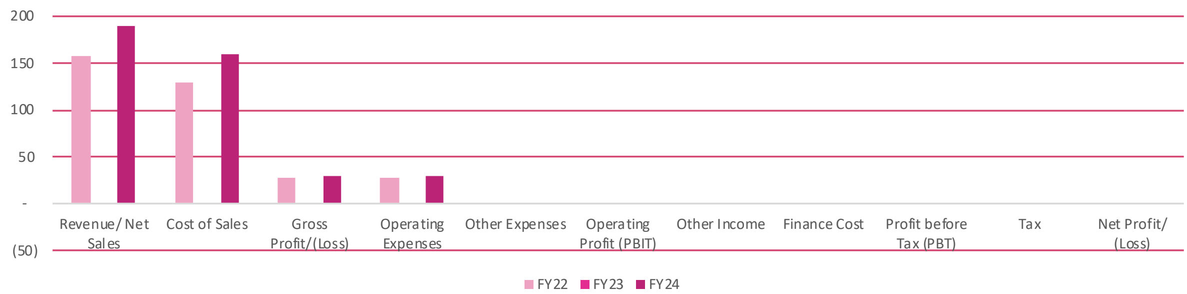
In Million Rs.

189

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		
GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



30 Pakistan Tobbaco Board

PTB

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Commerce
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	252	0.8%	250, was the HR strength in FY2023

in Million Rs.

Established	1968

Income Statement	FY2024	FY2023	FY2022
Revenues	752	-	601
Cost of Sales	-	-	-
Gross Profit	752	-	601
Operating Expenses	510	-	393
Other Expenses	-	-	-
Other Income	221	-	3,270
Finance Cost	-	-	-
Profit before Tax (PBT)	463	-	3,478
Tax	-	-	-
Net Profit / (Loss)	463	-	3,478

Economic Outlook

Total Assets

FY2024

In Million Rs.

6,439

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	3,059	-	1,680
Non-Current Assets	3,380	-	4,156
Total Assets	6,439	-	5,836
Share Capital	-	-	-
Accumulated profit/(loss)	463	-	2,558
Others	3,647	-	3,267
Total Equity	4,110	-	5,825
Current Liabilities	5	-	10
Non Current Liabilities	2,324	-	1
Total Liabilities	2,329	-	11
Total Equity + Liabilities	6,439	-	5,836

Total Revenue

FY2024

In Million Rs.

752

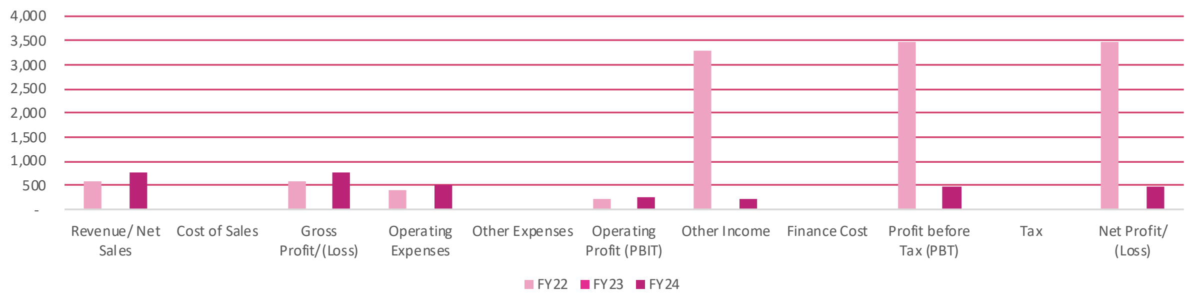
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	11.26%		59.71%
Return on Assets (ROA)	7.19%		59.60%
Return on Capital Invested	7.19%		59.70%
Debt/Equity	0.6		0.0
Current Ratio	676.98		174.28
Net Working Capital	3,054	0	1,671
LTL to Total Assets	36.10%		0.02%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



31 Pakistan Institute of Management

PIM

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	98	3.2%	95, was the HR strength in FY2023

Established 1954

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	333	251	248
Cost of Sales	323	269	220
Gross Profit	10	(17)	27
Operating Expenses	-	-	-
Other Expenses	-	-	-
Other Income	23	25	-
Finance Cost	-	-	-
Profit before Tax (PBT)	33	7	27
Tax	-	-	-
Net Profit / (Loss)	33	7	27

Economic Outlook

Total Assets

FY2024

In Million Rs.

