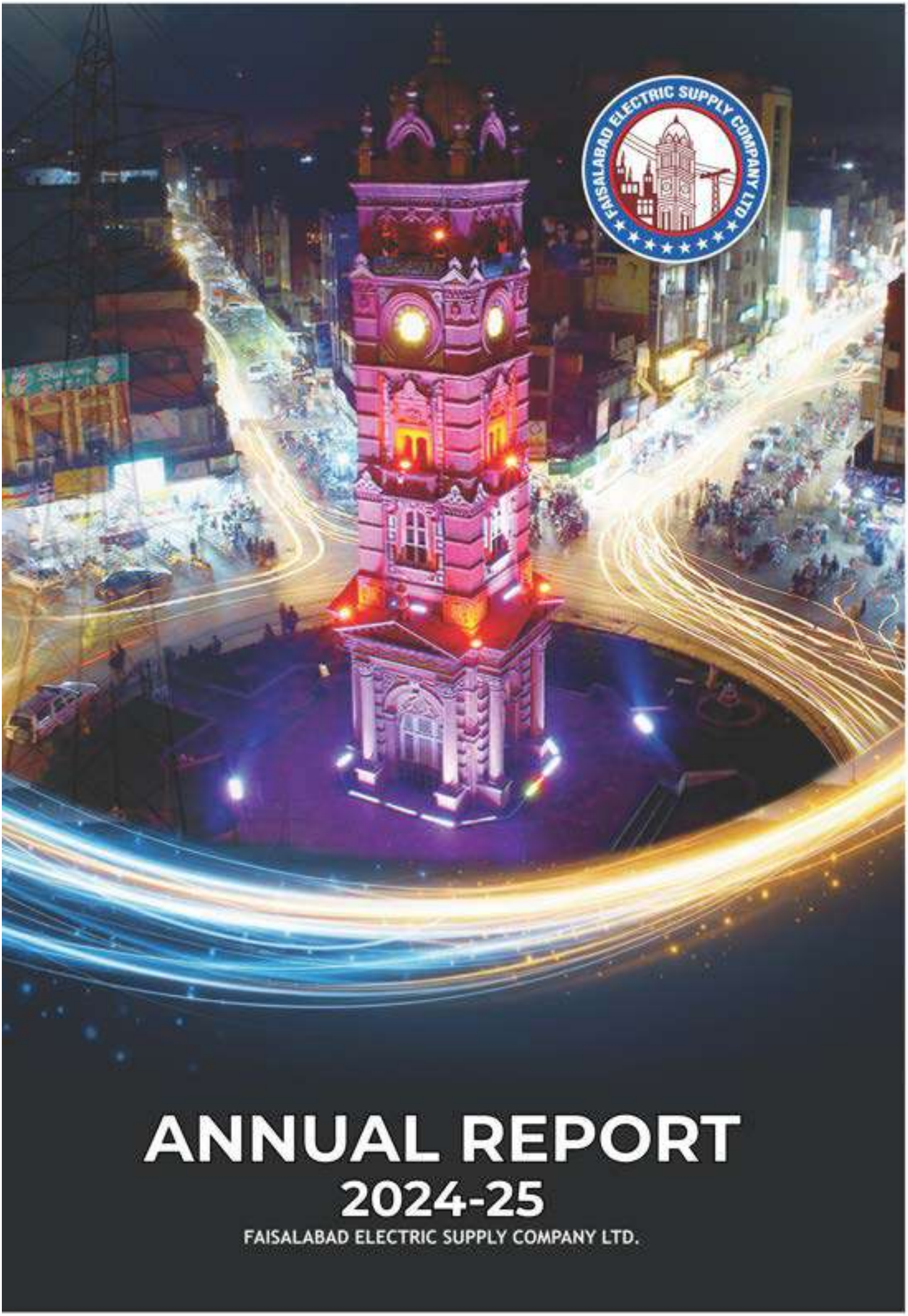

ANNUAL REPORT

2024-25

FAISALABAD ELECTRIC SUPPLY COMPANY LTD.


بسم الله الرحمن الرحيم


FAISALABAD ELECTRIC SUPPLY COMPANY LTD

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To provide reliable, affordable, safe and secure electricity to all its electricity customers through its efficient electricity net-work coupled with efficient cum facilitative commercial and operational mechanisms at par with the international standards bearing positive impacts on the economy of the country.



To develop and transform the company into a viable entity with provision of quality services to all its customers keeping commercial and operational viability through utilizing strategically planned, recruited and developed quality human resource in the company.



COMMITMENT TO CUSTOMERS:

- To ensure provision of electricity with the highest levels of quality and excellence.
- Demonstrating professional behavior in all customer dealings and ensuring that all business actions are driven by customer needs.

COMMITMENT TO EMPLOYEES:

- To treat employees with respect and dignity across the board and focus on recruiting, developing and retaining capable manpower.
- To recognize and reward achievements and empower downstream to maximize functionaries' potential and contribution.
- To promote open and less paper communication and to provide a safe and hygienic work environment for all employees.
- Promotion & incentives as per Government policy and BOD approvals.

TEAM WORK AND TRUST:

- Strive to achieve the highest possible standards in day-to-day work.

ETHICAL BEHAVIOUR & INTEGRITY:

- Operate the business following the highest ethical and moral standards.

Company Information

Composition of BOD as on 30.06.2025

1.	Mr. Omer Farooq Khan	Chairman / Independent Director
2.	Mr. Amir Zia	Independent Director
3.	Mr. Adil Bashir	Independent Director
4.	Mr. Pervaiz Iqbal	Independent Director
5.	Ms. Zoe Khurshid Khan	Independent Director
6.	Mr. Hassan Raza Saeed	Non-Executive Director
7.	Mr. Umer Azmatuallah	Non-Executive Director
8.	Ms. Lubna Usman	Non-Executive Director
9.	Mr. Muhammad Aamer	CEO / Executive Director

Audit, Finance, Investigation, Financial Risk Management & Internal Control Committee

1.	Mr. Adil Bashir	Convener
2.	Mr. Pervaiz Iqbal	Member
3.	Mr. Amir Zia	Member
4.	Mr. Hassan Raza Saeed	Member
5.	Mr. Umer Azmatullah	Member

Company Secretary
Mr. Muzaffar Abbas

Chief of Internal Audit
Mr. Ihtisham Ullah

Chief Financial Officer
Mr. Nazir Ahmad

External Auditors
Riaz Ahmad & Company, Chartered Accountants.

Head Office Address
West Canal Road, Abdullahpur, Faisalabad.
Website: www.fesco.com.pk

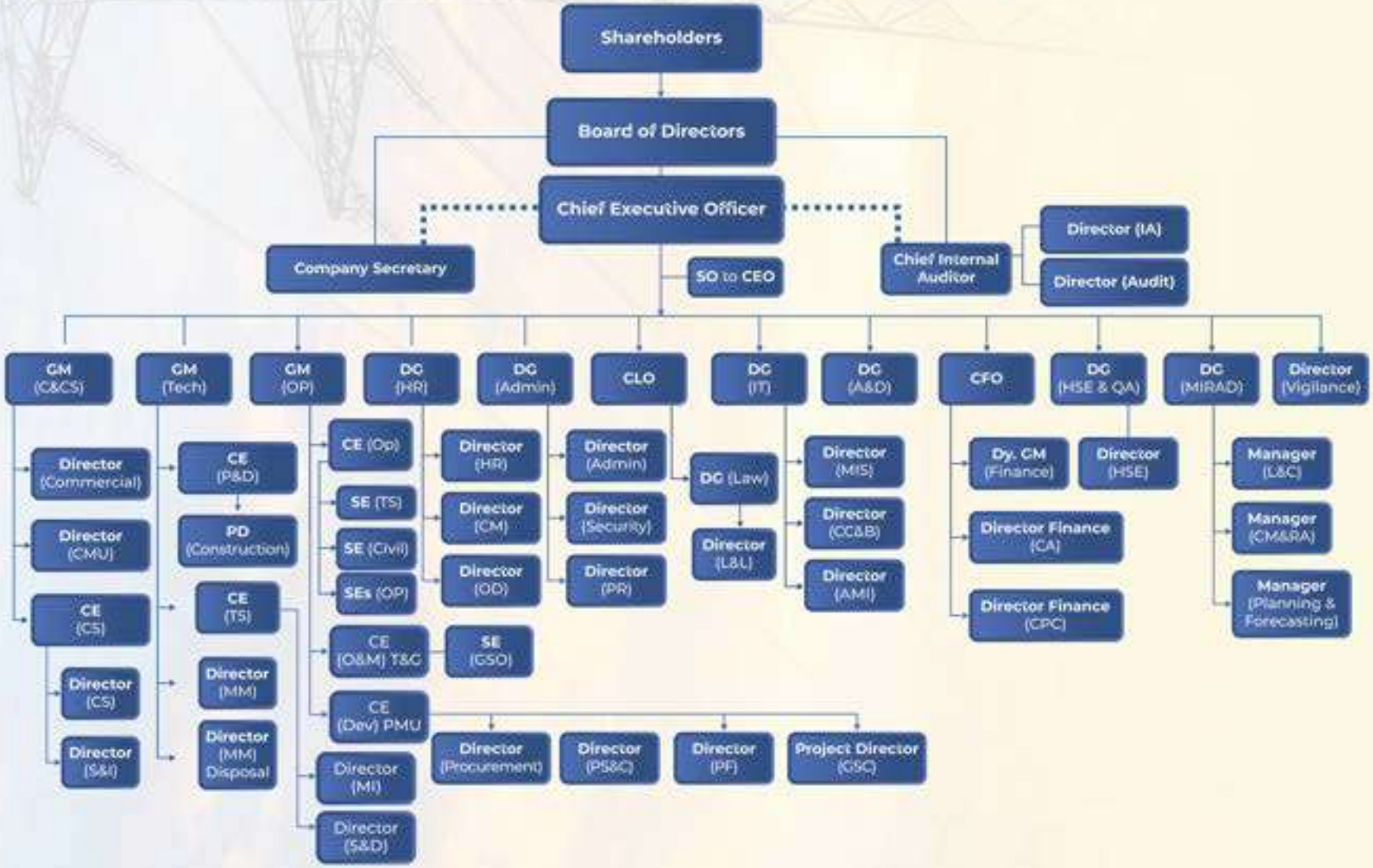
Board of Directors Committees

Sr. No.	BOD Committee		Total meetings held during 2024-25
1.	Audit, Finance, Investigation, Financial Risk Management & Internal Control Committee.		15
	i. Mr. Adil Bashir	Convener	
	ii. Mr. Pervaiz Iqbal	Member	
	iii. Mr. Amir Zia	Member	
	iv. Mr. Hassan Raza Saeed	Member	
	v. Mr. Umer Azmatullah	Member	
2	HR, Admin, Legal & HSE Committee		17
	i. Ms. Zoe Khurshid Khan	Convener	
	ii. Mr. Omer Farooq Khan	Member	
	iii. Mr. Adil Bashir	Member	
	iv. Mr. Umer Azmatullah	Member	
	v. Ms. Lubna Usman	Member	
	vi. CEO FESCO	Member	
3.	Technical Initiatives, Development, Operational and Procurement Committee.		10
	i. Mr. Pervaiz Iqbal	Convener	
	ii. Mr. Omer Farooq Khan	Member	
	iii. Ms. Zoe Khurshid Khan	Member	
	iv. Ms. Lubna Usman	Member	
	v. CEO FESCO	Member	
4	Policy, Strategy, Marketing & Risk Management Committee.		16
	i. Mr. Omer Farooq Khan	Convener	
	ii. Ms. Zoe Khurshid Khan	Member	
	iii. Mr. Adil Bashir	Member	
	iv. Mr. Amir Zia	Member	
	v. Mr. Hassan Raza Saeed	Member	
	vi. CEO FESCO	Member	
5.	Customer Services and IT Initiatives Committee.		10
	i. Mr. Amir Zia	Convener	
	ii. Mr. Omer Farooq Khan	Member	
	iii. Ms. Zoe Khurshid Khan	Member	
	iv. Mr. Hassan Raza Saeed	Member	
	v. Mr. Umer Azmatullah	Member	
	vi. CEO FESCO	Member	

Leadership Team

1. Chief Executive Officer FESCO
2. General Manager (Technical) FESCO
3. General Manager (Operation) FESCO
4. General Manager (C&CS) FESCO
5. Chief Financial Officer FESCO
6. Chief Internal Auditor FESCO
7. Chief Engineer (Operation) FESCO
8. Chief Engineer (Development) PMU FESCO
9. Chief Engineer (P&D) FESCO
10. Chief Engineer (Technical Services) FESCO
11. Chief Engineer (T&G) O&M FESCO
12. Chief Engineer (CS) FESCO
13. Director General (HR) FESCO
14. Director General (Law) FESCO
15. Director General (Admin) FESCO
16. Director General (IT) FESCO
17. Director General (MIRAD) FESCO

FESCO ORGANIZATIONAL CHART



Chairman's Message

On behalf of the Board of Directors, I am pleased to present the Annual Report for the fiscal year 2024–25 of Faisalabad Electric Supply Company Ltd (FESCO). Despite persistent macroeconomic and operational challenges facing Pakistan's power sector, FESCO has remained steadfast in its commitment to excellence, reliability, and transparency. Throughout the year, the Company focused on strengthening its operational foundations, enhancing network efficiency, and improving service delivery through strategic digital transformation and innovation. Guided by the approved Business Plan and the Multi-Year Tariff (MYT) framework, FESCO pursued a comprehensive set of initiatives designed to ensure financial sustainability and enrich customer experience. These efforts prioritized investments in system augmentation, automation, and renewable energy integration—reinforcing long-term efficiency and alignment with national energy priorities.

Digital infrastructure development continued to be a cornerstone of FESCO's strategy. Significant progress was achieved in the deployment of Advanced Metering Infrastructure (AMI), installation of scanning meters, GIS-based asset tagging and coding, and the implementation of data-driven monitoring systems. These advancements have played a pivotal role in reducing technical and commercial losses, improving billing accuracy, and strengthening governance and operational transparency. FESCO's development roadmap remains firmly anchored in digital transformation and infrastructure modernization—key enablers of enhanced performance and sustainable growth. Our close collaboration with the Ministry of Energy (Power Division), PPMC, NEPRA, and other key stakeholders has been instrumental in advancing governance reforms and sectoral improvements.

I extend my sincere appreciation to FESCO's management and employees for their dedication, professionalism, and resilience. Their collective efforts have enabled the Company to sustain performance in a demanding environment. With continued innovation, sound governance, and a shared vision for progress, I am confident that FESCO is well-positioned to meet future challenges and play a pivotal role in powering Pakistan's sustainable energy future.

Mr. Omer Farooq Khan
Chairman, Board of Directors
Faisalabad Electric Supply Company Ltd (FESCO)

CEO's Message

It is a matter of great satisfaction to witness FESCO's continued progress as a financially stable, efficient, and forward-looking organization dedicated to excellence in power distribution. This success is the result of the collective commitment, professionalism, and diligence of our employees, together with the trust and cooperation of our valued consumers. FESCO remains steadfast in its mission to achieve financial stability, sustain profitability, and provide reliable and quality services in line with national energy objectives.

The past year presented numerous challenges arising from electricity demand, system constraints, and the national drive toward digitalization of the distribution network. The integration of new technologies within an established infrastructure required considerable investment and adaptability. Despite these challenges, FESCO maintained operational efficiency, strengthened reliability, and continued to prioritize consumer satisfaction through prudent management and a focused strategic approach.

It's a high time to highlight that FESCO has achieved a strong operational and financial growth this year, installing 313,038 new electricity connections and raising electricity sales to 14,428 million units. Revenue reached to PKR 470,120/- with a profit of PKR 9,433 million. Transmission and Distribution losses improved to 8.89% and recovery rose to 100.3%. Infrastructure expanded with new grid stations and transmission lines, 11kv feeders and 15,231 net metering consumers, thus promoting renewable energy.

Looking forward, FESCO is committed to deepening its focus on digital transformation, grid modernization, and data-driven management to further enhance efficiency and service reliability. With this inclusive leadership, FESCO will continue to pursue sustainable growth, financial resilience, and service excellence, positioning itself as a modern, intelligent, and customer-centric utility contributing effectively to Pakistan's power sector development.

I extend my sincere gratitude to the Ministry of Energy (Power Division), the Board of Directors, our employees, and our esteemed consumers for their unwavering support and trust. Together, we look forward to building a stronger, smarter, and more sustainable FESCO--empowering progress and delivering excellence to all.



Engr. Muhammad Aamer
Chief Executive Officer
Faisalabad Electric Supply Company Ltd (FESCO)

GOVERNANCE: THE FESCO BRAIN



Mr. Omer Farooq Khan

Chairman, Board of Directors
Independent Director

Mr. Omer Farooq Khan has served as the CEO of Punjab Beverages Company, Faisalabad, since 2006. He has an extensive background in managing sugar industries. He has demonstrated exceptional leadership and operational expertise. He has been appointed to the Board of Governors of both the National Management Foundation (LUMS) and the Faisalabad Industrial Estate Development & Management Company (FIEDMC), reflecting his influence in the business and industrial sectors. His academic credentials include advanced degrees from prestigious institutions such as Harvard Business School (USA), Cornell University School of Industrial and Labor Relations (UK), and Lahore University of Management Sciences (LUMS), Pakistan. These qualifications have equipped him with a comprehensive understanding of business principles, management strategies, and industrial relations. Throughout his career, he has been a proponent of operational excellence, having spearheaded the implementation of SAP for enhanced operational efficiency. His leadership has been instrumental in executing business process improvement initiatives with precision, fostering a culture of continuous improvement and accountability. He has consistently demonstrated a commitment to fostering competitive growth, instituting strategic planning initiatives, and driving organizational success. A results-oriented leader, he excels in building high-performing teams and managing profitable operations. His leadership is characterized by a forward-thinking approach that balances innovation with disciplined execution. Known for his strategic vision, problem-solving abilities, and effective communication, he has earned a reputation as a leader with strong work ethics, focusing on both short-term and long-term organizational growth.



Mr. Muhammad Aamer

CEO/Executive Director

Mr. Muhammad Aamer is a seasoned Professional Engineer with over 30 years of experience in Pakistan's Power Distribution Sector. Throughout his distinguished career, he has contributed significantly across various domains including Operations, Technical Services, T&G, and Customer Services, gaining a comprehensive understanding of the power sector in Pakistan. His deep expertise and vast knowledge make him a key figure in driving operational excellence within the sector. His academic credentials are exemplary. He is a gold medalist in Pre-Engineering from B.I.S.E. Sargodha and holds a Bachelor's degree in Electrical Engineering from UET Lahore. Additionally, he earned a Master's in Business Administration with a major in Finance, equipping him with a unique combination of technical and business acumen. Renowned for his technical proficiency, he excels in conceptualizing and executing complex power sector projects, ensuring the highest standards of efficiency and effectiveness. His approach integrates both technical expertise and strategic thinking, enabling him to lead successful initiatives across various sectors within the power industry.

In addition to his technical skills, he is also highly regarded for his exceptional team management and interpersonal abilities. He has demonstrated outstanding leadership in fostering team collaboration, motivating staff, and ensuring alignment with organizational goals. His leadership style is both visionary and results-driven, with a strong focus on achieving both short-term objectives and long-term growth. Further strengthening his professional profile, he has completed several prestigious certifications, including the Directors Training Program from LUMS and ICMA, Wholesale Electricity Marketing Professional (LUMS), and Project Management (LUMS). These qualifications further underscore his capabilities as a task-oriented, results-driven professional committed to the continued advancement of the power sector.



Engr. Amir Zia
Independent Director

Mr. Amer Zia is an Electrical Engineer with over 35 years' experience of Power Utility management. He has a Bachelor's and Master's Degree in Electrical Engineering and MBA in Project Management. He has managed extremely diverse work environments, both technically, operationally and administratively. Led large teams of employees to successful management solutions. He has in-depth knowledge and experience of Power Sector of Pakistan, including technical, regulatory, legal and operational frame work. He has performed significant leadership roles within the energy sector, particularly during his tenure at NEPRA, USAID and K-Electric. Currently, he is the Chairman BOD LESCO & MEPCO.



Mr. Adil Bashir
Independent Director

Mr. Adil Bashir serves as the Executive Director of Suraj Cotton Mills Limited, bringing extensive expertise in financial management and human resource development from the corporate sector. With an MBA background, he emphasizes a collaborative and trust-driven leadership style that fosters performance, accountability, and growth. He also chairs the Audit Committee at FESCO, contributing strategic insight and financial acumen to strengthen governance and decision-making. As Chairman of the All Pakistan Textile Mills Association (APTMA) from 2020 to 2021, he played a key role in guiding the textile sector through major challenges and opportunities. His leadership style is forward-thinking, marked by a strong understanding of both operational and strategic elements of the business.



Ms. Zoë Khurshid Khan
Independent Director

Ms. Zoë Khurshid Khan is a highly qualified Advocate with a license to practice before the Hon'ble High Courts of Pakistan. With a broad and dynamic legal career, Ms. Khan actively litigates across the country, representing clients in both civil and criminal matters. Her extensive legal expertise spans several domains, with a particular focus on arbitration, both local and international. She regularly provides counsel to a diverse range of clients, including banks, commercial entities, multinational corporations, governments, and private individuals. She has earned a reputation for her in-depth knowledge of legal processes and her ability to represent clients effectively before various legal forums, including regulators and governmental institutions. In addition to her practice, she is a Partner at the esteemed law firm RAMDAYS, Advocates, where she contributes her expertise in handling complex legal issues and litigation. Furthermore, she serves as an Independent Director at both LESCO (Lahore Electric Supply Company) and GEPCO (Gujranwala Electric Power Company), providing strategic legal insight and governance support to these organizations.



Engr. Pervaiz Iqbal
Independent Director

Mr. Pervaiz Iqbal is a highly experienced Professional Electrical Engineer with over 35 years of extensive experience in Pakistan's Power Sector. He began his career as Assistant Director in Power Distribution Planning with WAPDA, and over the years, he has held several key roles in operations, construction, meter testing, and top management. His diverse experience has equipped him with a well-rounded understanding of the sector, allowing him to manage complex projects and schedules while consistently prioritizing customer service and the integration of new technologies into the power distribution business. His technical acumen, combined with his strong management capabilities, has enabled him to effectively lead and manage large-scale operations. His comprehensive knowledge of electrical engineering, further strengthened by an MBA, positioned him as an ideal candidate for the role of Managing Director/CEO at GHCL. During his tenure, he implemented critical rehabilitation plans that significantly improved plant efficiencies, showcasing his ability to drive operational excellence. His technical expertise and leadership skills have been further demonstrated in his role as the Chairman of the TIDOP Committee on the FESCO Board. His strategic decision-making has been integral to enhancing FESCO's operational performance, making a tangible impact on its efficiency and service delivery. Throughout his career, he has continuously proven his ability to lead and innovate, combining his deep technical knowledge with exceptional management skills to achieve sustainable growth and improvements within the power sector.



Mr. Hassan Raza Saeed
Non-Executive Director

He is a civil servant by profession and has over 26 years of experience in various fields including Human Resource Management, Finance and General Administration. He has served Govt. of Punjab & Federal Govt. in various capacities and is presently serving as Senior Joint Secretary (HRM) Finance Division.



Mr. Umer Azmatullah
Non-Executive Director

Mr. Umer Azmatullah is a multidisciplinary public sector leader and professional engineer with academic qualifications in Engineering, Law and Management, and has advanced professional training from several countries including the USA, the Netherlands, the United Kingdom, and China. With over 15 years of experience in the power sector, urban development, and public governance, he currently serves as Deputy Secretary in the Power Division, while concurrently holding the position of Chief Operating Officer at the Energy Infrastructure Development and Management Company (EIDMC), and serving as Director on the Boards of Faisalabad Electric Supply Company Ltd. (FESCO) and Guddu Power Company Limited (GPCL). He has previously held senior roles notably Director and Executive Magistrate in the Capital Development Authority (CDA) Islamabad Capital Territory (ICT). Mr. Umer Azmatullah possesses extensive expertise in international cooperation, power sector reforms, infrastructure development, energy policy, and diplomatic engagement, and is recognized for executing major infrastructure projects in Islamabad and hosting prominent diplomatic events, including national day celebrations of the UAE, China, Türkiye, Oman, and other partner countries.



Ms. Lubna Usman
Non-Executive Director

Ms. Lubna Usman is an accomplished civil servant in the Pakistan Administrative Service (PAS), with over 14 years of experience as a public policy practitioner. Her career is marked by a deep commitment to policy reforms and socio-economic development, with a particular focus on addressing public issues and driving impactful change. Throughout her field assignments, she has consistently prioritized the resolution of community challenges and the effective implementation of developmental initiatives. In her previous role as Additional Director General at the Punjab Food Authority, where she also held the additional charge of Director General, she played a pivotal role in the enforcement of food safety and quality standards. Her leadership was instrumental in advancing the vision of creating a Punjab free from adulteration, ensuring that the province met high standards of food safety and public health. Currently, Ms. Usman serves as Additional Secretary in the Energy Department, where she continues to drive significant policy reforms and initiatives. She is especially committed to the fast-track implementation of Annual Development Program (ADP) schemes, with a strong emphasis on the utilization of renewable resources to promote clean and green energy across Punjab. Ms. Usman's leadership is characterized by a results-oriented approach, with a keen focus on sustainable development and improving the socio-economic landscape through innovative energy solutions and policy advocacy.

Detail of BOD FESCO Meetings

held during FY 2024-25

Sr. No.	Meeting of BOD	Held on	Minutes (signed) issued vide	
			No.	Dated
1.	285th / 35th	01.07.2024	3711	03.07.2024
2.	286th / 36th	15.07.2024	3749	19.07.2024
3.	287th / 1st	24.07.2024	3780	29.07.2024
4.	288th / 2nd	31.07.2024	3792	04.08.2024
5.	289th / 3rd	10.08.2024	3938	12.09.2024
6.	290th / 4th	03.09.2024	3915	09.09.2024
7.	291st / 5th	27.09.2024	3997	30.09.2024
8.	292nd / 6th	30.09.2024	4017	04.10.2024
9.	293rd / 7th	04.10.2024	4066	20.10.2024
10.	294th / 8th	04.11.2024	4148	15.11.2024
11.	295th / 9th	27.12.2024	4284	31.12.2024
12.	296th / 10th	06.01.2025	4334	10.01.2025
13.	297th / 11th	21.01.2025	4384	23.01.2025
14.	298th / 12th	12.02.2025	4450	13.02.2025
15.	299th / 13th	17.02.2025	4468	19.02.2025
16.	300th / 14th	20.02.2025	4496	28.02.2025
17.	301st / 15th	08.03.2025	4523	11.03.2025
18.	302nd / 16th	19.03.2025	4600	28.03.2025
19.	303rd / 17th	26.03.2025	4601	28.03.2025
20.	304th / 18th	29.03.2025	4624	08.04.2025
21.	305th / 19th	01.05.2025	4719	06.05.2025
22.	306th / 20th	06.05.2025	4745	15.05.2025
23.	307th / 21st	14.05.2025	4854	17.06.2025
24.	308th / 22nd	23.05.2025	4855	17.06.2025
25.	309th /23rd	16.06.2025	4859	17.06.2025

Board of Directors Meetings held Month-wise (2024-25)

2024				2025			
July	4	October	1	January	2	April	-
August	1	November	1	February	3	May	4
September	3	December	1	March	4	June	1

Attendance of BOD Members

(For the Year 2024-25)
From 285th/ 35th to 286th / 36th BOD Meetings
(Dated 01.07.2024 to 15.07.2024)

Sr. No.	Name	Meetings held	Meetings attended
1.	Mr. Muhammad Tehseen Alvi	2	2
2.	Mr. Muhammad Aamer	2	2
3.	Engr. Muhammad Babar Ikram	2	2
4.	Mr. Iftikhar Ahmed Ansari	2	2
5.	Mr. Nauman Khalid	2	2
6.	Mr. Muhammad Momin Junaid	2	2
7.	Mr. Rab Nawaz	2	2
8.	Mr. Muhammad Ali Ranjha	2	2
9.	Mian Farrukh Iqbal	2	2
10.	Mr. Hassan Raza Saeed	2	2
11.	Mr. Qumar Sarwar Abbasi	2	2
12.	Ms. Lubna Usman	2	2

From 287th/1st to 309th /23rd BOD Meetings
(Dated 24.07.2024 to 30.06.2025)

Sr. No.	Name	Meetings held	Meetings attended
1.	Mr. Omer Farooq Khan	23	23
2.	Mr. Muhammad Aamer	23	20
3.	Ms. Zoe Khurshid Khan	23	23
4.	Engr. Pervaiz Iqbal	23	23
5.	Mr. Adil Bashir	23	21
6.	Mr. Amir Zia	23	23
7.	Mr. Umer Azmatullah (Nominated on 06.09.2024)	19	19
8.	Mr. Qumar Sarwar Abbasi (Resigned 18.11.2024)	08	02
9.	Mr. Hassan Raza Saeed (Nominated on 25.11.2024 in place of Mr. Qumar Sarwar Abbasi)	19	19
10.	Ms. Lubna Usman	19	19



COMPANY PROFILE & JURISDICTION



INCORPORATION

Faisalabad Electric Supply Company Ltd. was incorporated as a non-listed public limited company under the Companies Ordinance, 1984, on March 21, 1998. The Certificate of Commencement of Business was subsequently issued on March 26, 1998.

COMPANY PROFILE

FESCO's service territory spans eight civil districts, namely: Faisalabad, Jhang, Chiniot, Toba Tek Singh, Bhakkar, Mianwali, Khushab, and Sargodha. The company's jurisdiction covers an area of approximately 44,247 square kilometers. To efficiently serve consumers across this vast region, FESCO's organizational structure is divided into various functional categories, including Operations, Construction, and Grid System Operation (GSO). The Operations department is further categorized into Technical and Commercial setups. The Construction wing has two divisions: one responsible for 11 kV and below network projects and the other for 132 kV and 66 kV network developments. The Technical Services Directorate supports operational activities by handling meter testing and checking, with setups established at the divisional level in Faisalabad (1st & 2nd Circles), Jhang, Sargodha, Mianwali, and Toba Tek Singh Circles. As of June 30, 2025, FESCO serves approximately 5.74 Million consumers and operates with a workforce dedicated to providing uninterrupted power supply and efficient customer service, day and night.

OPERATIONAL STRUCTURE

FESCO's operational network consists of 6 Operation Circles, 29 Operation Divisions, 148 Operation Sub-Divisions, 01 Grid System Operation (GSO) Circle, 5 SS&T Divisions, 01 P&I Division, 14 SS&T Sub-Divisions and 4 P&I Sub-Divisions. Each Circle is managed by a Superintending Engineer, Divisions by Executive Engineers, and Sub-Divisions by Sub-Divisional Officers (SDOs).

FESCO JURISDICTION

FESCO shares its boundaries with neighboring Distribution Companies (DISCOs) including LESCO, GEPCO, IESCO, PESCO, and MEPCO, and maintains interlinked supply-sharing networks with them.

CIRCLE-WISE JURISDICTION

Faisalabad 1st Circle covers the eastern part of Faisalabad city, extending to Jaranwala, Khurrianwala, Chak Jhumra, and Chiniot. Faisalabad 2nd Circle covers the western part of Faisalabad city, extending to Tandlianwala and Samundri tehsils. (Both Circles have their headquarters located in Faisalabad.) Jhang Circle Headquartered at Jhang city, managing power supply and customer services across Jhang District. Toba Tek Singh Circle responsible for supply management in Toba Tek Singh, Kamalia, and Gojra areas. Sargodha Circle Covers the entire districts of Sargodha and Khushab. Mianwali Circle manages power supply and customer services in Mianwali and Bhakkar districts, sharing boundaries with IESCO, PESCO, and MEPCO.

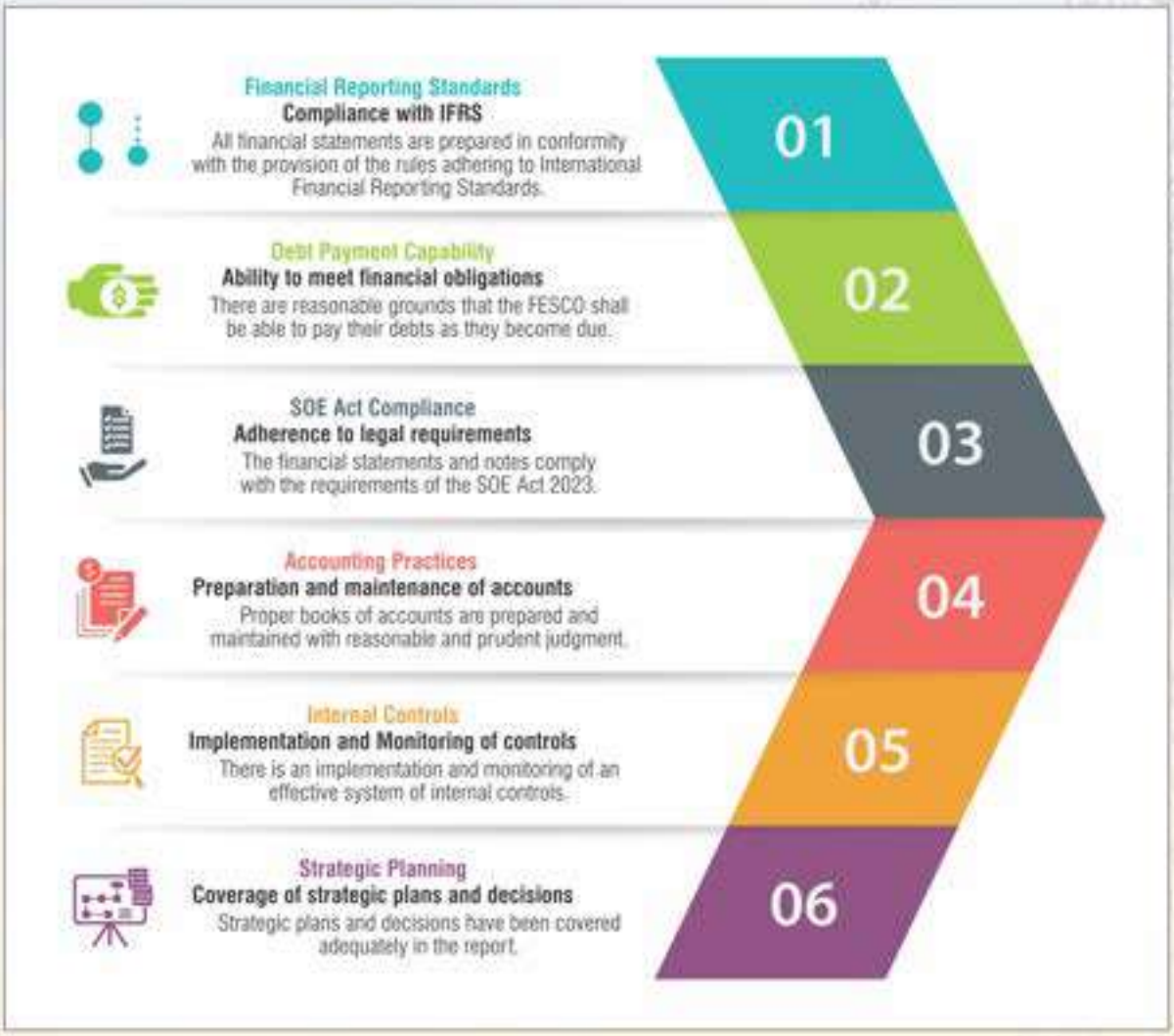
DIRECTOR'S REPORT TO THE MEMBERS 2024-25

The Director's Report is part of the FESCO Annual Report 2024-2025 and is given to shareholders in accordance with Sections 226-227 of the Companies Act of 2017 as well as the State-Owned Enterprises (Governance and Operation) Act of 2023 and the SOE (Ownership and Management) Policy of 2023. This report consists of five main sections, including the board initiatives, future outlook, commercial performance, technical performance, and financial performance of the company.



Assurance to Shareholder:

The Board is certain to inform the shareholders that



Regulatory Compliances

In compliance with the Companies Act 2017 and SOE Act 2023 the Board of Directors held 25 meetings and one AGM and one EOGM. The Sub-Committees of the Board has also held successive meetings in order to provide the policy direction to the management, as well as extend their expert advice on performance issues of the company. All meetings of the Board of Directors have been held within the specified time as per the Companies Act, 2017 and SOE Act, 2023. The detail of committee meeting held is hereunder:



Complied with the SOE Act

COMMITTEES MEETING FREQUENCY

Audit, Finance, Investigation, Financial Risk Management & Internal Control Committee	15 Meetings
HR, Admin, Legal & HSE Committee	17 Meetings
Technical Initiatives, Development, Operational & Procurement Committee	10 Meetings
Policy, Strategy, Marketing & Risk Management Committee	16 Meetings
Customer Services and IT Initiatives Committee	10 Meetings

Change in Shareholding

In compliance with the direction received from the Ministry of Energy (Power Division) to issue shares in the name of WAPDA, and subsequently WAPDA would transfer these shares in the name of the President of the Islamic Republic of Pakistan. FESCO complied with this direction and finally completed the transfer of the share process on 24.06.2025.



Board Focus and Initiatives

The Board identified critical focus areas to improve the organization's overall performance across Operations, Customer Services, Governance, and Strategic Planning. Here are the pivotal highlights about key initiatives, accomplishments, and future directions aimed at enhancing service delivery, financial performance, and organizational efficiency. The Board placed significant emphasis on improving the operational performance of the company, focusing on reducing technical losses, enhancing recovery, and upgrading infrastructure.

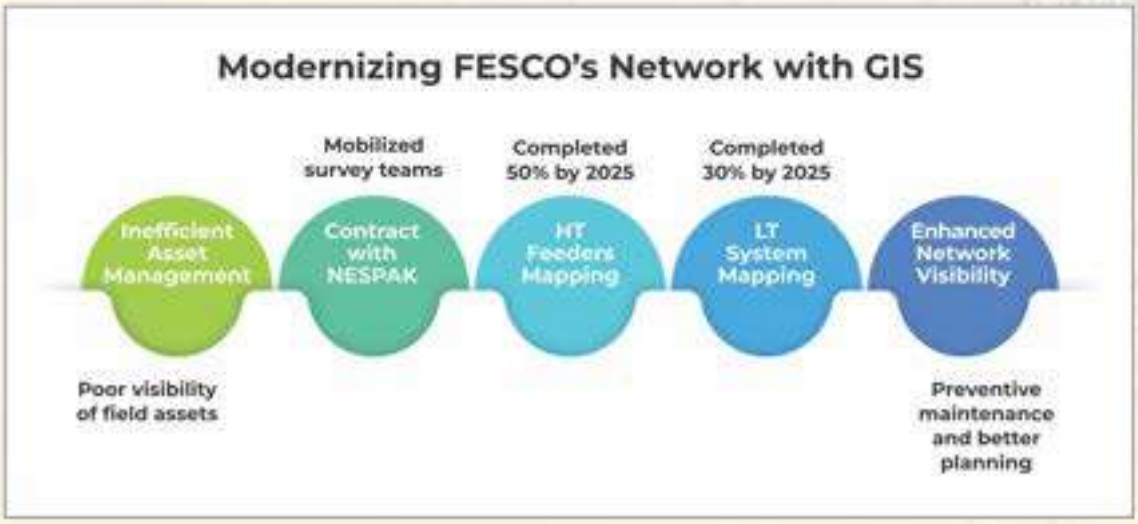
1. **Losses and Recovery:** FESCO was actively pursuing the loss reduction targets set by NEPRA (National Electric Power Regulatory Authority). Although the progressive line losses have been reduced to 8.89% as compared to 9.82% in the previous year, it could not achieve the NEPRA target of 8.38% due to an abnormal increase in unit receipts in June 2025. On the recovery front, FESCO has shown strong performance with a progressive recovery rate of 100.3%, exceeding last year's 99.6%. This improvement has been driven by better billing systems, targeted recovery from defaulters, and increased operational accountability. The Customer Services committee of the Board regularly reviews company performance on recovery and losses issues. The improvement directions envisioned by the CS & IT Initiatives Committee are transformed into practical implementation throughout the company operational areas.

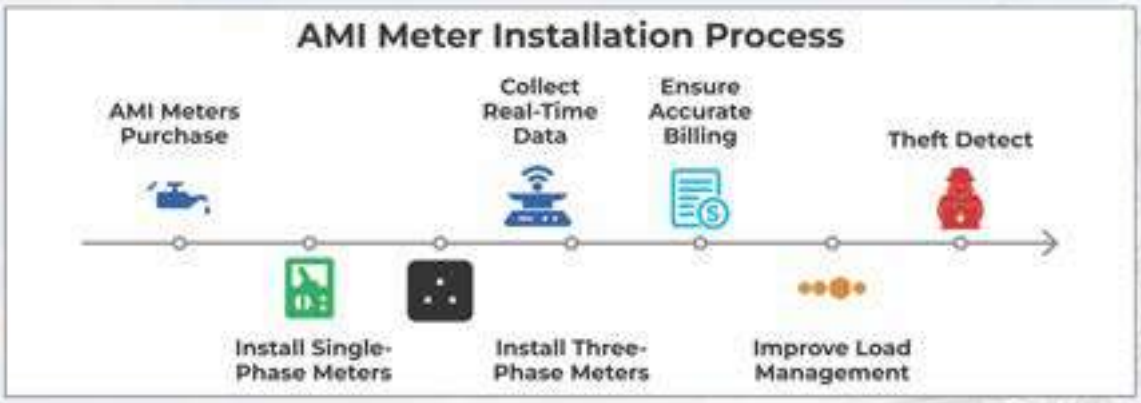
2. **Anti-Theft Drive & Recovery Campaign:** The Board initiated a robust anti-theft campaign to eliminate electricity pilferage through theft detection technologies such as targeted physical inspections after carrying out in-house analysis of the high feeder losses, then reaching out to transformer losses, and finally putting in efforts to detect electricity theft at the consumer level. As a result of this campaign, more than 25.63 million units were detected and charged to power pilferers. A total recovery of PKR 798.72 million was made, and 7,068 FIRs were registered. These actions significantly contributed to financial health and deterred future theft.

3. **S-Phase AMI Meter Installation:** The company was allowed to purchase AMI single-phase meters to install on single-phase new connections, and this advanced metering infrastructure will support real-time data collection from the consumer meters and ensure accurate billing to the consumers. Similarly, the installation of three-phase AMI meters is already in progress. It is perceived that these AMI meters will significantly improve load management, theft detection, and accurate billing to the customers.

4. **GIS Mapping and Asset Tagging**

FESCO initiated GIS-based infrastructure mapping and asset tagging to digitize and modernize the network. A contract was signed with NESPAK, and their survey teams were mobilized. This initiative enhances visibility of field assets (poles, transformers, feeders), thus enabling preventive maintenance, and supports better planning and decision-making, and above all tracing out the technical losses of the feeder. During 2024-25, 50% of the work on HT feeders was complete, and 30% of the work on the LT system was complete. The overall project completion deadline as per the agreement is 30 July 2026.





5. **Customer Services:** The Board has reinforced the importance of responsive and efficient customer service mechanisms to ensure consumer satisfaction. The Centralized Complaint Management System (CCMS) integrates call center operations, IT platforms, and field services. It enables efficient complaint registration and resolution, real-time complaint tracking, and performance monitoring of field teams. Likewise, the consumers have been provided with various contact options to connect with FESCO, such as a 24/7 toll-free helpline (118), the 8118-messaging service, and the mobile application FESCO LIGHT. A novel way of complaint resolution system was also placed as a pilot project in the name of e-Ops (CCMS Plus), which is a digital operations system introduced in Abdullahpur Division as a pilot project to manage operations, maintenance, and fault reporting electronically. The rollout phase will be a step forward to extending this system across all operational zones after successful piloting.

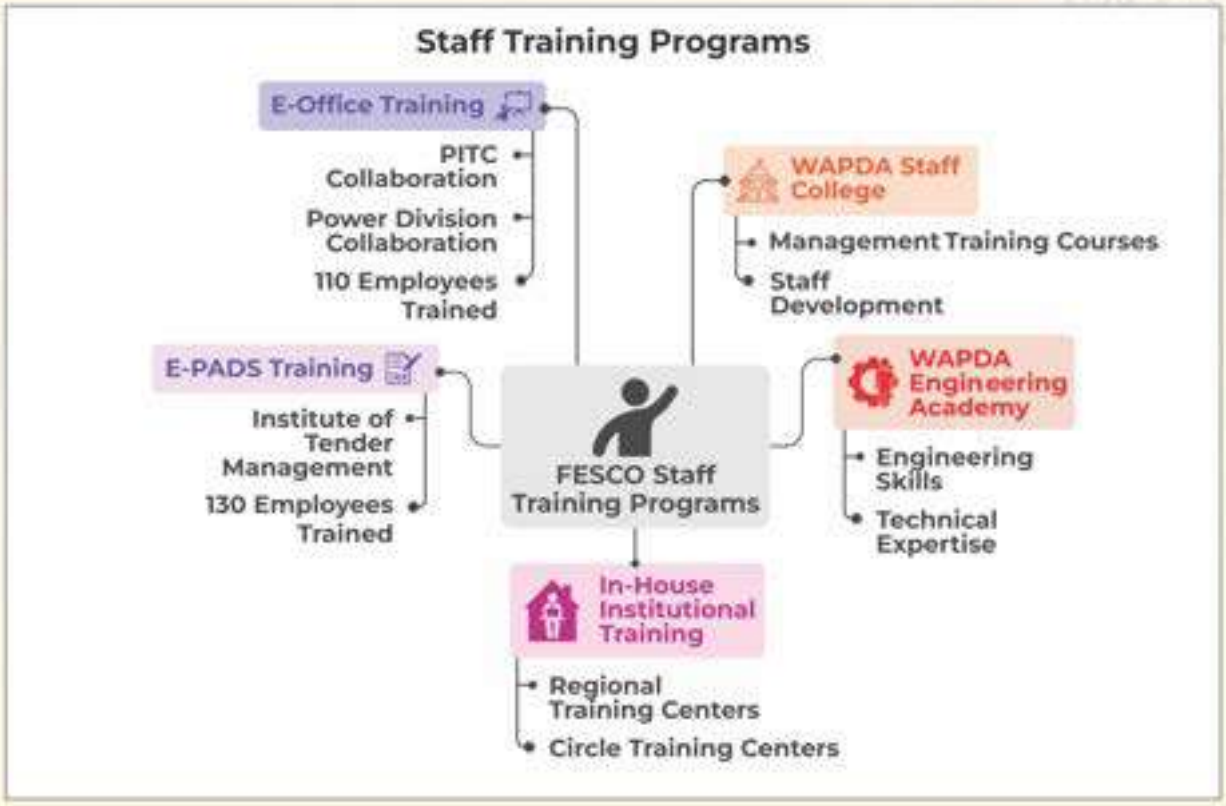


6. **Human Resource Development:** Training and capacity-building initiatives for staff at all levels were the key elements in the company and multidimensional knowledge enhancement, and skilled development areas were part of the training programs. Leading institutions from all over the country, such as LUMS, NUST,

IBA, PPMI, PIM, ICMA, and PPRA, etc., were engaged to train the 05 Directors of the Board, 02 BPS-19 & above Officers, 66 BPS-18 Officers, and 177 BPS-17 Officers of the Company. The officers of the FESCO at various levels attended management and technical training programs at these leading institutions as well, in addition to attending training courses at WAPDA Staff College and WAPDA Engineering Academy. The staff/officials were also trained through in-house institutional training arrangements (regional and circle training centers).