186

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	150	100	88
Non-Current Assets	37	36	31
Total Assets	186	136	119
Share Capital	-	-	-
Accumulated profit/(loss)	124	(157)	(165)
Others	11	11	11
Total Equity	135	(146)	(154)
Current Liabilities	128	132	122
Non Current Liabilities	172	151	151
Total Liabilities	300	283	273
Total Equity + Liabilities	435	136	119

Total Revenue

FY2024

In Million Rs.

333

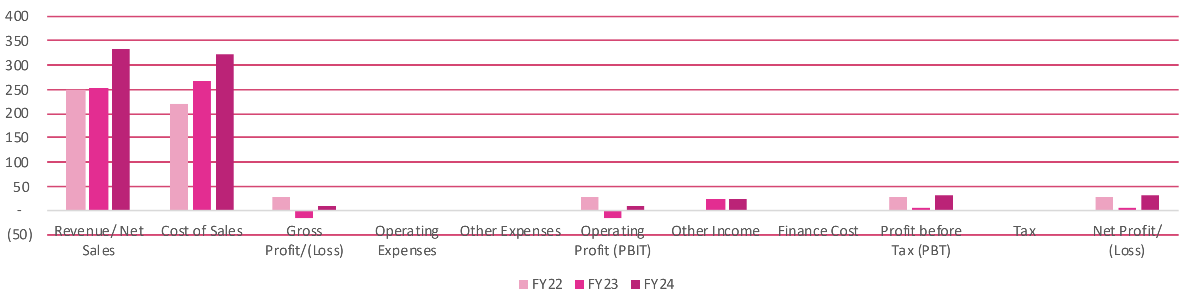
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	24.31%	5.12%	17.56%
Return on Assets (ROA)	17.64%	5.50%	22.69%
Return on Capital Invested	10.70%	162.81%	-1121.88%
Debt/Equity	2.2	-1.9	-1.8
Current Ratio	1.17	0.76	0.73
Net Working Capital	22	(32)	(33)
LTL to Total Assets	92.20%	110.89%	127.16%

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	98	107
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



32 Pakistan Single Window

PSW

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Finance & Revenue
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	212	26.9%	167, was the HR strength in FY2023

Established	2020

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	1,286	502	42
Cost of Sales	-	-	-
Gross Profit	1,286	502	42
Operating Expenses	750	329	108
Other Expenses	206	237	129
Other Income	373	207	26
Finance Cost	12	7	8
Profit before Tax (PBT)	690	136	(178)
Tax	210	23	1
Net Profit / (Loss)	480	113	(178)

Economic Outlook

Total Assets

FY2024

In Million Rs.

3,156

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	1,112	1,380	1,104
Non-Current Assets	2,044	1,079	653
Total Assets	3,156	2,459	1,757
Share Capital	-	-	-
Accumulated profit/(loss)	361	(119)	(233)
Others	2,198	2,198	1,710
Total Equity	2,559	2,079	1,478
Current Liabilities	371	200	79
Non Current Liabilities	226	180	201
Total Liabilities	597	380	280
Total Equity + Liabilities	3,156	2,459	1,757

Total Revenue

FY2024

In Million Rs.

1,286

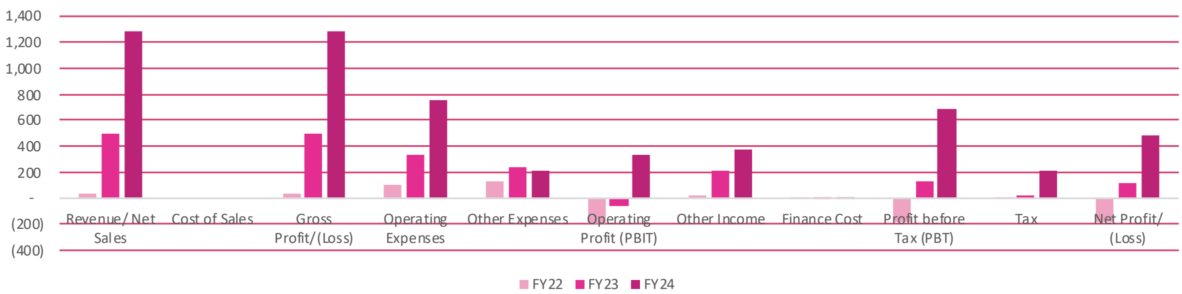
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	18.77%	5.44%	-12.06%
Return on Assets (ROA)	15.22%	4.60%	-10.14%
Return on Capital Invested	17.25%	5.00%	-10.62%
Debt/Equity	0.2	0.2	0.2
Current Ratio	2.99	6.89	13.98
Net Working Capital	741	1,180	1,025
LTL to Total Assets	7.15%	7.32%	11.42%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



33 Gujranwala Business Centre

GBC

Company type	PSC - Non Commercial
Sector	Sectoral Development
Sub-sector	Sectoral Development
Ministry	M/o Industries and Production
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	7	16.7%	6, was the HR strength in FY2023

Established 2017

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	16	10	11
Cost of Sales	-	-	-
Gross Profit	16	10	11
Operating Expenses	14	10	10
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	2	1	1
Tax	-	-	-
Net Profit / (Loss)	2	1	1

Economic Outlook

Total Assets

FY2024

In Million Rs.

54

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	28	19	15
Non-Current Assets	26	28	31
Total Assets	54	47	46
Share Capital	46	44	43
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	46	44	43
Current Liabilities	6	1	1
Non Current Liabilities	2	2	2
Total Liabilities	8	3	3
Total Equity + Liabilities	54	47	46

Total Revenue

FY2024

In Million Rs.

16

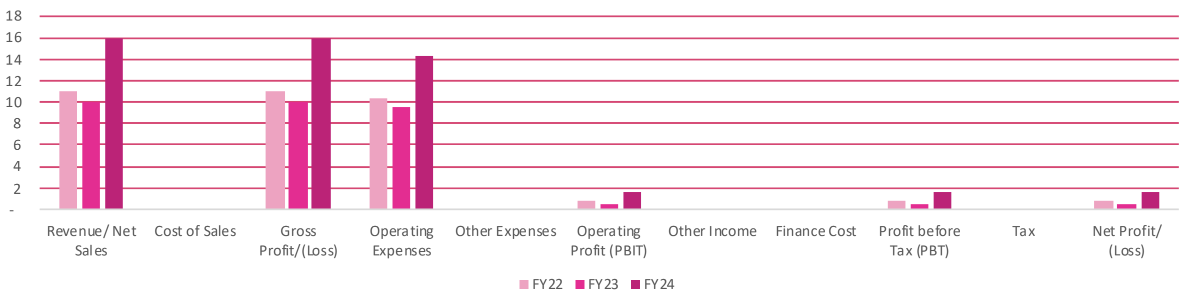
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	3.45%	1.14%	1.69%
Return on Assets (ROA)	2.92%	1.07%	1.59%
Return on Capital Invested	3.29%	1.09%	1.63%
Debt/Equity	0.2	0.1	0.1
Current Ratio	4.52	23.17	13.57
Net Working Capital	22	18	14
LTL to Total Assets	4.13%	4.27%	3.78%

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



34 National Productivity Organization

NPO

Company type	PSC - Non Commercial
Sector	Education, Training & Skill Development
Sub-sector	Education, Training & Skill Development
Ministry	M/o Industries and Production
Accounts are:	Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	54	0.0%	54, was the HR strength in FY2023

in Million Rs.