Apart from the above, 130 employees have been trained on E-PADS from the Institute of Tender Management (ITM). Furthermore, 110 employees have also been given training on E-Office in collaboration with PITC and the Power Division.

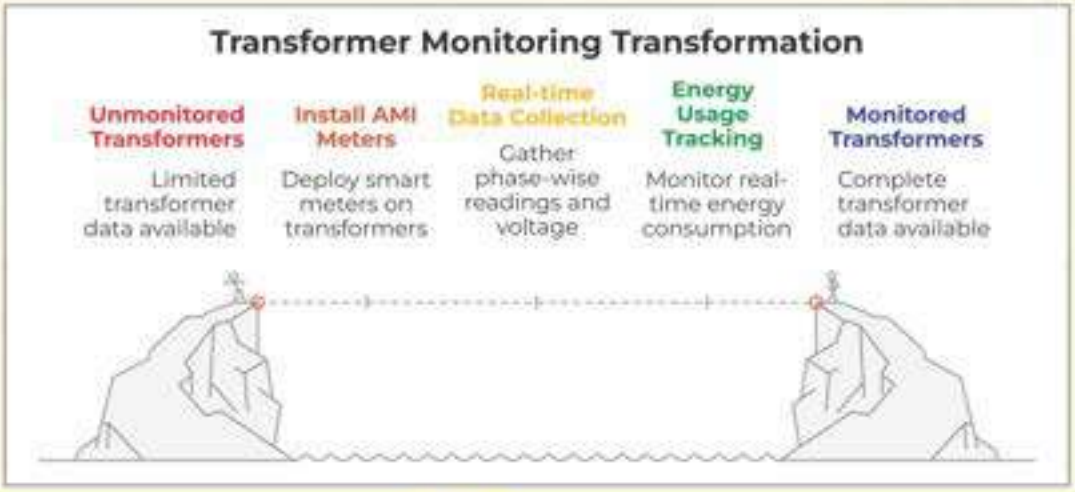


The Board has successfully completed the recruitment of C-level positions such as CEO, CFO, CIA, and Company Secretary through competitive, transparent, and merit-based procedures.

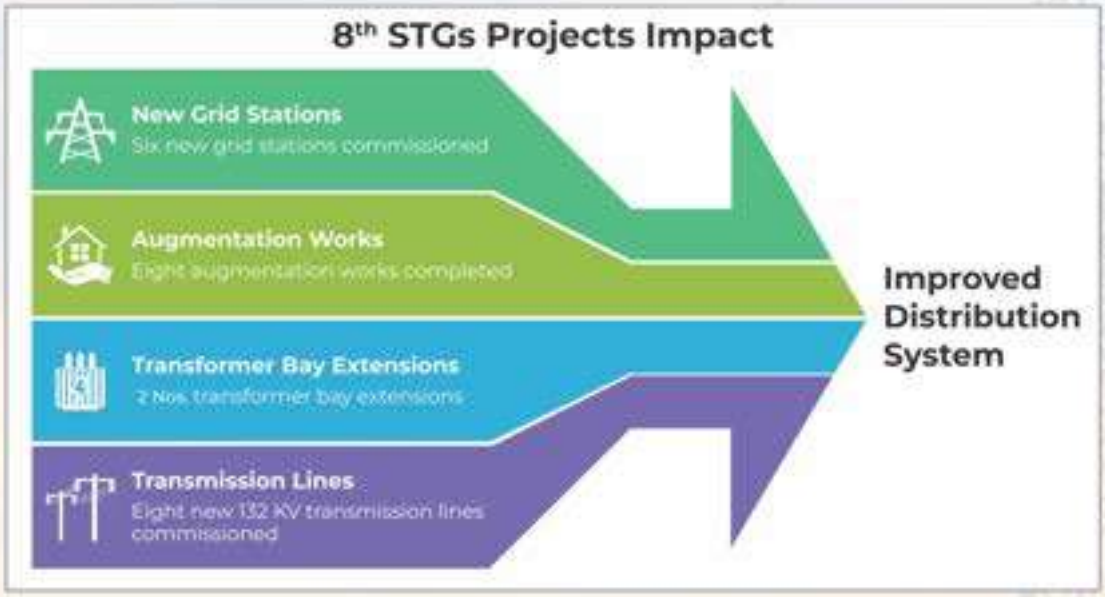


The Board also initiated implementation of a novel performance evaluation system (PER) in order to take disciplinary or corrective actions against underperforming employees on an evidence basis. The Board emphasized assuring a performance-driven culture and encouraged having merit-based performance evaluations.

7. **Transformer Level Scanning/AMI Meters:** The FESCO Board of Directors has taken a new initiative for the installation of transformer scanning/AMI meters in the FESCO region. The AMI scanning meter will provide complete data of the transformer, i.e., complete phase-wise reading, voltage, consumption, etc., as well as monitor real-time energy usage, tracking, and reduction in admin losses as well as damage of transformers.



8. **8th STG Projects Implementation:** It is a continuous process to identify the projects for reducing transmission and transformation losses for the betterment of the Distribution System. 06 Nos. New Grid Station, 08 Nos. Augmentation works, 02 Nos. Extension of Power Transformers Bay and Line Bay, and 08 Nos. New 132 KV Transmission Lines were completed/commissioned under 8th STG projects.



9. **Employees' Health Insurance:** The Board took an initiative to provide the employees with the best health services through a third-party service provider. An initial proposal was prepared, and the management was directed to find the best of the best service provider with a wider reach, even in remote areas. The work on this aspect was initiated and will culminate soon.



10. **E-Office Implementation:** In collaboration with NITB, FESCO deployed a digital E-Office at FESCO Headquarters to eliminate paper use. The platform ensures file tracking, approvals, and document management. Expansion to all divisions is underway.



11. **E-Procurement (E-PAD):** FESCO adopted a fully digital procurement system aligned with PPRA rules. It covers tendering, bid submission, evaluation, and contract awarding. Supplier interaction is managed through a dedicated portal.



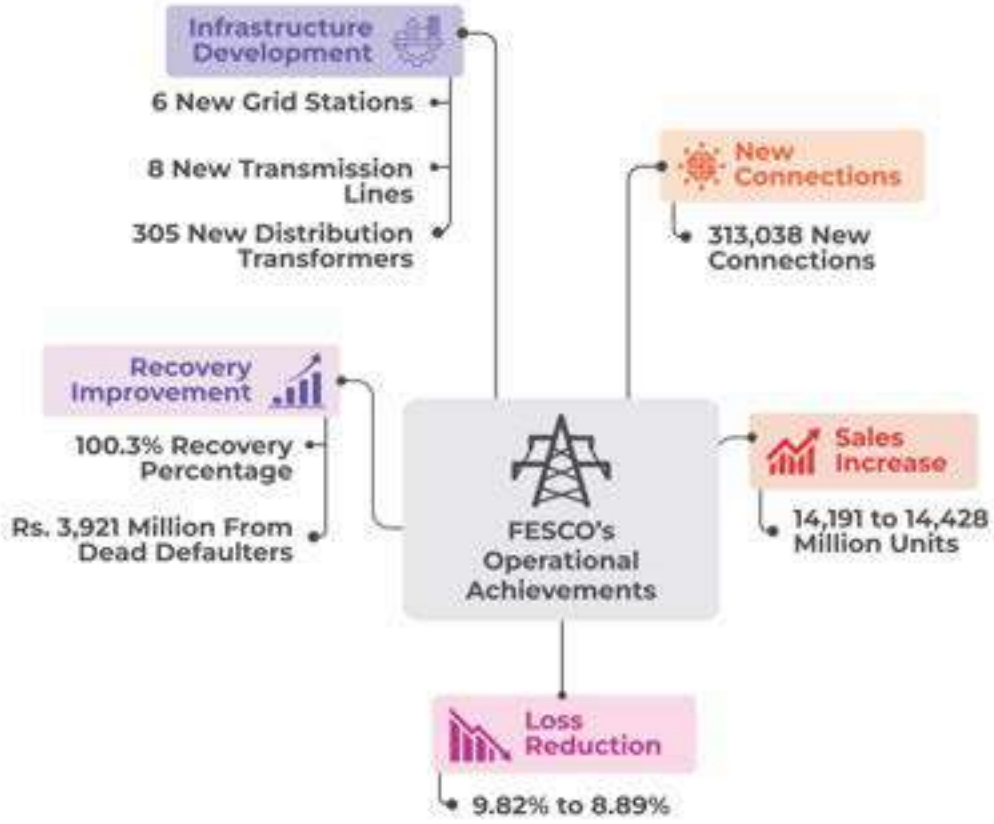
12. **Management Accounts:** The Board initiated a new practice to review Management Accounts of the Company on a monthly basis in order to be well aware of the financial status of the company as well as to make proactive strategies to overcome any untoward outcomes.



Achievement Highlights

- Installed 313,038 new connections.
- Sales increased from 14,191 million units to 14,428 million units.
- Sales Revenue Rs 470,120 million.
- Profit earned Rs 9,433 million.
- Reduced T&D losses from 9.82% (2023-24) to 8.89% (-0.93%) in 2024-25.
- Increased the progressive recovery percentage to 100.3% against 99.6%.
- Decreased running defaulters amount from Rs. 6517 million ending 06/2024 to Rs. 3026 million ending 06/2025.
- Recovery made from the dead defaulter is Rs 3,921 million.
- 06 new grid stations constructed.
- 08 new 132 KV transmission lines constructed.
- 08 power transformers augmented.
- 02 power transformers bay & line bay commissioned.
- 65 new 11 KV feeders constructed.
- 305 new distribution transformers added.
- 329 existing distribution transformers augmented.
- 15231 No. net metering connections installed.

FESCO's Operational Achievements in 2024-25



Challenges/Risks (Highlights)

- Financial Risks: High capital expenditure, economic downturns, and inflation.
- Technological Risks: Technological failures, rapid obsolescence of technologies.
- Operational Risks: Supply chain disruptions, employee resistance to change.
- Regulatory Risks: Changes in regulations, non-compliance penalties.
- Customer-Related Risks: Resistance to tariff changes, low adoption of new services.
- Human Resource Risks: High attrition, inadequate skilled workforce, shortage of staff.
- Environmental Risks: High costs of sustainable projects.
- Net metering/solarization: Increasing trend poses financial risk.


Perceived Risks
Financial Risks
High capital expenditure and economic downturns
01
Technological Risks
Technological failures and obsolescence
02
Operational Risks
Supply chain disruptions and employees resistance to change
03
Regulatory Risks
Changes in regulations and non-compliance penalties
04
Customer-Related Risks
Resistance to tariff changes and low adoption
05
Human Resource Risks
High attrition and inadequate workforce
06
Environmental Risks
High costs of sustainable projects
07
Net Metering/ Solarization Risks
Financial risks due to increasing trend
08

DATA-DRIVEN APPROACH TO ENSURE TRANSPARENCY AND CUSTOMER EMPOWERMENT

The Board of Directors FESCO has set a theme of performance as the future direction of the Company. The whole of the Company will yield concentrated results through vision centered activities and efforts. The coming year will be a year of data driven approach to ensure transparency and the best customer services that will eventually lead to customer empowerment and customer partnership with FESCO Operations. FESCO aims to implement Advanced Metering Infrastructure (AMI), scanning meters, and tagging/coding of distribution networks, along with the adoption of E-OPS, CCMS (118 Customer Care Centers), and the Power/FESCO Smart application all of that is designed to enhance service accessibility and promote participatory customer engagement through initiatives such as "Apna Meter – Apni Reading".

1. **DATA DRIVEN APPROACH: (Activities to be undertaken)**

   a. Advanced Metering Infrastructure (AMI) Utilization

   Activity:

   - Smart AMI Meters installation

   Outcomes:

   - Smart AMI meters with two-way communication between consumer, utility, and control center.
   - Continuous transmission of energy consumption, load profile, voltage, and power factor data.
   - Remote meter reading and connection/disconnection capabilities.
   - Real-time alerts for tampering, bypassing, or reverse energy flow.
   - Accurate, real-time billing and anomaly detection.

   b. Installation of Scanning Meters on High-Loss Transformers

   Activity:

   - Installation of scanning meters on high-loss transformers based on energy balance reports.

   Outcomes:

   - Real-time data transmission to central dashboard.
   - Automated comparison of transformer output with consumer readings.
   - Instant alerts to Subdivisional and SDO dashboards upon detection of discrepancies.
   - Real-time theft detection and control.
   - Improved energy accountability at transformer level.
   - Reduction in technical and commercial losses.

   c. Tagging and Coding of Distribution Network

   Activity:

   - Asset tagging and coding

   Outcomes:

   - Unique tagging and coding of distribution points.
   - Real-time tracking of consumer connections and network mapping.
   - Enhanced traceability and fault localization.
   - Data-supported loss localization and intervention planning.
   - Classification of consumers by usage, type, consumption pattern, and complaint history using clustering algorithms.
   - Targeted engagement, faster complaint resolution, and focused interventions in high-loss areas.
   - Improved customer profiling and service delivery.
   - Data-driven decision-making for loss reduction.

2. CUSTOMER EMPOWERMENT

a. Integration of E-OPS, CCMS, Power Smart App and 118 Centers

Activity:

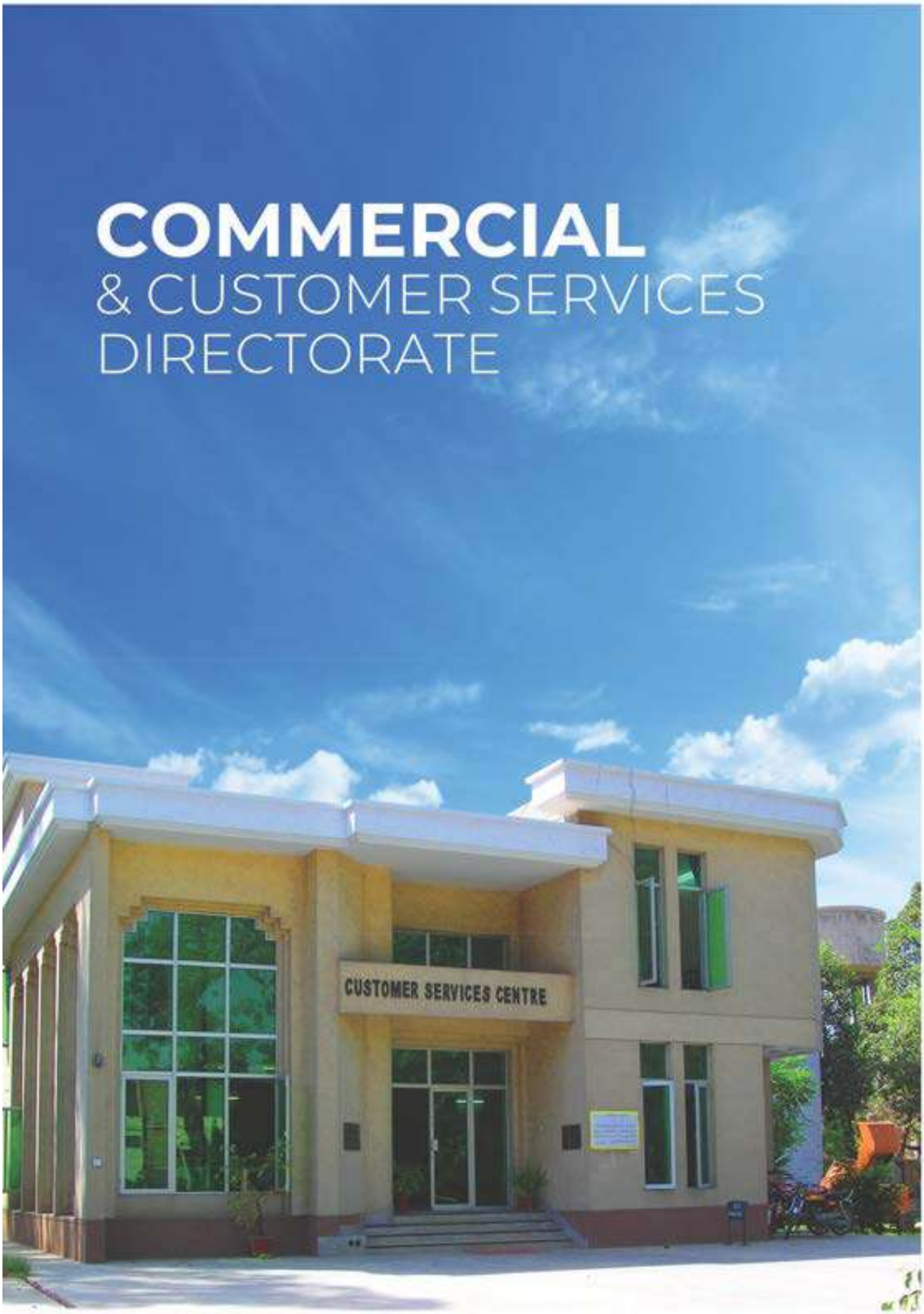
Establishing a centralized digital ecosystem to synchronize consumer data and service delivery.

Outcomes:

- Unified visibility of all consumer interactions, readings, and complaints.
- Streamlined workflows and 24/7 resolution tracking.
- Faster complaint resolution and improved service coordination.
- Centralized data visibility for management and monitoring.
- Real-time monitoring of consumer satisfaction and service performance.
- Feedback-driven updates in service processes.
- Zero overbilling.
- Improved customer satisfaction and trust.

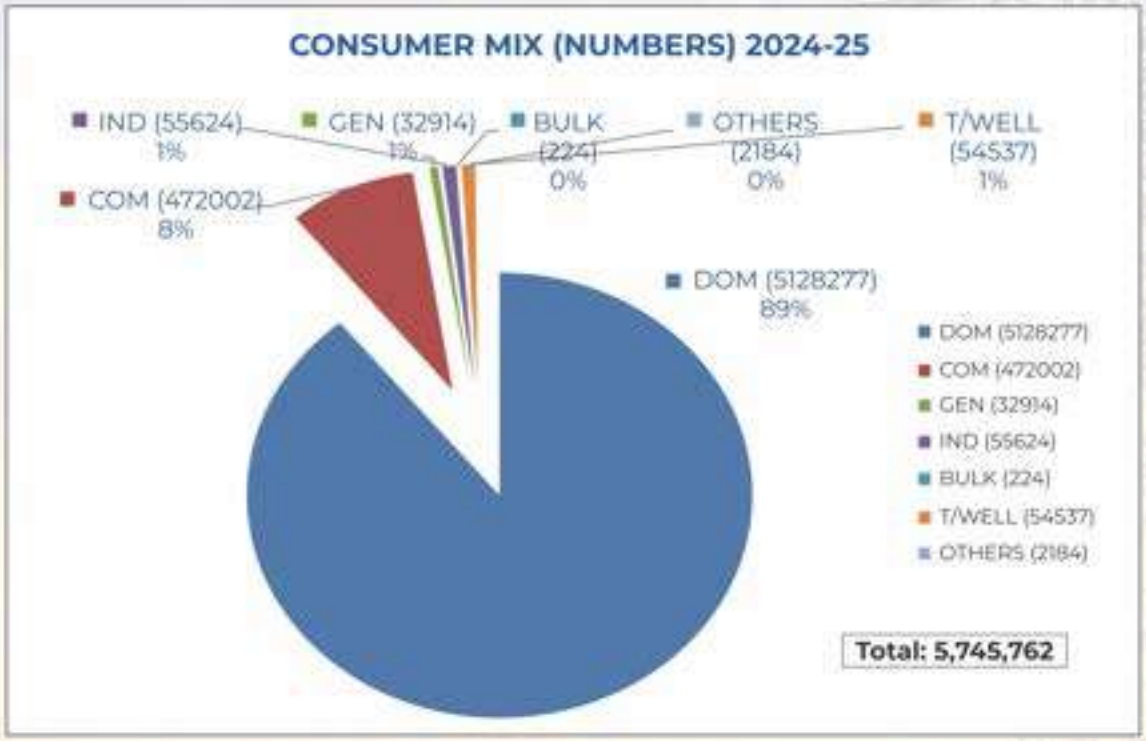


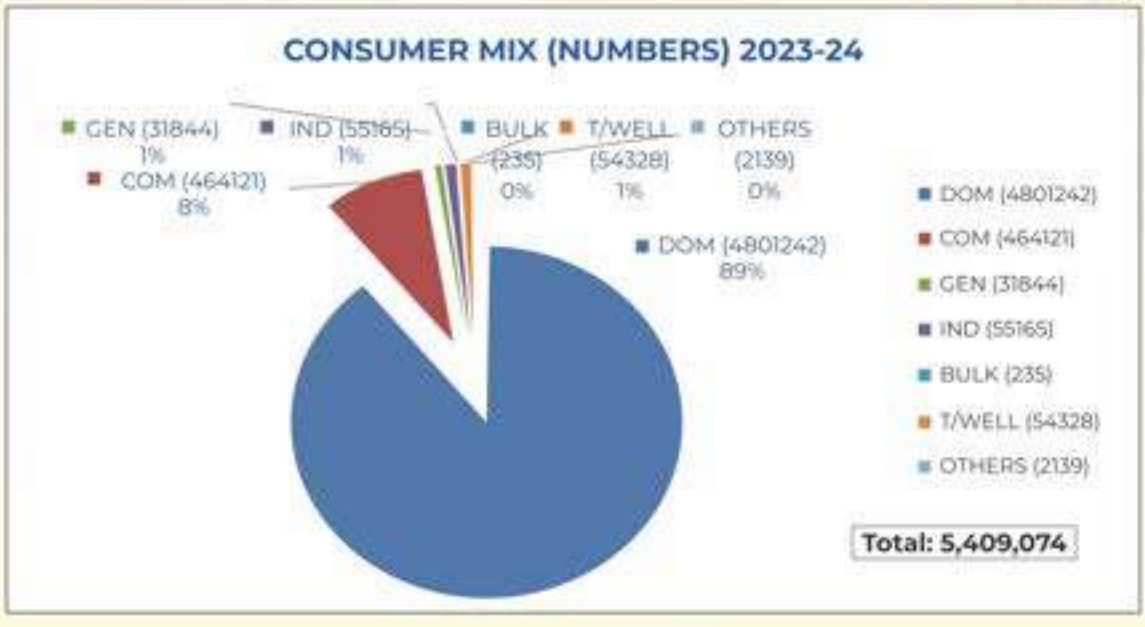
COMMERCIAL
& CUSTOMER SERVICES DIRECTORATE



CONSUMER MIX

At the end of June 2025, FESCO had 5.745 million consumers, out of which 5.128 million were domestic, 0.472 million were commercial, 0.056 million were industrial, and 0.055 million were agricultural tube well consumers. Whereas, at the end of June 2024, FESCO had 5.409 million consumers, out of which 4.801 million were domestic, 0.464 million were commercial, 0.055 million were industrial, and 0.054 million were agricultural tube well consumers. The following graph depicts the comparative percentage of the number of consumers of the last two years at the FESCO level.





These pie charts depict the maintenance of their ratios in terms of numbers in each sector, and an increase in overall numbers could not drag these ratios. FESCO understands that social sector growth is beyond its control, but as a company, it is making all efforts to install commercial and industrial connections as a priority.

The 2nd Circle Faisalabad is heavily dominated by medium / small industrial consumers besides domestic customers. On the other hand, the 1st Circle is dominated by big industrial consumers and Jhang Circles are dominated by domestic & agricultural consumers. 1st and 2nd Circles Faisalabad have Small Industrial customers as well. Jhang Circle has exceptionally large numbers of agricultural customers, due to which it leads all the Circles in agriculture consumption. It contributes approximately 22% of agriculture consumption of FESCO. The circle-wise position of consumers in numbers at the end of FY 2024-25 is given as under:

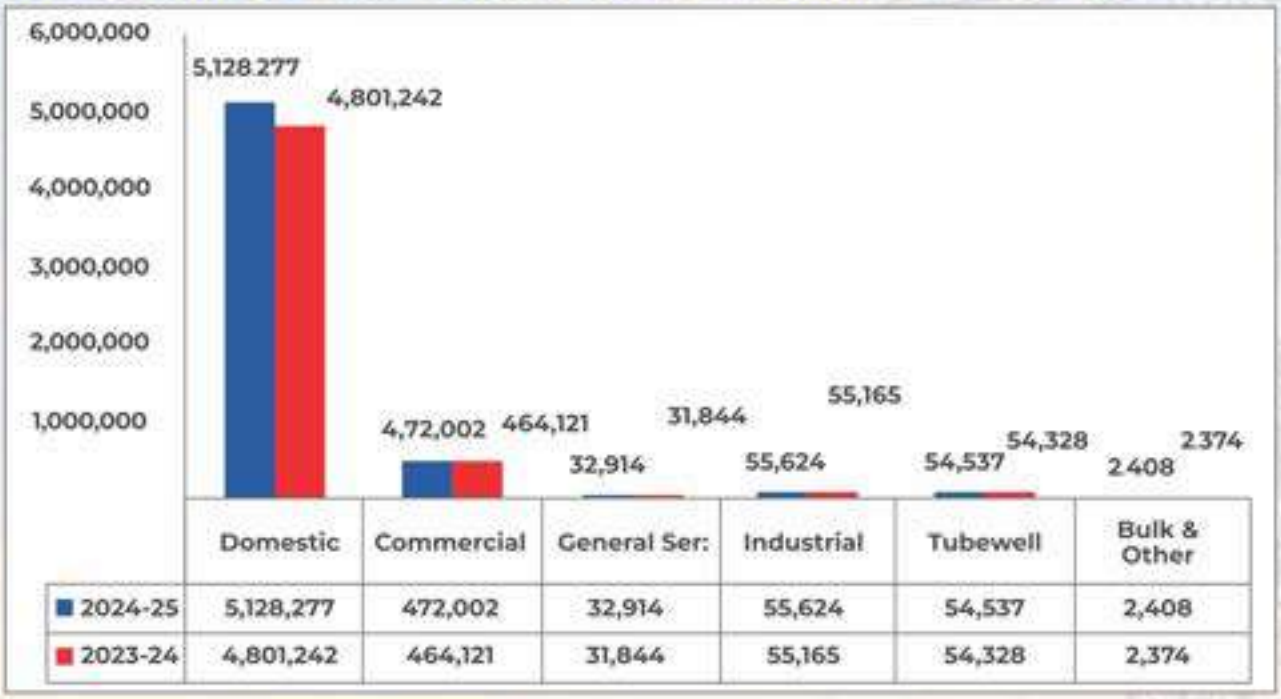
CONSUMER MIX (NUMBERS) 2024-25

Category	1st Circle FSD	2nd Circle FSD	Jhang Circle	Sargodha Circle	Mianwali Circle	Toba Tek Singh Circle	FESCO Total
Domestic	1,170,416	1,111,044	569,431	1,103,904	603,673	569,809	5,128,277
Commercial	126,517	101,021	50,825	107,903	41,713	44,023	472,002
General Services	5,886	4,486	3,717	9,265	5,464	4,096	32,914
Industrial	14,694	23,514	3,780	7,014	2,028	4,594	55,624
Tube Wells	14,900	6,458	15,089	6,272	4,730	7,088	54,537
Bulk & Others	812	708	365	268	147	108	2,408
Total	1,333,225	1,247,231	643,207	1,234,626	657,755	629,718	5,745,762
% of Total Consumers	23	22	11	21	12	11	100

CIRCLE WISE CONSUMER MIX (NUMBERS) 2023-24

Category	1st Circle FSD	2nd Circle FSD	Jhang Circle	Sargodha Circle	Mianwali Circle	Toba Tek Singh Circle	FESCO Total
Domestic	1,093,733	1,030,272	535,851	1,032,242	576,140	533,004	4,801,242
Commercial	124,497	99,030	49,746	106,001	41,292	43,555	464,121
General Services	5,710	4,407	3,603	8,922	5,266	3,936	31,844
Industrial	14,461	23,384	3,748	6,974	1,998	4,600	55,165
Tube Wells	14,853	6,440	15,022	6,246	4,693	7,074	54,328
Bulk & Others	791	699	360	269	146	109	2,374
Total	1,254,045	1,164,232	608,330	1,160,654	629,535	592,278	5,409,074
% of Total Consumers	23	22	11	21	12	11	100

COMPARATIVE ANALYSIS OF NO. OF CONSUMERS 2023-24 VS 2024-25



	Domestic	Commercial	General Ser:	Industrial	Tubewell	Bulk & Other
2024-25	5,128,277	472,002	32,914	55,624	54,537	2,408
2023-24	4,801,242	464,121	31,844	55,165	54,328	2,374

CONSUMPTION MIX

FESCO total unit sales during the current year 2024-25,were recorded as 14,428 million units, out of which 1st Circle Faisalabad contributed 38%, 2nd Circle 23%, Jhang Circle 7%, Sargodha Circle 17%, and Mianwali Circle and Toba Tek Singh Circle 8% each. Compared with last year, Jhang & Sargodha Circle maintain their ratio. Analysing this change, it is evident that sales in the domestic sector of FESCO increased from 6972 million units to 7178 million units, and at the same time, there was an increase in commercial, general service, industrial, bulk, and other consumption. NEPRA, while determining the tariff of the company, takes into consideration the higher slab sales as well, and if the company sells more units to low slab categories, it directly affects its earning capacity. The following table highlights the category-wise and circle-wise contribution of sales:

CIRCLE-WISE CONSUMPTION 2024-25

(Mkwh)

Category	1st Circle FSD	2nd Circle FSD	Jhang Circle	Sargodha Circle	Mianwali Circle	Toba Tek Singh Circle	FESCO Total
Domestic	1,832	1,741	702	1,469	699	735	7,178
Commercial	285	184	68	177	65	67	846
General Services	88	39	18	48	36	22	250
Industrial	3,010	1,151	138	565	202	151	5,217
Tube Wells	169	112	150	67	110	109	717
Bulk & Others	42	21	2	72	68	15	221
Total	5,425	3,250	1,078	2,397	1,179	1,100	14,428
% of Total Consumption	38	23	7	17	8	8	100

Comparing the category-wise unit sales of the current year 2024-25, with the previous year 2023-24, it is clear that the domestic, commercial, general, industrial, bulk & other sectors have significantly increased their contribution and remained leading. The domestic sector subsidy is dependent not only on the direct subsidies paid by governments but also on the cross-subsidized rates applied through the built-in tariff mechanism. In the agricultural sector, there has been a significant decrease in consumption from 1126 million units to 717 million units due to the elimination of subsidized tariffs and solarization. The following table highlights the consumption contribution of each category in 2024-25 and its comparative narration with the year 2023-24:

CIRCLE-WISE CONSUMPTION 2023-24

(Mkwh)

Category	1st Circle FSD	2nd Circle FSD	Jhang Circle	Sargodha Circle	Mianwali Circle	Toba Tek Singh Circle	FESCO Total
Domestic	1,785	1,688	681	1,428	684	705	6,972
Commercial	273	168	64	168	62	60	796
General Services	84	36	16	47	30	22	234
Industrial	2,786	1,089	139	483	211	151	4,858
Tube Wells	254	157	252	106	189	167	1,126
Bulk & Others	42	23	2	78	46	15	205
Total	5,224	3,161	1,153	2,310	1,221	1,121	14,191
% of Total Consumption	37	22	8	16	9	8	100

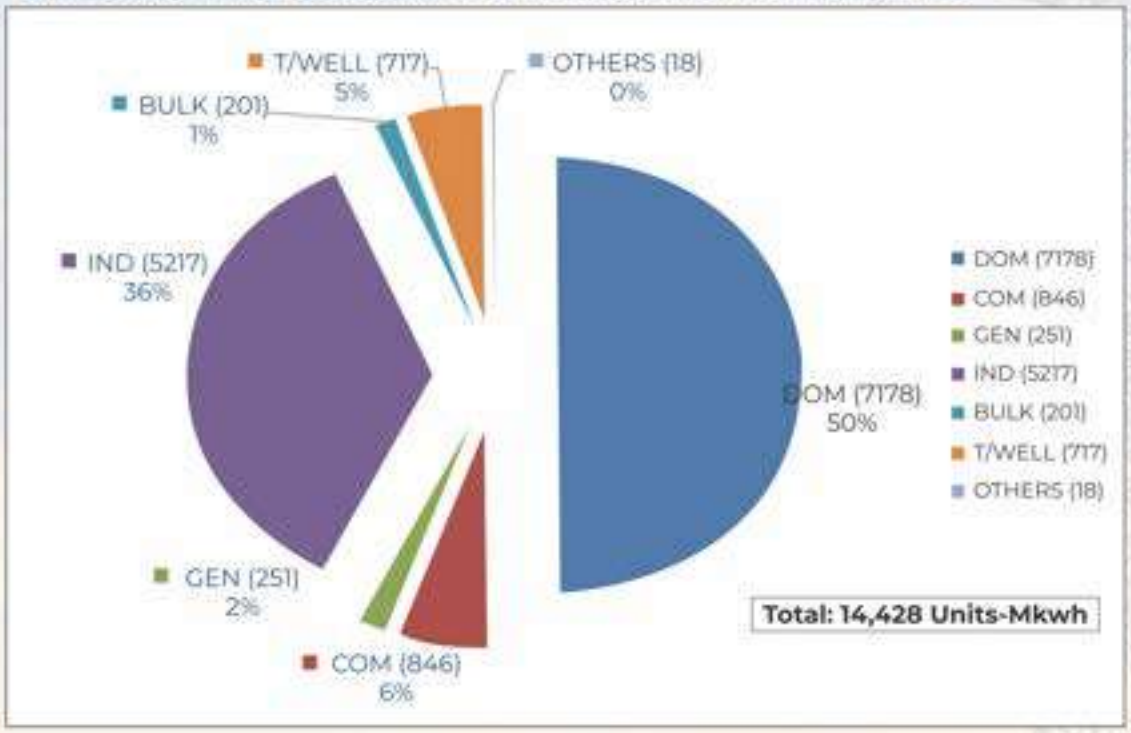
In 2024-25, 1st Circle's share in the sale mix increased from 37% in (2023-24) to 38%.

2nd Circle, Sargodha & Jhang maintained their previous year's contributions. Mianwali Circle had a 1% decreased consumption compared to the previous year which was mainly an increase in the domestic category.

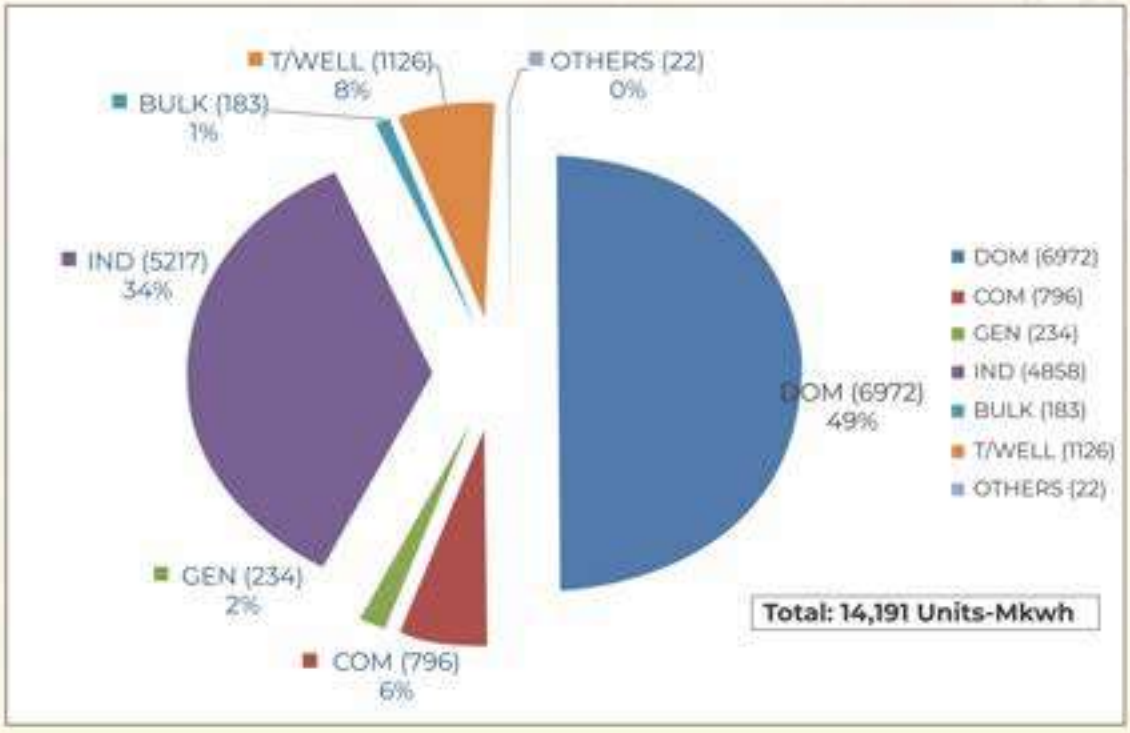
A significant increase of 7.4% in industrial sales, mainly in B2 and B4 consumption, was observed during the year 2024-25, and a decrease of 36% in agricultural sector consumption was also observed. The consumption pattern showed the increasing trend due to the overall increase in big manufacturers, and small and medium industry. Use in bulk supply and other consumers remained 1%, at par with the last year. Indeed, proportionally increase in consumption was observed in domestic and commercial sectors and in the industrial sector due to the overall economic condition of the country.

FESCO made a lot of efforts during the year 2024-25 in order to improve the consumption patterns. A collective effort was made with the help of industrial organizations in order to develop and implement a zero load shedding program. Accordingly, small industrial connections having domination on domestic feeders were declared as industrial-dominated feeders, due to which they were treated like big industries. Consumption mix charts of the current year and the year 2024-25 are given below for comparative analysis:-

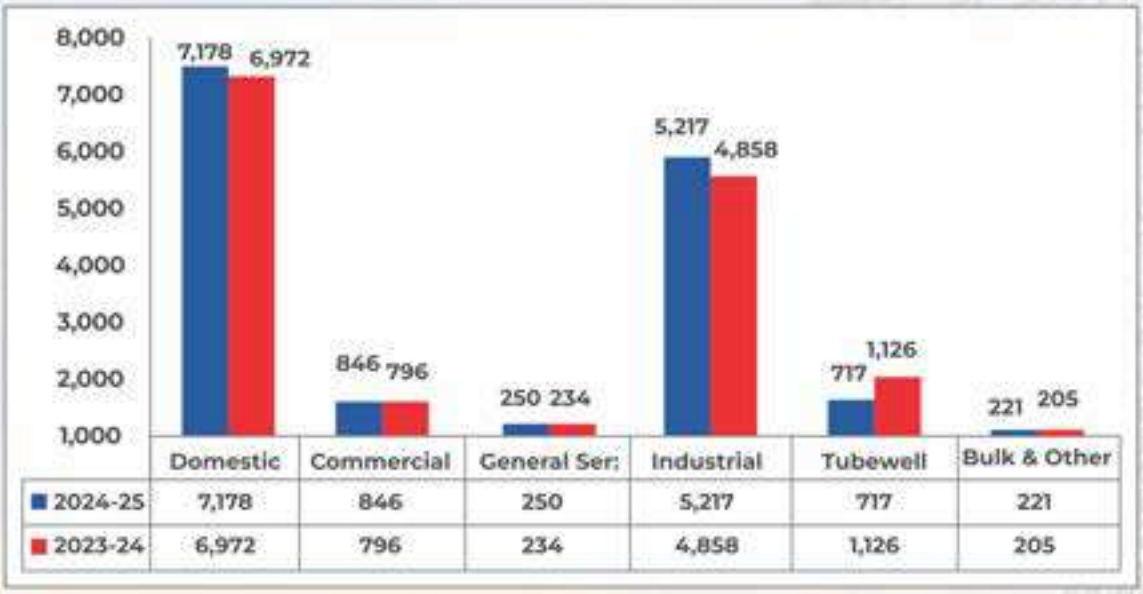
CATEGORY-WISE CONSUMPTION MIX (UNITS MKWH) 2024-25



CATEGORY-WISE CONSUMPTION MIX (MILLION UNITS) 2023-24



COMPARATIVE ANALYSIS OF UNITS SOLD (MKWH) 2023-24 VS 2024-25



	Domestic	Commercial	General Ser:	Industrial	Tubewell	Bulk & Other
2024-25	7,178	846	250	5,217	717	221
2023-24	6,972	796	234	4,858	1,126	205

SALE AND REVENUE

FESCO made a computed sale of Rs. 584,296 million during 2024-25 and generated revenue of Rs. 586,451 million, which was 100.37% of the sale. Public sector consumer sales were recorded as Rs.25,565 million, and revenue was generated as Rs.25,842 million, which was around 101.09%. In the private sector, FESCO made sales of Rs.558,732 million and recovered Rs.560,608 million, i.e. 100.34%. Various types of subsidies were built into the tariff on the directions of the government; the payments of these subsidies were to be released by the respective governments. The account of these outstanding subsidies is given below:

DETAIL OF SUBSIDIES (PRIVATE) FESCO

Description		Amount in (Million) Ending 06/2025
Federal Govt. Liabilities	GST Subsidy 2000	574
	AGRI. 2013	492
	P.M Rebate IND.2016	834
	Others	397
	ISP-19 Amount	1,685
	ZRI Rebate Amount	8,083
Provincial Govt. (GST Subsidy)		9,655
Provincial Govt. Liabilities		1,860
PEPCO Liabilities		531
Prime Minister Subsidy		44
Govt. Subsidy		-159
Total		23,996

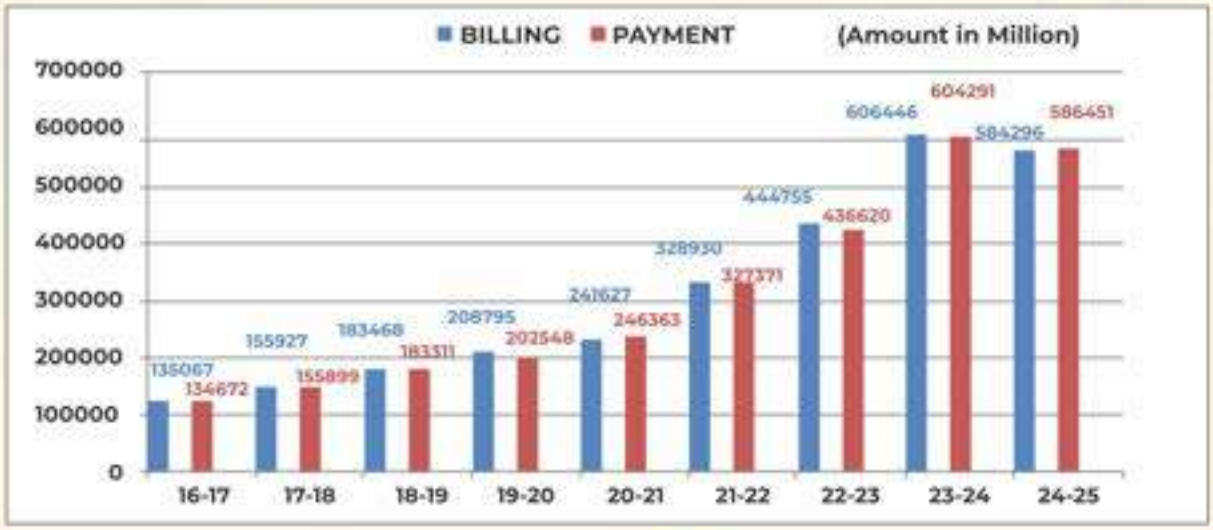
CATEGORY WISE RECEIVEABLE

(Fig. In Million)

Sr. No.	PARTICULAR	06/2022	06/2023	06/2024	06/2025
1.	FEDERAL GOVT AGENCIES	944	292	1,725	2,083
2.	PROVINCICAL GOVT AGENCIES	1,849	2,921	3,816	2,911
3.	TOTAL GOVT (1+2)	2,793	3,213	5,541	4,994
4.	TOTAL PRIVATE	70,365	68,073	80,576	77,094
5.	GRAND TOTAL (3+4)	73,158	71,286	86,117	82,088
BREAKUP OF PRIVATE RECEIVABLE					
i.	SPILL OVER	22,431	33,862	45,622	42,157
ii.	DEFERRED AMOUNT	775	6,144	890	1,263
iii.	SUBSIDIES	43,897	22,135	22,133	23,996
iv.	UN-IDENT: CASH	19	27	50	53
a.	DISCONNECTED DEFAULTERS	984	2,088	4,087	6,198
b.	RUNNING DEFAULTERS	2,097	3,430	6,517	3,026
c.	UNPAID DEBT	198	441	1,377	506
d	SUB TOTAL (a+b+c)	3,280	5,959	11,981	9,730
e.	NET ARREARS (ii+v)	4,055	12,103	12,871	10,993
	TOTAL (i+ii+iii-iv+v)	70,365	68,073	80,576	77,094

The above table shows consistent increases in a few heads of recoveries, such as subsidies and disconnected defaulters. Let's have a look at the amounts. Subsidies are basically those FESCO claims that have been picked up by the government for payments that otherwise would have been paid by the customers. FESCO does not raise these claims to customers but raises these to the respective governments. Running arrears are such amounts that have been billed to the customers but remain unpaid on the part of customers. FESCO takes all legal steps to recover these amounts besides following up with the customers continuously. Every month, FESCO carries out an analysis of these amounts in order to find out the blockage of revenue, and accordingly, the field force is applied either for disconnection or provision of facilitation of installments to customers. In a nutshell, these are recoverable claims.

The following graph highlights the trend of FESCO sales and revenue (Rs. Millions are shown on the Y-axis and Years on the X-axis);



From the above graph, it is evident that FESCO has a trend of having 100.37% recoveries of its billing. Even with these outstanding subsidies, FESCO has obtained a 104% payment percentage, which is still ahead of all companies, as no company is at par with FESCO on overall percentage recovery.