Established	2006

Income Statement	FY2024	FY2023	FY2022
Revenues	144	149	105
Cost of Sales	10	33	10
Gross Profit	135	115	96
Operating Expenses	78	66	79
Other Expenses	34	35	2
Other Income	10	5	-
Finance Cost	-	-	-
Profit before Tax (PBT)	33	19	14
Tax	-	(0)	4
Net Profit / (Loss)	33	19	10

Economic Outlook

Total Assets

FY2024

In Million Rs.

90

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	78	44	32
Non-Current Assets	13	14	13
Total Assets	90	58	45
Share Capital	-	-	-
Accumulated profit/(loss)	59	25	6
Others	-	-	-
Total Equity	59	25	6
Current Liabilities	22	22	29
Non Current Liabilities	9	11	10
Total Liabilities	31	33	39
Total Equity + Liabilities	90	58	45

Total Revenue

FY2024

In Million Rs.

144

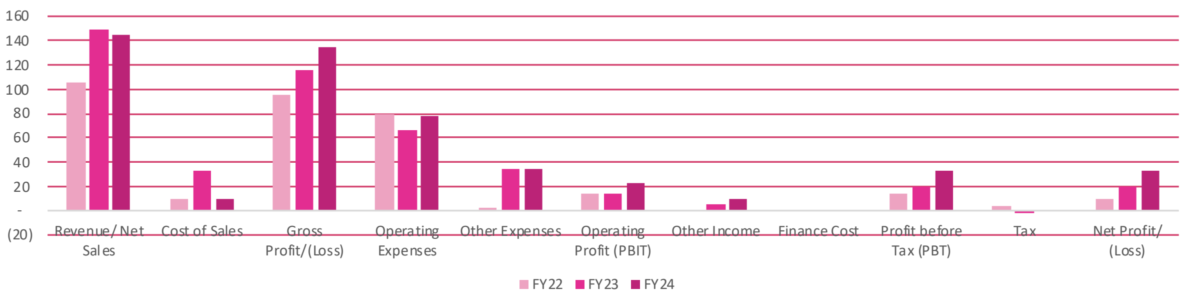
Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	56.65%	76.29%	167.78%
Return on Assets (ROA)	36.94%	33.36%	22.62%
Return on Capital Invested	48.89%	53.98%	63.42%
Debt/Equity	0.5	1.3	6.4
Current Ratio	3.52	1.99	1.10
Net Working Capital	56	22	3
LTL to Total Assets	10.36%	18.07%	22.19%

Government Support

	FY2024	FY2023
Subsidies	-	-
Grants	96	83
Equity Injection	-	-
Loans in CFY	-	-

GoP Loans Outstanding	-	-
GoP Guarantee Outstanding	-	-

Profit / Loss Graph



35 Fisheries Development Board

FDB

Company type	PSC - Non Commercial
Sector	Education, Training & Skill Development
Sub-sector	Education, Training & Skill Development
Ministry	M/o National Food Security & Research
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Companies Act, 2017

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024)	25	0.0%	25, was the HR strength in FY2023

Established	2007

in Million Rs.