FESCO has a very good system of recoveries. Besides customer facilitation of making payments 24/7 through NADRA, banks, and credit cards in villages through post offices, etc. field staff remains busy for follow-up in the field. After posting of cash on MIS files, defaulter's lists are provided to the field staff regularly. These lists are updated by the MIS Department on a weekly basis so as to ensure that every default is in the knowledge of FESCO staff. At the company level, review meetings are held regularly in order to review the progress for which standard formats are used. Following is the table that compares the public and private sectors' billing recoveries and payment percentages of the current year as well as the previous year:

PROGRESSIVE COMPUTED BILLING & COLLECTION

FROM 07/24 TO 06/25 FESCO (Rs Millions)

CIRCLES	PERIOD	BILLING			PAYMENT			% PAYMENT		
		GOVT	PVT	TOTAL	GOVT	PVT	TOTAL	GOVT	PVT	TOTAL
IST FSD	07/24 to 06/25	5683.52	222199.01	228082.53	5827.49	222133.97	227961.46	99.05	99.97	99.95
	07/23 to 06/24	5622.69	231268.40	236891.09	5574.48	233055.48	238629.96	99.14	100.77	100.73
2ND FSD	07/24 to 06/25	2911.86	132222.98	135134.84	3291.81	132848.97	136140.78	113.05	100.47	100.74
	07/23 to 06/24	2870.33	136880.06	139750.39	2818.97	136512.40	139331.37	98.21	99.73	99.70
JHANG	07/24 to 06/25	1193.97	38852.76	40046.73	1253.57	38826.28	40079.85	104.99	99.93	100.08
	07/23 to 06/24	1049.24	42382.70	43431.94	1002.04	41909.98	42912.02	95.50	98.88	98.80
SARGODHA	07/24 to 06/25	7426.06	88993.88	96419.94	7412.07	90210.36	97622.45	99.81	101.37	101.25
	07/23 to 06/24	8038.59	88016.61	96055.20	7381.78	86658.14	94039.92	91.83	98.46	97.90
MIANWALI	07/24 to 06/25	6269.31	37512.47	43781.78	6358.40	37585.13	43943.53	101.42	100.19	100.37
	07/23 to 06/24	4817.65	42997.53	47815.18	4332.32	42800.20	47132.52	89.93	99.54	98.57
TOBA TEK SINGH	07/24 to 06/25	1879.79	38960.57	40830.36	1699.09	39003.57	40702.66	90.39	100.14	99.69
	07/23 to 06/24	2052.49	40449.95	42502.44	1942.60	40302.52	42245.12	94.65	99.64	99.39
FESCO	07/24 to 06/25	25564.51	558731.67	584296.18	25842.43	560608.28	586450.71	101.09	100.34	100.37
	07/23 to 06/24	24450.99	581995.25	606446.24	23052.19	581238.72	604290.91	94.28	99.87	99.64
%AGE INC/DEC		4.55	-4.00	-3.65	12.10	-3.54	-2.95			


NEW
CONNECTIONS
FESCO

NEW CONNECTIONS

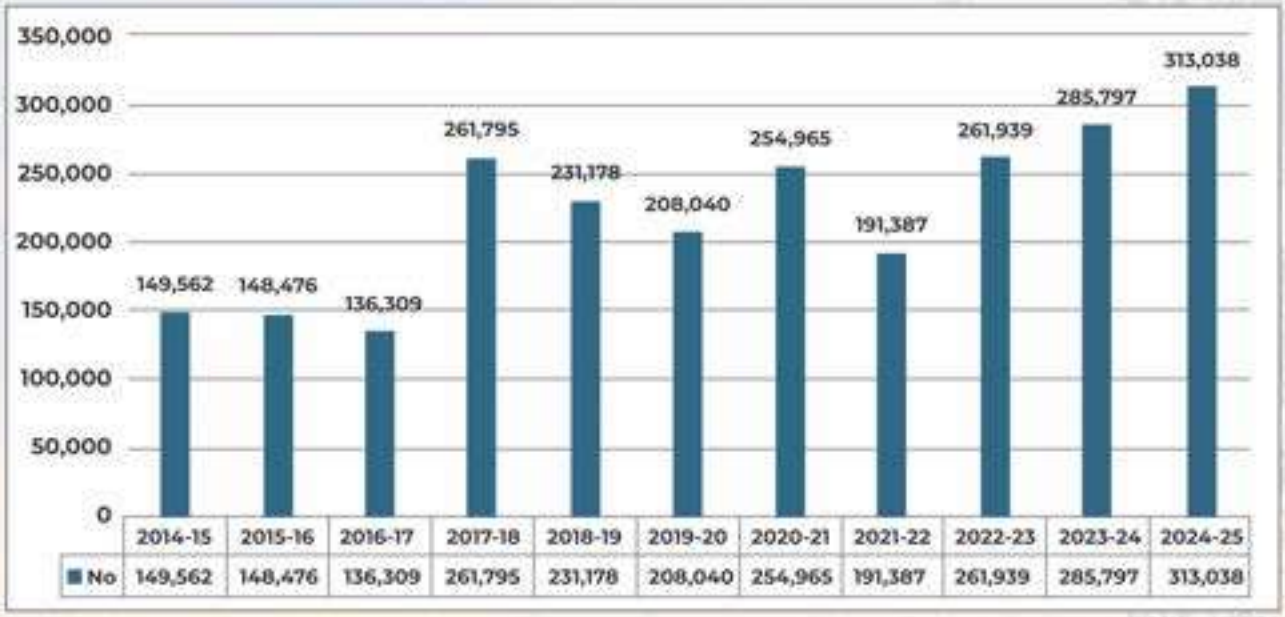
In the modern technological environment, electricity access is an absolute condition for national survival and development. National prosperity hence becomes intrinsically related to electricity availability. True to this fact, electricity has become a basic commodity next only to vital resources like food, water, and clothing. FESCO assures a sustained, efficient, and effective supply of electricity to its consumer. The delivery of new electricity connections is an essential tool to promote goodwill between FESCO and its new consumers. Fast and easy installation procedures for these connections play a key role in building consumer trust and confidence in the company. In the fiscal year 2024-25, FESCO effectively delivered new connections to all categories of consumers, namely domestic, commercial, general services, industrial, agricultural, and miscellaneous. A specific analysis of new connections made by FESCO in the period mentioned above is as follows: Domestic: 303,284; Commercial: 8,853; General Services: 237; Agricultural: 122; Industrial: 491; and Other: 51. The total number of new connections made is 313,038 according to NEPRA policy;

NEW CONNECTIONS INSTALLATION 2024-25

CATEGORY	TARGET	ACHIEVEMENT	APPLICATIONS PENDING ENDING 06/2025	
		UP TO 06/2025	RIPE	UNRIPE
DOMESTIC	AS PER NEPRA POLICY	303,284	24,913	44,731
COMMERCIAL		8,853	637	1,275
G. SERVICES		237	59	59
INDUSTRIAL		491	68	53
TUBE WELLS		122	24	13
OTHERS		51	14	14
TOTAL		313,038	25,715	46,145

FESCO installs connections as per the target time set by NEPRA, and the company has successfully met this target in all categories. However, during the year, the connections installation was delayed, and after regulation of the supply of material, its pace was restored. Ending June 2025, there were 25,715 pending applications in which consumers made the payment and now FESCO was responsible for installation of the connection. The highest numbers were in domestic and commercial categories. There was no problem for FESCO in installing domestic & commercial connections, but the real issue was in installing agricultural connections for irrigation and industrial connections.

THE FOLLOWING GRAPH HIGHLIGHTS THE YEAR-WISE PROGRESS OF THE INSTALLATION OF NEW CONNECTIONS, WHICH SHOWS A HISTORICAL INCREASE IN 2024-25.



DISTRIBUTION LOSSES

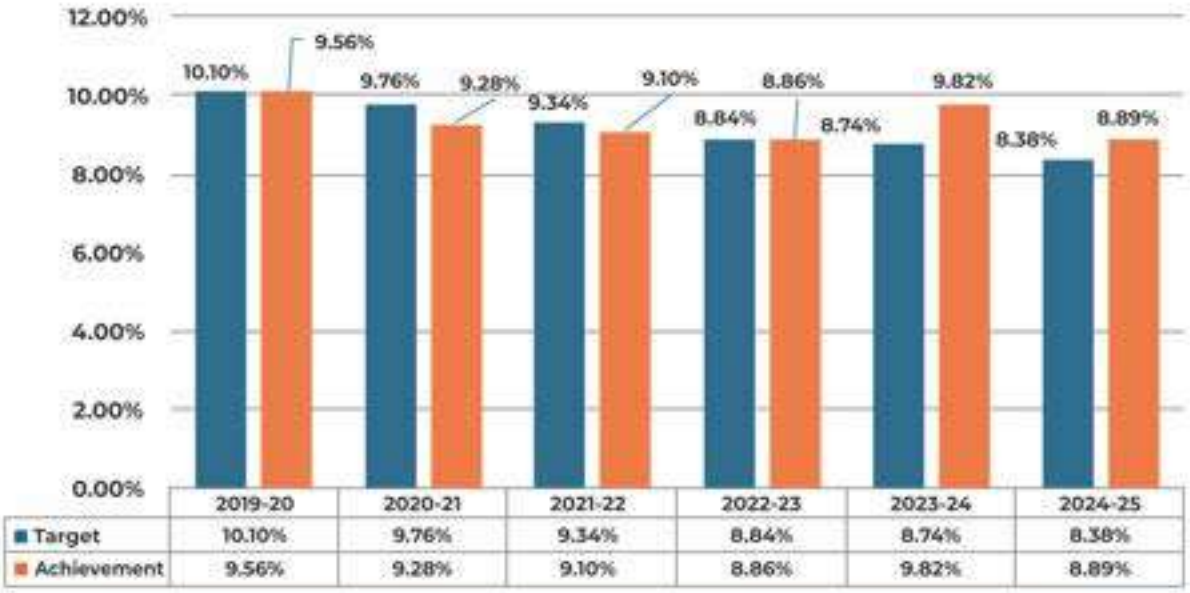
FESCO distribution losses of 11 KV and below network were recorded as 8.09% as compared to 8.76% of last year (-0.67%), transmission losses recorded from 1.16% to 0.87% (-0.29%), & total (T&D) losses recorded from 9.82% to 8.89% (-0.93%).The following table highlights the position of 11 KV,132 KV & T&D losses in comparative form:

T&D LOSSES & CIRCLE-WISE LOSSES FOR THE YEAR 2024-25

(UNITS IN MILLION)

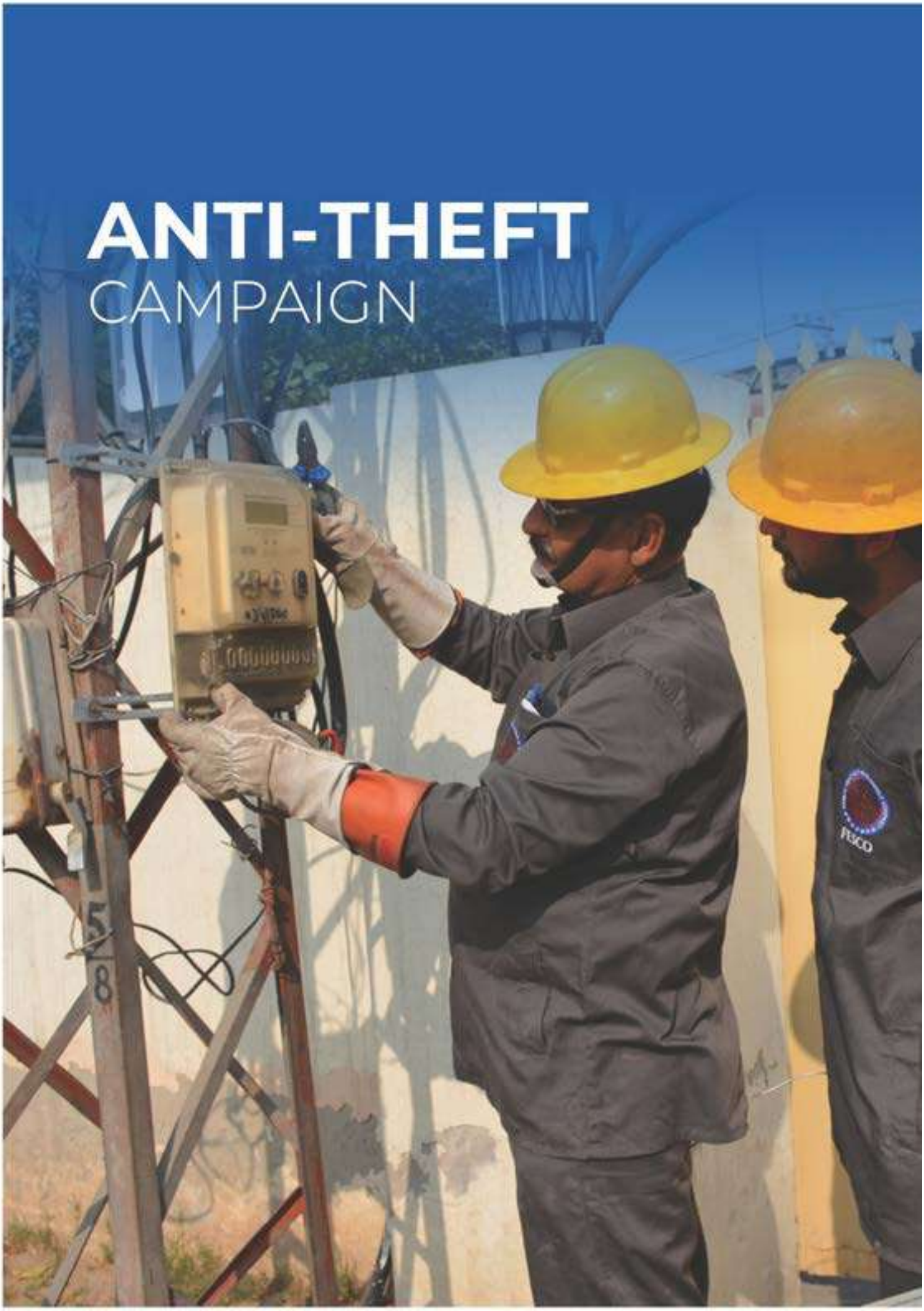
CIRCLE	RECEIVED		BILLED		LOST		%AGE LOSS		
	Jul-24 TO Jun-25	Jul-23 TO Jun-24	Jul-24 TO Jun-25	Jul-23 TO Jun-24	Jul-24 TO Jun-25	Jul-23 TO Jun-24	Jul-24 TO Jun-25	Jul-23 TO Jun-24	INC & DEC
1ST CIRCLE FSD	5,767	5,574	5,425	5,224	342	350	5.93	6.27	-0.36
2ND CIRCLE FSD	3,535	3,478	3,250	3,161	285	317	8.06	9.10	-1.04
JHANG CIRCLE	1,207	1,303	1,078	1,153	129	150	10.71	11.48	-0.77
SARGODHA	2,645	2,559	2,397	2,310	247	249	9.36	9.74	-0.38
MIANWALI	1,326	1,390	1,179	1,221	147	168	11.08	12.10	-1.02
T.T. SINGH	1,220	1,250	1,100	1,121	120	129	9.84	10.33	-0.49
11 KV	**15,699**	**15,553**	**14,428**	**14,191**	**1,270**	**1,362**	**8.09**	**8.76**	**-0.67**
132 KV	**15,837**	**15,736**	**15,699**	**15,553**	**138**	**183**	**0.87**	**1.16**	**-0.29**
TOTAL (T&D)	**15,837**	**15,736**	**14,428**	**14,191**	**1,409**	**1,546**	**8.89**	**9.82**	**-0.93**

THE COMPARATIVE ANALYSIS SHOWS THE OVERALL DECREASE IN LOSSES FROM 9.82% TO 8.89%. THE TREND OF T&D LOSSES TARGET IS GIVEN BELOW:



	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Target	10.10%	9.76%	9.34%	8.84%	8.74%	8.38%
Achievement	9.56%	9.28%	9.10%	8.86%	9.82%	8.89%

ANTI-THEFT
CAMPAIGN



ANTI-THEFT CAMPAIGN

FESCO's low level of losses demands a high level of consistency of its operational activities in order to control the theft activities. FESCO teams at the sub-divisional level, divisional level, circle level, and company level are in place and functional round the year. The members of these teams are required to carry out special theft detection activities in order to detect the theft and mode of theft being used by customers and disseminate this information in the company. Usually, such detection reports are shared with the operational officers for the education of their detection teams. At the company level, FESCO brings such matters to the notices of meter manufacturers in order to develop mechanisms in the meters to ensure avoidance of such types of thefts.

ANTI-THEFT PROGRESS OF FY 2024-25 & COMPARISON WITH FY 2023-24

(Units & Amount in Millions)

Sr. No.	Circle	Period	No. of FIRs Requested	No. of FIRs Registered	No. of Persons Arrested	Units Charged (kWh)	Amount Charged	Amount of Recovery	%age Recovery
1	1ST CIRCLE	FY: 2023-24	2405	2089	2249	5.68	277.61	198.75	72%
		FY: 2024 -25	2486	1738	875	5.41	297.84	156.76	53%
2	2ND CIRCLE	FY: 2023-24	2168	1562	1678	5.34	249.76	164.84	66%
		FY: 2024-25	2231	1014	423	7.13	379.94	169.90	45%
3	JHANG	FY: 2023-24	1307	1171	1213	3.55	162.12	97.33	60%
		FY: 2024-25	1125	957	227	2.38	123.87	40.79	33%
4	SARGODHA	FY: 2023-24	1569	1464	1376	3.32	157.77	130.88	83%
		FY: 2024-25	1644	1537	1297	4.72	246.52	194.99	79%
5	MIANWALI	FY: 2023-24	2596	2130	2376	4.44	211.56	218.78	103%
		FY: 2024-25	2547	1212	1924	4.78	251.54	185.58	74%
6	TOBA TEK SINGH	FY: 2023-24	783	620	649	1.87	89.98	68.50	76%
		FY: 2024-25	671	610	320	1.21	65.42	50.71	78%
TOTAL		FY: 2023-24	10828	9036	9541	24.20	1,148.80	879.08	77%
		FY: 2024-25	10704	7068	5066	25.63	1,365.13	798.72	59%

FESCO has also developed a comprehensive theft eradication plan in which responsibilities of officers/officials have been assigned, and accordingly, their performance is monitored by the Commercial Directorate under the General Manager (C&CS) on a regular basis. This is a dual-faceted plan that has meter-checking activities and responsibilities of surveillance. The disclosure of this policy was also given in the last Directors Report, and this repeat is done purposefully so as to make it a permanent part of this report and every time its disclosure is made. It is imperative for the company to realize that rising tariffs are the main source of tempting the customers to steal electricity.

HUMAN RESOURCE
DIRECTORATE



HUMAN RESOURCE DIRECTORATE

HR Directorate FESCO is responsible for leading and organizing the company's HR functions for effective human resources management, including policy development, implementation of long/medium/short-term goals / targets set by the board, policy implementation, proactive alignment of all strategies with the company's defined vision / mission / objectives, and career management. Besides, it has been mandated to introduce vibrant HR policies & refined procedures for developing motivated and efficient human capital through the devel--opment of updated and effective HR management processes. The directorate oversees core HR operations as well as specialized functions detailed as under:

1. HUMAN RESOURCE MANAGEMENT

WORKFORCE PLANNING & MANAGEMENT

- Recruitment of human resources strictly in accordance with the FESCO Recruitment Policy as approved by the Board of Directors (BOD).
- Structured development and integration of newly inducted talent across various FESCO formations to ensure optimal utilization and career progression.
- Implementing performance improvement plans for officers/officials through specific department-wise strategies for retaining and managing the organizational talent in the long run.
- Facilitating cross-functional exposure through strategic job rotations, enhancing the professional growth of officers/ officials.
- Execution of the approved promotion policy to ensure merit-based career advancement, employee motivation, and succession planning.

HR POLICY DEVELOPMENT

- Assisting the Board in the formulation of HR policies in order to ensure a unified corporate culture and maintain consistent organizational norms.
- Assisting the Board in the formulation and updating of the HR Manual in compliance with the directions of the Ministry of Energy (Power Division) under the foresight of the BOD FESCO.

COMPENSATION AND BENEFITS

- Assisting the Board in the formulation and implementation of organization-wide Compensation & Benefits Policy.
- Creating opportunities for professional development of officers/officials through higher education in associated degrees like MBA, M.S./Ph.D in the relevant disciplines.
- Assisting the Board in the formulation of competitive salary packages for attracting high - potential talent for C-level/manag--ement-level positions.

HR OPERATIONS

- Processing of HR operations like promotion / upgradation of employees, leave cases, extension of daily wages, retirement cases, NOC for higher qualifications, i.e. MS / Ph.D. etc. Preparation of item notes for the committees and BOD FESCO in connection with policy decisions/amendments in the existing policies and other HR matters related to the officers/officials.
- Processing of Transfers / Postings / Job Rotations including Time Gap

Arrangements (Current, Acting & Additional Charge)

- Processing of cases pertaining to deputations/repatriations to and from FESCO.
- Higher Qualification Benefits, i.e., Grant of Advance Increment, MS/Qualification Allowance , etc.

2. ORGANIZATIONAL DEVELOPMENT

- Assisting the Board in the formulation of organizational development initiatives in light of the guidelines of the Ministry of Energy (Power Division) / NEPRA.
- Job analysis and design studies of different directorates.
- Bifurcation and creation of new offices under FESCO.
- Capacity-building initiatives of officers through LUMS, NUST, IBA, PPMI, PIM, ICMA, and PPRA, etc., for performance improvement.
- On-the-job training of the staff/officials through in-house institutional training arrangements (Regional and Circle Training Centers).

3. CAREER MANAGEMENT

CM SECTION

- Maintaining the Seniority lists of officers, Record / Quantification of ACRs / PERs / Dossiers / ICP Charts, Career/Succession Planning, Processing of Departmental Promotion Exam forms of officers, Nomination for mandatory management trainings and promotion & time scale upgradation of officers (BPS-17 & above).
- Issuance of NOC to process the cases for inspection of material.
- Issuance of NOC for preparation/renewal of passports to employees of BPS-15 & above.

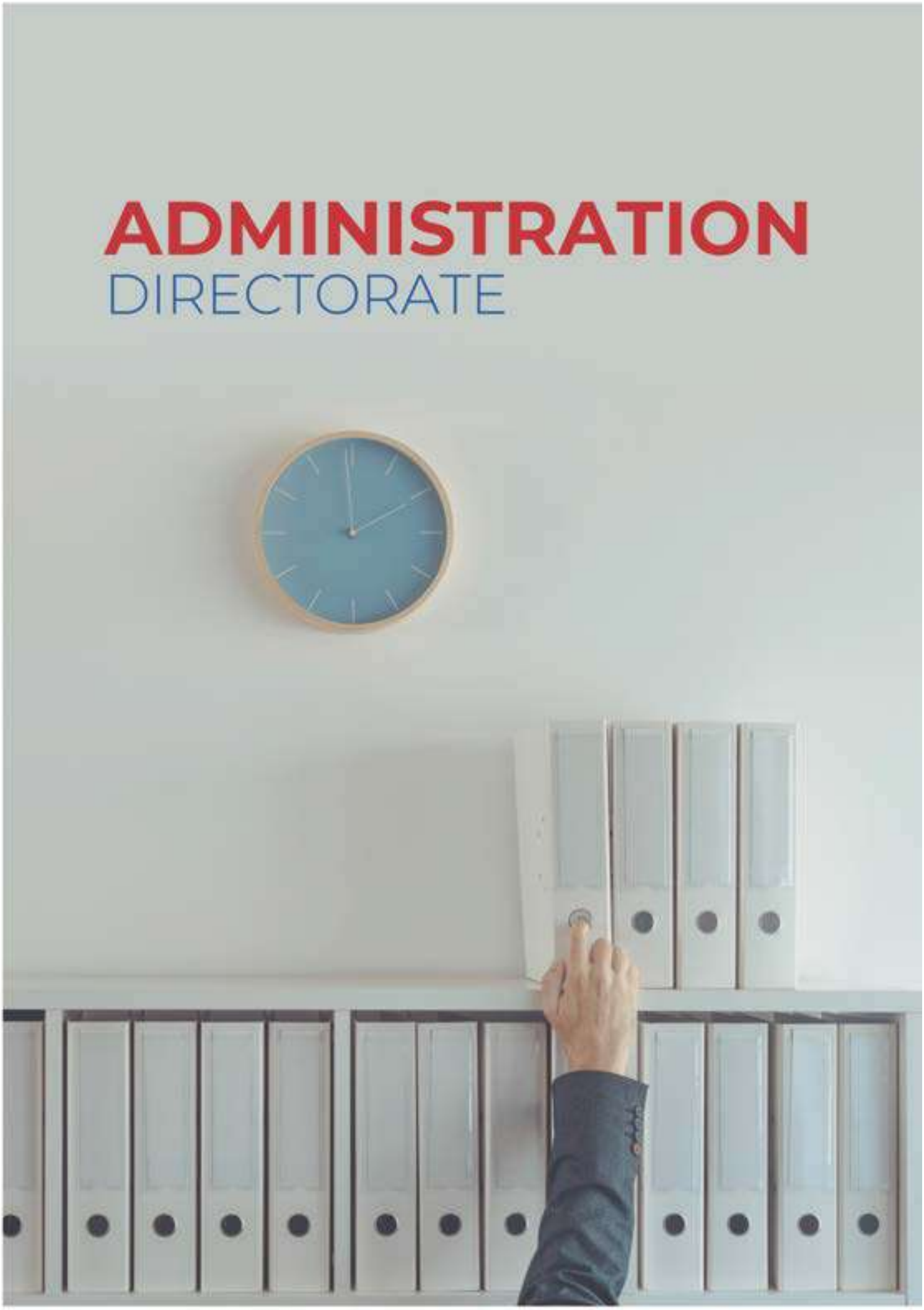
4. CONFIDENTIAL SECTION

- Issuance of No. Enquiry / Disciplinary / FIA / NAB Cases Pending Certificates.
- To proceed and complete disciplinary proceedings.
- To process and dispose of general complaints received from different forums.
- Implementation of the policies/directives issued by the Federal Govt./Ministry of Energy (Power Division), BOD FESCO, etc., relating to the functioning of CM Directorate FESCO.

STATISTICS OF HR DIRECTORATE'S PERFORMANCE FY 2024-25

Sr. No.	Category	BPS 17 & Above (Officers)	BPS 1-16 (Officials)	Total
1	Promotion and Upgradation	0	219	219
2	Job Rotation / Current / /Acting/ Additional Charge	358	205	563
3	Item Notes / Briefs (for BOD & HR Committee)	15	1	16
4	Seniority (Cadres)	10	21	31
5	Increment/Allowance (MS/Qualification)	19	23	42
6	NOCs (Higher Qualification, Material Inspection, Passport, leave, etc.)	158	151	309
7	Recruitment Cases	0	37	37
8	Extension Cases (Contract/Deputation/Daily wages)	191	188	379
9	Leave Cases (including, Earned, Medical, Ex-Pakistan)	140	66	206
10	Retirement cases	23	137	160
11	Deputation cases (including absorption)	27	12	39
12	No. of Decided Disciplinary cases	171	2366	2537
13	Number of under-process disciplinary cases	345	1507	1852
14	Internships	N/A	485	485
15	Mandatory training courses / DPT	27	721	748
16	DPE Forms for Promotion/Upgradation	71	83	154
17	Closed/finalized complaints/inquiries	42	96	138
18	Under process Complaints/Inquiries	11	25	36
19	Training on Soft Skills: Officers: LUMS, NUST, IBA, PIM Officials: 5-Days Skill Development at RTC/CTC	250	2251	2501
20	Mandatory Promotion Training at RTC & CTC	N/A	1079	1079
21	On-the-job trainings/coaching/counselling on Quick Impact Training for technical/line/transport staff (including safety awareness Courses)	N/A	6578	6578
22	Training on HCM Data / E-PADS / E-Office / Orientation for Interns of FESCO	145	368	513
		2003	**16619**	**18622**

ADMINISTRATION
DIRECTORATE



ADMINISTRATION DIRECTORATE

The Administration Directorate of FESCO is responsible for maintaining and managing the administrative functions of the organization. Its primary focus is on supporting the organization's operations, ensuring efficiency, and implementing policies. It plays a key role in coordinating and directing various administrative activities related to administration and services, employee welfare, transport, security, and public relations. The Administration Directorate of FESCO also arranges approvals from the Board of Directors (BOD) of FESCO regarding the adoption of various memorandums issued by the Government of Pakistan concerning financial and/or administrative matters related to FESCO employees.

APPROVALS ARRANGED BY ADMINISTRATION DIRECTORATE FROM HR, ADMIN, LEGAL AND HSE COMMITTEE AND BOD FESCO

Sr. No.	Summary of Cases Processed and Finalized by BOD FESCO/its committees	
1.	Enhancement of Welfare Fund (Recommended by HR, Admin, Legal & HSE Committee).	Approved by BOD FESCO on the recommendation of HR, Admin, Legal & HSE Committee of BOD FESCO.
2.	To consider and accord approval for payment of honorarium allowance to FESCO employees for the FY 2024-25 (recommended by the HR, Admin, Legal & HSE Committee).	Approved by BOD FESCO on the recommendation of HR, Admin, Legal & HSE Committee of BOD FESCO.
3.	To deliberate upon and review the policy regarding the provision of interest-free loans to FESCO employees for the performance of Hajj and Umrah.	Reviewed by HR, Admin, Legal & HSE Committee of BOD FESCO with suggested improvements in the policy, which have been accordingly complied with.
4.	To deliberate upon and review the FESCO rules formulated to regulate the grant of long-term advances.	

ADMN & SERVICES OFFICE

Sr. No.	Description	Total Number of Cases Processed and Finalized
1.	Sanction of Marriage Grants for serving/Retired and deceased FESCO employees on marriage of children	1101
2.	Reimbursement of Medical claims	2190
3.	Scholarship Cases for Brilliant children of FESCO employees	928
4.	Welfare Grant for widows/unmarried daughters of deceased FESCO employees	181
5.	Sanction of Rent Assessment cases of Office buildings hired on rent	25
6.	Correction of Date of Birth Cases of employees	34

TRANSPORT OFFICE

Sr. No.	Description	Activities Done
1.	Technical Inspection of Vehicles	398
2.	Repair of vehicles	237
3.	Survey off vehicles	19
4.	Vehicles disposed of through auction	21
6.	Skill Development Training for Lorry Drivers	366

PUBLIC RELATIONS
DIRECTORATE



PUBLIC RELATIONS DIRECTORATE

The Public Relations Directorate of FESCO plays a Vital role in cultivating and promoting a positive image of the organization. It highlights the initiatives and achievements of FESCO management, particularly in enhancing service delivery to the public, thereby strengthening the company's goodwill and reputation among its consumers.

These objectives are accomplished through strategic communication across multiple platforms, including print, electronic, digital, and social media, outdoor advertising, and various in-house publications.

The PR Directorate serves approximately 5.7 million consumers across eight districts within the FESCO region, namely Faisalabad, Sargodha, Jhang, Toba Tek Singh, Mianwali, Bhakkar, Chiniot, and Khushab. The Directorate is responsible for photographic and video coverage of all official FESCO events, designing and printing of promotional materials such as posters, brochures, and standees, and organizing press conferences as directed by FESCO management.

In addition to media relations, to enhance outreach and consumer engagement, the PR Directorate maintains an active presence on digital platforms, ensuring timely communication and responsiveness. Official social media handles include

Facebook:
facebook.com/fesco.com.pk

Instagram:
instagram.com/fesco_official13

YouTube:
youtube.com/@fesco.official

TikTok:
tiktok.com/@fesco.official

LinkedIn:
linkedin.com/company/fesco-official

SECURITY
DIRECTORATE



SECURITY DIRECTORATE

The Security Directorate of FESCO is responsible for managing and executing all key security functions across the organization. Its core responsibilities include:

- Monitoring entry and exit points.
- Issuance of ID badges and vehicle tags.
- Coordinating with law enforcement agencies.
- Controlling and regulating visitor access
- Monitoring and managing CCTV surveillance systems.
- Conducting routine patrolling and premises inspections.
- Organizing security drills and readiness exercises for security personnel.

Through these functions, the Security Directorate ensures the safety and security of FESCO's assets, infrastructure, personnel, and visitors.

The Security Directorate achieved the following key milestones during the reporting period:

Enhanced CCTV Monitoring:

- Installed 16 additional CCTV cameras at FESCO Headquarters, increasing the total number of surveillance cameras from 80 to 96, thereby improving overall monitoring and security coverage.

Security Upgrades at Grid Stations:

- Installed searchlights and CCTV cameras at 45 grid stations to strengthen perimeter security and improve nighttime surveillance capabilities.

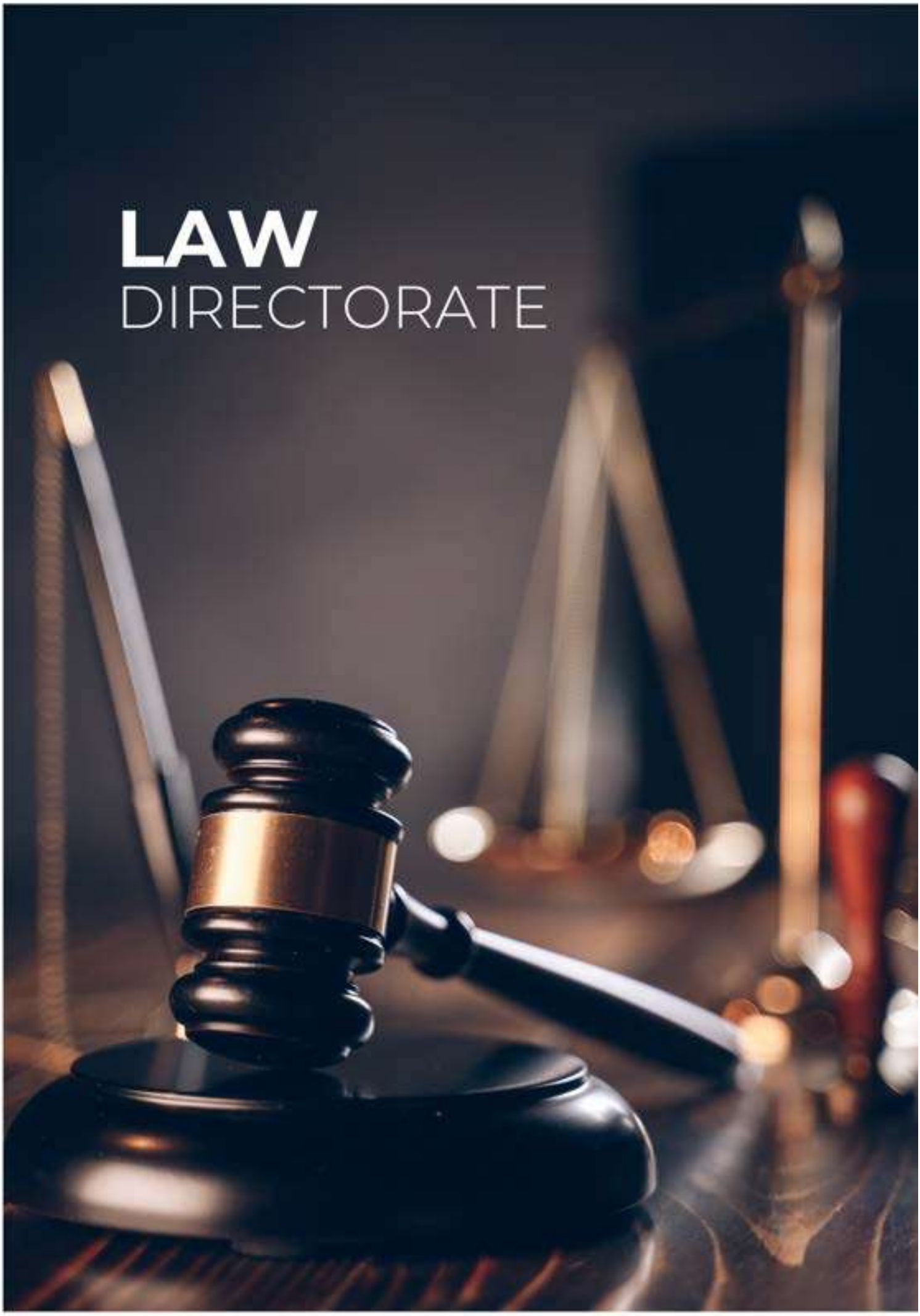
Perimeter Reinforcement:

- Completed the installation of barbed wire along the boundary wall of FESCO Headquarters and the adjoining Residential Colony, enhancing physical security barriers.

Extension of Security Staff Contracts:

- Approved extension in the contract period for outsourced security personnel for an additional one (01) year, covering the period from 01-02-2025 to 31-01-2026.




LAW
DIRECTORATE

LAW DIRECTORATE

The Legal Directorate constitutes an integral and constitutionally embedded component within FESCO's institutional framework. Since its inception, the Legal Directorate has discharged its paramount mandate of furnishing comprehensive & lawful legal advisory, representational, and support services to FESCO Management and its subsidiary formations. As the sole authorized legal directorate, it bears exclusive responsibility for representing FESCO before all judicial, quasi-judicial, and administrative forums, thereby safeguarding the company's legal, proprietary, and statutory interests.

Under the executive stewardship of the Director General (Law), the Directorate exercises jurisdictional authority over FESCO's entire litigation portfolio and labor relations domain. The incumbent Director General (Law) possesses distinguished expertise in power sector jurisprudence, with a proven trajectory of strategic legal leadership across WAPDA, PEPCO (PPMC), and FESCO.

FUNCTIONS AND OPERATIONS

The Legal Directorate executed the following core functions during FY 2024-25:

Legal Advisory Services:

- Rendered timely and appropriate legal advice on commercial, corporate, HR, administrative, financial, and contractual matters.
- Vetted all drafts, agreements /contracts, and paragraph-wise comments received from various formations of FESCO and returned to the concerned office for submission before the courts of law.

Litigation Management:

- Pertinent briefing was provided to the engaged counsel to defend the cause of FESCO effectively before the Supreme Court of Pakistan, High Courts, NEPRA, tribunals, labor courts, and subordinate courts.
- Supervised all pending litigation and ensured rigorous defense of FESCO's interests.
- Drafted speaking orders on behalf of FESCO Management as per directions of highcourts / other forums.

Labor & Industrial Relations:

- Handled trade union matters.

Resolution of Dispute over Date of Birth of Employees:

- Adjudicated disputed dates of birth cases in accordance with WAPDA Date of Birth Rules, 1994.

QUANTITATIVE PERFORMANCE HIGHLIGHTS

Advisory & Compliance:

Activity	Volume
Legal Advices Rendered	739
Contracts/Drafts/Para-wise Comments Vetted	62
Employees Date of Birth Cases Resolved	15

Litigation Management

Forum	Judgments Reviewed	Remedies Advised	Powers of Attorney Issued
Supreme Court of Pakistan	02	02	01
High Courts	247	247	131
High NEPRA/ Tribunals	113	113	92
Labour Courts/ PLAT/NIRC	21	8	62
District & Sessions Courts	385	231	1161
High-Profile Cases Defended	34	34	-

Case Disposition (FY 2024-25)

Outcome	Cases
Adjudicated in Favor of FESCO	1,499
Adjudicated Against FESCO	136
Success Rate	91.7%

Anti-Theft Campaign

Metric	Volume
FIRs Registered	7,068
Convictions Secured	3,120
Detection Bills Recovered	Rs. 798.72 Million

STRATEGIC INITIATIVES

Judicial Collaboration

- Coordinated with the judiciary, the Prosecution Department, and law enforcement for expeditious resolution of electricity theft cases.

Operational Efficiency

- Processed 1,178 counsel fee bills in accordance with the Book of Financial Powers for FESCO and the approved schedule of fees payable to counsel.

CONCLUDING REMARKS

The Legal Directorate maintained exemplary operational efficacy during F.Y. 2024-25, securing a 91.7% litigation success rate and effecting substantial fiscal recuperation for FESCO. The Directorate remained steadfast and adhered to its mandate to uphold FESCO's statutory, proprietary, and commercial interests through rigorous legal stewardship.

PROPERTY MANAGEMENT CELL

Introduction

The Property Management Cell is functioning under FESCO's Legal Directorate. This cell is mandated to account for, locate, and transfer land assets in the name of FESCO, including maintaining updated records of land assets(properties), facilitating title transfers from the provincial govt./ WAPDA, etc., to FESCO, recommending disposal of non-essential assets, and keeping liaison with the Board of Revenue Punjab, district collectors, and courts of law.

Regulatory Breakthrough

Pursuant to the approval of the Privatization Commission of Pakistan vide letter dated 14.01.2025, the long-standing suspension of title transfers from WAPDA to FESCO (initiated as per 2015–2016 directives) has now been formally lifted. Consequently, the Ministry of Energy (Power Division) issued directives on 17.01.2025 instructing:

- Chairman WAPDA to facilitate land title transfers to FESCO, and
- Chief Secretary of Punjab to ensure seamless processing by Provincial Authorities.

Progress Highlights:

a. Institutional Coordination:

CEO FESCO personally met Deputy Commissioners on 3rd February, 20th February, and 29th May 2025, followed by formal appeals to Chief Secretary Punjab (18th March 2025) to issue directives to the Board of Revenue, Commissioner Faisalabad / Sargodha, and Deputy Commissioner Mandi Baha-ud-din. In response, the Board of Revenue Punjab:

- Directed all Deputy Commissioners under FESCO's jurisdiction to process WAPDA property transfers under Revenue Rules (14th April 2025).
- Requested DCs to submit reports on provincial properties with market valuations (24th April 2025).

b. WAPDA Collaboration:

FESCO formally requested NOCs for 56 land assets on 9th May 2025. WAPDA confirmed NOCs for forty-one (41) properties (based on 2004 records) and sought ownership documents (Fard-e-Malkiyat, Aks-Shajra) for the remaining twelve (12) assets, which FESCO provided on 29th May 2025. FESCO further demanded payment records for twenty-one (21) state lands transferred via the 1998 BTA on 29th May 2025 and initiated share issuance to WAPDA for asset regularization, as per legal protocols.

c. Title Transfer Outcomes:

Fifteen (15) land assets were successfully transferred from WAPDA to FESCO during this period. Out of 176 total identified assets, ownership status is as follows.

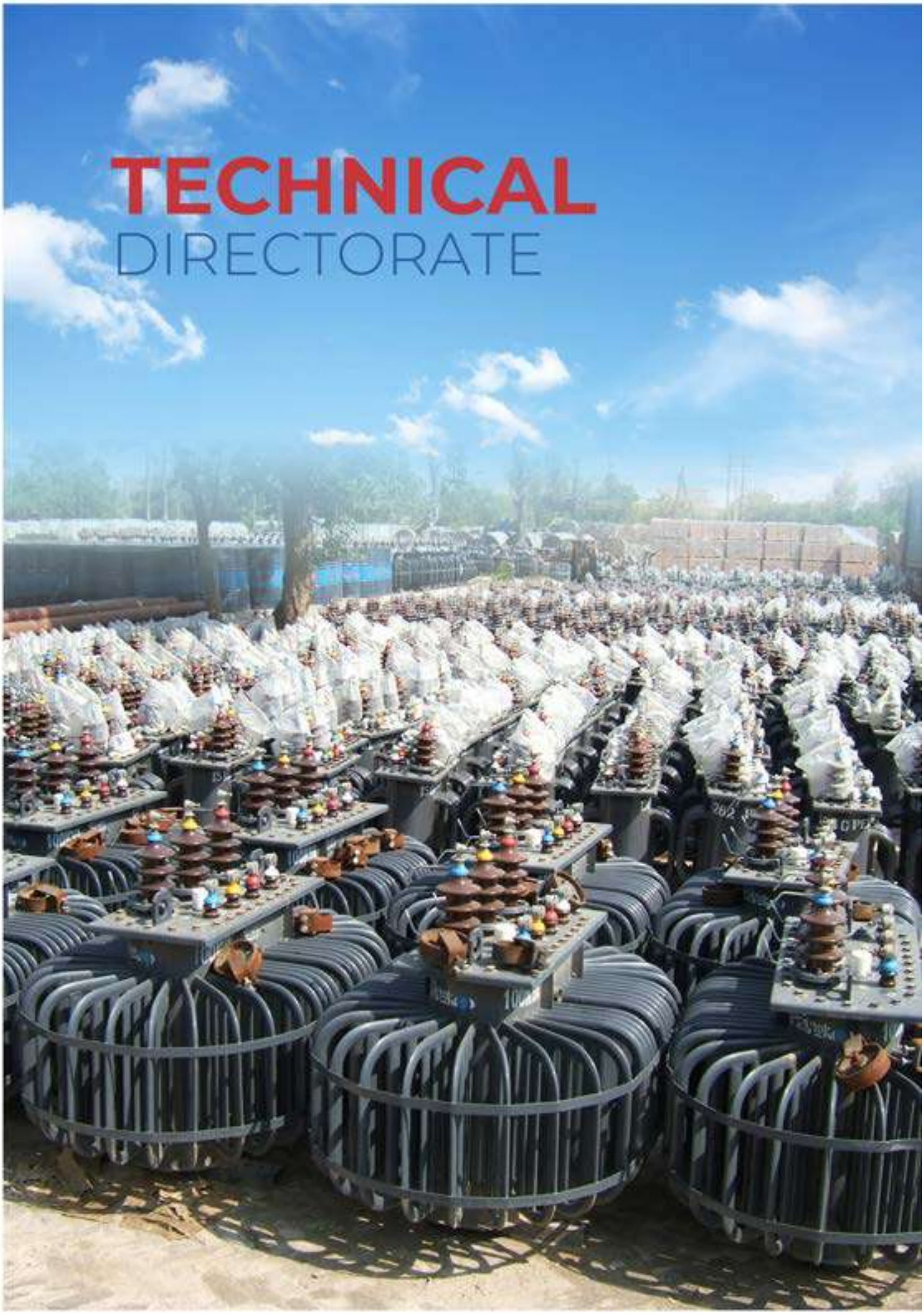
i. **Core Land Assets (143): 65** under FESCO, **41** under WAPDA and **37** under Provincial Govt. / Private entities.

ii. **Non-Core Land Assets (33): 06** under WAPDA and **27** under Provincial Government.

Conclusion

The Property Management Cell has reinvigorated title transfer efforts through rigorous legal engagements and stakeholder persistence, achieving critical milestones after regulatory barriers were resolved. FESCO reaffirms its commitment to expediting the transfer of remaining assets and securing the company's property rights in accordance with operational requirements.

TECHNICAL
DIRECTORATE



TECHNICAL DIRECTORATE

Functions

- Responsible for developing and growing the power and energy business in eight districts in the geographical area of FESCO with an emphasis on diversifying the customer base, complementing technical skills and expertise in electrical engineering design, and consulting energy markets.
- Undertaking power distribution system upgrades, expansion, and investment plans.
- Facilitating the industrial sector to grow their business and to enhance the country's economy, etc.
- Monitoring of evaluation of tenders and technical documents/drawings.
- Determine the budget and other resources required to carry out the operations and achieve the targets.
- Formulate policies and procedures that will guide the activities of planning, construction, and inventory personnel.
- Monitoring of inventory management and disposal of unserviceable materials.
- Interface with the heads of the other line function departments in mapping out a technical review and performance improvement program for the company.

PLANNING & DEVELOPMENT DIRECTORATE

To raise FESCO's capability of power distribution through foreseeing the future electricity demand and design the schemes and then execute the schemes of distribution networks to make the system more reliable to meet with the valuable customers need. Responsible for developing and growing the power and energy business in Eight Districts in geographical area of FESCO with an emphasis on diversifying the customer base, complementing technical skills and expertise in electrical engineering design and consulting energy markets. Undertaking power distribution systems up-gradation, expansion and investment plans. A contribution to facilitate Industrial Sector to grow their business and to enhance country's economy etc.

Formulate policies and procedures that will guide the activities of planning, construction.

THE FOLLOWING ARE SOME HIGHLIGHTS SHOWING THE PROGRESS ACHIEVED DURING FY 2024-25.