Income Statement	FY2024	FY2023	FY2022
Revenues	399	286	148
Cost of Sales	-	-	-
Gross Profit	399	286	148
Operating Expenses	-	-	-
Other Expenses	196	185	162
Other Income	-	-	48
Finance Cost	-	-	-
Profit before Tax (PBT)	203	101	33
Tax	-	-	-
Net Profit / (Loss)	203	101	33

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	406	420	439
Non-Current Assets	456	251	153
Total Assets	862	671	592
Share Capital	-	-	-
Accumulated profit/(loss)	46	46	94
Others	494	291	300
Total Equity	540	337	394
Current Liabilities	21	29	17
Non Current Liabilities	301	305	181
Total Liabilities	322	334	198
Total Equity + Liabilities	862	671	592

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)	37.50%	29.84%	8.39%
Return on Assets (ROA)	23.50%	15.01%	5.59%
Return on Capital Invested	24.08%	15.68%	5.76%
Debt/Equity	0.6	1.0	0.5
Current Ratio	19.59	14.53	25.57
Net Working Capital	386	391	421
LTL to Total Assets	34.93%	45.40%	30.50%

Economic Outlook

Total Assets

FY2024

In Million Rs.

862

Total Revenue

FY2024

In Million Rs.

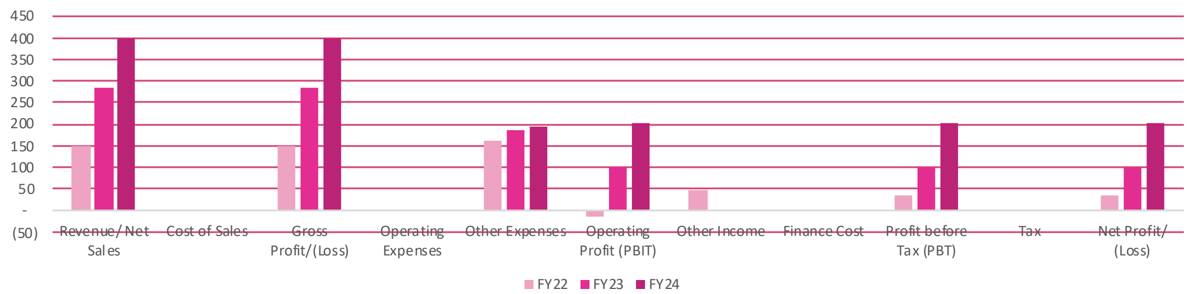
399

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph



36 Pakistan Cotton Standards Institute

PCSI

Company type	PSC - Non Commercial
Sector	Education, Training & Skill Development
Sub-sector	Education, Training & Skill Development
Ministry	M/o Commerce
Accounts are:	Un-Audited
Reporting Period End	30-Jun-2024
Incorporation	Special Enactment

Shareholding Pattern

GoP	-	Other
100%	0%	0%

Number of Employees (FY2024) #N/A , was the HR strength in FY2023

Established 2002

in Million Rs.

Income Statement

Income Statement	FY2024	FY2023	FY2022
Revenues	77	-	157
Cost of Sales	43	-	137
Gross Profit	34	-	21
Operating Expenses	34	-	16
Other Expenses	-	-	-
Other Income	-	-	-
Finance Cost	-	-	-
Profit before Tax (PBT)	-	-	4
Tax	-	-	-
Net Profit / (Loss)	-	-	4

Balance Sheet

Balance Sheet	FY2024	FY2023	FY2022
Current Assets	-	-	-
Non-Current Assets	-	-	-
Total Assets	-	-	-
Share Capital	-	-	-
Accumulated profit/(loss)	-	-	-
Others	-	-	-
Total Equity	-	-	-
Current Liabilities	-	-	-
Non Current Liabilities	-	-	-
Total Liabilities	-	-	-
Total Equity + Liabilities	-	-	-

Key Indicators

Key Indicators	FY2024	FY2023	FY2022
Return on Equity (ROE)			
Return on Assets (ROA)			
Return on Capital Invested			
Debt/Equity			
Current Ratio			
Net Working Capital	0	0	0
LTL to Total Assets			

Economic Outlook

Total Assets

FY2024

In Million Rs.

-

Total Revenue

FY2024

In Million Rs.

77

Government Support

	FY2024	FY2023
Subsidies		
Grants		
Equity Injection		
Loans in CFY		

GoP Loans Outstanding		
GoP Guarantee Outstanding		

Profit / Loss Graph