PROPOSED AND APPROVED NEW CONNECTIONS OF DIFFERENT CATEGORIES (FY 2024-25)

Name of Category	No. of Cases		
	Proposed	Approved	Cancelled
B-3	78	59	15
B-4	1	2	1
C-2	3	2	1
Plazas / Markets / Commercial Buildings	66	52	-
Housing Colonies	65	50	-

GIS MAPPING STATUS UPTO 30-06-2025							
Circle	Total Feeders	HT Status			LT Status		
		Total HT Feeders Mapped	Total HT Feeders Pending for Mapping	%age Completed	Total LT Feeders Mapped	Total LT Feeders Pending for Mapping	%age Completed
1st	425	250	175	59	171	254	68
2nd	256	152	104	59	137	119	90
Jhang	114	57	57	50	56	58	98
T.T. Singh	117	0	117	0	0	117	0
Sargodha	229	95	134	41	79	150	83
Mianwali	135	64	71	47	31	104	48
TOTAL	1276	618	658	48	474	802	77

CONSTRUCTION DIRECTORATE

Construction Projects of 11 KV and below network fall under the purview of Project Director Construction FESCO Faisalabad. The Directorate comprises of 04 Construction Divisions, 11 Construction Sub Divisions and 05 ELR Sub Divisions. Area of jurisdiction for construction Division is as under :-

a. Construction Division for Faisalabad & Chiniot Districts.
b. Construction Division Jhang for Jhang, & T.T.Singh Districts.
c. Construction Division Sargodha for Sargodha & Khushab Districts.
d. Construction Division Mianwali for Mianwali & Bhakkar, Districts.

To comply with the performance standards of NEPRA regarding provision of voltage within prescribed limits, and to have stable and reliable distribution system. A major portion of Pakistani population lives in villages. Being an agricultural country and agricultural productivity is the back bone of our economy. In order to enhance our agricultural activities, villages must be electrified at a faster pace. FESCO is looking forward for maximum village electrification and working in this respect has achieved a noticeable success.

THE PROGRESS ACHIEVED DURING FY 2024-25 IS TABULATED AS FOLLOWS.

Name of Work	No. of work completed	Budget allocated Rs. (M)	Expenditure Rs. (M)
HT Feeders (DOP)	31 Nos.	625	815
HT Feeders (ELR)	34 Nos.	643	947
Total	65 Nos.	1268	1762
LT Proposals (DOP)	395 Nos.	638	419
LT Proposals (ELR)	372 Nos.	887	582
Total	767 Nos.	1525	1001
Saving KWH		60.941 Million	

The capitalization of completed works plays a vital in Company's asset base. The progress of FY 2024-25 remained unprecedented as compared to the last years. The Project Director (Construction) Directorate also capitalized maximum completed works as per following details.

CAPITALIZATION PROGRESS						
Month	2022-23		2023-24		2024-25	
	No.	Amount	No.	Amount	No.	Amount
July	214	328.24	0	0	0	0
August	96	132.016	117	222.502	403	714.012
September	108	156.603	31	46.212	66	156.880
October	166	220.695	101	238.172	311	557.747
November	180	266.173	171	411.468	196	912.347
December	194	234.233	131	314.575	264	819.283
January	190	366.434	184	364.632	55	105.178
February	160	231.499	21	29.808	99	351.444
March	35	133.263	126	319.141	285	651.786
April	35	56.346	119	218.794	357	744.56
May	130	247.708	202	369.568	152	512.11
June	428	848.826	371	800.624	201	497.637
Total	1936	3222.036	1574	3335.5	2389	6022.984

MATERIAL MANAGEMENT DIRECTORATE

PROCUREMENT OF IMPORTANT DISTRIBUTION MATERIAL DURING THE FY 2024-25

Material Management Directorate is responsible for procurement of quality equipment and goods at the most competitive price for FESCO. It is responsible for managing the quantity of material required and held in stock, plan for the replenishment of these stocks and create inventory levels for each type of item and its issuance of material as per requirement to ensure safe and uninterrupted electric supply to FESCO's customers.

The timely availability of material for village electrification, new connections, system upgradation / rehabilitation and all type deposit work etc. was ensured by completing timely procurements as per approved plan.

THE MAIN PROCUREMENT HIGHLIGHTS FOR FY 2024-25 ARE AS UNDER:

Sr. No.	Item Description	Unit	Quantity	Amount Inclusive of GST (Rs. Million)
1	Distribution Transformers	Nos	4334	2503.505
2	Conductors	KMs	2980	1529.592
3	Cables	KMs	5690	1040.229
4	Energy Meters	Nos	495075	4198.367
5	Poles/Structures	Nos	29300	1183.736
6	Other Allied Material	-	1277746	2266.498
TOTAL Without GST				12721.928
				10781.000

MATERIAL MANAGEMENT DISPOSAL DIRECTORATE

The disposal of unserviceable material returned to stores was also taken for their disposal through a set procedure and SOPs.

The FESCO Material disposal directorate took serious efforts for disposal of material and successfully disposed of material by creating income of 80.73 million.

DISPOSAL OF UNSERVICEABLE MATERIAL HIGHLIGHTS ARE AS UNDER:-

Sr. No.	Material Description	Auctioned Amount with Taxes Rs:
1	Unserviceable Material	56,740,200
2	Unserviceable Vehicles (21 Nos.)	23,991,000
	Total	80,731,200 (80.73 Million)

TECHNICAL SERVICES (TS) DIRECTORATE

TS directorate has the capability to evaluate the tenders of all formations (Project Management Unit, GSC, Material Management, Construction, TRW & Civil Works etc) of FESCO and save time and amount which was previously done by NTDC for evaluation of tenders. The Directorate also evaluated the tenders of other DISCOs and generate the source income for FESCO. TS Directorate also inspect the different FESCO materials as per specifications. Approved the drawings and technical data of material purchased under FESCO own resources was also carried out. In addition to carried out technical audit of grid stations and point out discrepancies for the betterment of GSO system.

Sr. No.	Description of Office	Tenders Received	Tender Evaluated
1	Chief Engineer (Dev) PMU	70	70
2	Project Director (GSC)	88	88
3	Director MM	188	188
4	Civil Division I	125	125
5	Civil Division II	85	85
6	P.D Construction	140	140
7	Operation 1st Circle	7	7
8	Operation 2ND Circle	6	6
9	Operation Sargodha Circle	14	14
10	Operation Jhang Circle	22	22
11	T.T.Singh Circle	8	8
12	Operation Mianwali Circle	15	15
13	Dy. Director Security	0	0
14	D.G (MIS)	2	2
15	D.G MIRAD	0	0
16	CE (P&D)	0	0
17	Technical Data/Drawing/Route Plan of different Grids/Material	79	79
18	Vetting of bidding documents of all FESCO formations	22	22
19	HESCO Hyderabad	7	7
20	Vetting of bidding documents of all HESCO formations /data/drawings	6	6
21	GM (Operation) FESCO	1	1
22	Dy Director (Training) RTC	1	1
	Total	886	886

OPERATION
DIRECTORATE







System Operations and Control

i. Oversee the real-time operation of the electrical distribution network.
ii. Monitor the performance of the distribution network to ensure stability and reliability.
iii. Manage load balancing and power flow to prevent overloading and outages.
iv. Coordinate with generation and transmission operators to ensure efficient and un-interrupted power delivery.
v. Maintenance and Asset Management:

Ensure Upkeep and Optimal Performance Of All Distribution Assets

i. Develop and implement preventive and corrective maintenance programs.
ii. Conduct regular inspections and condition assessments of infrastructure.
iii. Oversee full life cycle, including repair, refurbishment, and replacement etc.
iv. Outage Management and Response:

Minimize The Impact of Outages and Restore Power Quickly

i. Implement an effective outage management system to detect and manage outages.
ii. Coordinate with field crews for prompt restoration of service.
iii. Communicate with customers about outage status and expected restoration times.
iv. Health, Safety and Environment Compliance

Ensure all operations are conducted safely and in compliance with Regulations

i. Identification and mitigation of public safety hazard points to avoid any mishaps or accidents and to ensure safety of lives of public and their valuable assets.
ii. Develop and enforce safety protocols and procedures and recommendations of Health, Safety, Environment and Quality Assurance committee of FESCO BOD.
iii. Ensure compliance with industry standards and regulatory requirements.
iv. Provide regular safety training and conduct safety audits.

Maintain High Standards of Service Quality and Reliability

i. Monitor key performance indicators (KPIs) and operational metrics.
ii. Implement quality control measures and continuous improvement initiatives.
iii. Address customer complaints and feedback to enhance service quality.

Infrastructure Planning and Development

i. Conduct load forecasting and capacity planning.
ii. Develop and execute projects for network expansion and upgrades.
iii. Ensure the integration of new technologies and renewable energy sources.

Incorporate Advanced Technologies to Improve Operational Efficiency

i. Utilize data analytics for predictive maintenance and decision-making.
ii. Foster innovation through research and adoption of new technologies.
iii. Customer Service and Communication.

Enhance Customer Satisfaction Through Effective Service Delivery

i. Provide timely and accurate information to customers regarding power supply and outages.
ii. Implement programs to improve customer service and engagement.

Provision of Material and equipment on Need Basis

i. Inventory management and release of material for various operations including but not limited to Maintenance, removal of hazards, restoration of Electric supply etc.

GRID SYSTEM CONSTRUCTION

(A) NEW GRID STATIONS:

The following 06-No. New Grid Stations have been completed / commissioned during FY 2024-25:

S.N	Name of Work	Scope of Work		Cost Rs. In Million	Remarks
1	132 KV G/S Katha Sagral	Transformer	2x20/26 MVA	444.587	Commissioned
		T/F Bay	02-No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		
2	132 KV G/S Chidru	Transformer	1x20/26 MVA	414.832	Commissioned
			1x10/13 MVA		
		T/F Bay	02-No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		
3	132 KV G/S Sarai Mahajir	Transformer	2x20/26 MVA	411.172	Commissioned
		T/F Bay	02-No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		
4	132 KV G/S Mankera	Transformer	1x20/26 MVA 1x10/13 MVA	276.30	Commissioned
		T/F Bay	02-No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		
5	132 KV G/S Kot Momin	Transformer	2x20/26 MVA	373.336	Completed
		T/F Bay	02-No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		
6	132 KV G/S Bhalwal Industrial Estate	Transformer	1x31.5/40 MVA	600.919	Completed
		T/F Bay	01 -No.		
		Line Bay	02-No.		
		PT Bay	01 -No.		

(B) AUGMENTATION OF POWER TRANSFORMERS:

The following 08-No. Augmentation works have been completed/commissioned during FY 2024-25:

S.N	Name of Work	Scope of work / Capacity of Power T/F	Cost Rs. In Million	Remarks
1	66 KV G/S Jahanian Shah	5MVA (T-1) with 10/ 13 MVA	11.277	Commissioned
2	132 KV G/S Nishatabad New	20/26 MVA with 31.5 / 40 MVA	321.811	Commissioned
3	132 KV G/S Kirana Hill	20/26 MVA with 31.5 / 40 MVA	320.447	Commissioned
4	132 KV G/S Chak 126/SB Sargodha	20/26 MVA with 31.5 / 40 MVA	320.447	Commissioned

S.N	Name of Work	Scope of work / Capacity of Power T/F	Cost Rs. In Million	Remarks
5	132 KV G/S Tandlianwala	20/26 MVA with 31.5/40 MVA	11.389	Commissioned
6	132 KV G/S Chenab Nagar	10/13 MVA with 20/26 MVA	92.200	Commissioned
7	132 KV G/S Fazil	10/13 MVA with 20/26 MVA	320.447	Commissioned
8	132 KV G/S SPS Faisalabad	20/26 MVA with 31.5/40 MVA	320.447	Completed

(C) EXTENSION OF POWER TRANSFORMER BAYS / LINE BAYS:

The following 02-No. Extension of Power Transformers Bay & Line Bay have been completed / commissioned during FY 2024-25:

S.N	Name of Work	Scope of work	Cost Rs. In Million	Remarks
1	132 KV G/S Gokhuwal	2nd T/F Bay with 132/11.5KV, 31.5/40 MVA Power Transformer	472.112	Commissioned
2	132 KV G/S Bhakkar	02-No. Line Bays (for 132 KV Sarai Mahajir-Bhakkar T /Line)	61.612	Commissioned

(D) CONSTRUCTION OF NEW 132 KV TRANSMISSION LINES:

The following 08-No. New 132 KV Transmission Lines have been completed / commissioned during FY 2024-25:

S.N	Name of Work	Scope	Cost Rs. In Million	Remarks
1	132 KV D/C T/Line Feed for 132 KV G/S Chidru	Length = 3.6 - KMs Locations = 19 - Nos.	43.918	Commissioned
2	132 KV D/C T/Line Feed for 132 KV G/S Katha Sagral	Length = 0.3 - KMs Locations = 03 - Nos.	26.038	Commissioned
3	132 KV D/C T/Line from Hyderabad Thal to Mankera	25.11 - KM New T/Line	328.727	Commissioned
4	132 KV T/Line Mankera - Sarai Muhajar	22.47 -KM New T/Line	257.910	Commissioned
5	132 KV D/C T/Line Sarai Mahajir - Bhakkar	Length = 24 -KMs Locations = 104 -Nos.	519.033	Commissioned
6	132 KV D/C T/L F/F 132KV G/S Adha Gojra from Gojra - Jhang City T/Line	02-Locations New T/Line	19.515	Commissioned
7	220 KV G/S Mari Indus to Wanbuchran In & Out Shahbaz Khel (Section -II & III)	43.05 K.M New T/Line	804.794	Commissioned
8	132 KV D/C T/Line Feed For KaloorKot	13.49 K.M New T/Line	175.92	Completed

(E) REPLACEMENT OF POWER TRANSFORMERS (DEPOSIT WORK):

The following 01-No. New 132 KV Transmission Line have been completed / commissioned during FY 2024-25.

S.N	Name of Work	Scope of work / Capacity of Power T/F	Cost Rs. In Million	Remarks
1	132 KV G/S ABC Jauharabad (Deposit Work)	Replacement of existing 02-No. 132/11.5KV, 20/26 MVA Power Transformers (T-1 & T-2) with new 132/11.5KV, 20/26 MVA PEL Make Power Transformers	134.017	Commissioned

(F) INSTALLATION OF 132 KV METERING SYSTEM (DEPOSIT WORK):

The following 01-No. Installation work has been completed / commissioned during FY 2024-25:

S.N	Name of Work	Scope of work / Capac ity of Power T/ F	Cost Rs. In Million	Remarks
1	132 KV G/ S Zahid Jee Mills	Installation of 132 KV Metering System (Deposit Work)	19.820	Completed

(G) RE-ROUTING/UP-RAISING OF TRANSMISSION LINES (DEPOSIT WORK):

The following 02-No. Reconductoring/Up-raising of Transmission Lines have been completed / commissioned during FY 2024-25:

S.N	Name of Work	Scope	Cost Rs. In Million	Remarks
1	Re-Routing of 132 KV T/ Line In & Out at 132 KV G/ S Scarp Colony (WASA Deposit Work)	Re-Routing (Deposit Work)	53.846	Commissioned
2	66 KV S/ C T/ Line Piplan - Chashma C-5 (Deposit Work)	Upraising and Re-Routing	23.047	Commissioned

(H) CIVIL WORKS COMPLETED:

The following 03-No. works have been completed during FY 2024-25:

S.N	Name of Work	Scope	Cost Rs. In Million	Remarks
1	Construction of 02-No Cat-IV & 04-No Cat-V type residences along with allied civil works at 66 KV G/ S Essa Khel	New Residencies for G/ S Staff	35.324	Completed
2	Construction of Boundary wall & Security Guard room at 132 KV G/ S Adha Gojra	Construction of Boundary wall for New G/ S	22.941	Completed
3	Construction of 04-No Cat-IV & 06-No Cat-V Type residential Flats along with allied civil works at 132 KV G/ S Chiniot Road Fsd	New Residencies for G/ S Staff	54.990	Completed

(I) MISC. GSO WORKS / EMERGENCIES ATTENDED:

The following 03-No. GSO works / Emergencies attended during FY 2024-25:

S.N	Name of Work	Scope	Cost Rs. In Million	Remarks
1	132 KV T/ Line Shah Pur - Wan Buchran and 132 KV T/ Line Jauharabad - Quaidabad	Break Down (03-Nos. 132 KV Towers collapse at location No.182, 185 & 186).	15.659	Emergency Attended
2	66 KV D/ C T/ L Kala Bagh- Trug	Break Down (04-Nos. 66 KV Towers collapse at location No.80, 81, 82 & 83)	11.176	Emergency Attended
3	132 KV D/ C T/ Line from HEP Chashma to 132 KV G/ S Chashma Left Bank Canal (GSO Emergency)	Replacement of Lynx Conductor with Cario Conductor	11.169	Emergency Attended

(J) WORKS CAPITALIZED DURING FY 2024-25:

Sr. No.	No. of works Capitalized	Capitalization Amount (Rs. in Million)
1	130	15,350.200

GRID SYSTEM OPERATION

PROMOTION OF SAFETY CULTURE

Scheduled safety seminars were held on regular intervals at Circle, Division and Sub-Division level, with the association of Labour Union to highlight safety hazards and to promote safety culture/awareness.

PREVENTIVE MAINTENANCE

Preventive maintenance was carried out on vital equipment thoroughly to avoid future faults, troubles and outages.

CORRECTIVE MAINTENANCE

Corrective Maintenance was regularly carried out at G/S, Power Transformers, Breakers, T/Lines etc. to attend the faults, as soon as they occurred.

AUGMENTATION OF POWER TRANSFORMER

At following grid stations power transformers were augmented to avoid overloading and safety of equipment.

Sr. No	Name of Grid Station	Date	P/ TF	Existing Capacity (MVA)	Augmented Capacity (MVA)
1	66 KV G/S Jahanian Shah	03-07-24	T-1	5	10/13
2	132 KV G/S Nishatabad New	23-03-25	T-3	20/26	31.5/40
3	132 KV G/S Kirana Hill	27-03-25	T-2	20/26	31.5/40
4	132 KV G/S Chak 126/ SB Sargodha	18-04-25	T-1	20/26	31.5/40
5	132 KV G/S Tandlianwala	17-05-25	T-4	20/26	31.5/40

At the following grid stations, additional power transformers were arranged to avoid overloading and safety of equipment.

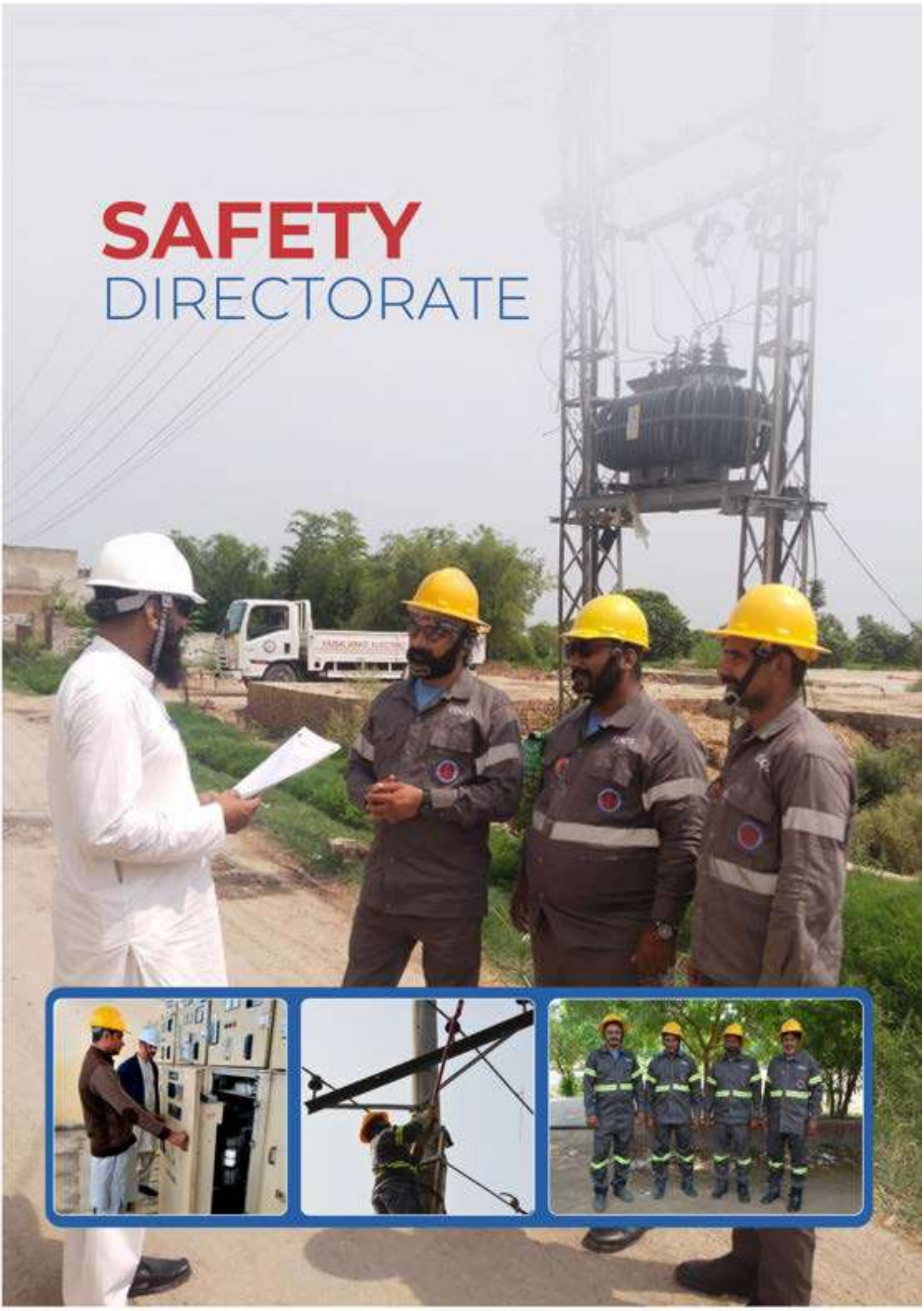
EXTENSION OF POWER TRANSFORMERS			
Sr	**Description**	**Scope of work**	**Date**
1	132 KV G/S Gokhuwal	2nd T/F Bay with 132/11.5 KV, 31.5/40 MVA Power Transformer	23-05-25
CONVERSION FROM 66 KV TO 132 KV GRID STATIONS			
1	132 KV G/S Mankera	Conversion of 66 KV into 132 KV (with 01-No. 20/26 MVA Power Transformer)	04-11-24
CONSTRUCTION OF NEW GRID STATIONS			
Sr	**Description**	**Scope of work**	**Date**
1	132 KV G/S Chidru	New Grid Station (with 01-No. 10/13 MVA Power Transformer)	22-01-25
2	132 KV G/S Katha Sagral	New Grid Station (with 01-No. 10/13 MVA Power Transformer)	22-01-25
3	132 KV G/S Sarai Mahajir	New Grid Station (with 01-No. Line Bay, 01-No. P.T Bay & 01-No. 20/26 MVA Power Transformer	30-05-25
CONSTRUCTION OF NEW TRANSMISSION LINES			
Sr#	**Description**	**Scope of work**	**Date of Commissioning**
1	132 KV D/C T/Line Feed for 132 KV G/S Chidru	New Transmission Line Length = 3.6-KMs Locations = 19-Nos. Conductor = Rail	22-01-2025
2	132 KV D/C T/Line Feed for 132 KV G/S Katha Sagral	New Transmission Line Length = 0.3-KMs Locations = 03-Nos. Conductor = Lynx	22-01-2025
3	132 KV G/S Bhakkar	02-No. Line Bays (for 132 KV Sarai Mahajir -Bhakkar T/Line)	13-06-25

REPLACEMENT / ADDITION OF CIRCUIT BREAKERS DURING 2024-25			
S#	**Name of G/Station**	**Scope of work**	**Date**
1	132 KV Daud Khel	Installation of Circuit Breaker DKL-10	20-09-24
2	132KV Satiana	01 No. replacement of defective Circuit Breaker STN-1	29-10-24
3	132 KV Chhidru	Installation of Circuit Breaker CRU-1	23-01-25
4	132 KV Chhidru	Installation of Circuit Breaker CRU-2	23-01-25
5	132 KV Chhidru	Installation of Circuit Breaker CRU-81	23-01-25
6	132KV Factory Area	Replaced 132 KV Circuit Breaker FFA-83 controlling 31.5/40 MVA Power Transformer T-3 due to faulty mechanism	22-02-25
7	132 KV Nishatabad	01 No. I/C Circuit Breaker replaced due to augmentation of P/T	20-03-25
8	132 KV HaiderabadThal	Installation of Circuit Breaker HDT-2	30-05-25
9	132 KV Sarai Mohajir	Installation of Circuit Breaker SMJ-1	30-05-25
10	132 KV Bhakhar	Installation of Circuit Breaker BKR-8	13-06-25
11	132 KV Bhakhar	Installation of Circuit Breaker BKR-7	13-06-25
12	132 KV Sarai Mohajir	Installation of Circuit Breaker SMJ-2	13-06-25
13	132 KV Sarai Mohajir	Installation of Circuit Breaker SMJ-81	13-06-25

DETAIL OF REPLACEMENT / ADDITION OF 11 KV SWITCH GEARS DURING 2024-25			
S#	Name of G/ Station	Scope of work	Date
1	132 KV Chiniot	01 No Installed new O/ G 11 KV feeder Din Garden	28-08-24
2	66 KV Jahanian Shah	Installed 01 No New 11K V O/ G Panel for New Energized 11K VRabana Feeder	11-09-24
3	132 KV Chiniot Road	01 No I/ C & 06 O/ G ,installation on new panel set in new 11 KV control room building	17-10-24
4	132 KV Chiniot Road	01 No I/ C & 06 O/ G ,installation on new panel set in new 11 KV control room building	19-10-24
5	132 KV Chiniot Road	01 No I/ C & 05 O/ G ,installation on new panel set in new 11 KV control room building	20-10-24
6	132 KV Sargodha City	01 No 11 KV Incoming Panel Replaced due to flashed	24-01-25
7	132 KV Chhidru	Installed 01 No O/ G Panel Abdul Qadir	24-01-25
8	132 KV Chhidru	Installed 01 No O/ G Panel Jhangi Khel	24-01-25
9	132 KV Allama Iqbal	01 No Installed new O/ G 11 KV feeder S.A Ceramic	26-01-25
10	132 KV Samundri Road	Installed 01 No Bus-Coupler for shifting equipment from old Control House Building to newly constructed Control House Building	15-03-25
11	132 KV Samundri Road	Installed 01 No Incomin gPanel for 20/ 26 MVA Power Transformer T-5 for shifting equipment from old Control House Building to newly constructed Control House Building	15-03-25
12	132 KV Samundri Road	Installed 05 No 11K V O/ G Panels for shifting equipment from old Control House Building to newly constructed Control House Building	15-03-25
13	132 KV Samundri Road	Installed 04 No 11 KV O/ G Panels for shifting equipment from old Control House Building to newly constructed Control House Building	16-03-25
14	132 KV Samundri Road	Installed 01 No Incoming Panel for 20/26 MVA Power Transformer T-4 for shifting equipment from old Control House Building to newly constructed Control House Building	22-03-25
15	132 KV Samundri Road	Installed 01 No Capacitor Panel for shifting equipment from old Control House Building to newly constructed Control House Building	22-03-25
16	132 KV Samundri Road	Installed 01 No O/ G Panel for shifting equipment from old Control House Building to newly constructed Control House Building	22-03-25
17	132 KV Jhang Road	Installed 01 No O/ G Panel on T-1 for new O/ G Civil aviation (independent) feeder	12-04-25
18	132 KV Sargodha City	Installed 01 No New 11 KV O/ G Panel for New Energized 11 KV Nawaz Sharifinstitute of Cardiology Feeder	13-04-25
19	132 KV Khurrianwala	01 No Installed new O/ G 11 KV feeder Wadi-e-Sitara	15-04-25
20	132 KV Jaranwala	01 No Installed new O/ G 11 KV feeder Madina Gerden	16-04-25
21	220 KV Samundri Road	Replaced 01 No Incoming Panel of 20/ 26 MVA Power Transformer due to deteriorated condition	24-04-25
22	132 KV Chhidru	Installed 01 No O/ G Panel Baigo Khel Chowk	13-05-25
23	132 KV Sarai Mohajir	Installed 01 No O/ G Panel Sheikh Abad	18-06-25
24	132 KV Sarai Mohajir	Installed 01 No O/ G Panel Jaisay Wala	18-06-25

PROGRESS (MAINTENANCE/ TESTING) REPORT IN RESPECT OF GSO CIRCLE FESCO FAISALABAD FOR THE YEAR 2024-25						
Sr. No.	Name of Equipment	Description of work	Total Installed (Nos.)	Target for the year 2024-2025 (Nos.)	Achieve-ments (Nos.)	Percentage target achieved
1	H.T Circuit Breaker	(a)Major Overhauling (OCB) **(Five Yearly)**	18	3	3	100%
		(b) Testing of opening & closing timing **(Annual)**	549	549	549	100%
		(c) Testing of Contact Resistance **(Annual)**	549	549	549	100%
		(d) SF-6 Purity Testing **(Annual)**	531	531	531	100%
2	Power Transformer	(a) Overhauling of Tap Changers **(Five yearly)**	171	23	23	100%
		(b) C & DF Testing **(Annual)**	259	259	259	100%
		(c) IR (Megger) testing **(Annual)**	259	259	259	100%
		(d) General Maintenance **(Annual)**	259	259	2259	100%
		(e) Oil testing **(06-monthly)**	126	252	252	100%
3	Current transformer	(a) C & DF Testing **(Five yearly)**	1424	1033	1033	100%
4	11 KV Switch gear	(a) Maintenance / Testing of 11 KV Circuit Breaker **(Annual)**	1841	1841	1841	100%
5	11 KV Bus Bar	(b) Maintenance / Testing **(Annual)**	252	252	252	100%
6	Earthing Mesh	(a) Checking, Testing & Maintenance of Earthing Mesh **(Six Month)**	86	172	172	100%
7	Thermo vision	(b) Thermo vision of Grid Stations **(Annual)**	91	91	91	100%
8	132 / 66 KV Bus Bar	Maintenance of Bus Bar **(Annual)**	112	112	112	100%
9	Potential Transformer	Checking / Testing of P.T **(Annual)**	133	133	133	100%
10	Isolator (Line/ Bus Bar/ Transformer)	Maintenance of Isolator **(Annual)**	1022	1022	1022	100%
11	Station Battery	Checking / Testing of 110 Volt batteries **(Annual)**	113	113	113	100%
12	132 KV Lightening Arrester	Insulation testing **(Annual)**	699	699	699	100%
13	11 KV Lightening Arrester	Insulation testing **(Annual)**	756	756	756	100%
14	11 KV Incoming Trollies	Maintenance / Cleaning **(Annual)**	252	252	252	100%
15	11 KV Outgoing Trollies	Maintenance / Cleaning **(Annual)**	1421	1421	1421	100%
16	O/ C & Earth Fault Relays	Testing **(Annual)**	2423	2423	2423	100%
17	Differential Relays	Testing **(Annual)**	254	254	254	100%
18	Distance Relays	Testing **(Annual)**	276	276	276	100%
19	Earth Mesh	Testing **(Bi-Annual)**	107	214	214	100%
20	Energy meters	Testing **(Annual)**	2176	2176	2176	100%

SAFETY
DIRECTORATE



T&P Parade and Seminars

Safety T&P parade / seminars are being conducted regularly in which lectures are delivered to line staff by senior management. Deputy Director Safety and safety inspectors are giving practical demonstration of T&P / PPE's especially emphasizing on High Voltage Detector & Earthing the line on both sides etc. Following is the summary of activities undertaken by the Safety Directorate:-

Sr. No.	FESCO Circle	T&P Parade/ Seminar	Sub Division visited	Surprise visits at work site	Safety Call	Discrepancies pointed out
1	1st	39	54	123	573	07
2	2nd	30	112	101	635	03
3	Jhang & T.T Singh	44	96	70	40	01
4	Sargodha	35	76	54	333	05
5	Mianwali	37	22	79	230	05
6	PD (Const)	03	26	03	294	04
7	GSO	03	11	18	171	-
8	Safety Control Room	-	46	167	1446	13
GRAND TOTAL		191	493	701	3622	38

FATAL / NON-FATAL ACCIDENT FY 2024-25

Category	Employee		Public Men		Total Nos.	
	Fatal	Non-Fatal	Fatal	Non-Fatal	Fatal	Non-Fatal
Nos.	06	01	0	0	06	01

Road Safety Awareness Program

Safety Directorate has arranged lecture for road Safety awareness with Atlas Honda & Traffic Police and to avoid road accidents of staff with Slogan of "Safety First".

Awareness Campaign for General Public to Prevent Electric incident at home.

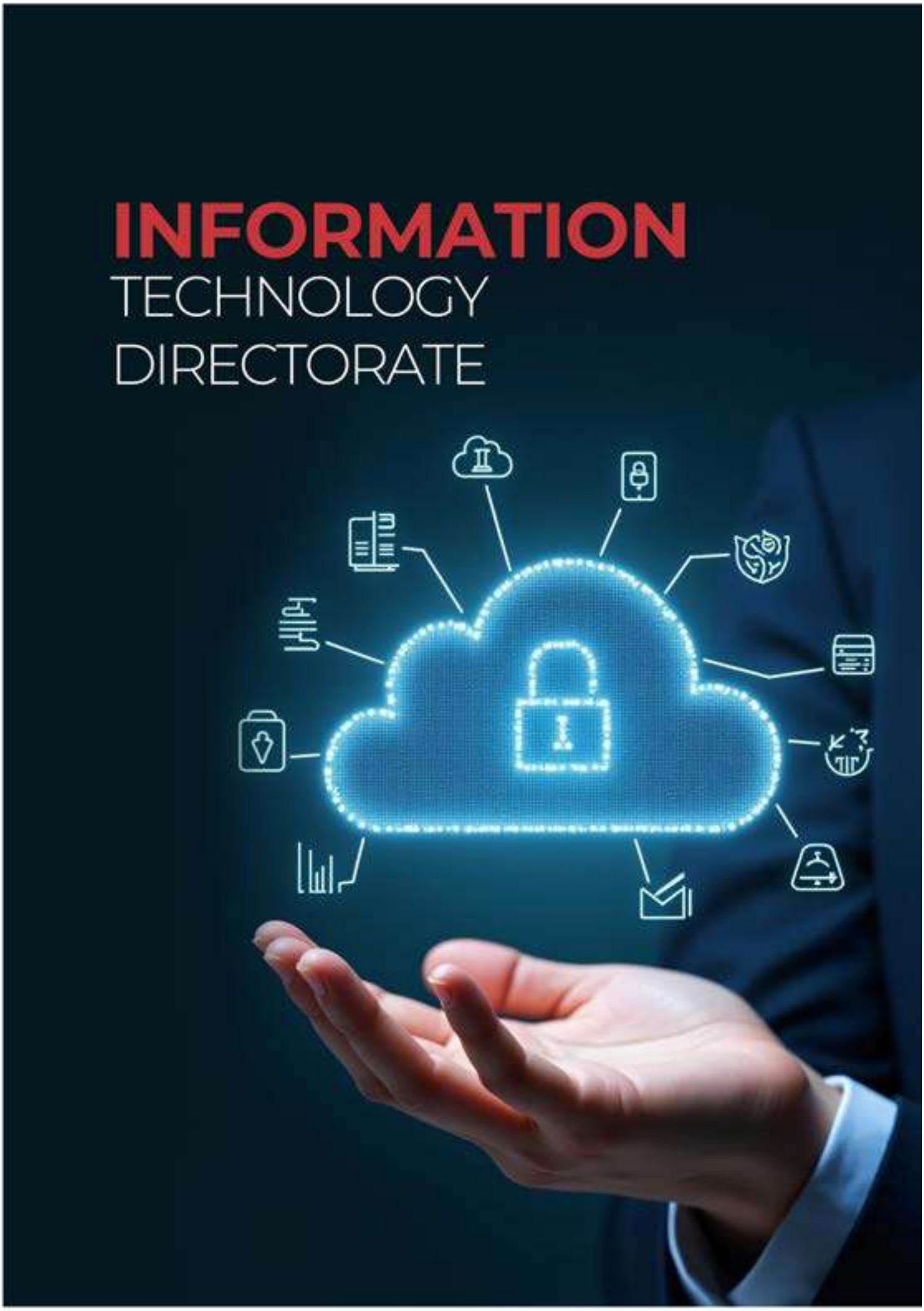
Safety Directorate has produced a number of awareness videos for awareness of General Public and sub-divided these into Sub Division level and imparted clear instructions to run it on daily basis through local cable operator/print media etc. Safety Directorate has printed Safety Posters for awareness of General Public.

Hook Type Clip on Meter & Safety Shoes

FESCO has procured Hook Type (Insulated) Digital Amp Meters for the use of line staff to facilitate safe measurement of load on distribution transformers. These advanced meters enable load readings to be taken from the ground, eliminating the need for physical contact with live components and enhancing staff Safety.

FESCO has successfully procured high-quality safety shoes for its line staff, in line with international safety standards. This initiative is part of FESCO's ongoing commitment to ensuring the health and safety of its frontline employees, especially those working in high-risk environments such as field operations and live line maintenance.

INFORMATION
TECHNOLOGY
DIRECTORATE



1. **GIS & Mobile App for HT/LT Network Mapping**

To enhance infrastructure planning and digital asset management, FESCO launched a GIS-based project in partnership with NESPAK to map 100% of its HT/LT network. A centralized web-based platform and mobile application were developed for real-time data collection, network visibility, and integration with SYNERGY. The system also supports digital processing of bifurcation proposals, improving transparency and operational planning.

2. Strengthening Customer Service Centers

FESCO established eight modern Customer Service Centers, one in each district, offering one-window solutions for billing, complaints, and new connections. Centers are equipped with high-performance PCs, printers, queue management systems, air conditioning, drinking water, KIOSK machines, and visual branding to ensure a professional and customer-friendly environment.

3. ERP Project Implementation

FESCO implemented a SAP-based ERP system in two phases: Phase I (2016) included FI-CO, MM, and PS modules, while Phase II (2022) introduced HCM integrated with Share Point. The system has improved data sharing, reduced manual work, and enabled system-based approvals and workflows, ensuring transparency and timely decision-making.

4. Integrated Billing System (IBS)

In January 2021, FESCO migrated from COBOL to an Oracle-based IBS, fully compatible with ERP, GIS, and AMR systems. The new system provides centralized billing, online meter reading, SMS alerts, and integration with banks and mobile wallets, improving accuracy, speed, and service reliability.

5. Online Services and Mobile Applications

FESCO expanded its digital services through web portals and mobile apps. Consumers can apply for new connections, bill corrections, and complaint registration online. Apps like FESCO LIGHT and FESCO SMART allow users to track consumption, pay bills, and request meter reading corrections. The "Apna Meter Apni Reading" app enables users to submit meter photos for accurate billing.

6. Queue Management System

A token-based Queue Management System has been implemented in customer centers for efficient handling of visitors. Special counters are designated for senior citizens and overseas Pakistanis. The system ensures proper seating and a comfortable environment.

7. Centralized Complaint Management System (CCMS 118)

FESCO established a 24/7 complaint system accessible via SMS, website, FESCO LIGHT App, IVR, landlines, and KIOSKs. All complaints are tracked and resolved through a centralized platform to improve responsiveness and accountability.

8. Microsoft Office 365 Deployment

FESCO introduced Microsoft 365 to support secure email communication, cloud backups, and collaborative work through Share Point and Teams, improving internal and cross-departmental coordination.

9. Launch of Official Website

The official website (www.fesco.com.pk) provides comprehensive information on net metering, tariffs, billing schedules, taxes, and reports, serving as a central source of transparency and consumer awareness.

10. E-Kachahri

FESCO launched E-Kachahri via Facebook Live, allowing consumers to raise grievances

directly with the CEO. Immediate actions are taken during these live sessions, enhancing public trust and service delivery.

11. IT & Security Policy

A robust IT security policy was implemented, covering data usage, access control, backups, and supplier standards. This ensures data protection and compliance with best practices.

12. Implementation of Advanced Metering Infrastructure (AMI)

In November 2022, FESCO began implementing the Advanced Metering Infrastructure (AMI) project in collaboration with PITC Lahore. A total of 32,131 smart meters have been procured in two phases, with installations currently underway. The deployment initially targets consumers with a load of 15 kW and above. As of March 2023, FESCO has also launched online billing for these AMI-enabled consumers, enabling real-time consumption tracking, faster billing cycles, and improved accuracy.

13. Digitalization through E-Ops, CCMS Plus, and Smart Solutions

In compliance with directives from the Ministry of Energy (Power Division), FESCO has rolled out CCMS Plus, developed by PITC, while complete E-Ops will be implemented to digitize operational and commercial processes across all divisions. The E-Ops portal serves as a centralized platform for new connection applications, name/load/tariff change requests, billing corrections, and complaint tracking. Access is role-based, ensuring appropriate privileges for Commercial Facilitation Centers (CFCs), SDOs, Revenue Offices, and field staff.

The system was piloted in Abdullahpur Division and five allied sub-divisions, with a full-scale rollout to all operational sub-divisions currently in progress. Alongside E-Ops, FESCO's Smart App enables consumers to apply for smart meters, view and pay bills, request meter reading corrections, apply for bill installments, and monitor real-time consumption.

To ensure secure mobile access to enterprise systems, FESCO introduced Mobile Device Management (MDM), enabling device tracking, application control, and data security. Additionally, a Complaint and Control Centre (CNC) was established as the first phase of a unified "1-Stop Portal" system. This initiative digitizes the traditional KHATA system and facilitates efficient complaint logging. As part of the pilot phase, hardware including six computers and fifteen smartphones, was deployed in selected sub-divisions, while the central CFC at FESCO Headquarters functions as the command hub for customer support operations.

14 . E-Office Implementation

In collaboration with NITB, FESCO deployed a digital E-Office at HQ to eliminate paper use. The platform ensures file tracking, approvals, and document management. Expansion to all divisions is underway.

15. E-Procurement (E-PAD)

FESCO adopted a fully digital procurement system aligned with PPRA rules. It covers tendering, bid submission, evaluation, and contract awarding. Supplier interaction is managed through a dedicated portal.

16. "Apna Meter Apni Reading" App

As per federal directives, the app enables consumers to take and submit meter photos. This ensures dual verification with official readings, reducing overbilling and increasing transparency.

Key Challenges Faced During FY 2024-25 and Strategic Responses

- Staff Shortage: Computer Centres operate with only 45% of required staff. FESCO proposed recruitment of IT and data personnel and focused on automation to manage workloads.
- Fragmented IT Systems: PITC-developed open-source systems lack full integration. FESCO is reviewing SLAs and pushing for enterprise-level platforms.
- Cyber security Risks: Growing digital infrastructure increases exposure to cyber threats. FESCO plans to outsource real-time threat monitoring to specialized firms.
- Aging Infrastructure: Legacy systems hinder performance. Major upgrades are included in the Distribution Integrated Investment Plan (DIIP).
- Regulatory Constraints: Frequent changes in policies and tariffs require continuous adjustments. FESCO has integrated compliance checks into its digital platforms.

MARKET IMPLEMENTATION & REGULATORY AFFAIRS DIRECTORATE (MIRAD)



Market Implementation & Regulatory Affairs Directorate (MIRAD)

In line with NEPRA's approval of CTBCM and Roadmap thereof, FESCO has established Market Implementation & Regulatory Affairs Department (MIRAD) to lead FESCO team in effective and smooth implementation of CTBCM and be FESCO's interface thereof. The charter of MIRAD, as envisaged by NEPRA and the Ministry of Energy (Power Division) includes the following functions:

- Bilateral power purchase contract agreement
- Legal and Regulatory affairs
- Billing and settlement with the market operator
- Financial Health Assessment/Security Cover
- Demand Forecasting
- Transmission planning.
- Integrated Business Planning & Performance Monitoring

Currently all sections of MIRAD are functional with 14 out of 20 numbers of working strength. During the Financial Year 2024-25, MIRAD performed below mentioned activities:

Comments offered on the applications / regulations / drafts;

1. Draft of Market Participant Agreement (MPA), Service Provider Agreement (SPA) and System Operator Agreement (SOA).
2. Draft / proposal amendment to NEPRA Licensing (Electric Power Supplier) Regulations, 2022.
3. Application filed by PESCO for modification of their Distribution and Supplier of Last Resort licenses.
4. Application filed by K-Electric for modification of its transmission license.
5. Draft Performance Standards (Distribution) Regulations, 2024.
6. Draft amendments to the NEPRA (Review Procedure) Regulations, 2009.
7. Application filed by HAZECO for grant of their Distribution and Supplier of Last Resort Licenses.
8. Application filed by Kot Addu Power Company Limited for renewal of term of Generation License.
9. Draft NEPRA guidelines (Methodology and Process) for determination of Distribution Margin and Distribution tariff and Supply of tariff for Supplier of Last Resort (SoLR).

Agreements & Petitions

1. Tripartite agreement signed in between FESCO, NEECA and Banks for replacement of Fans.
2. Draft Operation and Maintenance (O&M) Agreement at special economic zone submitted to NEPRA for approval.
3. Use of System Charge (UoSC) petition for FY 2025-26 prepared through FACOS Model filed with NEPRA.

Review Petition

- Review petition filed before NEPRA Authority legal separation of FESCO supply and distribution business.
- Review petition filed before NEPRA Appellate Tribunal against grant of generation concurrence to Ms. Maple Leaf Cement Factory & Grid Edge Pvt Ltd

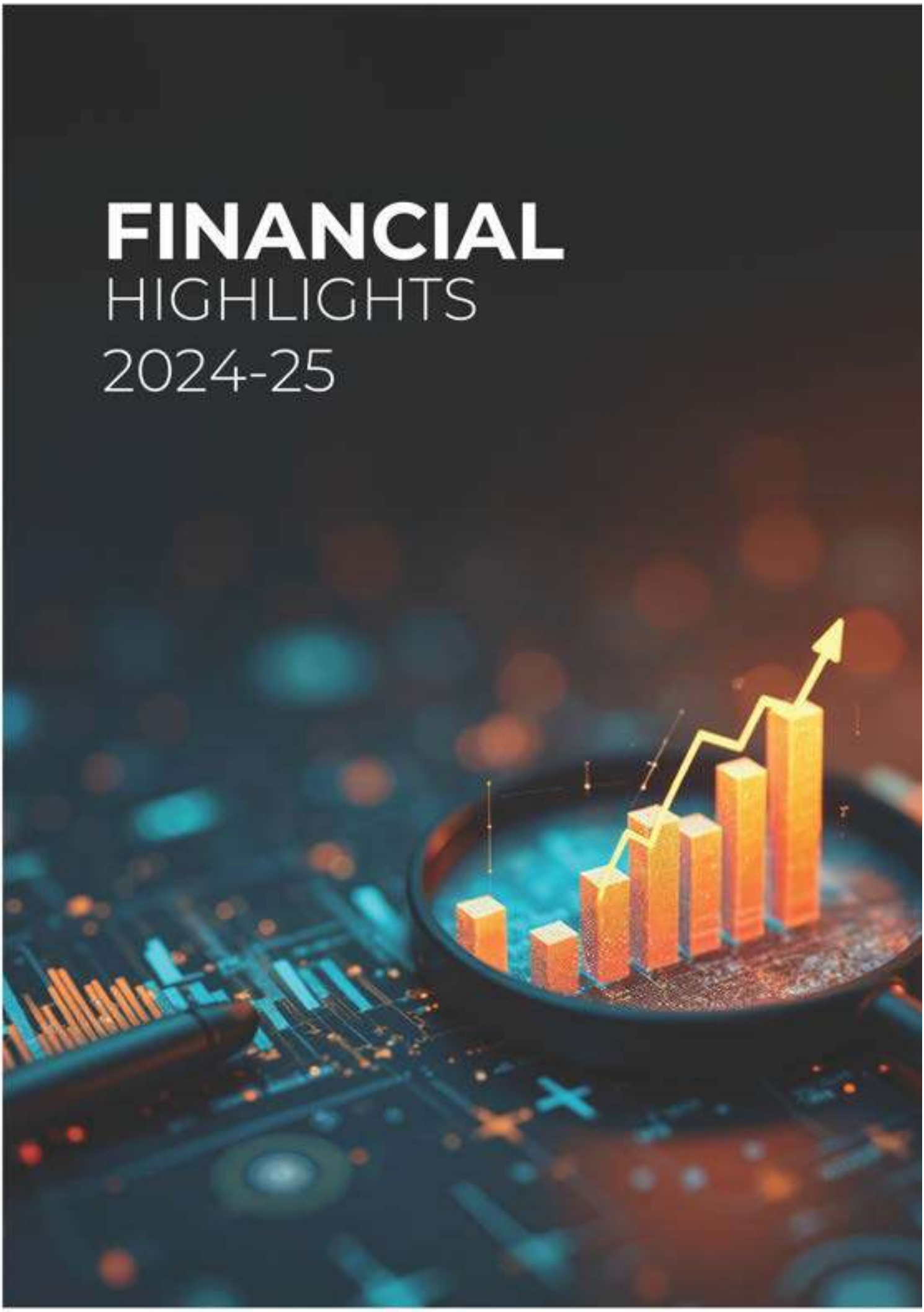
Transmission Planning & Demand Forecast Section

- Coordination with Office of GM (Planning) NTDCL along with other DISCOs for preparation of Transmission System Expansion Plan (TSEP).
- FESCO Electricity demand forecast report, base year 2023-24 prepared and submitted to NEPRA.

Net-Metering:

Progress of Net Metering Connection for FY - 2024-25					
Application received		DG Facility installed		Pending	
No.	DG Facility (MW)	No.	DG Facility (MW)	No.	DG Facility (MW)
18082	319	15231	240	2214	70

FINANCIAL HIGHLIGHTS 2024-25



FESCO Financial Highlights Six Year (2019-20 to 2024-25)

During FY 2024-25, FESCO achieved a notable operational and financial recovery, marking a turning point after two years (2021-22 & 2022-23) of reported losses. Revenue reached Rs. 470,120 million, almost double the level recorded six years earlier, reflecting steady demand growth, timely tariff adjustments, and improved energy sales. This top-line expansion underscores the Company's strong market position and the resilience of its core business model.

Gross profit increased to Rs. 67,952 million with gross margin improving to 14.5% compared to 13.9% at the start of the review period. This margin stability amid rising input costs demonstrates the Company's ability to pass through cost pressures and manage power purchase costs effectively. A sharp recovery in EBITDA to Rs. 36,664 million during FY 2024-25 further reinforced the underlying operational strength, reversing the negative performance recorded in FY 2022-23.

The most encouraging development has been the return to net profitability. After losses in FY 2021-22 and FY 2022-23, FESCO posted a profit after taxation (PAT) of Rs. 9,433 million in FY 2024-25. Net profit margin stood at around 2.0%, reflecting improved operational discipline, reduced transmission and distribution (T&D) losses and better working capital management. Equity strengthened significantly to Rs. 62,970 million, compared with a negative position of Rs. 10,533 million in FY 2019-20, restoring balance sheet stability and financial solvency.

Operational efficiency also showed marked progress. The Company succeeded in bringing down average receivable days to just 35 days, compared with a peak of 76 days earlier in the period under review, highlighting enhanced collections and customer management. Meanwhile, T&D losses were contained at 8.89%, a level better than several DISCOs and management continues to target further improvements through investments in metering, automation, and network rehabilitation.

Cash flows from operations remained robust, supported by improved recoveries, while liquidity ratios (current ratio of 1.32 and quick ratio of 1.29 in FY 2025) reflect a comfortable short-term financial position. Debt levels remain low, with long-term debt to equity at only 0.04, thereby minimizing financial risk and interest burden. This prudent capital structure, combined with a 14.98% return on equity (ROE) in FY 2025, demonstrates the Company's ability to generate sustainable returns while maintaining a conservative risk profile.

Overall, the six-year financial highlights show a company that has not only grown in distribution footprint but also improved its financial resilience. FESCO's journey from negative equity and losses to profitability, strong cash generation and stable margins is a clear testament to management's focus on operational discipline, customer service and strategic investment. Looking ahead, the Company remains committed to reducing system losses, optimizing costs and enhancing service quality, thereby creating long-term value for its customers, employees and shareholders.

SUMMARY OF PROFIT OR LOSS ACCOUNT

Rs. Million

DESCRIPTION	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Revenue	226,210	231,780	337,812	380,864	461,024	470,120
Power Purchase Cost	(194,742)	(193,010)	(316,040)	(360,600)	(424,588)	(402,168)
Gross Profit or (Loss)	**31,468**	**38,770**	**21,772**	**20,264**	**36,436**	**67,952**
O&M Expenses	(29,512)	(25,491)	(28,092)	(38,989)	(44,407)	(56,941)
Finance Cost	(895)	(494)	(470)	(882)	(882)	(4,989)
Other Income	7,221	6,943	8,054	11,561	15,232	14,708
Profit or (Loss) Before Levy & Taxation	**8,282**	**19,728**	**1,264**	**(8,046)**	**6,379**	**20,730**
Levy & Taxation	(2,208)	(2,326)	(3,249)	(3,861)	(5,381)	(11,297)
Profit or (Loss) After Levy & Taxation	**6,074**	**17,402**	**(1,985)**	**(11,907)**	**998**	**9,433**

SUMMARY OF BALANCE SHEET

Rs. Million

DESCRIPTION	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Non-Current Assets	126,898	133,502	144,105	161,841	231,033	238,575
Current Assets	130,180	133,525	165,786	156,993	164,028	171,751
Total Assets	**257,078**	**267,027**	**309,891**	**318,834**	**395,061**	**410,326**
Share Capital & Reserves	(10,533)	(863)	11,369	1,532	49,075	62,970
Long-term Liabilities	144,220	153,391	174,710	192,518	213,185	217,615
Current Liabilities	123,391	114,499	123,812	124,784	132,801	129,741
Total Equity & Liabilities	**257,078**	**267,027**	**309,891**	**318,834**	**395,061**	**410,326**

KEY FINANCIAL INDICATORS (KFIs)

DESCRIPTION	Unit	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Gross Profit/(Loss) Ratio	%	13.9	16.7	6.4	5.3	7.9	14.5
Net Profit to Sales	%	2.7	7.5	(0.6)	(3.1)	0.2	2.0
EBITDA Margin to Sales	%	6.1	11.0	2.0	(0.6)	2.9	7.8
Return on Capital Employed	%	6.9	13.3	0.9	(3.7)	2.8	9.2
Current Ratio	%	1.06	1.17	1.34	1.26	1.24	1.32
Quick/Acid Test Ratio	%	1.03	1.14	1.31	1.22	1.19	1.27
Cash to Current Liabilities	%	0.21	0.24	0.25	0.20	0.17	0.08
Average Collection Period	Days	16	16	76	49	49	35
Debt to Equity Ratio	%	(0.39)	(4.33)	0.30	1.99	0.06	0.04

HORIZONTAL ANALYSIS

DESCRIPTION	Unit	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Non-current assets	%	100	105.2	113.6	127.5	182.1	188.0
Current assets	%	100	102.6	127.4	120.6	126.0	131.9
Total Assets	**%**	**100**	**147.9**	**153.6**	**178.3**	**183.4**	**227.3**
Share capital & reserves	%	(100)	91.8	207.9	114.5	565.9	697.8
Long-term liabilities	%	100	106.4	121.1	133.5	147.8	150.9
Current liabilities	%	100	92.8	100.3	101.1	107.6	90.0
Total Equity and Liabilities	**%**	**100**	**147.9**	**153.6**	**178.3**	**183.4**	**227.3**
Revenue	**%**	**100**	102.5	149.3	168.4	203.8	207.8
Purchase of electricity	%	100	99.1	162.3	185.2	218.0	206.5
Gross Profit or (Loss)	**%**	**100**	**253.6**	**312.4**	**175.5**	**163.3**	**293.6**
O&M Expenses	%	100	86.4	95.2	132.1	150.5	192.9
Other Operating income	%	100	55.2	52.5	98.5	98.5	557.4
Finance cost	%	100	96.2	111.5	160.1	210.9	203.7
Profit or (Loss) Before Levy & Taxation	**%**	**100**	**238.2**	**(84.7)**	**(197.2)**	**(23.0)**	**250.3**
Levy & Taxation	%	100	105.3	147.1	401.4	243.7	511.6
Profit or (Loss) After Levy & Taxation	**%**	**100**	**186.5**	**(132.7)**	**(296.0)**	**(83.6)**	**55.3**

VERTICAL ANALYSIS

(Fig in %)

DESCRIPTION	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Non-current assets	49.4	50.0	46.5	50.8	58.5	58.1
Current assets	50.6	50.0	53.5	49.2	41.5	41.9
Total Assets	**100**	**100**	**100**	**100**	**100**	**100**
Share capital & reserves	(4.1)	(0.3)	3.7	0.5	12.4	15.3
Long-term liabilities	56.1	57.4	56.4	60.4	54.0	53.0
Current liabilities	48.0	42.9	40.0	39.1	33.6	31.6
Total Equity and Liabilities	**100**	**100**	**100**	**100**	**100**	**100**
Revenue	**100**	**100**	**100**	**100**	**100**	**100**
Purchase of electricity	86.1	83.3	93.6	94.7	92.1	85.5
Gross Profit or (Loss)	**13.9**	**16.7**	**6.4**	**5.3**	**7.9**	**14.5**
O&M Expenses	13.0	11.0	8.3	10.2	9.6	12.1
Other Operating income	3.2	3.0	2.4	3.0	3.3	3.1
Operating Profit or (Loss)	3.7	8.5	0.4	(2.1)	1.4	4.4
Finance cost	0.4	0.2	0.1	0.2	0.2	1.1
Profit or (Loss) Before Levy & Taxation	3.7	8.5	0.4	(2.1)	1.4	4.4
Levy & Taxation	1.0	1.0	1.0	1.0	1.2	2.4
Profit or (Loss) After Levy & Taxation	2.7	7.5	(0.6)	(3.1)	0.2	2.0

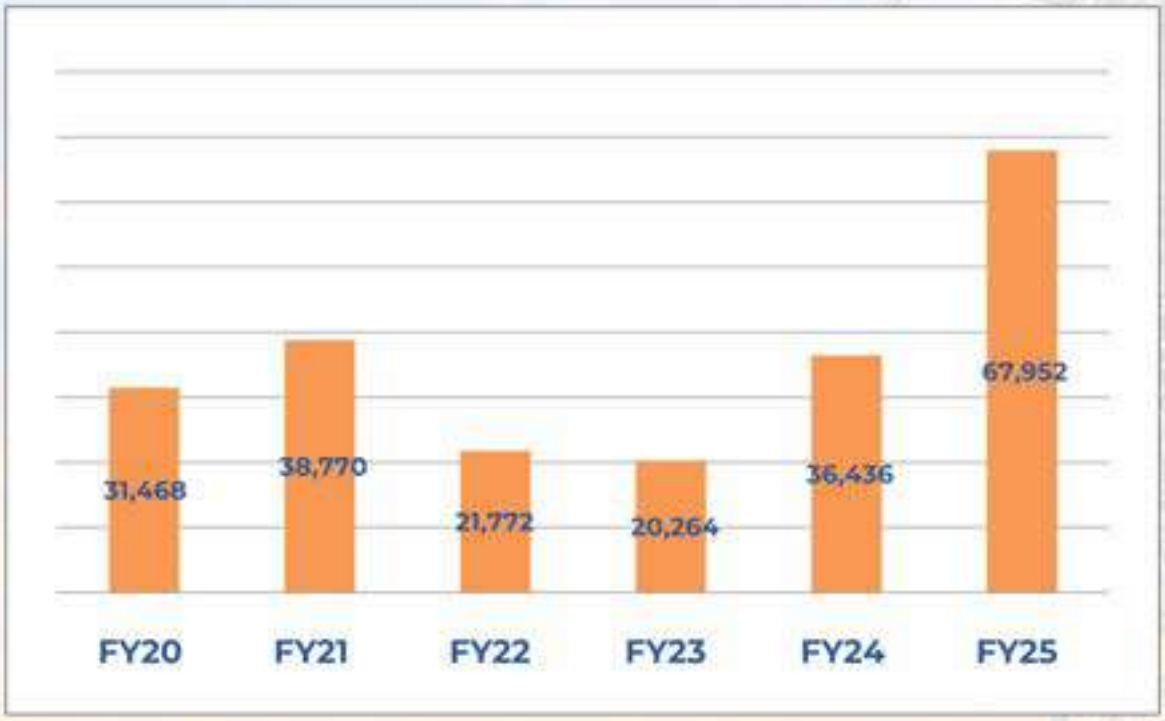
DUPONT ANALYSIS
For the Year ended June 30, 2025



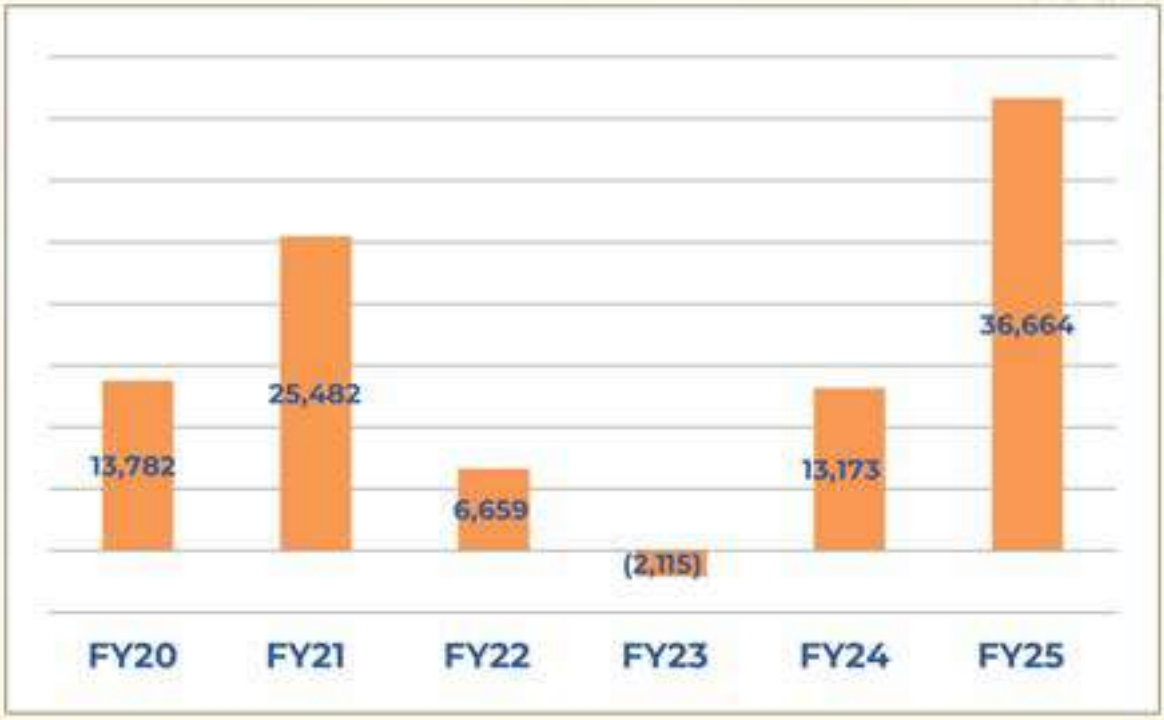
SALES REVENUE (PKR Million)



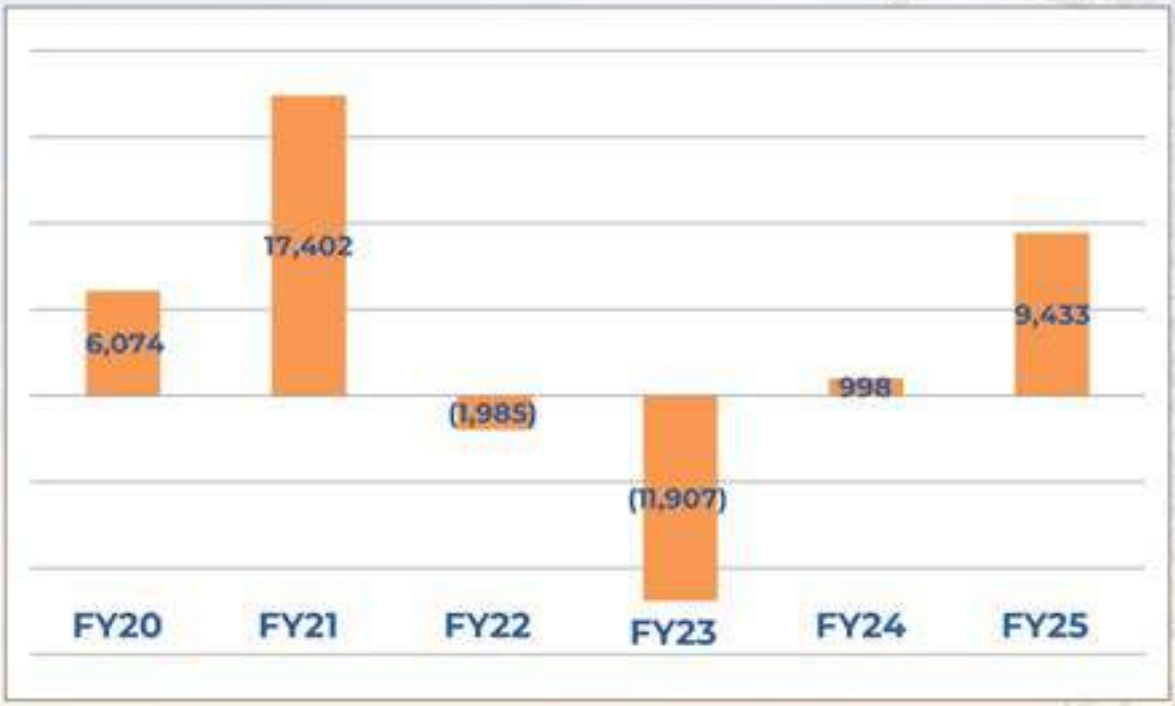
GROSS PROFIT (PKR Million)



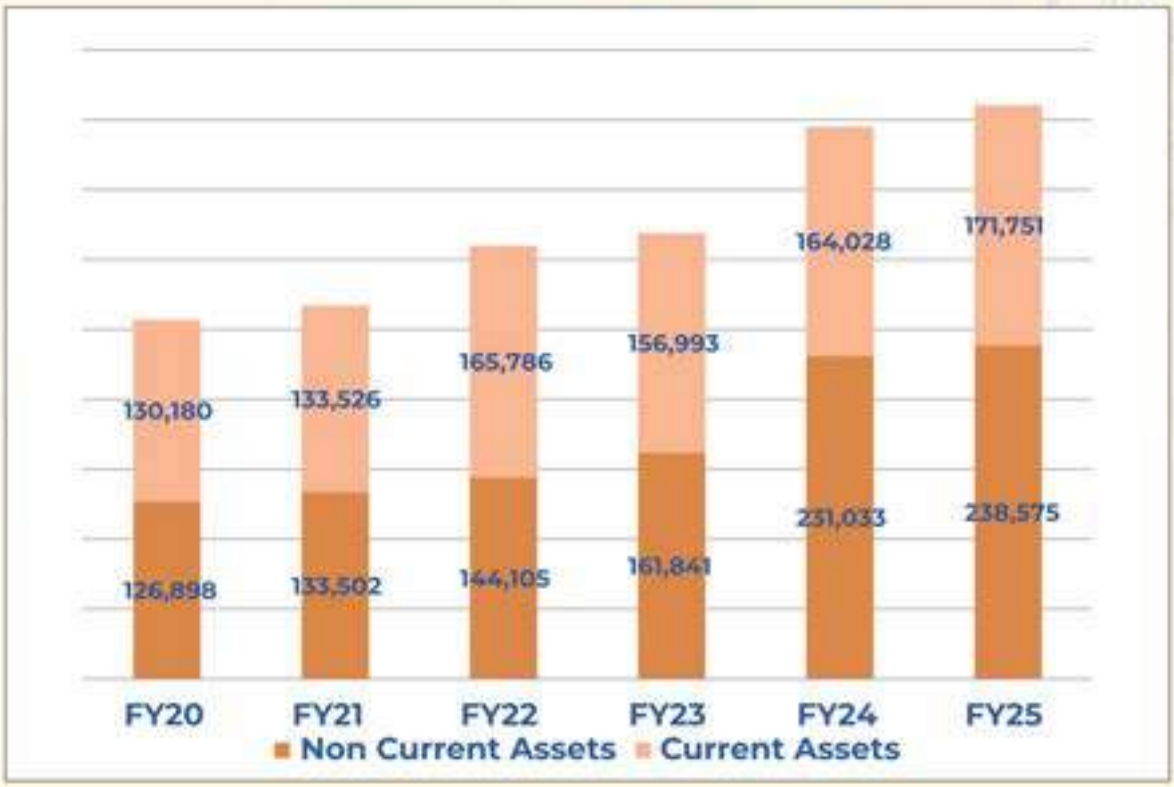
EBITDA (PKR Million)



Profit/(Loss) (PKR Million)



Non-Current & Current Assets (PKR Million)



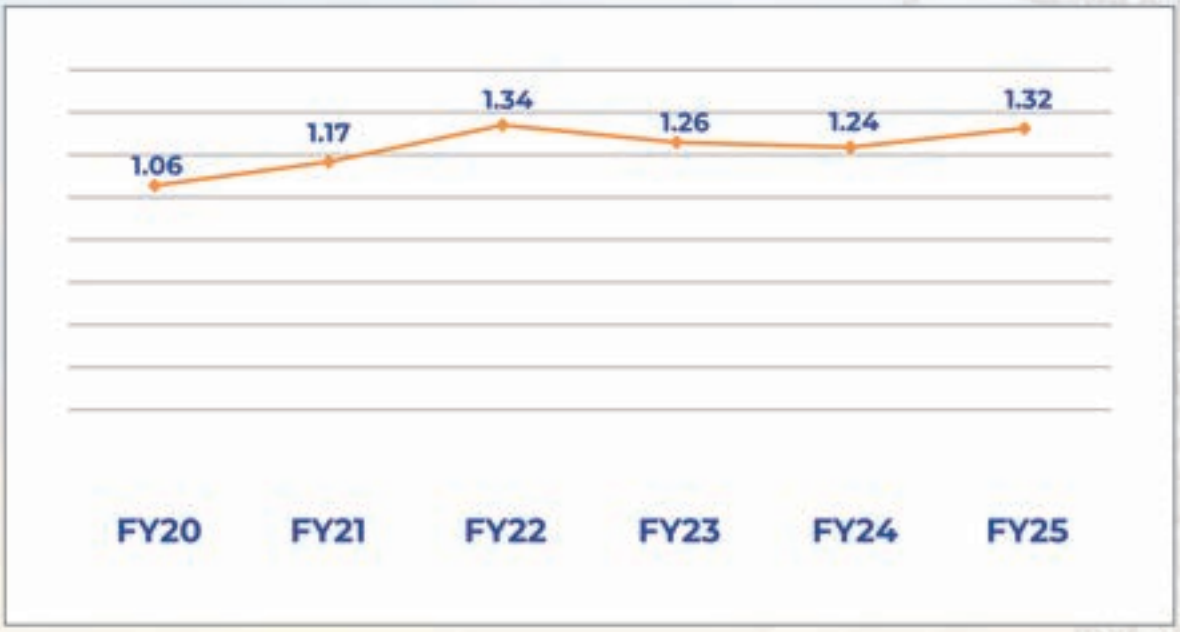
Debtors Turnover in Days



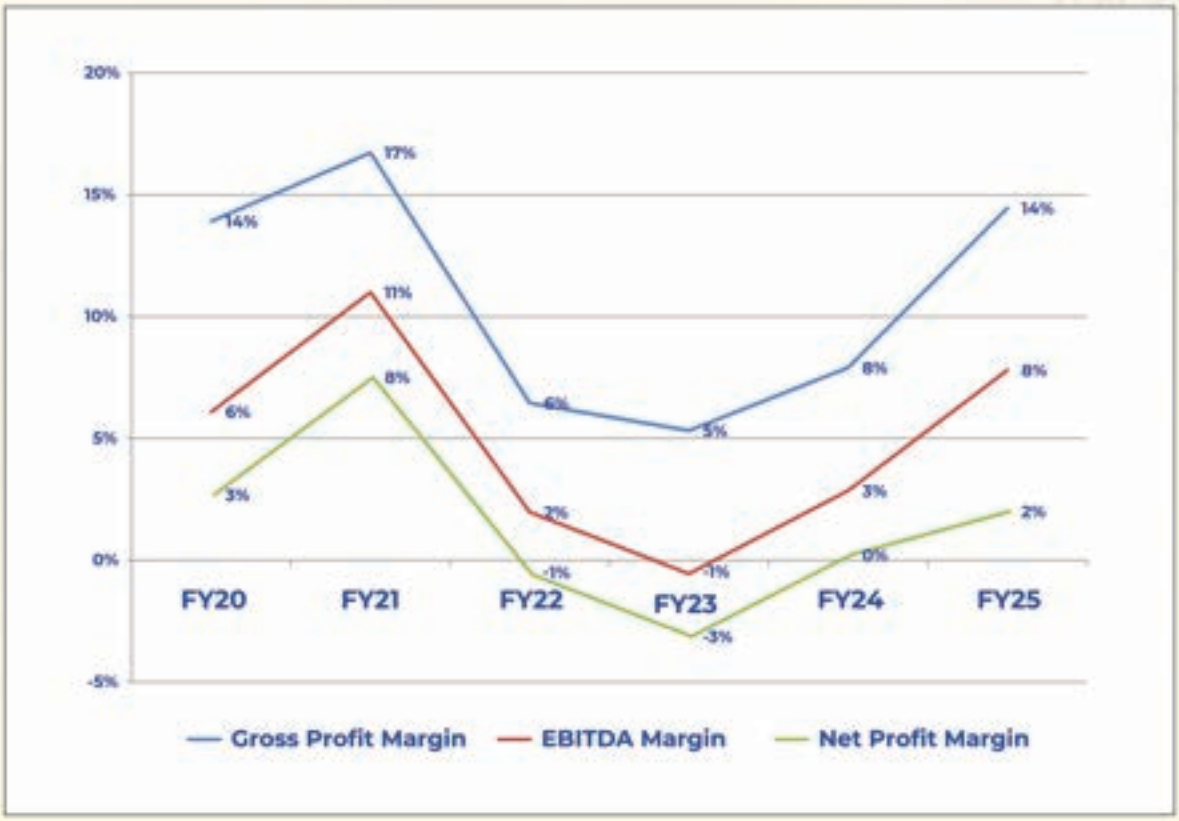
T&D Losses %



CURRENT RATIO



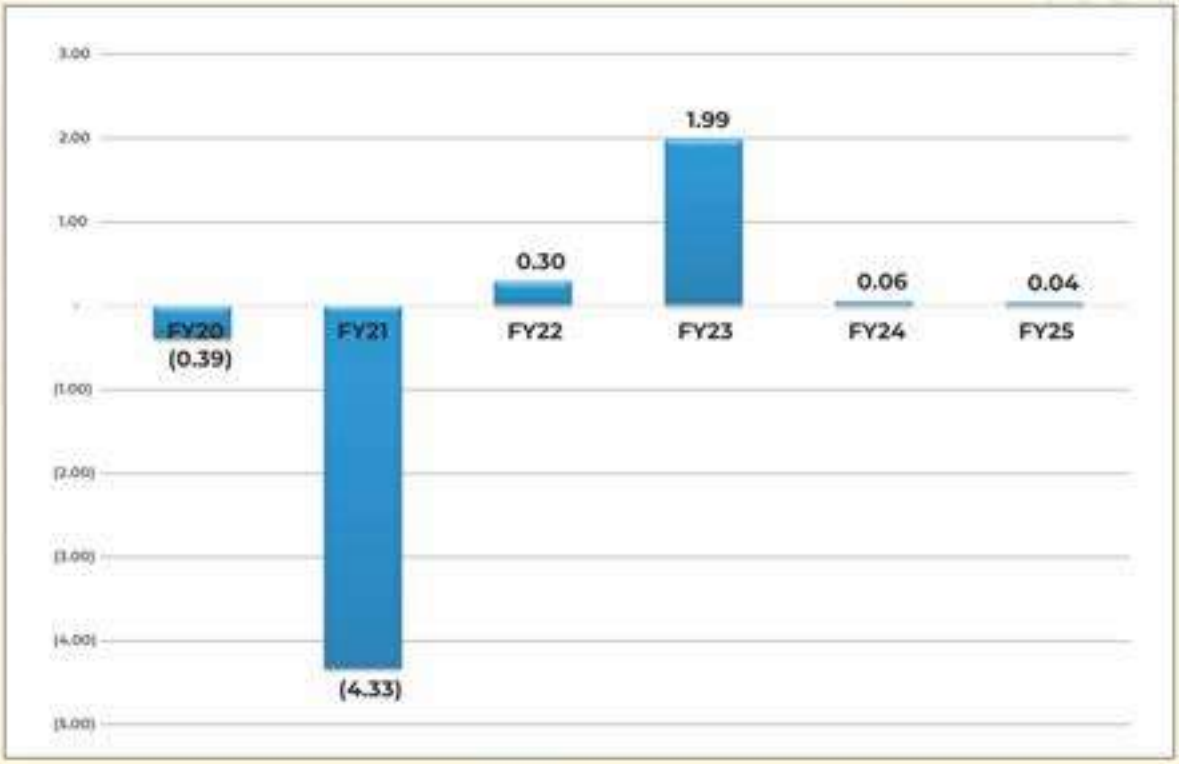
Profitability Ratios



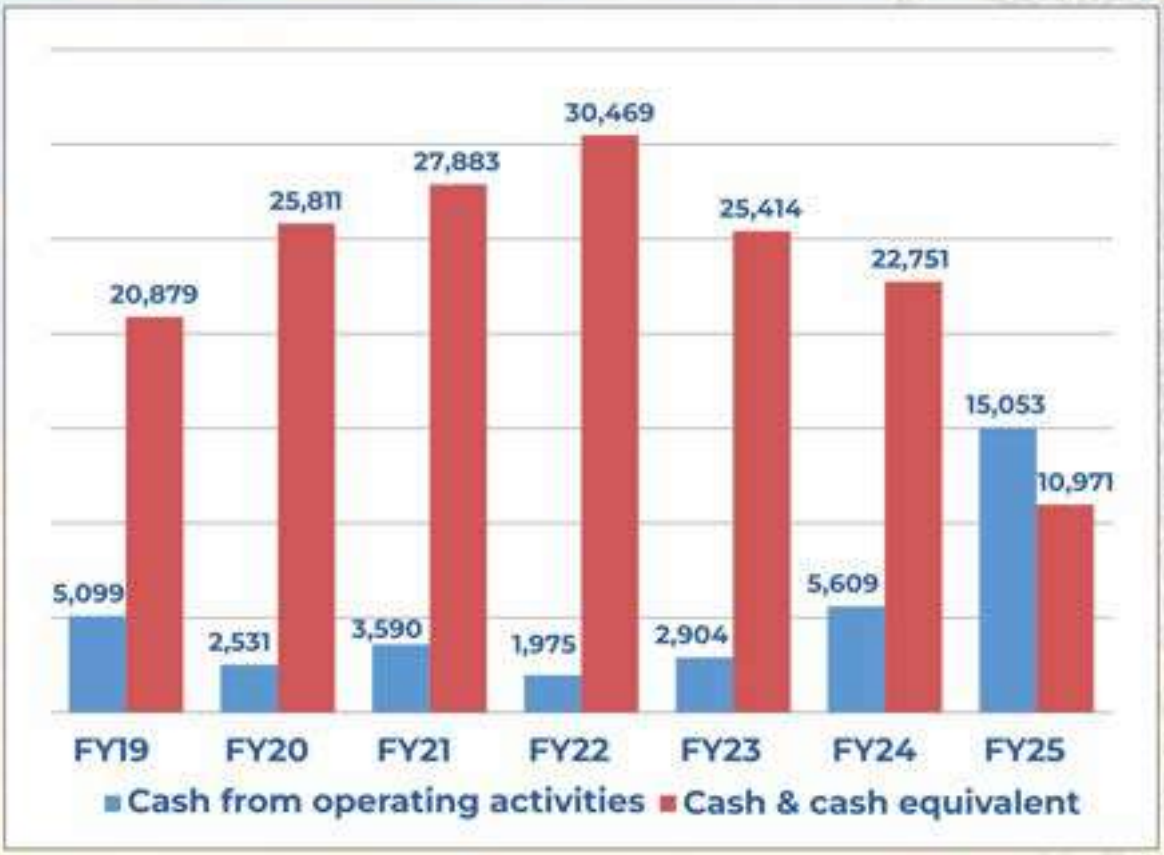
Equity & Liabilities (PKR Million)



Long Term Debt To Equity Ratio



Operating Activities & Cash and Cash Equivalent (PKR Million)



Salary Detail of Chief Executive Officer FESCO for FY 2024-25

Name of CEO	Muhammad Aamer												Amount in RS.
Description	**Jul-24**	**Aug-24**	**Sep-24**	**Oct-24**	**Nov-24**	**Dec-24**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	**Grand Total**
Basic Pay	196,130	196,130	196,130	196,130	196,130	196,130	196,130	196,130	196,130	196,130	196,130	196,130	**2,353,560**
Personal Pay	13,380	13,380	13,380	13,380	13,380	20,070	20,070	20,070	20,070	20,070	20,070	20,070	**207,390**
Special Allowance	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	**120,000**
HQ Allowance	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	**240,000**
Entertainment Allow	600	600	600	600	600	600	600	600	600	600	600	600	**7,200**
CEO Allowance	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	**2,100,000**
Appointment Allow	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	**120,000**
ERP Allowance	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	**36,000**
Sr. Post Allow	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	**15,000**
Orderly Allow	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	**300,000**
House Rent	15,758	15,758	15,758	15,758	15,758	15,758	15,758	15,758	15,758	15,758	15,758	15,758	**189,096**
Transport Subsidy Allow	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	**300,000**
DRA 25% 2021	28,528	28,528	28,528	28,528	28,528	28,528	28,528	28,528	28,528	28,528	28,528	28,528	**342,336**
DRA 15% 2022	17,574	17,574	17,574	17,574	17,574	17,574	17,574	17,574	17,574	17,574	17,574	17,574	**210,888**
ARA 15% 2022	18,489	18,489	18,489	18,489	18,489	18,489	18,489	18,489	18,489	18,489	18,489	18,489	**221,868**
ARA 30% 2023	60,846	60,846	60,846	60,846	60,846	60,846	60,846	60,846	60,846	60,846	60,846	60,846	**730,152**
ARA 20% 2024	41,902	41,902	41,902	41,902	41,902	43,240	43,240	43,240	43,240	43,240	43,240	43,240	**512,190**
TOTAL	**662,457**	**662,457**	**662,457**	**662,457**	**662,457**	**670,485**	**670,485**	**670,485**	**670,485**	**670,485**	**670,485**	**670,485**	**8,005,680**

Basic Pay	**2,560,950**
Conveyance Allowance/ T. Subsidy	**300,000**
Other Allowances	**5,144,730**
TA/ DA	**2,234,840**
Honorarium / bonus	**216,200**
Medical Re-imbursement	**-**
Grand Total	**10,456,720**

DETAIL OF DIRECTOR'S FEE FOR FY 2024-25

Vendor No.	Name of Director	Designation	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	TOTAL Amount in Rs.
50009705	Muhammad Aamer	Executive Director	546,000	312,000	546,000	234,000	390,000	546,000	312,000	156,000	468,000	1,014,000	936,000	546,000	6,006,000
50021088	Lubna Usman	Director	390,000	234,000	312,000	234,000	234,000	234,000	390,000	312,000	312,000	546,000	546,000	234,000	3,978,000
50021116	Hassan Raza Saeed	Director	390,000	312,000	78,000	-	-	312,000	390,000	390,000	234,000	780,000	1,014,000	468,000	4,368,000
50021231	Muhammad Tehseen Alvi	Chairman	252,607	-	-	-	-	-	-	-	-	-	-	-	252,607
50021232	Muhammad Babar Ikram	Director	312,000	-	-	-	-	-	-	-	-	-	-	-	312,000
50021233	Ameer Hamza Khan	Director	(78,000)	-	-	-	-	-	-	-	-	-	-	-	(78,000)
50021234	Iftikhar Ahmad Ansari	Director	264,000	-	-	-	-	-	-	-	-	-	-	-	264,000
50021235	Nouman Khalid	Director	314,800	-	-	-	-	-	-	-	-	-	-	-	314,800
50021236	Muhammad Momin Junaid	Director	312,000	-	-	-	-	-	-	-	-	-	-	-	312,000
50021237	Muhammad Ali	Director	406,000	-	-	-	-	-	-	-	-	-	-	-	406,000
50021238	Mian Farrukh Iqbal	Director	312,000	-	-	-	-	-	-	-	-	-	-	-	312,000
50021252	Malik Rab Nawaz	Director	394,800	-	-	-	-	-	-	-	-	-	-	-	394,800
50021387	Qumar Sarwar Abbasi	Director	312,000	78,000	78,000	78,000	-	-	-	-	-	-	-	-	546,000
50021695	Zoe Khurshid Khan	Director	156,000	318,000	559,600	234,000	397,600	468,000	468,000	390,000	468,000	702,000	936,000	468,000	5,565,200
50021696	Parvez Iqbal	Director	156,000	234,000	400,800	390,000	244,000	156,000	390,000	395,200	156,000	546,000	624,000	234,000	3,926,000
50021697	Amer Zia	Director	175,000	234,000	480,800	312,000	333,500	324,800	390,000	405,000	312,000	780,000	1,014,000	468,000	5,229,100
50021723	Umer Azmatullah	Director	-	-	390,000	312,000	390,000	312,000	546,000	561,000	327,000	914,600	936,000	655,890	5,344,490
50021856	Adil Bashir	Director	-	-	-	-	-	-	-	-	-	936,000	780,000	390,000	2,106,000
Grand Total			4,615,207	1,722,000	2,845,200	1,794,000	1,989,100	2,352,800	2,886,000	2,609,200	2,277,000	6,218,600	6,786,000	3,463,890	39,558,997

FORM-20

Pattern of shareholding

[Pursuant to Section 227(2)(f) of the Companies Act, 2017 read with Regulation 30 of the Companies Regulations, 2024]

SECP

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 Name of the Company: Faisalabad Electric Supply Company Ltd

PART-II

2.1. Pattern of holding of the shares held by the shareholders as at 30 06 2025

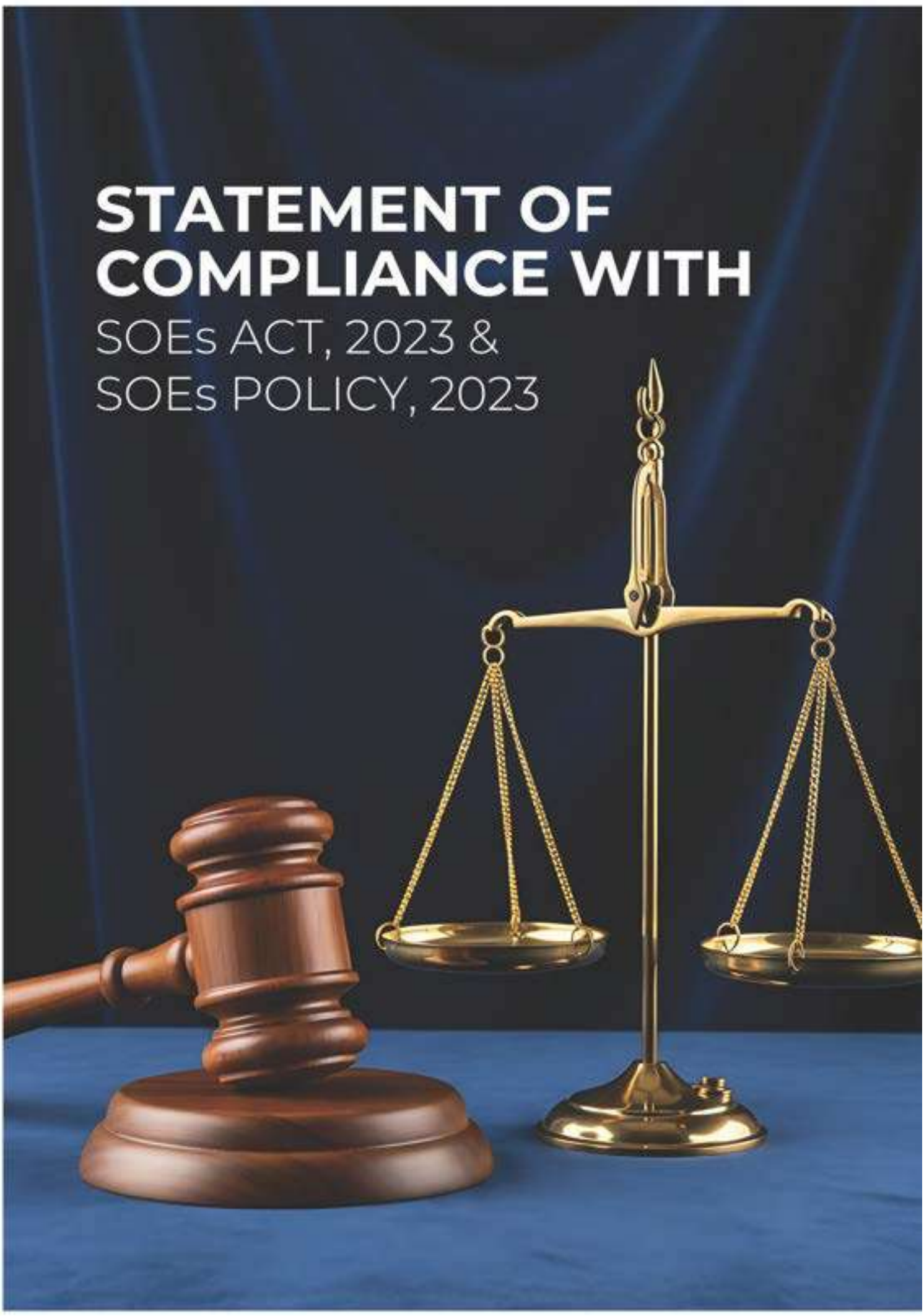
2.2. No of shareholders	Shareholdings	Total shares held
	shareholding from 1 to 100 shares	
	shareholding from 101 to 500 shares	
	shareholding from 501 to 1000 shares	
	shareholding from 1001 to 5000	
	shareholding from 5001 to 10000	
President of Pakistan	Shareholding from 1 to 374,944,383	374,944,383
	(Add appropriate slabs of shareholdings)	
	Total 374,944,383	**374,944,383**

2.3	Categories of shareholders	share held	Percentage
2.3.1	Directors, Chief Executive Officer, and their spouse and minor children.		
2.3.2	Associated Companies, undertakings and related parties.		
2.3.3	NIT and ICP		
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions.		
2.3.5	Insurance Companies		
2.3.6	Modarabas and Mutual Funds		
2.3.7	Share holders holding 10%		
2.3.8	General Public		
	a. Local		
	b. Foreign		
2.3.9	**President of Pakistan**	**374,944,383**	**100%**

Note: In case there are more than one class of shares carrying voting rights, the information regarding each such class shall be given separately.

STATEMENT OF COMPLIANCE WITH

SOEs ACT, 2023 & SOEs POLICY, 2023



S. No.	Requirement	Reference	Complied with			Remarks
			Tick the relevant box			
			Yes	No	N/A	
PRUDENT AND EFFICIENT MANAGEMENT						
1.	The SOE ensured sound and prudent management by: a. conducting operations with integrity, objectivity, due care, and professional skills b. ensuring independent directors and the CEO meet the fit and proper criteria c. composing management of individuals who were fit and proper for their positions d. maintaining adequate accounting and business records	Section 6 (1) of Act	✓			
2.	The accounting and other records meet the following criteria: a. enable prudent management of the SOE's business b. ensure compliance with the obligations imposed by the Act c. comply with all professional standards and pronouncements applicable in Pakistan	Section 6 (2) of Act	✓			
3.	The SOE ensured that its primary objective is met by: a. operating efficiently and in accordance with its respective Acts or articles and memorandum of association. b. generating sufficient revenues to cover costs and maintain financial stability	Section 7 (1), (3) of Act	✓			
4.	Following factors have been considered in achieving SOE's primary objectives: a. the long-term economic consequences of decisions b. business relationships with suppliers, customers, and other stakeholders c. the impact of operations on the community and the environment d. maintaining a reputation for high standards of business conduct. e. acting fairly among members of the SOE	Section 7(2) of Act	✓			
5.	During the reporting period, the SOE entered into a Public Service Obligation (PSO) and the PSO has been carried out in accordance with the guidelines given in the Act and Policy.	Section 7(4) of Act, Policy Para 17, 32, Annex- 5 of the Policy			✓	
MEASURABLE PERFORMANCE						
6.	The Board has adopted a business plan for the next three financial years, prepared in line with the provisions contained in the Act and Policy.	Section 8 (1) (2) (3) of Act, Annex- 1 of the Policy	✓			

S. No.	Requirement	Reference	Complied with Tick the relevant box			Remarks
			Yes	No	N/A	
7.	The Board has adopted and published a statement of corporate intent for the SOE or the group comprising the SOE and its subsidiaries (if any) at the start of financial year while covering the reporting year and the following two financial years, in the manner and form set out in Schedule-III of the Act and Annexure-I of the Policy.	Section 8 (4) of Act, Schedule-III of the Act Annex-1 of the Policy	✓			

RESPONSIBLE MANAGEMENT

8.	During the year the Board has submitted the terms of reference, skill-gap details, and explanations to the Board Nominations Committee (BNC) for selecting independent directors.	Policy Annex - 7			✓	
9.	Proper induction training has been provided for new directors.	Policy Annex - 7	✓			
10.	The SOE has maintained a register of declared director interests.	Policy Annex - 7	✓			
11.	The SOE has clarified the selection and appointment process of the directors.	Policy Annex - 7	✓			
12.	During the reporting year the SOE remained compliant with the following guidelines for Board composition and appointments: a. The Board composed of 5 to 11 members b. There was a majority of independent directors (non-ex-officio and non-executive) c. The Board consisted of independent directors, ex-officio directors and the chief executive officer of the SOE where required by law and had diverse skills and competence d. The Board had adequate gender representation e. At least one member on the Board was a young private sector individual, preferably below the age of 40 years f. The representation of academia, trade & industry and civil society had been considered g. The independent director nominations were based on the nominee's ability to devote the required time h. The tenure of independent directors was three years, or as per respective statutes i. Any independent director was not appointed to the same Board after two consecutive terms unless the period of three years had lapsed	Section 12 (1), (2), (3), (4) of Act, Section 15 (1) (2) of Act, Policy Para 24	✓			

S. No.	Requirement	Reference	Complied with			Remarks
			Tick the relevant box			
			Yes	No	N/A	
12.	j. No Independent Director served for more than nine years on the Board. k. The Chairman of the Board was appointed by the Federal Government from one of the independent directors. The Chairman was responsible for leading the board and ensuring its effective functioning and continuous development, and was not involved in the day-to-day operations of the SOE. l. The offices of Chairman and CEO were kept separate m. The representation from the administrative Ministry/ Division on the Boards of SOEs was restricted to one member n. The representation of any other Ministries/ Divisions (other than Ministry of Finance) and any other public sector agency was discouraged o. The ex-officio Board nominees had the necessary skills and experience. p. Directors received a fee for attending meetings, with compensation reflecting their responsibility and expertise. No additional perks were allowed, and remuneration was not at a level that could compromise the Board's independence q. Appointment of an individual to more than five SOEs simultaneously, including their subsidiaries was prohibited		✓			
13.	Following individuals were not appointed or did not continue as independent directors: a. Under eighteen years of age. b. An unnatural person. c. Undischarged bankrupt in any jurisdiction. d. Convicted of an offence. e. Prohibited by statute or court order. f. Declared mentally unfit. g. In the service of Pakistan. h. Member of Majlis-e-Shoora or Provincial Assembly. i. Holder of political office. j. Employee of an SOE.	Section 11 of Act	✓			
14.	Every director held office for the period specified under the applicable law, unless the director resigned in writing or was removed earlier in accordance with the SOE Act.	Section 13 (1) of Act	✓			
15.	The removal of any independent director appointed by the Federal Government was based on an inquiry that established one or more of the following: a. the director was in non-compliance with applicable laws. b. failed to fulfill duties. c. acted detrimentally to the enterprise, or	Section 13 (2) of Act	✓			

S. No.	Requirement	Reference	Complied with (Tick the relevant box) Yes	No	N/A	Remarks
15.	d. was guilty of misconduct, whereby Misconduct included: (i) conflicts of interest, (ii) misuse of funds, assets and resources of the SOE (iii) disrespect or harassment to colleagues and staff, (iv) making unauthorized public statements, (v) non-compliance with code of conduct or conflict of interest requirements, (vi) accepting gifts or benefits from sources external to the SOE offered in connection with his duties on the Board, (vii) misuse of position	Section 13 (2) of Act	✓			
16.	Any act, proceeding, or decision of the board was not deemed invalid solely due to a vacancy, defect, or irregularity in the constitution of the board.	Section 14	✓			
17.	The CEO: a. managed the SOE and its financial and procedural matters under board delegation and oversight, b. implemented strategies and policies approved by the Board, and c. established arrangements to safeguard funds and resources, ensuring their economic, efficient, and effective use according to the business plan, primary objectives, and statutory obligations.	Section 14	✓			
18.	The fit and proper criteria, as prescribed in Schedule IV, has been applied to independent directors, the Chief Executive Officer, the Company Secretary, and all other senior management officers of the SOE. The SOE also ensured compliance with any additional requirements issued by sector regulators or authorities governing specific sectors	Section 16 (1) (2) of Act, Schedule IV of the Act	✓			
19.	The HR policies have been established to enhance the quality of its human resources and organizational structure, with approval from the Board of Directors.	Policy Para 29	✓			
20.	Following guidelines have been considered for developing HR policies: a. Approval, amendment, or supersession of HR policies has been made by the Board unless otherwise provided in the primary legislation of the statutory SOEs. The Policies/ rules/ regulations were based on the principles of fairness, transparency and equity. b. Regular HR review mechanism has been implemented to rationalize the workforce.	Policy Para 30	✓			

S. No.	Requirement	Reference	Complied with			Remarks
			Tick the relevant box			
			Yes	No	N/A	
	c. New appointments were made preferably on a contract basis with a one-month notice termination clause. d. Annual performance evaluations for HR were conducted, and continuation/termination decisions were based on these evaluations. e. Fit and proper criterion for the appointment of CEO, CFO, CIA, Company Secretary, and other senior management officers complied with Section 16 and Schedule IV of the SOEs Act, 2023.	Policy Para 30	✓			
21.	Every newly appointed independent director: a. submitted a declaration, along with consent to act as Director, confirming qualification under the Fit and Proper criteria as notified under the Act? b. provided a declaration to both the SOE and SECP if there is any change affecting his/her independence post-appointment?	Policy Para 35	✓			

RESPONSIBILITIES, POWERS AND FUNCTIONS OF THE BOARD

22.	It has been ensured that: a. The Board operated with autonomy and independence in discharging its functions under this Act or any other applicable law, according to the adopted business plan. b. No administrative or standing instructions by any Division of the Federal Government were applied to the SOE without prior approval from the Federal Government c. Any existing instructions already in field at the time of coming into effect of this Act were ratified by the Federal Government within a period of six months, else was deemed rescinded.	Section 17 (1) of Act	✓ ✓		✓	
23.	The SOE maintained independent procurement policies approved by the Federal Government, ensuring compliance with the Chartered Institute of Procurement and Supply's Global Standards. These policies adhered to the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002) as directed by the Federal Government, until the procurement policy of SOEs is prepared and approved by the Federal Government.	Section 17 (2) of Act	✓			
24.	The Board or concerned authority has appointed a chief executive officer under a performance-based contract for a specified period, and aligned existing arrangements with the appointment of chief executive officers in line with this provision within one year of coming into effect of this law.	Section 18 (1) of Act	✓			
25.	Regular monitoring of the CEO's performance against agreed performance measures was ensured, along with oversight of the CEO's development and succession planning.	Section 18 (2) of Act	✓			

S. No.	Requirement	Reference	Complied with			Remarks
			Tick the relevant box			
			Yes	No	N/A	
26.	The CEO was selected and appointed under a performance-based contract, adhering to the criteria set by the Board, with a 3/4 majority resolution required for both appointment and removal, including ex-officio nominee directors. The Board also determined the financial compensation for the CEO.	Policy Para 26	✓			
27.	The appointments of CEO, CFO, CIA, and Company Secretary were made in compliance with the guidelines issued by the CMU. [Note: CMU issued "State-Owned Enterprises (C-Level Appointments) Guidelines 2024 on August 15, 2024. Until new guidelines were issued, the provisions under Public Sector Companies (Corporate Governance Rules), 2013 were applicable subject to compliance with the Act and the Policy - Reference Para 26 of the policy.]	Policy Para 26	✓			
28.	The Board fulfilled its obligations to shareholders, ensuring that they were informed in a timely manner of all material events through meetings and other necessary communications	Section 19 (1) of Act	✓			
29.	The Board developed and implemented a code of conduct for Board members and employees as outlined in Schedule-V of the SOE Act. The code included establishing systems and controls for identifying and addressing grievances related to unethical practices, and ensuring that the code and supporting policies were effectively communicated within the organization.	Section 19 (2) of Act, Schedule	✓			
30.	A Code of Conduct for Directors and employees has been developed, including matters from Schedule V of the SOEs Act and conflict of interest regulations as at Annexure 8 of the Policy. The Code included procedures for disciplinary action against those who violate it, with specific procedures for addressing violations by Directors in accordance with the relevant provisions of the Companies Act, 2017	Section 20 of Act, Schedule V, Policy Para 34 Annex - 8	✓			
31.	An audit committee in line with the provisions contained in the Act and Policy has been established, ensuring that a. the majority, including the chairman, were independent directors, and b. that neither the Chairman of the Board nor the Chief Executive Officer were members. c. The committee met quarterly, with meeting minutes submitted to the Board at the next scheduled meeting, and convened before Board approval of interim results and post-external audit completion.	Section 21 (1) of Act, Annex-6 of the Policy	✓			

S. No.	Requirement	Reference	Complied with			Remarks
			Tick the relevant box			
			Yes	No	N/A	
	d. The SOE's annual report detailed the committee's work and performance evaluation, which is conducted by the Board. Besides, SOEs conducted comprehensive risk assessments to manage potential threats The SOE also considered establishing further committees as needed.	Annex-6 of the Policy	✓			
32.	The audit committee is responsible for: 1. Recommending appointment of external auditors, considering resignation/removal, audit fees, and additional services. 2. Determining measures to safeguard assets. 3. Managing all reports and communications with external auditors. 4. Reviewing half-yearly and annual financial statements before Board approval. 5. Ensuring coordination between internal and external auditors. 6. Investigating deviations from code of conduct or internal controls confidentially.	Section 21 (2) of Act	✓ ✓ ✓ ✓ ✓ ✓			
33.	Internal audit procedures have been established as required under sections 19 and 20 of the Act and in line with the Annexure 6 of the SOE Policy.	Policy Para 31 Annex - 6 of the Policy	✓			
34.	The Board met at least once every two months. The Board also met at other times as necessary for efficient management.	Section 22 (1) of Act	✓			
35.	Decisions of the Board have been taken by a majority vote. However, the following decisions were made with a three-fourth majority, including the vote of the Federal or Provincial Government nominee director: a. Appointment and removal of the CEO b. Approval of the statement of corporate intent and business plan c. Proposals for the sale of sizeable assets d. Annual budget statement approval e. Sale of assets of the company	Section 22 (2) of Act	✓			
36.	In the case of an equal number of votes during Board decisions, the Chairman of the Board had a casting vote.	Section 22 (3) of Act	✓			
37.	The directors, the CEO, or other employees of the SOE were protected from legal proceedings if their actions or omissions were made in good faith and with due care.	Section 23 of Act	✓			
38	Each SOE director completed the Director Training Program within six months of his/her appointment.	Policy Para 25	✓			

S. No.	Requirement	Reference	Complied with (Tick the relevant box) Yes	No	N/A	Remarks
TRANSPARENT PERFORMANCE						
39.	The SOE and its subsidiaries kept written financial records that: a. Correctly recorded and explained its transactions, financial position, and performance; b. Enabled financial statements to be prepared and audited in accordance with this Act; c. Clearly identified any transactions involving directors or their close relatives, directly or indirectly, including pecuniary or non- pecuniary benefits; d. Enabled the preparation of other reports required by this Act.	Section 24 (1) of Act	✓			
40.	The records required by 24 (1) are ensured to be kept: a. for at least ten years after the dates of the transactions to which they relate; b. at the principal place of business or the registered office address of the SOE; c. in electronic form if they are readily retrievable and convertible into hard copy form.	Section 24 (2) of Act	✓			
41.	The audited financial statements were prepared for the financial year for the SOE and consolidated financial statements for the group consisting of the SOE and its subsidiaries. Note: For the purposes of this section, a subsidiary does not include a joint venture.	Section 25 (1) of Act	✓			
42.	The financial statements have been prepared in accordance with IFRS. The statements, together with the notes, included all necessary information to ensure they give a true and fair view of the financial position of the SOE and the group, including its subsidiaries. Note: If the SOE is not following IFRS at the time this Act comes into effect, the Board must ensure compliance within three years.	Section 25 (2) of Act	✓			
43.	The financial statements have been accompanied by a declaration of the Board stating whether, in their opinion: a. There are reasonable grounds for believing that the SOE and its subsidiaries shall be able to pay their debts as they become due and payable. b. The financial statements and the notes to them complied with the requirements of this Act and international accounting standards.	Section 25 (3) of Act	✓			
44	A report has been submitted on SOE's operations and its subsidiaries for the financial year to which it relates not later than four months after the ends of that financial year, in the form prescribed in Schedule-VI.	Section 26 (1) of Act, Schedule VI	✓			

S. No.	Requirement	Reference	Complied with (Tick the relevant box)			Remarks
			Yes	No	N/A	
45.	The annual report omitted any information that could seriously harm the business interests if disclosed.	Section 26 (2) of Act		✓		
46.	A confidential report to the Federal Government has been submitted detailing the information omitted from the annual report and reasons for the omission (if the case be).	Section 26 (3) of Act			✓	
47.	A summary of the annual report has been published on SOE's website, or if not available, on the website of the relevant Division or in newspapers circulating in Pakistan	Section 27 (1) of Act	✓			
48.	The SOE published a summary of the annual report within one month after submission to the Federal Government, comparing actual performance with the targets or benchmarks set in the statement of corporate intent for that financial year.	Section 27 (2) of Act	✓			
49.	A half-yearly report of operations has been submitted to the Federal Government for the first half of the financial year within two months after the end of that period.	Section 27 (2) of Act	✓			
50.	The half yearly report contained: a. The half-yearly financial reports of the SOE b. A statement on the extent the SOE and its subsidiaries have achieved the business goals specified in its statement of corporate intent for the financial year. c. Any other matter that the Federal Government may have directed to include	Section 28 (2) of Act	✓ ✓ ✓			
51.	The SOE clearly stated and published in its annual report all contingent liabilities, guarantees provided by the Federal Government or third parties on behalf of the Federal Government, payables to other SOEs, and any loans or other financial support provided by the Federal Government or other SOEs.	Policy Para 28	✓			

SHAREHOLDING RIGHTS OF THE FEDERAL GOVERNMENT

52.	Directors and senior management officers submitted their annual declarations of assets and beneficially held investments and properties to the Board, reporting any changes within two weeks. Public disclosure is in line with the Board's conflict management policy.	Section 30 (1) of Act	✓			
53.	The SOE disclosed the specified documents relating to its affairs or those of its subsidiaries as directed by the Federal Government.	Section 30 (2) of Act	✓			

S. No.	Requirement	Reference	Complied with (Tick the relevant box) Yes	No	N/A	Remarks
54.	The SOE proposed reasonable conditions to the Federal Government regarding the public disclosure of information, including any restrictions on further disclosure, when applicable.	Section 30 (4) of Act	✓			

MONITORING PERFORMANCE

55.	The SOE submitted the required information to the CMU as mandated by the Act and has promptly updated or corrected any changes or errors within fifteen days of such change or knowledge of error.	Section 32 (1) of Act	✓			
56.	The SOE complied with the CMU's written notices for disclosure within ten working days to assist the CMU in discharging its functions under the Act.	Section 32 (2) (3) of Act	✓			
57.	The bi-annual reports have been disclosed on SOE's website following the CMU's publication of the summary of financial and economic performance reports, which were reviewed by CCoSOEs and the Federal Government.	Policy Para 36	✓			

Declaration of the Board (2024-25)

COMPLIANCE

In compliance with the State-Owned Enterprises (Governance and Operations) Act, 2023 and SOE Ownership and Management Policy, 2023, among other things FESCO has ensured that;

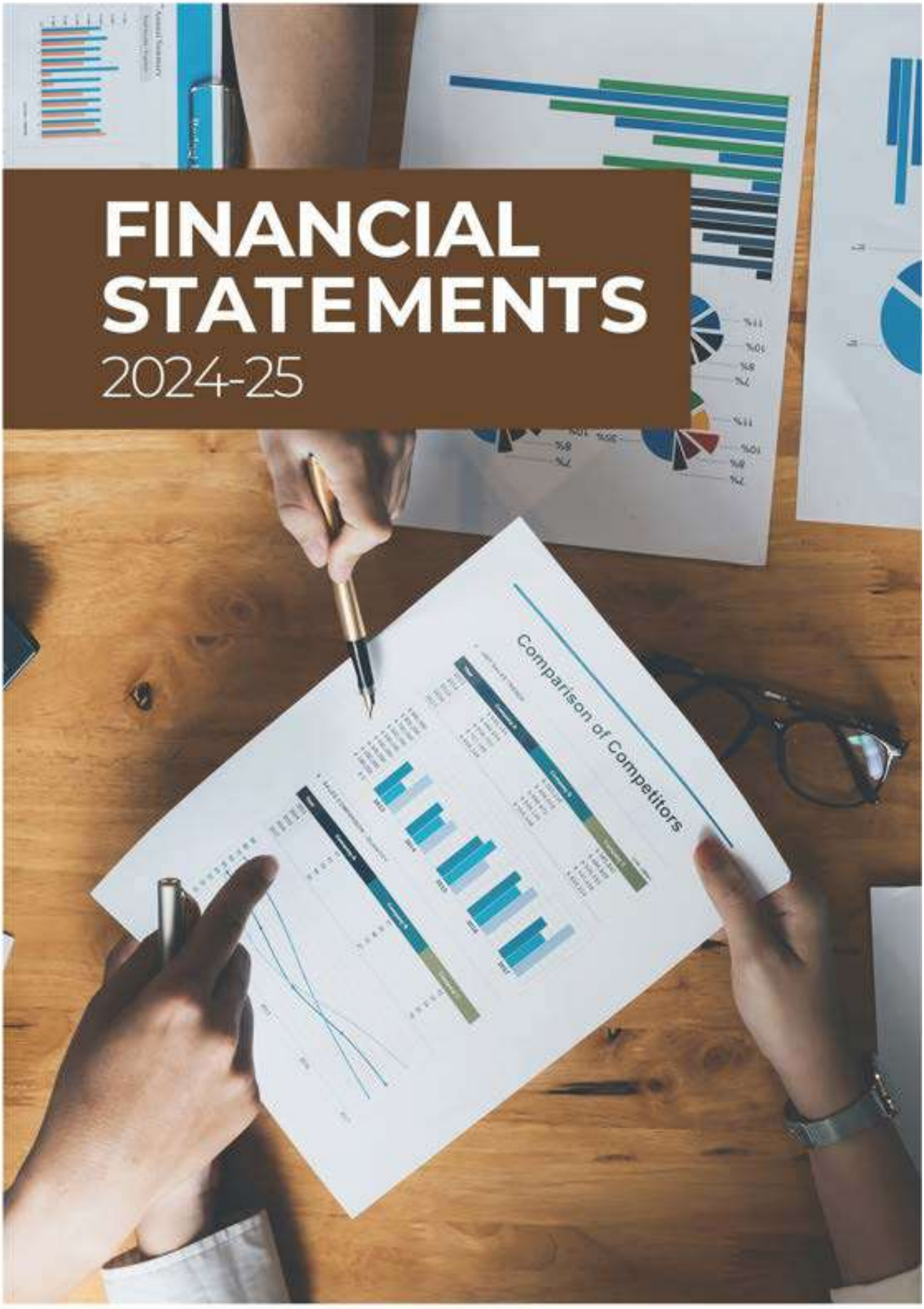
- All financial statements are prepared in conformity with the provision of the Rules adhering to International Financial Reporting Standards.
- There are reasonable grounds that the FESCO shall be able to pay their debts as they become payable.
- The financial statements and notes comply with the requirements of the SOE Act and international accounting standards.
- Proper books of accounts are prepared and maintained with estimates based on reasonable and prudent judgment.

MR. MUHAMMAD AAMER
Chief Executive Officer,
FESCO

MR. OMER FAROOQ KHAN
Chairman, Board of Directors
FESCO

FINANCIAL STATEMENTS

2024-25



Riaz Ahmad & Company
Chartered Accountants

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED

Financial Statements with Accompanying Information

30 June 2025

A member of Nexia International

Riaz Ahmad & Company
Chartered Accountants

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East Canal Road, Faisalabad, Pakistan
T: +92 (41) 548 80 81, 548 80 82
racofsd@racopk.com
www.racopk.com

INDEPENDENT AUDITOR'S REPORT

To the members of Faisalabad Electric Supply Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Faisalabad Electric Supply Company Limited (the Company), which comprise the statement of financial position as at 30 June 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2025 and of the profit, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matter:

Note 15.1.1 of the financial statements, which describes various matters regarding tax contingencies the ultimate outcome of which cannot be presently determined hence no provision for the same has been made in accompanying financial statements.

Our opinion is not modified in respect of this matter.

A member of Nexia International

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, the requirements of Companies Act, 2017 (XIX of 2017) and the State-Owned Enterprises (Governance and Operations) Act, 2023 (SOE Act 2023) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with

the Companies Act, 2017 (XIX of 2017) and the SOE Act, 2023 are in agreement with the books of account and returns;

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

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

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

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad

DATE: 02 OCTOBER 2025
UDIN: AR202510045oelvEJDRi

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	NOTE	2025 RUPEES	2024 RUPEES
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
5 000 000 000 (2024: 5 000 000 000) ordinary shares of Rupees 10 each		50,000,000,000	50,000,000,000
Issued, subscribed and paid up share capital	3	3,249,443,830	10,000
Deposit for shares	4	53,356,883,317	45,654,616,510
Surplus on revaluation of property, plant and equipment - net of deferred income tax	5	89,190,773,246	95,025,049,729
Accumulated loss		(83,327,142,200)	(91,604,738,594)
TOTAL EQUITY		62,969,958,193	49,074,937,645
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	6	2,528,982,740	2,785,699,777
Staff retirement benefits	7	122,849,210,681	122,338,835,785
Long term security deposits	8	14,292,269,361	12,946,895,095
Receipts against deposit works	9	18,814,393,849	19,837,876,759
Deferred credit	10	47,480,129,375	45,829,619,135
Deferred income tax liability	11	11,649,997,181	9,445,560,876
		217,614,983,187	213,184,487,427
CURRENT LIABILITIES			
Trade and other payables	12	117,890,402,716	123,578,847,650
Accrued mark-up	13	4,867,028,928	6,111,094,688
Current portion of long term financing	6	3,032,297,039	2,755,580,002
Taxation and levy - net	14	3,966,709,473	355,907,159
		129,741,438,156	132,801,429,499
TOTAL LIABILITIES		347,356,421,343	345,985,916,926
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		410,326,379,536	395,060,854,571

	NOTE	2025 RUPEES	2024 RUPEES
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	16	238,294,418,530	230,783,047,451
Intangible assets	17	899,185	1,368,325
Long term advances	18	227,080,509	195,615,972
Long term deposits	19	52,917,946	52,753,706
		238,575,316,170	231,032,785,454
CURRENT ASSETS			
Stores, spares and loose tools	20	7,351,454,611	6,674,989,945
Trade debts	21	69,910,996,545	76,115,806,764
Loans and advances	22	310,514,210	347,027,727
Other receivables	23	34,205,316,485	34,249,955,948
Sales tax receivable		8,006,689,683	8,304,964,530
Receivable from the Government of Pakistan	24	25,161,685,787	14,856,290,760
Accrued interest		833,481,279	777,893,915
Short term investments	25	15,000,000,000	-
Cash and bank balances	26	10,970,924,766	22,751,139,528
		171,751,063,366	164,028,069,117
TOTAL ASSETS		410,326,379,536	395,060,854,571

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 RUPEES	2024 RUPEES
SALE OF ELECTRICITY - NET	27	390,630,224,599	434,774,883,233
TARIFF DIFFERENTIAL SUBSIDIES	28	79,489,966,552	26,248,959,848
		470,120,191,151	461,023,843,081
COST OF ELECTRICITY	29	(402,168,220,164)	(424,588,189,167)
GROSS PROFIT		67,951,970,987	36,435,653,914
AMORTIZATION OF DEFERRED CREDIT	10	2,779,995,085	2,465,354,289
		70,731,966,072	38,901,008,203
DISTRIBUTION COST	30	(43,058,319,020)	(33,738,854,442)
ADMINISTRATIVE EXPENSES	31	(6,868,794,850)	(5,984,250,089)
CUSTOMER SERVICES COSTS	32	(7,014,332,950)	(4,684,165,286)
		(56,941,446,820)	(44,407,269,817)
PROFIT / (LOSS) FROM OPERATIONS		13,790,519,252	(5,506,261,614)
OTHER INCOME	33	11,927,938,437	12,767,445,363
FINANCE COST	34	(4,989,285,748)	(882,296,224)
PROFIT BEFORE LEVY AND TAXATION		20,729,171,941	6,378,887,525
LEVY	35	(10,810,511,261)	(5,677,787,261)
PROFIT BEFORE TAXATION		9,918,660,680	701,100,264
TAXATION	36	(485,746,108)	297,191,270
PROFIT AFTER TAXATION		9,432,914,572	998,291,534

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

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FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	2025 RUPEES	2024 RUPEES
PROFIT AFTER TAXATION	9,432,914,572	998,291,534
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit obligations	(3,732,504,704)	(7,301,699,826)
Surplus on revaluation of property, plant and equipment	-	52,990,951,759
Deferred income tax relating to surplus on revaluation of property, plant and equipment	-	(3,242,592,613)
	-	49,748,359,146
	(3,732,504,704)	42,446,659,320
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive (loss) / income for the year - net of tax	(3,732,504,704)	42,446,659,320
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	5,700,409,868	43,444,950,854

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

7

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	SHARE CAPITAL	DEPOSIT FOR SHARES	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX	ACCUMULATED LOSS	TOTAL EQUITY
	RUPEES				
Balance as at 30 June 2023 - Restated	10,000	41,556,652,056	46,005,096,651	(86,029,736,370)	1,532,022,337
Non-cash settlement against deposit for shares	-	4,097,964,454	-	-	4,097,964,454
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	(535,812,217)	535,812,217	-
Transfer from surplus on revaluation of property, plant and equipment on account of transfer of property, plant and equipment - net of deferred income tax	-	-	(192,593,851)	192,593,851	-
Profit for the year	-	-	-	998,291,534	998,291,534
Other comprehensive income for the year	-	-	49,748,359,146	(7,301,699,826)	42,446,659,320
Total comprehensive income for the year	-	-	49,748,359,146	(6,303,408,292)	43,444,950,854
Balance as at 30 June 2024	10,000	45,654,616,510	95,025,049,729	(91,604,738,594)	49,074,937,645
Transaction with owner:					
Ordinary shares issued (Note 3.1)	3,749,433,830	(3,749,433,830)	-	-	-
Non-cash settlement against deposit for shares	-	11,451,700,637	-	-	11,451,700,637
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	(730,573,402)	730,573,402	-
Transfer from surplus on revaluation of property, plant and equipment on account of transfer of property, plant and equipment - net of deferred income tax	-	-	(1,846,613,124)	1,846,613,124	-
Adjustment of deferred income tax liability due to remeasurement at year end	-	-	(3,257,089,957)	-	(3,257,089,957)
Profit for the year	-	-	-	9,432,914,572	9,432,914,572
Other comprehensive loss for the year	-	-	-	(3,732,504,704)	(3,732,504,704)
Total comprehensive income for the year	-	-	-	5,700,409,868	5,700,409,868
Balance as at 30 June 2025	3,749,443,830	53,356,883,317	89,190,773,246	(83,377,142,200)	62,969,958,193

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 RUPEES	2024 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	37	45,866,788,297	26,829,989,567
Income tax and levy paid		(8,735,108,707)	(5,846,077,184)
Finance cost paid		(2,274,363)	(2,709,358)
Staff retirement benefits paid		(10,539,673,338)	(9,181,233,829)
Payment for fund contribution regarding pension obligation		(11,500,000,000)	(6,076,000,000)
Net increase in long term advances		(36,305,235)	(102,397,175)
Net increase in long term deposits		(164,240)	(12,199,950)
Net cash generated from operating activities		15,053,262,414	5,609,372,071
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant, equipment and intangible assets		(24,624,218,282)	(21,536,565,549)
Short term investments made	25	(15,000,000,000)	-
Profit received on bank deposits and term deposit receipts		3,479,112,717	5,210,830,624
Net cash used in investing activities		(36,145,105,565)	(16,325,734,925)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term security deposits - net		1,345,374,266	1,031,033,034
Receipts against deposit works - net		7,966,254,123	7,022,624,990
Net cash from financing activities		9,311,628,389	8,053,658,024
NET DECREASE IN CASH AND CASH EQUIVALENTS		(11,780,214,762)	(2,662,704,830)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		22,751,139,528	25,413,844,358
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	26	10,970,924,766	22,751,139,528

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

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FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. LEGAL STATUS AND OPERATIONS

1.1 Faisalabad Electric Supply Company Limited (the Company) is a public limited company incorporated on 21 March 1998 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was established to take over all the properties, rights, assets, obligations and liabilities of Faisalabad Area Electricity Board (FAEB) owned by Pakistan Water and Power Development Authority (WAPDA) and such other assets and liabilities as agreed. The registered office of the Company is located at West Canal Road, Abdullahpur, Faisalabad. While the Company has various 132-KV and 66-KV grid stations along with other offices located in 08 districts of Central Punjab including Faisalabad, Jhang, Toba Tek Singh, Chiniot, Sargodha, Mianwali, Khushab and Bhakkar. The principal activity of the Company is distribution and supply of electricity to public within defined geographical boundaries.

1.2 The Council of Common Interest (CCI) in its meeting held on 12 September 1993 approved the privatization of thermal power generation units (GENCOs) and power distribution companies (DISCOs) in a phased program. Cabinet Committee on Privatization (CCOP) in its meeting held on 17 February 2009 approved privatization of certain GENCOs and DISCOs, this decision was ratified by Federal Cabinet in its meeting, held on 06 January 2010. President and Prime Minister of Pakistan also approved privatization of GENCOs and DISCOs including the Company during a presentation given to them by Ministry of Privatization on 22 November 2010. Decision of President and Prime Minister had also been subsequently ratified by the CCI during its meeting held on 28 April 2011. Since October 2013, the CCOP approved 68 Public Sector Enterprises (PSEs) for inclusion in the privatization program. The Company had been approved by CCOP for early implementation. The Privatization Commission (PC) on behalf of the Government of Pakistan (GoP) invited Expression of Interest (EOI) from prospective private sector strategic partner(s) to acquire seventy-four percent (74%) shareholding in the Company, currently owned by the GoP, together with management control on 02 November 2015. However, protests against privatization were started by the opposition parties and by labour unions. In order to give the union a chance to perform, the GoP has reconsidered the privatization mode of the power sector by shifting it from strategic sale to divestment through capital markets. CCOP in its meeting held on 14 July 2016 considered proposals regarding divestment of Power Sector Entities and PC to initiate process for listing of shares of the Company on the stock exchange through Initial Public Offering (IPO). It was also decided that GoP would retain the control of FESCO as well as management. The PC in its meeting held on 02 October 2017, had discussion on volume of circular debt and nature of losses being accrued in GENCOs and DISCOs and decided that the PC would seek approval of the Government to privatize the Company as strategic sale. During the year, in notification 12(03)/2023-CA-I dated 30 July 2024, the Ministry of Energy (Power Division) affirmed the Government's intention to privatize GENCOs and DISCOs as part of its ongoing energy sector privatization efforts and further in correspondence No.14(11)/2018-DISCO-I dated 28 August 2024, the Company along with Gujranwala Electric Power Company Limited (GEPCO) and Islamabad Electric Supply Company Limited (IESCO) were asked to compile preliminary information for privatization. Moreover the Company received directions from Ministry of Energy (Power Division) and PC through letters dated 17 June 2025, 19 June 2025 and 08 August 2025 with reference numbers 32(1)DISCOS/PS/PC/2020, 14(19)/2025-DISCO-III and 14(19)/2025-DISCO-III respectively, to complete the finalization and approval of audited financial statements for the year ended 2025 and complete other legal formalities by the end of August 2025 for continuation of privatization process.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and the State-Owned Enterprises (Governance and Operations) Act, 2023.

Where provisions of and directives issued under the Companies Act, 2017 and the State-Owned Enterprises (Governance and Operations) Act, 2023 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under historical cost convention, except as otherwise stated in respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives, patterns of economic benefits and impairment

The estimates for revalued amounts of different classes of property, plant and equipment are based on revaluation performed by external professional valuer and recommendations of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of assets including intangible assets for possible impairment on annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment along with intangible assets with a corresponding effect on the depreciation / amortization charge and impairment.

Provision for obsolescence of stores, spares and loose tools

The Company reviews the carrying amount of stores, spares and loose tools on regular basis and provision for obsolescence is made if there is any change in usage pattern and physical form of stores, spares and loose tools.

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Provisions

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

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the tax advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Tariff adjustment determination

As per the mechanism laid out in the Multi Year Tariff (MYT) decision, the Company seeks adjustments for fuel price cost, capacity charges, use of system charges, variable Operations and Maintenance (O&M), impact of Transmission and Distribution (T&D) losses on monthly Fuel Price Adjustment (FPA), distribution margin and unrecovered / over recovered cost as per NEPRA's determination on a monthly / quarterly / annual basis. The monthly / quarterly / annual determinations of the tariff adjustment are approved by NEPRA from time to time.

Staff retirement benefits

The Company operates funded pension scheme, a funded free electricity scheme and a funded free medical facility scheme for all its employees along with entitlement for accumulated compensated absences which are encashed at the time of retirement upto maximum limit of 365 days. The calculation of the benefits requires assumptions to be made of future outcomes, the principal ones being in respect of increase in salary and the discount rates used to convert future cash flows to current values. The assumptions used for the plans are determined by independent actuary on annual basis. The amount of the expected return on plan assets is calculated using the expected rate of return for the year. Calculations are sensitive to changes in the underlying assumptions. The figure of staff retirement benefit liabilities primarily represents the increase in actuarial present value of the obligations for benefits earned on employee service during the year and the interest on the obligations in respect of employee service in previous years, net of the respected return on plan assets.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2024:

- Amendments to IAS 1 'Presentation of Financial Statements' – Classification of liabilities as current or non-current;
- Amendments to IAS 1 'Presentation of Financial Statements' – Non-current liabilities with covenants;
- Amendments to IFRS 16 'Leases' – Lease liability in a sale and leaseback transaction; and

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• Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures - Supplier finance arrangements'.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Standards and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2025 or later periods:

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

As the Company is non-listed public interest company, therefore as per the order from Securities and Exchange Commission of Pakistan (SECP) dated 31 December 2024, the effective date of these two sustainability standards is for annual reporting periods beginning on or after 01 July 2027.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following standards relevent to the Company, as result of the IASB's annual improvements project:

- IFRS 7 Financial Instruments: Disclosures;
- IFRS 9 Financial Instruments; and
- IAS 7 Statement of Cash flows.

Classification and Measurements of Financial Instruments (Amendments to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments') effective for annual periods beginning on or after 01 January 2026. These amendments address matters identified during the post - implementation review of the classification and measurement requirements of IFRS 9.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

The above standards and amendments are likely to have no significant impact on the financial statements apart from certain additional disclosures.

g) Standards and amendments to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved accounting standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

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2.2 Functional and presentation currency along with foreign currency transactions and translation

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit or loss.

2.3 Staff retirement benefits

2.3.1 Defined benefit plans

The Company provides funded pension scheme, a funded free electricity scheme and a funded free medical facility scheme for all its regular employees. Further, the Company's employees are also entitled for accumulated compensated absences which are encashed at the time of retirement upto maximum limit of 365 days. The Company's obligations under these schemes are determined annually by a qualified actuary using Projected Unit Credit Actuarial Cost Method. Latest actuarial valuations have been carried on 30 June 2025. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Past service cost is recognized immediately in the statement of profit or loss.

Remeasurements of the net defined benefit liability (except for compensated absences), which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plan is recognized in profit or loss. Remeasurement related to the compensated absences is recognized in the year of occurrence in the statement of profit or loss.

2.3.2 General / Employees' Provident Fund

For General / Employees' Provident Fund and Welfare Fund, the Company makes deduction from salaries of the employees and remits the amount of General Provident Fund to the funds established by WAPDA. The provident fund related disclosure required by the Companies Act, 2017 is not shown in these financial statements as General / Employees' Provident Fund established by WAPDA includes the employees of other power distribution and generation companies and the figures related to the Company cannot be segregated from the whole General / Employees' Provident Fund.

2.4 Taxation and levy

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.5 Property, plant and equipment

2.5.1 Operating fixed assets and depreciation

Operating fixed assets are stated at cost less accumulated depreciation and any identified impairment loss, except freehold land which is stated at revalued amount less any identified impairment loss and buildings on freehold land, feeders, grids and related equipment which are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of operating fixed assets consists of historical cost, borrowing cost pertaining to the erection / construction period of qualifying assets and directly attributable costs of bringing the assets to working condition for their intended use.

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

Increases in the carrying amounts arising on revaluation of operating fixed assets are recognized, net of deferred income tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognized in the statement of profit or loss, the increase is first recognized in the statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of deferred income tax, is reclassified from surplus on revaluation of property, plant and equipment to accumulated loss. Valuations are performed with sufficient regularity to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

Depreciation

Depreciation on operating fixed assets is calculated applying the straight line method so as to write off the cost / depreciable amount of the assets over their estimated useful lives at the rates given in Note 16.1. The Company charges the depreciation on additions from the month when the asset is available for use and on deletions up to the month when the asset is de-recognized. Depreciation on operating fixed assets is charged to the statement of profit or loss except for depreciation provided on construction equipment and vehicles during the period of construction of operating fixed assets that is capitalized as part of the cost of operating fixed assets. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

2.5.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any recognized impairment loss. This includes all costs connected with specific assets incurred during installation and construction period. These are transferred to specific assets as and when these assets are available for use.

2.6 Intangible assets and amortization

Intangible assets represent the cost of computer softwares acquired and are stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to the statement of profit or loss on straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization is charged from the month in which the asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of. Intangible assets are amortized over a period of five years.

2.7 Stores, spares and loose tools

Stores and spares are valued at lower of cost or net realizable value. Usable stores and spare parts are valued principally at cost using moving average cost formula less provision for slow moving, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision for obsolete items is based on their condition as at the reporting date depending upon the management's judgement.

Net realizable value represents the estimated selling price in the ordinary course of the business less estimated cost of completion and estimated cost necessary to be incurred in order to make the sale.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in transit, cash at banks in current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.9 Revenue recognition

i) Revenue from contracts with customers

a) Sale of electricity

Revenue from sale of electricity is recognised on transmission of electricity to consumer at the rates determined by NEPRA and verified by the Government of Pakistan in official gazette from time to time. A component of sale comprises of the adjustments in tariffs as well as prior year adjustment allowed and notified by NEPRA after vetting by the Government of Pakistan.

b) **Tariff differential subsidies**

Tariff differential subsidy on electricity announced by the Government of Pakistan for consumers is recognized under revenue on an accrual basis.

ii) **Contract assets**

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) **Contract liabilities**

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is received. Contract liabilities are recognized as revenue when the Company accomplishes its performance obligations under the contract.

iv) **Other income recognition**

a) **Rental and service income**

Meter rentals are recognized on time proportion basis.

b) **Interest income**

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

c) **Late payment surcharge**

Surcharge on late payment is accounted for after the due date of payment has passed.

e) **Gain on installation of new connections**

Gain / loss on installation of new connections / deposit works is recognized up to 10% of variation between receipts against deposit works and actual expenditure incurred on the project.

f) **Service charges on collection of Pakistan Television (PTV) license fee and electricity duty**

Service charges on collection of PTV license fee and electricity duty is recognized on the basis of actual billing collections from consumers.

g) **Other revenue**

Other revenue is recognized when it is accrued or when the right to receive payment is established.

2.10 **Financial Instruments**

i) **Classification and measurement of financial instruments**

Financial assets

a) Classification

The Company classifies its financial assets and financial liabilities at amortized cost. A financial asset is measured at amortized cost if both of following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that the solely payments of principal and interest on the principal amount outstanding.

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b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments at amortized cost. Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in statement of profit or loss and presented in other income / (other expenses).

Financial liabilities

Classification and measurement

Financial liabilities are classified at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For financial assets, except for the bank balances for which 12-month expected credit loss is measured, the Company applies the simplified approach to recognize expected lifetime losses from initial recognition of the receivables. The Company recognizes in statement of profit or loss, the amount of expected credit losses or reversal which is required to adjust its loss allowance at the reporting date.

iii) De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial liabilities

The Company also de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legally enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.11 Deferred credit

Amounts received from consumers and Government as contributions towards the cost of extension of electricity distribution network and of providing service connections are deferred and amortized over the estimated useful lives of related assets. Amortization of deferred credit commences upon completion of related work which is taken to the statement of profit or loss each year corresponding to the depreciation charge of relevant asset for the year.

2.12 Borrowings

Borrowings are recognized initially at fair value of the consideration received, net of transaction costs. These are subsequently stated at amortized cost using the effective interest method.

2.13 Borrowing cost

Interest, mark-up and other charges on long term finances directly attributable to the acquisition, construction and production of qualifying assets are capitalized up to the date of commissioning of respective qualifying assets. All other interest, mark-up and other charges are charged to the statement of profit or loss in the period in which these are incurred.

2.14 Trade debts and other receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

The Company has applied the simplified approach to measure expected credit losses, which uses a lifetime expected credit loss allowance. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Expected credit losses are recognized as follows:

a) No expected credit loss on Government institutions balances, being not subject to risk of default;

b) Expected credit loss of whole amount receivable from permanently disconnected consumers, exceeding one year;

c) Expected credit loss on whole arrears from private consumers, exceeding one year; and

d) Expected credit loss on all deferred arrears.

2.15 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as of deduction, net of tax.

2.16 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value plus directly attributable costs. These are subsequently measured at amortized cost using the effective interest method.

2.17 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognised. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.18 Provisions

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate of the amount can be made. However provisions are reviewed at each reporting date and adjusted to reflect current best estimate. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

2.19 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.20 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2025 NUMBER OF SHARES	2024 NUMBER OF SHARES		2025 RUPEES	2024 RUPEES
1 000	1 000	Ordinary shares of Rupees 10 each fully paid in cash	10,000	10,000
374 943 383	-	Ordinary shares of Rupees 10 each fully paid issued for consideration other than in cash (Note 3.1)	3,749,433,830	-
374 944 383	1 000		3,749,443,830	10,000

3.1 On 26 May 2025, the Company issued 374 943 383 (2024: Nil) ordinary shares of Rupees 10 each in the name of WAPDA in compliance with the directions from the Ministry of Energy (Power Division), Government of Pakistan. Moreover in accordance with the Share Capital Allotment Agreement (SCAA) between the Company and WAPDA, the issued shares were transferred in the name of the President of the Islamic Republic of Pakistan on 24 June 2025.

3.2 This represents 374 944 383 (2024: 1 000) ordinary shares of Rupees 10 each issued in the name of the President of Islamic Republic of Pakistan.

4. DEPOSIT FOR SHARES

WAPDA deposit for shares (Note 3.1):

- Debt service liabilities paid by WAPDA in 2005 and 2006	-	2,133,601,298
- Transfer of assets by WAPDA in 2005 and 2007	-	1,396,405,182
- Pre-incorporation expenses and other ancillary charges	-	219,427,350
	-	3,749,433,830
Transfer on account of clearance of circular debt (Note 4.1)	53,356,883,317	41,905,182,680
	53,356,883,317	45,654,616,510

4.1 This represents credit received by the Company from financial year 2014 from Central Power Purchase Agency (Guarantee) Limited (CPPA G) in pursuance of letter No. F.1(5)-CF-1/2012-13/1017 dated 02 July 2013 from Ministry of Finance as GoP investment against circular debt of Rupees 341 billion and equity injection by the Ministry of Finance as mark-up on syndicated loans. Hence this was treated as GoP equity investment in the Company. During the year the Company has made a non-cash adjustment in deposit for shares amounting to Rupees 11,451.701 million (2024: Rupees 4,097.964 million) as intimated vide various letters received from CPPA-G on the directions of Ministry of Energy (Power Division), GoP.

5. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX

Balance as at 01 July	95,025,049,729	46,005,096,651
Add: Surplus arising on revaluation during the year - net of deferred income tax	-	49,748,359,146
	95,025,049,729	95,753,455,797
Less:		
Incremental depreciation charged during the year transferred to accumulated loss - net of deferred income tax	730,573,402	539,812,217
Adjustment on transfer of property, plant and equipment - net of deferred income tax	1,846,613,124	192,593,851
Adjustment of deferred income tax liability due to remeasurement at year end	3,257,089,957	-
	5,834,276,483	728,406,068
Balance as at 30 June	89,190,773,246	95,025,049,729

5.1 This represents surplus resulting from revaluation carried out on 30 June 2024 by Messrs F K S Building Services, an independent valuer enrolled on panel of the State Bank of Pakistan (SBP). Previously revaluation was carried out by an independent valuer in the financial years ended 30 June 2020, 30 June 2013 and 30 June 2006.

6. LONG TERM FINANCING

Secured

From Asian Development Bank - Relent by the GoP

- Tranche I (Note 6.1)	832,226,142	832,226,142
- Tranche II (Note 6.2)	1,000,702,296	1,000,702,296
- Tranche III (Note 6.3)	2,260,911,648	2,260,911,648
- Tranche IV (Note 6.4)	1,447,439,693	1,447,439,693
	5,541,279,779	5,541,279,779
Less:		
Current portion shown under current liabilities	256,717,036	256,717,046
Overdue portion shown under current liabilities	2,755,580,003	2,498,862,956
	3,012,297,039	2,755,580,002
	2,528,982,740	2,785,699,777

6.1 This represents re-lent portion of loan obtained by GoP from Asian Development Bank (ADB) for Power Distribution Enhancement Investment Program which is secured against the guarantee by GoP, pursuant to the re-lent agreement between GoP and the Company. This facility carries interest at the rate of 17% inclusive of relending interest of 11% per annum plus exchange risk component of 6% per annum which shall be charged both on principal amount and interest amount separately and commitment charges at the rate of 0.15% per annum on the un-disbursed amount of loan. Repayment of principal has to be made on half yearly basis within maximum period of 15 years including grace period of 2 years starting from February 2011. The overdue amounts of principal and mark-up aggregate to Rupees 832.226 million (2024: Rupees 832.226 million) and Rupees 403.035 million (2024: Rupees 1,107.527 million) respectively.

6.2 This represents re-lent portion of loan obtained by GoP from ADB for Power Distribution Enhancement Investment Program which is secured against the guarantee by GoP, pursuant to the re-lent agreement between GoP and the Company. This facility carries interest at the rate of 15% inclusive of relending interest of 8.2% per annum plus exchange risk component of 6.8% per annum which shall be charged both on principal amount and interest amount separately and commitment charges at the rate of 0.15% per annum on the un-disbursed amount of loan. Repayment of principal has to be made on half yearly basis within maximum period of 17 years excluding grace period of 3 years starting from June 2014. The overdue amounts of principal and mark-up aggregate to Rupees 611.275 million (2024: Rupees 540.470 million) and Rupees 796.212 million (2024: Rupees 1,058.742 million) respectively.

6.3 This represents re-lent portion of loan obtained by GoP from ADB for Power Distribution Enhancement Investment Program which is secured against the guarantee by GoP, pursuant to the re-lent agreement between GoP and the Company. This facility carries interest at the rate of 15% inclusive of relending interest of 8.2% per annum plus exchange risk component of 6.8% per annum which shall be charged both on principal amount and interest amount separately and commitment charges at the rate of 0.15% per annum on the un-disbursed amount of loan. Repayment of principal has to be made on half yearly basis within maximum period of 20 years excluding a grace period of 5 years starting from June 2018. The overdue amounts of principal and mark-up aggregate to Rupees 841.661 million (2024: Rupees 728.121 million) and Rupees 2,129.068 million (2024: Rupees 2,291.699 million) respectively.

6.4 This represents re-lent portion of loan obtained by GoP from ADB for Power Distribution Enhancement Investment Program which is secured against the guarantee by GoP, pursuant to the re-lent agreement between GoP and the Company. This facility carries interest at the rate of 15% inclusive of relending interest of 8.2% per annum plus exchange risk component of 6.8% per annum which shall be charged both on principal amount and interest amount separately and commitment charges at the rate of 0.15% per annum on the un-disbursed amount of loan. Repayment of principal has to be made on half yearly basis within maximum period of 20 years excluding a grace period of 5 years starting from June 2019. The overdue amounts of principal and mark-up aggregate to Rupees 470.418 million (2024: Rupees 398.046 million) and Rupees 1,502.560 million (2024: Rupees 1,539.963 million) respectively.

6.5 In accordance with the recommendation of Power Planning and Monitoring Company (Private) Limited (PPMC), the mark-up on various tranches of foreign relent loans has to be aligned with Economic Affairs Division. Therfore a collective amount of Rupees 1,699.105 million has been reduced from accrued mark-up and adjusted in finance cost in Note 34.

6.6 These loans have been granted by Asian Development Bank (ADB) to GoP which have been re-lent to the Company on account of Power Distribution Enhancement Investment Program. These loans have been secured against the guarantees provided by GoP.

6.7 Power Planning and Monitoring Company (Private) Limited (PPMC) vide its letter No. DGCPCC/PEPCO/2152-63 dated 20 February 2017 directed the Company that the payment of debt service on account of foreign relent loans may be withheld till the final decision on the matter that debt service by the WAPDA, GENCOs and DISCOs may be adjusted against their receivable balances from GoP. Resultantly, the Company did not make any payment in respect of foreign relent loans. However, the Economic Affairs Division (EAD), GoP in its letter no. 6-16(1) DMR-II/2011 dated 30 July 2024 demanded repayment of principal along with mark-up amounting to Rupees 6,910.855 million.

7. STAFF RETIREMENT BENEFITS

The latest actuarial valuation of the fund as at 30 June 2025 was carried out using the 'Projected Unit Credit Method'. Details of the fund as per the actuarial valuation are as follows:

	2025 RUPEES	2024 RUPEES
Pension obligations (Note 7.1)	103,624,983,292	100,221,839,672
Free medical benefits (Note 7.1)	5,127,165,556	5,806,665,777
Free electricity (Note 7.1)	12,547,612,176	13,699,192,376
Leave encashment (Note 7.1)	1,549,449,657	2,611,137,960
	122,849,210,681	122,338,835,785

7.1 **The amount of net defined obligations recognized in the statement of financial position is as follows:**

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	---------- RUPEES ----------				
Present value of defined benefit obligations (Note 7.3)	137,191,102,886	11,307,086,626	16,849,413,023	4,272,220,405	169,619,822,940
Fair value of plan assets (Note 7.4)	(33,566,119,594)	(6,179,921,070)	(4,301,800,847)	(2,722,770,748)	(46,770,612,259)
Net defined benefit obligations (Note 7.2)	103,624,983,292	5,127,165,556	12,547,612,176	1,549,449,657	122,849,210,681

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	---------- RUPEES ----------				
Present value of defined benefit obligations (Note 7.3)	121,571,893,255	9,737,417,418	16,435,361,746	4,342,961,953	152,087,634,372
Fair value of plan assets (Note 7.4)	(21,350,053,583)	(3,930,751,641)	(2,736,169,370)	(1,731,823,993)	(29,748,798,587)
Net defined benefit obligations (Note 7.2)	100,221,839,672	5,806,665,777	13,699,192,376	2,611,137,960	122,338,835,785

7.2 **Movement in the net defined benefit obligations is as follows:**

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	---------- RUPEES ----------				
Balance as at 01 July 2024	100,221,839,672	5,806,665,777	13,699,192,376	2,611,137,960	122,338,835,785
Charge for the year (Note 7.5)	15,830,836,507	868,250,845	2,212,556,800	(96,102,622)	18,817,543,530
Remeasurements recognized in statement of comprehensive income (Note 7.6)	4,661,474,910	842,990,081	(1,771,960,287)		3,732,504,704
Benefits paid	(8,835,874,610)	(871,229,570)	(534,455,082)	(298,114,076)	(10,539,673,338)
Contribution made	(8,253,295,187)	(1,519,511,577)	(1,057,731,631)	(669,471,605)	(11,500,000,000)
Balance as at 30 June 2025	103,624,983,292	5,127,165,556	12,547,612,176	1,549,449,657	122,849,210,681

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	---------- RUPEES ----------				
Balance as at 01 July 2023	95,914,178,428	5,034,717,809	6,969,330,444	2,030,827,409	109,949,054,090
Charge for the year (Note 7.5)	17,142,242,612	897,967,773	1,258,210,886	1,046,894,427	20,345,315,698
Remeasurements recognized in statement of comprehensive income (Note 7.6)	(50,292,403)	1,153,989,952	6,198,002,277		7,301,699,826
Benefits paid	(7,565,908,118)	(797,320,597)	(449,206,192)	(368,798,922)	(9,181,233,829)
Contribution made	(5,218,380,847)	(482,689,160)	(277,145,035)	(97,784,954)	(6,076,000,000)
Balance as at 30 June 2024	100,221,839,672	5,806,665,777	13,699,192,376	2,611,137,960	122,338,835,785

7.3 **Reconciliation of present value of defined benefit obligations:**

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	---------- RUPEES ----------				
Balance as at 01 July 2024	121,571,893,255	9,737,417,418	16,435,361,746	4,342,961,953	152,087,634,372
Current service cost (Note 7.5)	1,482,514,151	161,683,446	368,710,381	11,508,897	2,024,416,875
Interest cost (Note 7.5)	16,401,553,833	1,302,252,369	2,263,538,789	587,146,688	20,554,491,679
Benefits paid during the year	(8,835,874,610)	(871,229,570)	(534,455,082)	(298,114,076)	(10,539,673,338)
Remeasurements	6,571,016,257	976,962,963	(1,683,742,811)	(371,283,057)	5,492,953,352
Balance as at 30 June 2025	137,191,102,886	11,307,086,626	16,849,413,023	4,272,220,405	169,619,822,940

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Balance as at 01 July 2023	107,857,684,961	8,109,028,642	9,192,257,637	3,586,383,489	128,745,554,729
Current service cost	1,800,510,427	143,011,469	182,366,513	10,385,907	2,136,274,316
Interest cost	16,391,801,617	1,214,383,014	1,412,405,590	535,812,484	19,554,402,705
Benefits paid during the year	(7,565,908,118)	(797,320,597)	(449,206,192)	(368,798,922)	(9,181,233,829)
Remeasurements	3,087,604,368	1,068,314,870	6,097,538,198	579,178,995	10,832,636,431
Balance as at 30 June 2024	121,571,893,255	9,737,417,418	16,435,361,746	4,342,961,953	152,087,634,372

7.4 Change in fair value of plan assets

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Balance as at 01 July	21,350,053,583	3,930,751,641	2,736,169,370	1,731,823,993	29,748,798,587
Expected return on plan assets	2,053,229,477	595,684,970	419,692,370	268,450,386	3,337,057,203
Cash flows:					
- Total employer's contributions					
(i) Employer's contributions	8,253,295,187	1,519,511,577	1,057,721,631	669,471,605	11,500,000,000
(ii) Employer's direct benefit payments	8,835,874,610	871,229,570	534,455,082	298,114,076	10,539,673,338
- Benefit payments from plan	(8,835,874,610)	(871,229,570)	(534,455,082)	(298,114,076)	(10,539,673,338)
Actuarial gain on plan assets	1,909,541,347	133,972,882	88,217,476	53,024,764	2,184,756,469
Balance as at 30 June	33,566,119,594	6,179,921,070	4,301,800,847	2,722,770,748	46,770,612,259

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Balance as at 01 July	11,943,706,533	3,074,310,833	2,222,927,193	1,555,556,080	18,796,550,639
Expected return on plan assets	1,050,069,432	459,426,730	336,561,217	223,657,733	2,069,715,112
Cash flows:					
- Total employer's contributions					
(i) Employer's contributions	5,218,380,847	482,689,160	277,145,039	97,784,954	6,076,000,000
(ii) Employer's direct benefit payments	7,565,908,118	797,320,597	449,206,192	368,798,922	9,181,233,829
- Benefit payments from plan	(7,565,908,118)	(797,320,597)	(449,206,192)	(368,798,922)	(9,181,233,829)
Actuarial gain on plan assets	3,137,896,771	(85,675,082)	(100,464,079)	(145,174,774)	2,806,582,836
Balance as at 30 June	21,350,053,583	3,930,751,641	2,736,169,370	1,731,823,993	29,748,798,587

7.5 Amounts recognized in the statement of profit or loss against defined benefit schemes are:

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Current service cost	1,482,514,151	161,683,446	368,710,381	11,508,897	2,024,416,875
Interest cost	16,401,553,833	1,302,252,369	2,263,538,789	587,146,688	20,554,491,679
Actuarial gain	-	-	-	(371,283,057)	(371,283,057)
Gain on plan assets	(2,053,229,477)	(595,684,970)	(419,692,370)	(321,475,150)	(3,390,081,967)
Net charge for the year	15,830,838,507	868,250,845	2,212,556,800	(94,102,622)	18,817,543,530

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Current service cost	1,800,510,427	143,011,469	182,366,513	10,385,907	2,136,274,316
Interest cost	16,391,801,617	1,214,383,014	1,412,405,590	535,812,484	19,554,402,705
Actuarial loss	-	-	-	579,178,995	579,178,995
Gain on plan assets	(1,050,069,432)	(459,426,730)	(336,561,217)	(78,482,958)	(1,924,540,338)
Net charge for the year	17,142,242,612	897,967,723	1,258,210,886	1,046,894,427	20,345,315,698

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7.6 **Remeasurements recognized in statement of comprehensive income:**

	30 June 2025				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Experience adjustments	6,571,016,257	976,962,963	(1,683,742,811)	-	5,864,236,409
Gain on plan assets	(1,909,541,347)	(133,972,882)	(88,217,476)	-	(2,131,731,705)
	4,661,474,910	842,990,081	(1,771,960,287)	-	3,732,504,704

	30 June 2024				
	Pension	Free medical benefits	Free electricity benefits	Leave encashment	Total
	RUPEES				
Experience adjustments	3,087,604,368	1,068,314,870	6,097,538,198	-	10,253,457,436
(Gain) / loss on plan assets	(3,137,896,771)	85,675,082	100,464,079	-	(2,951,757,610)
	(50,292,403)	1,153,989,952	6,198,002,277	-	7,301,699,826

7.7 All of the investment of plan assets is in certain term deposit receipts of commercial banks.

7.8 **The principal actuarial assumptions at the reporting date were as follows:**

	30 June 2025			
	Pension	Free medical benefits	Free electricity benefits	Leave encashment
Discount rate for defined benefit obligation (per annum)	12.50%	12.50%	12.50%	12.50%
Discount rate for statement of profit or loss (per annum)	14.00%	14.00%	14.00%	14.00%
Electricity inflation rate (per annum)	-	-	12.50%	-
Annual medical claim per retired person's family - Rupees	-	24,000	-	-
Salary increase rate (per annum)	11.50%	13.00%	-	11.50%
Pension indexation rate (per annum)	6.25%	-	-	-
Take up rate of allowance-in service of facility	-	12.35%	-	-
Medical inflation rate (per annum)	-	14.00%	-	-
Mortality rates	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year
Withdrawal rates	Low	Low	Low	Low
Expected charge to the statement of profit or loss for the next financial year (Rupees)	12,224,529,293	678,663,683	2,460,054,378	204,781,080
Duration of scheme (years)	15	9	11	12

	30 June 2024			
	Pension	Free medical benefits	Free electricity benefits	Leave encashment
Discount rate for defined benefit obligation (per annum)	14.00%	14.00%	14.00%	14.00%
Discount rate for statement of profit or loss (per annum)	15.75%	15.75%	15.75%	15.75%
Electricity inflation rate (per annum)	-	-	14.00%	-
Annual medical claim per retired person's family - Rupees	-	21,806	-	-
Salary increase rate (per annum)	13.00%	13.00%	-	13.00%
Pension indexation rate (per annum)	8.00%	-	-	-
Take up rate of allowance-in service of facility	-	11.94%	-	-
Medical inflation rate (per annum)	-	15.75%	-	-
Mortality rates	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year	SLIC 2001-2005 setback 1 year
Withdrawal rates	Low	Low	Low	Low
Expected charge to the statement of profit or loss for the next financial year (Rupees)	11,931,699,190	974,616,655	2,869,661,026	377,221,664
Duration of scheme (years)	15	9	11	12

7.9 Sensitivity analysis for actuarial assumptions:

	30 June 2025			
	Pension	Free medical benefits	Free electricity benefits	Leave encashment
Discount rate	1.00%	1.00%	1.00%	1.00%
Increase in assumption (Rupees)	(7,024,184,468)	(962,233,072)	(1,751,434,140)	(398,861,854)
Decrease in assumption (Rupees)	33,241,404,230	1,163,499,214	2,091,778,111	627,487,841
Future salary increase	1.00%	-	-	1.00%
Increase in assumption (Rupees)	14,034,649,825	-	-	630,109,626
Decrease in assumption (Rupees)	864,303,948	-	-	(408,758,840)
Indexation rate	1.00%	-	1.00%	-
Increase in assumption (Rupees)	26,080,028,659	-	2,187,366,457	-
Decrease in assumption (Rupees)	(1,440,506,580)	-	(1,858,418,989)	-
Withdrawal rates	10.00%	10.00%	-	-
Increase in assumption (Rupees)	(41,157,331)	(3,392,126)	-	-
Decrease in assumption (Rupees)	41,157,331	3,392,126	-	-
Mortality setback	1 year	1 year	-	-
Increase in assumption (Rupees)	82,314,662	(6,784,252)	-	-
Decrease in assumption (Rupees)	(82,314,662)	6,784,252	-	-
Medical inflation rate	-	1.00%	-	-
Increase in assumption (Rupees)	-	1,016,507,088	-	-
Decrease in assumption (Rupees)	-	(884,214,174)	-	-

	30 June 2024			
	Pension	Free medical benefits	Free electricity benefits	Leave encashment
Discount rate	1.00%	1.00%	1.00%	1.00%
Increase in assumption (Rupees)	(6,224,480,934)	(828,654,223)	(1,693,657,413)	(469,603,402)
Decrease in assumption (Rupees)	29,456,869,736	1,001,980,252	2,022,664,270	556,746,293
Future salary increase	1.00%	-	-	1.00%
Increase in assumption (Rupees)	12,436,804,680	-	-	559,368,078
Decrease in assumption (Rupees)	765,902,928	-	-	(479,500,388)
Indexation rate	1.00%	-	1.00%	-
Increase in assumption (Rupees)	23,110,816,908	-	2,116,206,053	-
Decrease in assumption (Rupees)	(1,276,504,879)	-	(1,798,100,862)	-
Withdrawal rates	10.00%	10.00%	-	-
Increase in assumption (Rupees)	(36,471,568)	(2,921,225)	-	-
Decrease in assumption (Rupees)	36,471,568	2,921,225	-	-
Mortality setback	1 year	1 year	-	-
Increase in assumption (Rupees)	72,943,136	(5,842,450)	-	-
Decrease in assumption (Rupees)	(72,943,136)	5,842,450	-	-
Medical inflation rate	-	1.00%	-	-
Increase in assumption (Rupees)	-	875,393,826	-	-
Decrease in assumption (Rupees)	-	(761,466,042)	-	-

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

The methods, types and rates of assumptions used in preparing the sensitivity analysis were changed as compared to the previous year due to upward trend in discount rate structure and increase in inflationary expectations.

7.10 Risks associated with staff retirement benefits

The defined benefit plans expose the Company to the following risks:

Discount rate risk:

The risk of changes in discount rate will have an impact on the actuarial liability. Any increase in discount rate will reduce the liability and vice versa.

Salary increase / inflation risk:

The increase in salary in the future years being higher than assumed will increase the liability.

Mortality risk

Any reduction in the mortality rates being assumed will increase the liability.

Withdrawal Risk:

Any differences in the assumed withdrawal rates will have a corresponding impact on the liability depending on the benefits payable on withdrawal.

8. LONG TERM SECURITY DEPOSITS

These represent security deposits received from consumers at the time of electricity connections and are refundable / adjustable on disconnection of electricity supply.

	2025 RUPEES	2024 RUPEES
9. RECEIPTS AGAINST DEPOSIT WORKS		
Consumers demand notices awaiting connections (Note 9.1)	1,246,420,132	550,514,236
Funds received against deposit works (Note 9.2)	17,567,973,717	19,287,362,523
	18,814,393,849	19,837,876,759

9.1 These represent amounts received from consumers through demand notices against which the related works / jobs have not been completed.

9.2 These represent amounts received directly by the Company for electrification of villages, colonies and other deposit works, mainly provided through Government funding against which the related works / jobs have not been completed.

10. DEFERRED CREDIT

Balance as at 01 July	70,438,693,967	63,054,418,456
Additions during the year	8,989,737,033	7,384,275,511
	79,428,431,000	70,438,693,967
Less:		
Adjustment to deferred credit (Note 10.1)	4,559,231,708	-
Accumulated amortization:		
Balance as at 01 July	24,609,074,832	22,143,720,543
Amortization for the year	2,779,995,085	2,465,354,289
	27,389,069,917	24,609,074,832
Balance as at 30 June	47,480,129,375	45,829,619,135

10.1 This represents the adjustment of deferred credit portion related to property, plant and equipment written off during the year.

10.2 Deferred credit represents the capital contributions received from consumers and the Government against which assets are constructed by the Company.

		2025 RUPEES	2024 RUPEES
11.	**DEFERRED INCOME TAX LIABILITY**		
	Balance as at 01 July	9,445,560,876	6,500,486,235
	Add:		
	Add: Deferred income tax liability on surplus arising on revaluation of property, plant and equipment during the year	-	3,242,592,613
	Add: Adjustment of deferred income tax liability due to remeasurement at year end	3,257,089,957	-
		3,257,089,957	3,242,592,613
	Less:		
	Deferred income tax liability on incremental depreciation credited to the statement of profit or loss	298,403,221	218,852,878
	Deferred income tax liability on assets transferred during the year credited to the statement of profit or loss	754,250,431	78,665,094
		1,052,653,652	297,517,972
	Balance as at 30 June	11,649,997,181	9,445,560,876
11.1	Deferred income tax effect due to:		
	Accelerated tax depreciation on operating fixed assets	34,515,979,471	24,179,322,839
	Intangible assets	(2,598,823)	(2,741,527)
	Allowance for expected credit losses	(2,833,033,274)	(1,424,917,158)
	Provision for slow moving and obsolete items of stores, spares and loose tools	(15,175,119)	(10,713,843)
	Staff retirement benefits	(47,911,192,166)	(35,478,262,378)
	Workers' profit participation fund	(5,026,646,763)	(693,603,094)
	Unused tax losses and unabsorbed tax depreciation	(79,038,177,979)	(98,869,259,683)
	Minimum tax	(18,522,377,938)	(5,381,537,200)
		(118,833,222,591)	(117,681,112,146)
	Unrecognized deferred tax asset	118,833,222,591	117,681,112,146
		-	-

11.2 Deferred income tax liability is created on surplus on revaluation of property, plant and equipment. Other taxable and deductible temporary differences result in deferred income tax asset which has not been recognized in these financial statements due to uncertainty and non-availability of sufficient future taxable profits as these temporary differences are not likely to reverse in the foreseeable future.

12.	**TRADE AND OTHER PAYABLES**		
	Creditors	1,642,383,665	1,181,171,643
	Due to associated companies (Note 12.1)	52,869,063,095	89,764,183,728
	Billing related payables (Note 12.2)	15,941,368,785	15,995,757,120
	Workers' profit participation fund (Note 12.3)	12,888,837,854	2,389,665,842
	Excess receipt against deposit work	1,259,145,040	1,007,600,327
	Accrued liabilities	819,006,452	1,081,172,724
	Contract liabilities - unsecured (Note 12.4)	2,437,429,839	1,543,543,642
	Tariff adjustments (Note 12.5)	20,237,808,348	-
	Sales tax payable	8,561,756,474	9,359,013,756
	Income tax deducted at source	118,203,111	106,538,814
	Retention money payable	196,874,074	260,834,567
	Other liabilities	620,525,979	893,365,287
		117,892,402,716	123,578,847,650
12.1	**Due to associated companies**		
	Central Power Purchasing Agency (Guarantee) Limited (CPPA-G)	52,857,563,676	89,102,958,844
	Due to associated companies on account of free electricity (Note 12.1.1)	139,934	586,283,569
	Due to associated companies on account of pension (Note 12.1.2)	11,359,485	74,941,315
		52,869,063,095	89,764,183,728
12.1.1	**Due to associated companies on account of free electricity**		
	Peshawar Electric Supply Company Limited (PESCO)	-	17,833,666
	Lahore Electric Supply Company Limited (LESCO)	-	563,231,137
	Sukkur Electric Power Company Limited (SEPCO)	-	5,073,239
	Power Information Technology Company (PITC)	139,934	145,527
		139,934	586,283,569
12.1.2	**Due to associated companies on account of pension**		
	Peshawar Electric Supply Company Limited (PESCO)	5,609,563	36,204,498
	Lahore Electric Supply Company Limited (LESCO)	-	38,736,817
	Hydorabad Electric Supply Company Limited (HESCO)	5,749,922	-
		11,359,485	74,941,315

		2025 RUPEES	2024 RUPEES
12.2	**Billing related payables**		
	Equalization surcharge payable (Note 12.2.1)	2,201,672,896	2,201,953,960
	Electricity duty payable	399,918,608	467,944,149
	TV License fee payable	118,869,255	117,126,092
	Neelum Jhelum surcharge (Note 12.2.2)	2,551,032,842	1,127,410,471
	Extra / further tax	942,092,726	1,117,613,969
	Income tax	1,162,854,483	1,390,924,107
	Financing cost surcharge payable	4,179,906,679	3,902,800,433
	Tariff rationalization surcharge payable	4,267,848,609	5,554,057,841
	General sales tax	117,172,717	115,926,298
		15,941,368,765	15,995,757,320

12.2.1 Equalization surcharge was collected from consumers pursuant to S.R.O. 235(1)2011, dated 15 March 2011 issued by the Ministry of Energy, GoP. The amount was collected from customers during the period from April 2011 to May 2012 but further collection was discontinued on account of a subsequent S.R.O. 505(1)2012, dated 16 May 2012. Payment of this amount to the Federal Government is currently deferred as payment mechanism has not been conveyed to the Company by the GoP. The Company through letter No. 2613/FESCO/CFO/Compilation dated 30 April 2025 requested the Ministry of Energy to impart necessary guidelines for adjustment of the equalization surcharge.

12.2.2 On 19 February 2021 ECC of the cabinet through its decision No. ECC-53/6/2021 approved Neelum Jhelum surcharge (NJ surcharge) revocation summary dated 12 February 2021, submitted by Ministry of Energy (Power division). Inadvertently, an amount of 1,422.464 million was transferred to the Neelum Jhelum Hydro-power Company (Private) Limited (NJHPC) in respect of NJ Surcharge which has been recorded as a receivable from NJHPCL in the current year. Further, it was approved that NJ surcharge collected by DISCOs and transferred to WAPDA after 28 December 2018 was audited by the Auditor General of Pakistan and the amount would be returned to the eligible consumers / adjusted in their forthcoming electricity bills.

12.3	**Workers' profit participation fund (WPPF)**		
	Balance as at 01 July	2,389,665,842	2,053,934,920
	Add:		
	Provision for the previous years (Note 12.3.1)	2,706,677,670	
	Provision for the year	1,561,417,198	335,730,922
		4,268,094,868	335,730,922
	Add: Interest accrued (Note 34)	6,231,077,144	
	Balance as at 30 June	12,888,837,854	2,389,665,842

12.3.1 Upon the recommendation of Power Planning and Monitoring Company (Private) Limited (PPMC) in the meeting dated 11 August 2025, subsequent to the reporting date, the Company recognized WPPF of previous years of 2004, 2009, 2010, 2013, 2014 and 2015 amounting to Rupees 2,706.678 million. Moreover the interest on WPPF thereon, having collective amount of Rupees 6,231.077 million was also accrued. The interest is charged at prescribed rates of the relevant years under the Companies Profit (Workers Participation) Act, 1968.

12.4 The Company has recognized revenue of Rupees 829.564 million (2024: Rupees 694.763 million) from amounts included in contract liabilities at the year end.

12.5 This represents the adjustment of fuel price adjustment and quarterly tariff adjustment, which consists of capacity charges, use of system charges, variable Operations and Maintenance (O&M) and impact of Transmission and Distribution (T&D) losses on monthly Fuel Price Adjustment (FPA).

13.	**ACCRUED MARK-UP**		
	Foreign re-lent loans	36,153,780	113,162,964
	Overdue mark-up on foreign re-lent loans	4,830,875,148	5,997,931,724
		4,867,028,928	6,111,094,688
14.	**TAXATION AND LEVY - NET**		
	Advance income tax - net		
	Provision for taxation (Note 36)	1,540,729,741	2,329,981
	Advance income tax	(6,114,862,507)	(5,324,210,083)
		(4,574,132,766)	(5,321,880,102)
	Levy payable	8,543,842,239	5,677,787,261
		3,969,709,473	355,907,159

15.	**CONTINGENCIES AND COMMITMENTS**	
15.1	**Contingencies**	
15.1.1	**Income tax**	

(i) Additional Commissioner Inland Revenue passed an Order No. 678 dated 23 December 2015 under section 122(3A) raising a demand of Rupees 156.009 million for the tax year 2010, in respect of wrongful set off of part of accumulated unabsorbed depreciation against interest from bank deposits / instruments and non-payment of tax on such income. After the resolution of this matter by Appellate Tribunal Inland Revenue in favour of the Company, Regional Tax Office filed an appeal on 22 November 2018 before Lahore High Court, Lahore which is pending for adjudication.

(ii) Deputy Commissioner Inland Revenue passed order dated 06 June 2018 under section 205/161 of the Ordinance for the tax years 2016 and 2017 raising a demand of Rupees 67.023 million, in respect of non deduction of withholding tax against payment of use of system charges to National Grid Company of Pakistan Limited (NGC) (formerly National Transmission and Despatch Company Limited (NTDC)). The Commissioner Inland Revenue (Appeals) [CIR (A)] passed order against the Company, the Company filed reference application No. 18479 dated 27 February 2021 before Lahore High Court, Lahore against the order of Appellate Tribunal Inland Revenue dated 11 November 2020, which is pending for

(iii) Deputy Commissioner Inland Revenue passed orders under section 205 of the Ordinance for the tax years 2012, 2013, 2014 and 2015 raising a demand of Rupees 229.280 million, in respect of non deduction of withholding tax against payment of use of system charges to NGC. After the decision of Appellate Tribunal Inland Revenue (ATIR) against the Company, the Company filed Income Tax Reference Nos. 45069, 45070, 45072 and 45074 dated 10 June 2020 before Lahore High Court, Lahore against the orders of ATIR, which are pending for adjudication.

(iv) Additional Commissioner Inland Revenue passed an Order No. 1758 dated 26 September 2018 under section 161(1) and raised demand of Rupees 46.353 million, in respect of alleged non-payment of withholding tax on various payments, in respect of tax year 2017. After rejection of the appeal before Appellate Tribunal Inland Revenue, the Company has filed reference application 18504/2021 dated 27 February 2021 before Lahore High Court, Lahore, which is pending for adjudication.

(v) Additional Commissioner Inland Revenue passed an Order vide bar code No. 100000115217240 dated 23 December 2021 for tax year 2018 under section 122(5A) of the Ordinance, creating a demand of Rupees 3,699.121 million in respect of non payment of alternative corporate tax. Being aggrieved with the order, the Company filed an appeal before Commissioner Inland Revenue (Appeals) on 31 January 2022. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company is in process of filing an appeal before the department for appointment of Alternate Dispute Resolution Committee. The case will be adjudicated by ADRC after its appointment, which is in process.

(vi) Deputy Commissioner Inland Revenue issued Order vide bar code No. 100000126469023 dated 28 June 2022 for tax year 2016 under section 161(1) of the Ordinance raising a demand of Rupees 485.783 million in respect of tax year 2016 regarding non deduction of withholding tax against payment of salaries, wages and other benefits to employees. The Company filed an appeal before Commissioner Inland Revenue (Appeals) on 25 July 2022. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company has filed an appeal, subsequent to the reporting date on 14 July 2025 before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment, which is in process.

(vii) Deputy Commissioner Inland Revenue issued Order vide bar code No. 100000115292828 dated 27 December 2021 for tax year 2020 under section 161(1) of the Ordinance raising a demand amounting to Rupees 655.422 million, in respect of non deduction of withholding tax against payment of salaries, wages and other benefits to employees. The Company filed an appeal before Commissioner Inland Revenue (Appeals) on 26 January 2022. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company is in process of filing an appeal before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment.

(viii) Additional Commissioner Inland Revenue passed an Order vide bar code No. 100000152763555 dated 31 May 2023 for tax year 2020 under section 122(5A) of the Ordinance, creating a demand of Rupees 191.574 million in respect of short payment of turnover tax. Being aggrieved with the order, the Company filed an appeal before Commissioner Inland Revenue (Appeals) on 27 June 2023. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company has filed an appeal, subsequent to the reporting date on 14 July 2025 before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment, which is in process.

(ix) Deputy Commissioner Inland Revenue issued Order vide bar code No. 100000138073803 dated 21 December 2022 for tax year 2017 under section 161(1) of the Ordinance raising a demand amounting to Rupees 14.399 million, in respect of non deduction of withholding tax under section 235. The Company has filed an appeal before Commissioner Inland Revenue (Appeals) on 27 September 2022, which is pending for adjudication.

(x) Assistant Commissioner Inland Revenue issued order vide bar code No. 100000194493099 dated 27 June 2023 under section 205/161 of the Ordinance for the tax year 2017, raising a demand of Rupees 349.159 million, in respect of non deduction of withholding tax on salary under section 149. The Company filed an appeal before Commissioner Inland Revenue (Appeals) on 26 July 2023. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company has filed an appeal, subsequent to the reporting date on 14 July 2025 before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment, which is in process.

(xi) Additional Commissioner Inland Revenue passed an Order vide bar code No. 100000184499081 dated 18 January 2024 for tax year 2022 under section 122(5A) of the Ordinance, creating a demand of Rupees 913.459 million in respect of short payment of turnover tax. The Company filed an appeal before Commissioner Inland Revenue (Appeals) on 16 February 2024. Subsequent to the enactment of the State Owned Enterprises (Governance and Operations) Act, 2023 and under section 134A of Income Tax Ordinance, 2001 amended vide Tax Laws (Amendment) Act, 2024, the Company is in process of filing an appeal before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment.

(xii) Deputy Commissioner Inland Revenue issued Order vide No. 90 dated 29 June 2018 for tax year 2014 under section 122(5) of the Ordinance raising a demand amounting to Rupees 2,407.321 million, in respect of Alternate Corporate tax. The Company filed an appeal before Commissioner Inland Revenue (Appeals), who rejected the Company's appeal on 20 August 2018. The Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR), who decided the case in favour of the Company dated 13 March 2024. The department filed a reference dated 10 March 2025 before Lahore High Court, Lahore against the order of ATIR, which is pending for adjudication.

(xiii) Additional Commissioner Inland Revenue passed an Order vide bar code No. 100000230445632 dated 27 February 2025 for tax year 2020 under section 122(5A) of the Ordinance, raising a demand of Rupees 1,069.996 million in respect of short payment of turnover tax. The Company filed an appeal under section 134A of the Ordinance before the department for appointment Alternate Dispute Resolution Committee (ADRC) dated 03 April 2025. The case will be adjudicated by ADRC after its appointment, which is in process. However, the Company has provided for the minimum tax relating to the subsidy for the tax year 2020 amounting to Rupees 878.425 million in the current financial year.

(xiv) Additional Commissioner Inland Revenue passed an Order vide bar code No. 100000244299621 dated 30 June 2025 for tax year 2019 under section 161(1) of the Ordinance, raising a demand of Rupees 780.744 million in respect of short payment of withholding tax. The Company is in process of filing an appeal under section 134A of Income Tax Ordinance, 2001 before the department for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment.

Aggregate provision of Rupees 10,187.218 million regarding the cases stated in paragraph numbers 15.1.1 (i) to 15.1.1 (xiv) has not been accounted for in the books of account of the Company as in the opinion of tax advisors, the favorable outcomes of these cases are expected.

Sales Tax

(xv) Assistant Commissioner Punjab Revenue Authority passed an Order No. 1 dated 04 January 2018 raising a demand of Rupees 385.803 million, in respect of non charging of Punjab sales tax on various services performed by the Company for the tax periods from July 2015 to June 2016 under section 52(1) of Punjab Sales Tax Act, 2012. The Company filed writ petition dated 05 September 2020 before Lahore High Court, Lahore which was decided in favour of the Company on 15 March 2023. Punjab Revenue Authority filed intra court appeal before Lahore High Court, Lahore which is pending for adjudication. The Company was issued letter from Additional Commissioner Punjab Revenue Authority for fresh proceedings regarding the above matter, ignoring the judgement of Lahore High Court, Lahore. In response to the reply submitted by the Company against the letter of Additional Commissioner Punjab Revenue Authority, order was passed raising the demand of Rupees 385.803 million. The Company being aggrieved filed an appeal before Additional Commissioner (Appeals) Punjab Revenue Authority who confirmed the assessment order. On 30 September 2023, the Company filed an appeal before Appellate Tribunal Punjab Revenue Authority which is pending for adjudication.

(xvi) Assistant Commissioner Inland Revenue (ACIR) issued an Order No. 1725 dated 27 February 2019 under section 26 of Sales Tax Act, 1990 raising a demand of Rupees 66.640 million in respect of non-chargeability of sales tax on free supply to Company's employees. The Company has filed an appeal on 13 April 2019 before the Commissioner Inland Revenue (Appeals) (CIR - A), who remanded back the case to ACIR vide Order No. 473 dated 05 November 2019. However after the order passed against the Company by ACIR, the Company filed an appeal dated 29 June 2021 before CIR-A who remanded back the case to ACIR. Remand back proceedings are in progress.

(xvii) Deputy Commissioner Inland Revenue issued a show cause notice No. 344 dated 09 January 2013 raising a demand of Rupees 6,787.126 million for the tax year 2009-10 in respect of penalty for suppression of sales, inadmissible input tax claimed, non-charging of sales tax on subsidy etc. Upon decision of Appellate Tribunal Inland Revenue in favour of the Company, Regional Tax Office filed reference application before Lahore High Court, Lahore on 23 December 2019, which is pending for adjudication.

(xviii) The Company lodged twelve sales tax refund claims amounting to Rupees 7,704 million with Regional Tax Officer from November 2008 to June 2014. Out of these twelve claims, eight refund claims amounting to Rupees 5,224 million have been rejected by Assistant Commissioner Inland Revenue. However, Commissioner Inland Revenue (Appeals) have remanded back the case to Assistant Commissioner Inland Revenue. The Company has filed an appeal before Appellate Tribunal Inland Revenue on 30 April 2021 against the rejection of claims, which is pending for adjudication.

(xix) Additional Commissioner Punjab Revenue Authority issued show cause notice No. 11149 dated 30 December 2020 raising a demand of Rupees 1,554.748 million, in respect of non-chargeability of Punjab Sales Tax on various services performed by the Company for the tax periods from July 2016 to June 2019. The Company filed petition No. 19883 dated 15 March 2021 before Lahore High Court, Lahore which was decided in favour of the Company. The Punjab Revenue Authority filed intra court appeal against the order before Lahore High Court, Lahore which is pending for adjudication. Moreover, the Company was issued letter from Additional Commissioner Punjab Revenue Authority for fresh proceedings regarding the above matter, ignoring the judgement of Lahore High Court, Lahore. In response to the reply submitted by the Company against the letter of Additional Commissioner Punjab Revenue Authority's letter, order was passed demanding Rupees 1,400.505 million. The Company being aggrieved, filed an appeal before Additional Commissioner (Appeals) Punjab Revenue Authority who confirmed the assessment order. The Company filed an appeal before Appellate Tribunal Punjab Revenue Authority dated on 22 July 2024, which is pending for adjudication.

(xx) Additional Commissioner Punjab Revenue Authority issued show cause notice No. 12225 dated 14 December 2021 under section 24 and 52 of Punjab Sales Tax Act, 2012 by raising demand of Rupees 1,131.949 million, in respect of non-chargeability of Punjab Sales Tax on various services performed by the Company for the tax periods from July 2019 to June 2021. The Company filed a writ petition dated 12 January 2022 before Lahore High Court, Lahore which was decided in favour of the Company. Punjab Revenue Authority filed intra court appeal against the order before Lahore High Court, Lahore on 04 September 2023 which is pending for adjudication.

(xxi) Additional Commissioner Punjab Revenue Authority issued show cause notice No. 11376 dated 26 February 2021 raising a demand of Rupees 20.934 million, in respect of default surcharge on non charging of Punjab Sales Tax on services performed by the Company for the tax period from July 2014 to June 2020 under section 52 of Punjab Sales Tax Act, 2012. The Company filed an appeal before Commissioner (Appeals), Punjab Revenue Authority dated 28 September 2021, which resulted in assessment order upholding the original demand. The Company being aggrieved filed an appeal before Appellate Tribunal, Punjab Revenue Authority on 15 July 2024, which is pending for adjudication.

(xxii) Assistant Commissioner Inland Revenue issued show cause notice No. 1305 dated 18 June 2021 raising a demand of Rupees 33.059 million against two times adjustment of input tax. After the rejection of appeals by the Company before Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue, the Company filed reference before Lahore High Court, Lahore against the decision of ATIR, who granted stay vide order dated 27 May 2024 and the case is pending for adjudication.

(xxiii) Deputy Commissioner Inland Revenue passed an order No. 17/2022-23 dated 26 June 2023 in respect of non chargeability of sales tax on free supply of electricity to Company's employees during tax periods from July 2018 to June 2019 and raised demand of Rupees 132.103 million along with default surcharge and penalty amounting to Rupees 6.605 million. An appeal was filed before Commissioner Inland Revenue (Appeals) on 27 July 2023 who remanded back the case to assessing officer for further verification, which is in process.

(xxiv) Deputy Commissioner Inland Revenue issued Order No. 02/2021 dated 26 March 2021 in respect of late filing of sales tax return during tax period August 2019 to June 2020 raising demand of Rupees 263.461 million as penalty and default surcharge. An appeal was filed before Commissioner Inland Revenue (Appeals) [CIR(A)] on 14 April 2021, who passed an order against the Company. Afterwards, the Company filed appeal before Appellate Tribunal Inland Revenue on 26 July 2022, who remanded back the case to Assessing Officer. The Assessing Officer passed the order against the Company on 29 March 2024. Then the Company filed an appeal dated 22 January 2025 for appointment of Alternate Dispute Resolution Committee (ADRC). The case will be adjudicated by ADRC after its appointment, which is in process.

(xxv) The Company has claimed input tax adjustment pertaining to the tax periods July 2019 and August 2019 on which show cause notices u/s 11 of the Sales Tax Act, 1990 were issued that input tax was claimed against output tax on purchase of items which were not admissible so the amounts of Rupees 13.757 million and Rupees 19.996 million were ordered to be recovered from Company along with default surcharge and penalty. The Company filed appeal before Commissioner Inland Revenue (Appeals) who upheld the order. The Company filed second appeals before Appellate Tribunal Inland Revenue (ATIR) who submitted that the input tax adjustment claimed is admissible in terms of section 7 of the Act. The case was remanded back to assessing officer vide order STA No. 861 & 862 to obtain necessary evidences from the Company in support of the claim and thereafter decide the issue in accordance with law. Thereafter, assessing officer upheld the order in original. The Company being aggrieved, filed an appeal before ATIR on 30 November 2023 which is pending for adjudication.

(xxvi) Assistant Commissioner Inland Revenue issued an order No. 16-19 dated on 09 June 2021 raising a demand of Rupees 406 million in respect of short payment of sales tax against steel meter rerollers. The Company filed an appeal before Commissioner Inland Revenue (Appeals) on 15 July 2021 who decided the case against the Company. The Company filed appeal before Appellate Tribunal Inland Revenue (ATIR), who decided the case in favour of Company vide order No. 26-29 dated 20 May 2022. However, the department filed reference before Lahore High Court, Lahore on 22 May 2025 against the decision of ATIR, which is pending for adjudication.

(xxvii) Additional Commissioner Punjab Revenue Authority passed an order No. 25/2025 dated 19 February 2025 raising a demand of Rupees 400.310 million, in respect of non withholding and payment of sales tax by the Company for the tax periods from July 2021 to June 2023. The Company filed an appeal before Commissioner (Appeals), Punjab Revenue Authority dated 15 April 2025, which is pending for adjudication.

(xxviii) Deputy Commissioner Inland Revenue issued Order No. 45/2024-25 dated 17 April 2025 in respect non payment of sales tax for the financial years 2022 and 2023 raising demand of Rupees 118.395 million. The Company filed an appeal before the department for appointment of Alternate Dispute Resolution Committee (ADRC) on 10 June 2025. The case will be adjudicated by ADRC after its appointment, which is in process.

(xxix) Deputy Commissioner Inland Revenue issued Order No. 03/2024-25 dated 22 August 2024 against input tax credit claimed on goods and services for the tax year 2022 raising demand of Rupees 5,868.184 million. The case was adjudicated by the Alternate Dispute Resolution Committee (ADRC) on 10 January 2025, who ordered 50 percent to the Company. Being aggrieved the Company filed a writ petition against the order of ADRC in Lahore High Court, Lahore, on 22 July 2025, which is pending for adjudication.

Aggregate provision of Rupees 19,324.735 million relating to the above stated paragraph numbers 15.1.1 (xvi) to 15.1.1 (xxx) has not been recorded in the books of accounts of the Company on the advice of tax advisors of the Company, as favourable outcome of these cases are expected.

15.1.2 The Company has received invoices from Small Power Producers (SPPs) in respect of purchase of electricity on behalf of CPPA-G, which after payments to respective SPPs, have been communicated to CPPA-G. However, CPPA-G has accepted partial payments to SPPs, due to differences in electricity rates and other differences. The Company raised debit notes against invoices of SPPs to CPPA-G, out of which debit notes of Rupees 1,975.18 million were not accepted by CPPA-G uptill 30 June 2025. Moreover, their are certain other outstanding entries amounting to Rupees 189.730 million - net recorded as recoverable from CPPA-G which has not been acknowledged as payable by CPPA-G uptill 30 June 2025. However, due to the pending reconciliation of these matters with CPPA-G, the Company has not acknowledged the de-recognition of receivable in this respect.

15.1.3 In addition to above-mentioned matters, large number of small cases have been filed against the Company, primarily by the Company's employees, customers and vendors, the quantum of which cannot be estimated reliably. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

15.2 Commitments

15.2.1 Contracts for capital expenditure are of Rupees 1,694.751 million (2024: Rupees 3,312.202 million).

15.2.2 Inland letter of credits in respect of capital expenditure are of Rupees 225.683 million (2024: Rupees 136.091 million).

15.2.3 Contracts for other than capital expenditure are of Rupees 0.360 million (2024: Rupees 43.279 million).

		2025 RUPEES	2024 RUPEES
16.	**PROPERTY, PLANT AND EQUIPMENT**		
	Operating fixed assets (Note 16.1)	213,620,310,189	199,361,811,457
	Capital work-in-progress (Note 16.2)	24,674,108,341	31,421,235,994
		238,294,418,530	230,783,047,451

16.1 **Operating fixed assets**

	Freehold land	Buildings on freehold land	Feeders (up to 11 kv)	Grids and equipment	Vehicles	Furniture, fixtures and office equipment	Total
				RUPEES			
As at 30 June 2023							
Cost / revalued amount	31,246,168,980	5,377,102,282	101,570,958,506	44,200,997,340	1,656,242,969	1,226,151,605	185,277,621,682
Accumulated depreciation	-	(723,534,641)	(35,502,449,864)	(11,020,129,337)	(923,478,676)	(782,123,388)	(48,951,715,906)
Impairment loss	-	(453,912,940)	-	-	-	-	(453,912,940)
Net book value	31,246,168,980	4,199,654,701	66,068,508,642	33,180,868,003	732,764,293	444,028,217	135,871,992,836
Year ended 30 June 2024							
Opening net book value	31,246,168,980	4,199,654,701	66,068,508,642	33,180,868,003	732,764,293	444,028,217	135,871,992,836
Effect of surplus on revaluation	41,809,597,920	-	3,241,647,495	7,939,706,344	-	-	52,990,951,759
Additions / transferred from capital work-in-progress	-	515,050,280	14,517,398,852	2,096,287,786	184,279,478	266,189,193	17,579,205,589
Transferred to stores and spares / written off							
Cost / revalued amount	-	-	(2,137,379,763)	(264,343,468)	(9,747,027)	(793,000)	(2,412,263,258)
Accumulated depreciation	-	-	681,506,008	102,002,165	9,747,027	626,388	793,881,588
	-	-	(1,455,873,755)	(162,341,303)	-	(166,612)	(1,618,381,670)
Reversal of impairment loss	-	138,548,206	-	-	-	-	138,548,206
Depreciation charge	-	(99,334,073)	(3,738,591,563)	(1,554,375,500)	(100,037,806)	(108,166,321)	(5,600,505,263)
Closing net book value	73,055,766,900	4,753,919,114	78,633,089,671	41,500,145,330	817,005,965	601,884,477	199,361,811,457
As at 30 June 2024							
Cost / revalued amount	73,055,766,900	5,892,152,562	117,192,625,090	53,972,648,002	1,830,775,420	1,491,547,798	253,435,515,772
Accumulated depreciation	-	(822,868,714)	(38,559,535,419)	(12,472,502,672)	(1,013,769,455)	(889,663,321)	(53,758,339,581)
Impairment loss	-	(315,364,734)	-	-	-	-	(315,364,734)
Net book value	73,055,766,900	4,753,919,114	78,633,089,671	41,500,145,330	817,005,965	601,884,477	199,361,811,457
Year ended 30 June 2025							
Opening net book value	73,055,766,900	4,753,919,114	78,633,089,671	41,500,145,330	817,005,965	601,884,477	199,361,811,457
Additions / transferred from capital work-in-progress	40,606,967	1,486,422,517	16,495,950,248	12,916,804,123	86,533,602	363,144,289	31,389,461,746
Transferred to stores and spares / written off							
Cost / revalued amount	-	-	(13,434,637,235)	(804,289,149)	(14,228,163)	(118,659)	(14,253,273,206)
Accumulated depreciation	-	-	3,697,815,375	105,164,442	14,228,163	118,659	3,817,326,639
	-	-	(9,736,821,860)	(699,124,707)	-	-	(10,435,946,567)
Depreciation charge	-	(171,476,818)	(4,254,074,410)	(2,068,108,595)	(109,256,584)	(142,100,040)	(6,695,016,447)
Closing net book value	73,096,373,867	6,118,864,813	81,138,143,649	51,649,716,151	794,282,983	827,928,726	213,620,310,189

	Freehold land	Buildings on freehold land	Feeders (up to 11 kv)	Grids and equipment	Vehicles	Furniture, fixtures and office equipment	Total
	RUPEES						
As at 30 June 2025							
Cost / revalued amount	73,096,373,867	7,378,575,079	120,253,938,103	66,085,162,976	1,903,080,859	1,854,573,428	270,571,704,312
Accumulated depreciation	-	(944,345,532)	(39,115,794,454)	(14,435,446,825)	(1,108,797,876)	(1,031,644,702)	(56,636,029,389)
Impairment loss	-	(315,364,734)	-	-	-	-	(315,364,734)
Net book value	73,096,373,867	6,118,864,813	81,138,143,649	51,649,716,151	794,282,983	822,928,726	213,620,310,189
Annual rate of depreciation (%)	-	2	3.5	3.5	10	10-33.33	

16.1.1 The property and rights in the above assets were transferred to the Company on 29 June 1998 by WAPDA in accordance with the terms and conditions of the Business Transfer Agreement (BTA) executed between WAPDA and the Company. The detail of these assets were finalized with WAPDA through a Supplementary Business Transfer Agreement (SBTA).

16.1.2 Title of freehold land valuing Rupees 41,453.848 million (2024: Rupees 46,632.471 million) is in the name of WAPDA as at 30 June 2025. However, subsequent to the year end upto 11 July 2025 title of further freehold land valuing Rupees 37,027.950 million was transferred in the name of the Company. Title of freehold land valuing of Rupees 17,909.064 million (2024: Rupees 17,875.61 million) has neither been transferred in the name of WAPDA nor in the name of the Company. The possession of freehold land amounting to Rupees 40.832 million (2024: 40.832 million) and buildings thereon amounting to Rupees 1.417 million (2024: Rupees 1.462 million) is not in control of the Company and with some other third parties, therefore, these assets are not revalued. Moreover, the operating fixed assets having book value of Rupees 341.366 million (2024: Rupees 353.747 million) has not been revalued due to certain inherent limitations.

16.1.3 On 01 March 2019 and on 20 May 2020, the Company entered into Authorization and Interest agreements with Power Holding Limited (PHL) and Meezan Bank Limited (MBL), in which Company authorized PHL to carry out "Certain Actions" in relation to Relevant Transaction Assets representing freehold land at all districts within the geographical area of the Company, having combined area of 4 646 kanals and 6 marlas amounting to Rupees 9,389.915 million. Certain Actions include selling the Relevant Transaction Assets to MBL and creating a security interest over the same for the purpose of enabling PHL to raise financing through the Sukuk issue. In addition to this agreement, PHL entered into an Asset Purchase Agreement with MBL for selling the Relevant Transaction Assets to MBL which include the freehold land of the Company and of other distribution and generation companies for a total purchase price of Rupees 200,000 million against which Sukuk certificates have been issued by PHL for a period of ten years. However, the Company holds the title of the transaction assets as title agent.

16.1.4 Forced sales value of freehold land was Rupees 62,063 million, buildings on freehold land was Rupees 3,844 million, feeders (up to 11 kv) was Rupees 78,631 million and grids and equipment was Rupees 35,162 million as per last valuation carried on 30 June 2024.

16.1.5 Operating fixed assets include assets having cost of Rupees 1,336.133 million (2024: Rupees 1,153.811 million) which are fully depreciated and still in use of the Company.

16.1.6 If the freehold land, buildings on freehold land, feeders (up to 11 kv), grids and equipment were measured using the cost model, the carrying amount would be as follows:

	Cost	Accumulated depreciation	Impairment loss	Net book value
	RUPEES			
Land - freehold	1,196,662,834	-	-	1,196,662,834
Building on freehold land	6,085,980,658	(1,106,520,609)	(315,364,734)	4,664,101,315
Feeders (up to 11 kv)	107,716,020,551	(33,478,909,759)	-	74,237,110,792
Grids and equipment	42,149,033,991	(11,084,580,879)	-	31,064,453,112
2025	157,147,704,034	(45,670,011,247)	(315,364,734)	111,162,328,053
2024	137,240,247,749	(43,452,572,605)	(315,364,734)	93,472,310,410

16.1.7 The assets having cost of Rupees 11,032.355 million (2024: Rupees 1,965.430 million) and accumulated depreciation of Rupees 3,197.272 million (2024: Rupees 618.474 million) were retired during the year.

		2025 RUPEES	2024 RUPEES
16.1.8	**Depreciation charge for the year has been allocated as follows:**		
	Distribution cost (Note 30)	6,495,668,044	5,428,189,408
	Administrative expenses (Note 31)	177,830,327	146,539,316
	Customer services costs (Note 32)	3,402,264	2,152,988
	Included in capital work-in-progress (Note 16.2.4)	18,115,812	23,603,551
		6,695,016,447	5,600,505,263
16.2	**Capital work-in-progress**		
	Civil works	193,968,777	139,381,506
	Distribution equipment (Note 16.2.1)	22,217,828,676	29,152,532,838
		22,411,797,453	29,292,114,344
	Geographic Information System (GIS) Mapping Project	104,326,419	
	Cost of implementation of Enterprise Resource Planning	84,456,076	84,418,516
	Mobilization advance to suppliers / contractors	20,211,400	52,778,275
	Capital stores (Note 16.2.3)	2,053,316,993	1,991,924,859
		24,674,108,341	31,421,235,994
16.2.1	**Distribution equipment**		
	Materials	17,987,693,624	22,744,879,601
	Overheads	1,970,114,680	2,557,086,175
	Contract work	2,260,020,372	3,850,567,062
		22,217,828,676	29,152,532,838
16.2.2	**Movement in civil works and distribution equipment during the year:**		
	Balance as at 01 July	29,292,114,344	25,153,142,960
	Add: Additions during the year	19,370,744,347	14,687,191,157
		48,662,858,691	39,840,334,117
	Less:		
	Transferred to freehold land	40,606,967	-
	Transferred to buildings on freehold land	1,486,422,517	515,050,280
	Transferred to feeders, grids and equipment	24,576,093,126	10,033,169,493
	Adjusted with receipts against deposit work	147,938,628	-
		26,251,061,238	10,548,219,773
	Balance as at 30 June	22,411,797,453	29,292,114,344

16.2.3 These represent items of stores, spares and loose tools held for capitalization.

16.2.4 Depreciation capitalized related to capital work-in-progress was Rupees 18.116 million (2024: Rupees 23.604 million) as given in Note 16.1.8. Moreover operating expenses of Rupees 1,775.921 million (2024: Rupees 1,382.390 million) have also been included in capital work-in-progress as given in Note 30.

17. INTANGIBLE ASSETS

	2025 RUPEES	2024 RUPEES
Computer softwares		
Cost	213,570,873	213,570,873
Accumulated amortization	(212,671,688)	(212,202,548)
Net book value	899,185	1,368,325
Movement during the year		
Opening net book value	1,368,325	1,837,465
Amortization charge for the year (Note 31)	(469,140)	(469,140)
	899,185	1,368,325
Amortization rate (per annum)	20%	20%

17.1 Intangible assets having cost of Rupees 211.225 million (2024: Rupees 211.225 million) are fully amortised.

17.2 These include various modules of SAP ERP softwares.

		2025 RUPEES	2024 RUPEES
18.	**LONG TERM ADVANCES**		
	Considered good - secured		
	House building / purchase of plot	254,559,014	218,113,261
	Vehicles / motor cycles	7,456,958	7,597,476
		262,015,972	225,710,737
	Less: Current portion of long term advances (Note 22)	(34,935,463)	(30,094,765)
		227,080,509	195,615,972

18.1 These include advances given to executives amounting to Rupees 48.355 million (2024: Rupees 41.386 million). The maximum aggregate amount due from these executives at the end of any month during the year was Rupees 48.355 million (2024: Rupees 41.386 million).

18.2 Long term advances are repayable in ninety (90) installments. As per Company's policy, these are recoverable in equal monthly installments. Interest is being charged @ 5% per annum on outstanding balance of loan. These advances are secured by mortgage of immovable property and hypothecation of vehicles.

19. LONG TERM DEPOSITS

These represent security deposits with utility companies and an oil company against connections and fuel cards respectively.

20. STORES, SPARES AND LOOSE TOOLS

Stores, spares and loose tools	7,390,365,173	6,661,934,581
Less: Provision for slow moving and obsolete items of stores, spares and loose tools - net (Note 20.1)	(38,910,562)	(36,944,636)
	7,351,454,611	6,624,989,945

20.1 Provision for slow moving and obsolete items of stores, spares and loose tools - net

Balance as at 01 July	36,944,636	37,739,078
Add: Provision for slow moving and obsolete items (Note 30)	1,965,926	-
Less: Reversal of portion for slow moving and obsolete items	-	(794,442)
Balance as at 30 June	38,910,562	36,944,636

21. TRADE DEBTS

Partially secured:		
Considered good (Note 21.1)	77,175,184,426	81,029,314,206
Less: Allowance for expected credit losses (Note 21.2)	7,264,187,881	4,913,507,442
	69,910,996,545	76,115,806,764

21.1 Trade debts are partially secured to the extent of corresponding consumers' security deposits. Trade debts as at the reporting date are classified into residential, commercial, industrial, agriculture, public lights, residential colonies and others.

21.2 Allowance for expected credit losses

Balance as at 01 July	4,913,507,442	4,314,242,176
Add: Allowance for expected credit losses - net (Note 32)	2,350,680,439	599,265,266
Balance as at 30 June	7,264,187,881	4,913,507,442

21.2.1 The allowance for expected credit losses is made on net basis due to large number of consumers of the Company.

21.3 As at 30 June, ageing analysis of these trade debts is as follows:

Not past due yet	65,473,313,712	70,397,642,510
Due up to 1 year	7,721,983,344	10,217,548,241
1 year to 3 years	2,581,142,873	722,479,835
3 years and above	3,419,908,262	3,301,247,632
Deferred arrears	1,263,136,746	889,779,975
Balances due from Government	28,990,067,086	27,674,146,086
	109,449,552,023	113,202,844,279
Less: Taxes and surcharge receivables	32,274,367,597	32,173,530,073
Less: Allowance for expected credit losses	7,264,187,881	4,913,507,442
	69,910,996,545	76,115,806,764

		2025 RUPEES	2024 RUPEES
22.	**LOANS AND ADVANCES**		
	Considered good		
	Advances to suppliers	260,789,236	294,597,626
	Advances to employees against expenses	14,789,511	20,093,736
	Advances to employees for sports	-	2,241,600
	Current portion of long term advances (Note 18)	34,935,463	30,094,765
		310,514,210	347,027,727
23.	**OTHER RECEIVABLES**		
	Considered good		
	Duties, charges and taxes (Note 23.1)	-	-
	Sales tax and other taxes receivable from consumers	20,122,965,315	20,243,702,922
	Receivable against damaged items during warranty period	55,990,215	85,128,234
	Due from associated companies / undertakings (Note 23.2)	13,049,949,243	12,547,030,837
	Others (Note 23.3)	976,411,712	1,374,093,955
		34,205,316,485	34,249,955,948
23.1	**Duties, charges and taxes**		
	Receivables not yet realized:		
	Income tax	1,486,934,677	1,597,101,911
	Tariff rationalization surcharge (Note 23.1.2)	50,636,744	52,478,112
	Financing cost surcharge (Note 23.1.3)	8,148,304,143	7,595,976,004
	Electricity duty	582,378,692	613,067,360
	Equalization surcharge	1,436,868	1,404,576
	Extra / Further sales tax	1,330,569,688	1,525,321,106
	PTV license fee	104,867,621	96,419,034
	Neelum Jhelum surcharge	446,273,849	448,059,048
		12,151,402,282	11,929,827,151
	Payables not yet realized:		
	Income tax	1,486,934,677	1,597,101,911
	Tariff rationalization surcharge	50,636,744	52,478,112
	Financing cost surcharge	8,148,304,144	7,595,976,004
	Electricity duty	582,378,692	613,067,360
	Equalization surcharge	1,436,867	1,404,576
	Extra / Further sales tax	1,330,569,688	1,525,321,106
	PTV license fee	104,867,621	96,419,034
	Neelum Jhelum surcharge	446,273,849	448,059,048
		12,151,402,282	11,929,827,151
		-	-

23.1.1 These represent the amounts billed to the customers on behalf of the respective authorities and are receivable at year end which have been netted off against their respective payables.

23.1.2 This represents Tariff Rationalization Surcharge receivable from the consumers pursuant to S.R.O. 568(I)/2015, dated 10 June 2015 issued by the Power Division, Ministry of Energy, GoP. The amount of surcharge is to be kept in escrow account of CPPA-G for discharging of determined cost of power producers by the CPPA-G. During the financial year ended 30 June 2018, GoP revised the tariff rationalization surcharge rates for categories of electricity consumers of the Company.

23.1.3 This represents Financing Cost Surcharge receivable from the consumers pursuant to S.R.O. 03(I)/2019, dated 01 January 2019 issued by the Power Division, Ministry of Energy, GoP. The amount of surcharge is to be kept in escrow account of CPPA-G for exclusive use of discharging the financing cost of various loans obtained to discharge liabilities of power producers against the sovereign guarantees of the GoP.

		2025 RUPEES	2024 RUPEES
23.2	**Due from associated companies / undertakings**		
	Due on account of free electricity (Note 23.2.1)	1,460,363,495	1,580,064,420
	Due on account of pension (Note 23.2.2)	3,504,036,998	4,097,471,561
	Due on account of WAPDA welfare fund	460,253,259	481,518,020
	Due from NGC on account of use of system charges	318,761,688	180,868,098
	Due from NGC on account of general sales tax on use of system charge	556,259,815	
	Due on account of past service cost of GENCOs employees (Note 23.2.3)		889,298,591
	Due on account of past service cost of WAPDA employees (Note 23.2.4)	5,317,810,142	5,317,810,147
	Due on account of NJ Surcharge of Neelum Jhelum Hydro-power Company (Private) Limited (Note 12.2.2)	1,422,463,846	
	Due on account of security deposit from NEPRA against ongoing dispute	10,000,000	
		13,049,949,243	12,547,030,837
23.2.1	**Due from associated companies on account of free electricity**		
	Water and Power Development Authority (WAPDA)	298,488,107	257,679,151
	National Grid Company of Pakistan Limited (NGC)	157,584,243	195,214,975
	Islamabad Electric Supply Company Limited (IESCO)	16,731,617	213,313,531
	Peshawar Electric Supply Company Limited (PESCO)	105,398	
	Gujranwala Electric Power Company Limited (GEPCO)	13,385,993	55,857,007
	Quetta Electric Supply Company Limited (QESCO)	7,459,679	36,574,752
	Hyderabad Electric Supply Company Limited (HESCO)	8,484,244	11,955,819
	Tribal Areas Electric Supply Company Limited (TESCO)	802,438	2,337,832
	Sukkur Electric Power Company Limited (SEPCO)	510,630	
	Multan Electric Power Company Limited (MEPCO)	13,099,873	75,893,998
	Lahore Electric Supply Company Limited (LESCO)	28,952,599	
	Jamshoro Power Company Limited (GENCO-I)	2,379,949	1,844,493
	Central Power Generation Company Limited (GENCO-II)	29,766,443	31,245,178
	Northern Power Generation Company Limited (GENCO-III)	820,030,226	693,918,290
	Lakhra Power Generation Company Limited (GENCO-IV)	2,461,919	2,399,805
	Power Planning and Monitoring Company (PPMC)	1,806,405	1,829,539
	Neelum Jhelum Hydro-power Company (Private) Limited (NJHPC)	8,313,732	
		1,460,363,495	1,580,064,420
23.2.2	**Due from associated companies / undertakings on account of pension**		
	Water and Power Development Authority (WAPDA) (Note 23.2.2.1)	2,925,412,829	2,925,412,829
	National Grid Company of Pakistan Limited (NGC)	125,688,262	567,629,319
	Islamabad Electric Supply Company Limited (IESCO)	47,333,150	77,581,198
	Gujranwala Electric Power Company Limited (GEPCO)	44,952,433	80,021,771
	Quetta Electric Supply Company Limited (QESCO)	18,795,549	44,206,091
	Hyderabad Electric Supply Company Limited (HESCO)	-	33,642,642
	Tribal Areas Electric Supply Company Limited (TESCO)	367,180	359,815
	Sukkur Electric Power Company Limited (SEPCO)	12,344,761	47,156,085
	Multan Electric Power Company Limited (MEPCO)	124,909,952	193,788,658
	Lahore Electric Supply Company Limited (LESCO)	11,389,188	
	Jamshoro Power Company Limited (GENCO-I)	2,653,690	1,238,140
	Central Power Generation Company Limited (GENCO-II)	24,741,611	19,991,720
	Northern Power Generation Company Limited (GENCO-III)	165,448,393	106,443,283
		3,504,036,998	4,097,471,561

23.2.2.1 This includes receivable from WAPDA amounting to Rupees 1,100 million (2024: Rupees 1,100 million) on account of monthly pension payments to retired WAPDA employees who retired on or before 30 June 1998 (ex-WAPDA pensioners). The settlement of the receivable has been contested between the Company and WAPDA. The Power Division, Ministry of Energy, GoP referred the matter to NEPRA. NEPRA in its tariff determination dated 10 March 2015 has decided that above amount is receivable from the WAPDA.

23.2.3	**Due from associated companies on account of past service cost**		
	Jamshoro Power Company Limited (GENCO-I)	-	49,068,192
	Central Power Generation Company Limited (GENCO-II)	-	232,027,525
	Northern Power Generation Company Limited (GENCO-III)	-	581,548,073
	Lakhra Power Generation Company Limited (GENCO-IV)	-	26,654,801
		-	889,298,591

23.2.3.1 This represented the balance receivable from GENCOs on account of the past service cost of certain employees related to GENCOs before October 2021 transferred to the Company. The balance has been charged to salaries, wages and other benefits during the year on direction from NEPRA.

23.2.4 This represents the balance receivable from WAPDA on account of the past service cost relating to years 2015 and 2016 related to employees of WAPDA retired before July 1998.

23.2.5 The ageing analysis of amounts due from associated companies / undertakings is as follows:

	2025 RUPEES	2024 RUPEES
Upto 6 months	2,894,427,736	752,873,138
6 months to 1 year	513,796,053	1,548,107,013
1 year to 3 years	372,769,241	861,738,484
3 years and above	9,268,956,213	9,384,312,202
	13,049,949,243	12,547,030,837

23.2.6 The maximum aggregate amount due from National Grid Company of Pakistan Limited (NGC) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, due on account of use of system charges and due on account of general sales tax at the end of any month during the year was Rupees 1,458.920 million (2024: Rupees 3,474.113 million).

23.2.7 The maximum aggregate amount due from Islamabad Electric Supply Company Limited (IESCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 333.899 million (2024: Rupees 407.537 million).

23.2.8 The maximum aggregate amount due from Peshawar Electric Supply Company Limited (PESCO) with respect to balance mentioned in Note 23.2.1, at the end of any month during the year was Rupees 1.325 million (2024: Rupees 8.626 million).

23.2.9 The maximum aggregate amount due from Gujranwala Electric Power Company Limited (GEPCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 166.25 million (2024: Rupees 137.129 million).

23.2.10 The maximum aggregate amount due from Lahore Electric Supply Company Limited (LESCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 64.153 million (2024: Rupees Nil).

23.2.11 The maximum aggregate amount due from Quetta Electric Supply Company Limited (QESCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 87.482 million (2024: Rupees 85.576 million).

23.2.12 The maximum aggregate amount due from Hyderabad Electric Supply Company Limited (HESCO) with respect to balance mentioned in Note 23.2.1, at the end of any month during the year was Rupees 45.181 million (2024: Rupees 45.598 million).

23.2.13 The maximum aggregate amount due from Tribal Areas Electric Supply Company Limited (TESCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 3.227 million (2024: Rupees 2.698 million).

23.2.14 The maximum aggregate amount due from Northern Power Generation Company Limited (GENCO-III) with respect to balances mentioned in Note 23.2.1, Note 23.2.2 and Note 23.2.3 at the end of any month during the year was Rupees 1,041.381 million (2024: Rupees 1,435.465 million).

23.2.15 The maximum aggregate amount due from Central Power Generation Company Limited (GENCO-II) with respect to balances mentioned in Note 23.2.1, Note 23.2.2 and Note 23.2.3 at the end of any month during the year was Rupees 104.508 million (2024: Rupees 283.264 million).

23.2.16 The maximum aggregate amount due from Lakhra Power Generation Company Limited (GENCO-IV) with respect to balances mentioned in Note 23.2.1 and Note 23.2.3 at the end of any month during the year was Rupees 2.462 million (2024: Rupees 29.055 million).

23.2.17 The maximum aggregate amount due from Jamshoro Power Company Limited (GENCO-I) with respect to balances mentioned in Note 23.2.1, Note 23.2.2 and Note 23.2.3 at the end of any month during the year was Rupees 5.034 million (2024: Rupees 52.611 million).

23.2.18 The maximum aggregate amount due from Sukkur Electric Power Company Limited (SEPCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 16.556 million (2024: Rupees 42.343 million).

23.2.19 The maximum aggregate amount due from Multan Electric Power Company Limited (MEPCO) with respect to balances mentioned in Note 23.2.1 and Note 23.2.2, at the end of any month during the year was Rupees 355.262 million (2024: Rupees 286.785 million).

23.2.20 The maximum aggregate amount due from Water and Power Development Authority (WAPDA) with respect to balance mentioned in Note 23.2.1, Note 23.2.2 and Note 23.2.4, at the end of any month during the year was Rupees 8,541.711 million (2024: Rupees 8,500.902 million).

23.2.21 The maximum aggregate amount due from Power Planning and Monitoring Company (PPMC) with respect to balance mentioned in Note 23.2.1, at the end of any month during the year was Rupees 1.842 million (2024: Rupees 2.284 million).

23.2.22 The maximum aggregate amount due from Neelum Jhelum Hydro-power Company (Private) Limited (NJHPC) with respect to Neelum Jhelum Surcharge and of balance mentioned in Note 23.2.1, at the end of any month during the year was Rupees 1,430.778 million (2024: Rupees Nil).

23.2.23 The maximum aggregate amount due from Water and Power Development Authority (WAPDA) welfare fund at the end of any month during the year was Rupees 460.253 million (2024: Rupees 481.518 million).

23.2.24 The maximum aggregate amount due from NEPRA at the end of any month during the year was Rupees 10 million (2024: Rupees Nil).

23.3 These include an amount of Rupees 13.363 million (2024: Rupees 11.812 million) receivable from employees against shortage and theft.

		2025 RUPEES	2024 RUPEES
24.	**RECEIVABLE FROM GOVERNMENT OF PAKISTAN**		
	Balance as at 01 July	14,856,290,760	17,667,313,520
	Tariff differential and other subsidies recognized during the year (Note 24.1)	79,489,966,552	26,248,959,848
	Adjusted against tariff rationalization surcharge and credit notes received from CPPA-G	(69,184,571,525)	(29,059,982,608)
	Balance as at 30 June	25,161,685,787	14,856,290,760

24.1 These represent the tariff subsidies claimed from the Government of Pakistan as the difference between rates determined by NEPRA and rates charged to the consumers as notified by the Government of Pakistan from time to time.

25.	**SHORT TERM INVESTMENTS**		
	Term deposit receipts (Note 25.1 and Note 25.2)	15,000,000,000	

25.1 These represent term deposits receipts issued by Allied Bank Limited, United Bank Limited and The Bank of Punjab with maturity period of 1 year. These investments are carried at amortized cost. Effective rate of profit ranged from 11.10 percent to 11.91 percent (2024: Nil) per annum.

25.2 Term deposit receipts include an amount of Rupees 13,900 million (2024: Rupees Nil) relating to customers' security deposits.

26.	**CASH AND BANK BALANCES**		
	Cash in transit (Note 26.1)	388,761,266	581,455,001
	Cash with banks on:		
	Current accounts	334,118,471	2,096,037,314
	Deposit accounts (Note 26.2 and Note 26.3)	4,748,045,029	2,573,647,213
	Term Deposit Receipts (Note 26.4 and Note 26.5)	5,500,000,000	17,500,000,000
		10,582,163,500	22,169,684,527
		10,970,924,766	22,751,139,528

26.1 This represents cash transmitted by National Database and Registration Authority (NADRA) against collection of consumer bills but not received by the Company at reporting date.

26.2 These carry profit ranging from 9.50 percent to 19.32 percent (2024: 19.25 percent to 21.50 percent) per annum.

26.3 These include an amount of Rupees 160.576 million (2024: Rupees 61.054 million) kept in separate bank accounts relating to customers' security deposits.

26.4 These represent term deposits receipts placed with Soneri Bank Limited and Faysal Bank Limited having maturity of one and three months (2024: three months) at profit rates ranged from 10.95 percent to 20.00 percent (2024: 20.30 percent to 22.00 percent) per annum.

26.5 Term deposit receipts include an amount of Rupees 400 million (2024: Rupees 13,125 million) relating to customers' security deposits.

27.	**SALE OF ELECTRICITY - NET**		
	Gross sales	487,960,501,421	536,704,318,748
	Less: Sales tax	97,330,276,822	101,929,435,515
		390,630,224,599	434,774,883,233

27.1 Electricity sales include Rupees 13,774.173 million (2024: Rupees 15,828.933 million) on account of electricity bills for the month of June 2024 billed to consumers in July 2025.

27.2 During the year, the Company sold 14 437.595 million (2024: 14 190.948 million) KWH electricity units to the consumers in different tariff categories.

27.3 Revenue is recognized at point in time when the electricity units are consumed by the customers.

28. **TARIFF DIFFERENTIAL SUBSIDIES**

These represent the tariff subsidies claimed from the Government of Pakistan as the difference between rates determined by NEPRA and rates charged to the consumers as notified by the Government of Pakistan from time to time.

29. COST OF ELECTRICITY

29.1 The Company purchased electricity from CPPA-G. The electricity purchased during the year has been accounted for according to invoices issued by CPPA-G and adjusted in accordance with monthly fuel price adjustment determined and notified by NEPRA. The average rate for the year was Rupees 25.93 per KWH (2024: Rupees 27.16 per KWH).

29.2 This includes supplemental charges of Rupees 17,348.725 million (2024: Rupees 5,729.197 million) passed on the Company, which comprise re-allocation of mark-up on late payments imposed by Independent Power Producers (IPPs) to CPPA-G on the basis of average outstanding balance.

30. DISTRIBUTION COST

	2025 RUPEES	2024 RUPEES
Salaries, wages and other benefits (Note 30.1)	28,724,696,478	27,362,455,523
Depreciation (Note 16.1.8)	6,495,668,044	5,478,189,408
Repair and maintenance	1,293,954,471	649,373,395
Rent, rates and taxes (Note 30.2)	32,352,021	30,832,398
Telephone and postage	26,874,286	24,469,363
Power, light and water	104,389,454	78,499,906
Office supplies and other expenses	32,689,664	30,619,713
Travelling and conveyance	418,406,140	410,623,531
Legal and professional	22,276,124	23,330,728
Transportation	697,426,149	683,006,776
Workers' profit participation fund	3,525,005,490	276,803,780
Property, plant and equipment written off - net of adjustment of deferred credit	3,419,338,912	
Provision for slow moving and obsolete stores, spares and loose tools (Note 20.1)	1,965,926	
Other charges / expenses	39,196,930	123,040,155
	44,834,240,089	35,121,244,676
Less: Charged to capital work-in-progress (Note 16.2.4)	(1,775,921,069)	(1,382,390,234)
	43,058,319,020	33,738,854,442

30.1 Salaries, wages and other benefits include staff retirement benefits amounting to Rupees 16,275.816 million (2024: Rupees 16,774.327 million).

30.2 These include Rupees 32.310 million (2024: Rupees 30.736 million) in respect of short term leases.

31. ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits (Note 31.1)	4,868,764,148	4,436,557,094
Directors' meeting fee	39,558,997	57,942,986
Depreciation (Note 16.1.8)	177,830,327	146,359,316
Amortization (Note 17)	469,140	469,140
Repair and maintenance	167,756,554	121,465,534
Rent, rates and taxes (Note 31.2)	723,450	724,015
Power, light and water	100,086,066	86,031,321
Office supplies and other expenses	280,765,347	318,820,400
Travelling and conveyance	123,257,439	109,103,635
Legal and professional	196,520,005	295,366,881
Auditor's remuneration (Note 31.3)	3,125,833	2,283,333
Transportation	167,097,093	172,898,764
Management fees	700,165,715	136,405,482
Telephone and postage	10,676,284	20,346,894
Insurance	3,562,574	3,183,248
Advertisement	17,570,098	17,178,873
Workers' profit participation fund	496,826,440	38,537,489
Other charges	14,039,340	20,375,684
	6,868,794,850	5,984,250,089

31.1 Salaries, wages and other benefits include staff retirement benefits amounting to Rupees 2,293.970 million (2024: Rupees 2,335.374 million).

31.2 These include Rupees 0.718 million (2024: Rupees 0.684 million) in respect of short term leases.

		2025 RUPEES	2024 RUPEES
31.3	**Auditor's remuneration**		
	Audit fee	2,240,500	1,900,000
	Other certifications fee	500,000	-
	Reimbursable expenses	383,333	333,333
		3,123,833	2,233,333
32.	**CUSTOMER SERVICES COSTS**		
	Salaries, wages and other benefits (Note 32.1)	3,906,455,587	3,575,951,448
	Depreciation (Note 16.1.8)	2,402,264	2,192,588
	Electricity bills collection charges	429,311,405	450,967,628
	Travelling and conveyance	40,314,169	38,599,646
	Repair and maintenance	1,948,178	1,303,057
	Rent, rates and taxes (Note 32.2)	3,030,286	2,451,640
	Telephone and postage	3,722,393	3,279,723
	Power, light and water	13,183,916	10,603,649
	Office supplies and other expenses	54,215,584	52,966,213
	Transportation	5,959,908	5,852,536
	Allowance for expected credit losses (Note 21.2)	2,350,680,439	599,265,266
	Workers' profit participation fund	246,262,938	20,389,653
	Other charges	935,946	730,239
		7,014,332,950	4,694,165,286

32.1 Salaries, wages and other benefits include staff retirement benefits amounting to Rupees 1,137.056 million (2024: Rupees 1,235.614 million).

32.2 These represent Rupees 3.020 million (2024: Rupees 2.454 million) in respect of short term leases.

33.	**OTHER INCOME**		
	Income from financial assets		
	Profit on bank deposits and term deposit receipts	3,534,700,081	5,118,178,256
	Late payment surcharge	5,895,367,961	5,729,196,621
		9,430,068,042	10,847,374,877
	Income from non-financial assets		
	Gain on installation of new connection	1,389,687,506	733,333,557
	Repair, testing and inspection fee	44,800,304	52,976,806
	Recovery of late delivery charges	167,936,113	257,312,390
	Reversal of provision of slow moving, obsolete items of stores, spares and loose tools	-	294,442
	Meter / service rent	55,905,128	55,158,068
	Reconnection fees	119,897,949	86,869,371
	Excess deposit work receipts / credit balances written back	323,720,296	81,517,098
	Service charges on collection of PTV license fee and electricity duty	186,329,404	194,851,784
	Company's colonies quarter rent	21,073,474	20,043,020
	Reversal of impairment loss	-	138,548,206
	Miscellaneous	188,575,731	208,663,754
		2,497,870,395	1,920,070,486
		11,927,938,437	12,767,445,363
34.	**FINANCE COST**		
	Mark-up on long term financing - net (Note 34.1)	(1,244,065,759)	879,586,964
	Interest on workers' profit participation fund (Note 12.3)	6,231,077,144	
	Bank charges and commission	2,274,363	2,709,358
		4,989,285,748	882,296,322

34.1 As explained in Note 6.5 Rupees 1,699.105 million have been adjusted in the figure of mark-up on long term financing.

35.	**LEVY**		
	Current:		
	Current - for the year (Note 35.1)	5,883,385,548	5,677,787,261
	- for prior year	4,927,125,713	-
		10,810,511,261	5,677,787,261

35.1 Levy represents minimum tax on turnover and other income under relevant provisions of the Income Tax Ordinance, 2001.

36	**TAXATION**		
	Current:		
	- for the year (Note 36.1 and Note 14)	1,540,729,741	2,329,981
	- for prior year	(2,329,981)	(2,003,279)
		1,538,399,760	326,702
	Deferred (Note 11)	(1,052,653,652)	(297,517,972)
		485,746,108	(297,191,270)

36.1 Provision for current taxation represents tax on taxable income and other income under relevant provisions of the Income Tax Ordinance, 2001.

36.2 Tax losses available for carry forward as at 30 June 2025 are of Rupees 272,545.441 million (2024: Rupees 340,938.482 million). The tax losses related to unabsorbed tax depreciation are of Rupees 83,037.069 million and business losses are of Rupees 189,508.372 million. Total minimum tax available for carry forward under section 113 and other provisions of the Income Tax Ordinance, 2001 as at 30 June 2025 is of Rupees 18,522.378 million. Reconciliation of levy and tax expenses and product of accounting profit multiplied by the applicable tax rate is not presented in view of unused tax losses of the Company. The Company has not recognized deferred income tax asset in respect of above losses and minimum tax available for carry forward as sufficient taxable profits would not be available to utilize these in the foreseeable future and would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	RUPEES	
2023	52,897,911,364	2029
2022	54,676,880,923	2028
2021	34,306,907,236	2027
2020	47,626,672,008	2026
	189,508,371,531	

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	RUPEES	
2025	5,883,385,548	2029
2024	5,856,546,557	2027
2023	4,143,741,319	2026
2021	2,638,704,514	2026
	18,522,377,938	

		2025 RUPEES	2024 RUPEES
37.	**CASH GENERATED FROM OPERATIONS**		
	Profit before taxation and levy	20,729,171,941	6,378,887,525
	Adjustments for non-cash charges and other items:		
	Depreciation	6,676,900,635	5,576,901,712
	Amortization of intangible assets (Note 17)	469,140	469,140
	Reversal of impairment loss	-	(138,548,206)
	Provision for staff retirement benefits (Note 7.5)	18,817,343,530	20,345,315,698
	Amortization of deferred credit (Note 10)	(2,779,995,085)	(2,465,354,289)
	Adjustment of deferred credit (Note 10)	(4,559,231,708)	-
	Finance cost (Note 34)	4,989,285,748	882,296,324
	Allowance for expected credit losses (Note 21.2)	2,350,680,438	599,265,266
	Profit on bank deposits and term deposit receipts (Note 33)	(3,534,700,081)	(5,118,178,256)
	Excess deposit work receipts written back / credit balances written back (Note 33)	(323,700,286)	(81,337,098)
	Property, plant and equipment written off - net of adjustment of deferred credit	7,978,570,620	-
	Provision / (reversal of provision) of slow moving, obsolete items of stores, spares and loose tools (Note 20.1)	1,965,931	(794,442)
	Non-cash settlement against deposit for shares (Note 4.1)	11,451,700,637	4,097,964,454
	Provision for workers' profit participation fund (Note 12.3)	4,268,094,868	335,730,922
	Working capital changes (Note 37.1)	(20,199,948,032)	(3,582,449,081)
		45,866,788,297	26,829,989,567

37.1	**Working capital changes**		
	(Increase) / decrease in current assets:		
	Stores, spares and loose tools	(728,430,997)	(1,619,268,126)
	Trade debts	6,311,505,727	(8,235,520,974)
	Loans and advances	41,354,215	38,528,206
	Receivable from Government of Pakistan	(10,305,395,027)	2,811,022,760
	Other receivables	44,628,463	(3,362,810,945)
	Sales tax receivable	298,274,847	(209,506,260)
		(4,338,061,372)	(10,377,554,839)
	(Decrease) / increase in trade and other payables	(15,861,886,660)	6,795,105,756
		(20,199,948,032)	(3,582,449,083)

37.2 **Reconciliation of movement of liabilities to cash flows arising from financing activities:**

	2025		
	Long term financing	Long term security deposits	Receipt against deposit works and deferred credit
	RUPEES		
Balance as at 01 July 2024	5,541,279,779	12,946,895,095	65,667,495,894
Security deposits - net	-	1,345,374,266	-
Receipts against deposit work - net	-	-	7,966,254,123
Amortization of deferred credit	-	-	(2,779,995,085)
Adjustment to deferred credit (Note 10.1)	-	-	(4,559,231,708)
Balance as at 30 June 2025	5,541,279,779	14,292,269,361	66,294,523,224

	2024		
	Long term financing	Long term security deposits	Receipt against deposit works and deferred credit
	RUPEES		
Balance as at 01 July 2023	5,541,279,779	11,915,862,061	61,110,225,193
Security deposits - net	-	1,031,033,034	-
Receipts against deposit work - net	-	-	7,022,624,990
Amortization of deferred credit	-	-	(2,465,354,289)
Balance as at 30 June 2024	5,541,279,779	12,946,895,095	65,667,495,894

38. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise Government of Pakistan, associated companies / undertakings, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties at mutually agreed terms and conditions. Detail of transactions with related parties, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Name of related party	Nature of transactions	2025 RUPEES	2024 RUPEES
Government of Pakistan			
Economic Affairs Division	Finance cost	(1,244,065,759)	879,586,866
Ministry of Finance	Subsidies from GoP accrued	79,489,966,552	26,248,959,848
	Non-cash adjustment of deposit for shares	(11,451,700,637)	(4,097,964,454)
Associated companies / undertakings			
National Electric Power Regulatory Authority	Fee paid to NEPRA	154,956,924	136,405,482
	Security deposit paid against ongoing dispute	10,000,000	-
National Grid Company of Pakistan	Use of system charges	20,722,451,913	22,051,933,506
	Settlement against use of system charges	137,893,594	3,618,171,044
	Free supply of electricity provided to employees of associated company	157,162,368	129,977,822
	Pension paid to employees of associated company	513,353,669	465,337,253
Central Power Purchasing Agency (Guarantee) Limited	Purchase of electricity	402,168,220,164	424,588,189,167
	Financing cost surcharge	36,703,343,081	33,114,176,089
Northern Power Generation Company Limited	Free supply of electricity provided to employees of associated company	126,111,936	119,902,699
	Pension paid to employees of associated company	489,206,473	413,067,474
Water and Power Development Authority	Free supply of electricity provided to employees of associated company	223,624,769	205,966,591
Islamabad Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	51,535,366	28,553,919
	Free supply of electricity received by employees of the Company from associated company	35,059,651	12,571,853
	Pension paid to employees of associated company	159,260,912	131,443,566
	Pension received by employees of the Company from associated company	55,208,809	50,431,463
	Sale of material	42,033,000	24,500,000
	Purchase of material	42,033,000	24,500,000
Peshawar Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	5,130,776	101,092,473
	Free supply of electricity received by employees of the Company from associated company	6,508,006	186,729,694
	Pension paid to employees of associated company	19,575,846	18,456,793
	Pension received by employees of the Company from associated company	68,289,347	66,246,528
	Sale of material	3,150,000	-

Name of related party	Nature of transactions	2025 RUPEES	2024 RUPEES
Gujranwala Electric Power Company Limited	Free supply of electricity provided to employees of associated company	24,812,303	19,173,776
	Free supply of electricity received by employees of the Company from associated company	15,377,814	6,915,101
	Pension paid to employees of associated company	83,809,668	71,928,638
	Pension received by employees of the Company from associated company	44,999,524	39,867,329
	Sale of material	103,800,000	800,000
	Purchase of material	103,800,000	120,831,000
Quetta Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	7,844,777	6,896,115
	Free supply of electricity received by employees of the Company from associated company	435,605	760,823
	Pension paid to employees of associated company	42,093,817	32,867,299
	Pension received by employees of the Company from associated company	5,222,921	3,944,332
	Sale of material	9,123,600	100,812,000
	Purchase of material	9,123,600	106,134,000
Central Power Generation Company Limited	Free supply of electricity provided to employees of associated company	48,521,265	17,464,562
	Pension paid to employees of associated company	36,203,503	25,671,823
Hyderabad Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	9,313,972	11,497,483
	Free supply of electricity received by employees of the Company from associated company	12,738,842	1,138,662
	Pension paid to employees of associated company	25,742,432	19,074,299
	Pension received by employees of the Company from associated company	8,059,626	1,300,322
	Sale of material	-	24,455,620
	Purchase of material	-	53,660,000
Lakhra Power Generation Company Limited	Free supply of electricity provided to employees of associated company	62,114	94,122
Tribal Areas Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	802,438	595,754
	Pension paid to employees of associated company	596,608	215,867
Jamshoro Power Company Limited	Free supply of electricity provided to employees of associated company	535,456	341,365
	Pension paid to employees of associated company	4,609,051	3,982,635
Sukkur Electric Power Company Limited	Free supply of electricity provided to employees of associated company	1,070,856	923,262
	Free supply of electricity received by employees of the Company from associated company	1,494,009	2,324,130
	Pension paid to employees of associated company	12,069,402	11,725,639

Name of related party	Nature of transactions	2025 RUPEES	2024 RUPEES
Lahore Electric Supply Company Limited	Free supply of electricity provided to employees of associated company	74,557,313	66,351,676
	Free supply of electricity received by employees of the Company from associated company	56,080,340	45,608,233
	Pension paid to employees of associated company	142,266,115	118,519,182
	Pension received by employees of the Company from associated companies	140,876,927	151,233,794
	Sale of material	46,500,000	-
	Purchase of material	46,500,000	-
Multan Electric Power Company Limited	Free supply of electricity provided to employees of associated company	38,031,146	37,588,091
	Free supply of electricity received by employees of the Company from associated company	24,448,632	20,380,350
	Pension paid to employees of associated company	222,367,992	185,095,678
	Pension received by employees of the Company from associated company	42,956,520	32,252,778
	Sale of material	51,301,000	71,180,500
	Purchase of material	97,801,000	71,180,500
Neelum Jhelum Hydro-power Company (Private) Limited	Free supply of electricity provided to employees of associated company	8,313,732	-
Power Planning and Monitoring Company (Private) Limited (PPMC)	Management fee	45,208,791	-
Power Information Technology Company (Private) Limited	Consultancy fee and software license fee	129,399,203	140,027,682
	Free supply of electricity provided to employees of associated company	118,380	125,946
Other related parties			
FESCO Employees Pension Fund Trust	Contribution Paid	11,500,000,000	6,076,000,000

38.1 The Company and the above mentioned companies / undertakings are under common control of GoP with the Ministry of Water and Power. While Government of Pakistan is the sovereign authority over all these companies / undertakings.

38.2 Detail of compensation to key management personnel comprising of Chief Executive officer, directors and executives is disclosed in Note 39.

39. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits to the Chief Executive Officer, directors and executives of the Company is as follows:

	2025	2024	2025	2024
	Chief Executive Officer		Executives	
	RUPEES			
Basic salary	2,560,950	2,577,039	382,923,264	360,039,264
Conveyance allowance & transport subsidy	300,000	268,790	14,568,008	13,176,000
Honorarium / bonus	216,250	-	-	-
Utilities and other benefits	5,144,730	5,868,323	464,540,999	550,033,504
Travelling and daily allowance	2,234,840	1,148,940	65,743,115	66,450,550
	10,456,720	9,863,092	927,875,386	989,699,318
Number of persons	1	1	218	209

39.1 The Chief Executive Officer is provided with the Company's maintained vehicles, free electricity and other utilities. Further, most of the executives of the Company have been provided with the Company's maintained vehicles and unfurnished accommodation according to the Company's policy, while free electricity has been provided to all executives.

39.2 Aggregate amount charged in the financial statements for meeting fee to 09 (2024: 13) directors including Chief Executive Officer was Rupees 39.559 million (2024: Rupees 57.943 million).

39.3 No remuneration other than meeting fee was paid to any Director of the Company.

40. NUMBER OF EMPLOYEES

	2025	2024
Number of employees as on 30 June	12,922	13,310
Average number of employees during the year	13,116	13,214

41. ENTITY - WIDE INFORMATION

The Company's main revenue generation is from sale of electricity. The Company does not hold non-current assets in any foreign country. The Company revenue earned from large mix of customers.

42. FINANCIAL RISK MANAGEMENT

42.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, investment of excess liquidity and use of non-derivative financial instruments.

(a) Market risk

Market risk is the risk that changes in market process, such as currency risk, interest rate risk and other price risk which affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns.

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions, or receivables and payables that exist due to transactions in foreign currencies. The Company has no receivable / payable balance in foreign currency as at 30 June 2025 (2024: Nil).

ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk.

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, long term advances, bank balances in saving accounts and term deposit receipts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	2025 RUPEES	2024 RUPEES
Fixed rate instruments		
Financial assets		
Long term advances	262,015,972	225,710,737
Term deposit receipts	20,500,000,000	17,500,000,000
Financial liabilities		
Long term financing	5,541,279,779	5,541,279,779
Floating rate instruments		
Financial assets		
Bank balances - deposit accounts	4,748,045,029	2,573,647,213

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates, at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 45.106 million (2024: Rupees 24.450 million) higher / lower, mainly as a result of higher / lower interest income on floating rate financial instruments. This analysis is prepared assuming amounts of financial instruments outstanding at reporting date were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

Trade debts	89,910,996,345	76,113,606,764
Loans and advances	282,075,972	225,755,737
Accrued interest	833,481,279	377,993,915
Deposits	52,917,846	52,753,706
Other receivables	34,205,316,485	34,249,955,948
Short term investments	15,000,000,000	
Bank balances	10,582,163,500	22,169,684,527
	130,846,891,727	133,191,805,597

To manage exposure to credit risk in respect of trade debts, management takes into account the long standing business relationships with these counterparties, and after giving due consideration to their strong financial standing, including obtaining security deposits from them, the management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, credit risk is minimal. The Company's electricity is sold to industrial, commercial and residential consumers and government organizations. Due to large number and diversity of its consumer base, concentration of credit risk with respect to trade debts is limited. Additionally other receivables mainly includes receivables from related parties (Government owned entities). Therefore, management has assessed that there is no impairment loss in respect of these balances and these are recoverable in full.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

Based on the past experience and deliberations management has recognized expected credit losses in respect of trade debts as given in Note 21.3 to the financial statements.

The credit quality of bank balances, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2025	2024
	Short term	Long term	Agency	----------RUPEES----------	
Banks					
National Bank of Pakistan	A1+	AAA	PACRA	159,961,641	3,675,735,758
Sindh Bank Limited	A1+	AA-	VIS	36,209	29,462
The Bank of Khyber	A1	AA-	VIS	13,645	4,460
The Bank of Punjab	A1+	AA+	PACRA	7,763,881	3,577,452,106
First Women Bank Limited	A2	A-	PACRA	702	-
Zarai Taraqiati Bank Limited	A1+	AAA	VIS	11,246,832	32,932,678
Allied Bank Limited	A1+	AAA	PACRA	186,983,219	191,475,714
Askari Bank Limited	A1+	AA+	PACRA	3,252,174	376,978
Bank Alfalah Limited	A1+	AAA	PACRA	38,531,596	30,892,558
Faysal Bank Limited	A1+	AA	PACRA	4,003,043,604	3,504,187,648
Habib Bank Limited	A1+	AAA	VIS	186,801,118	153,338,605
JS Bank Limited	A1+	AA	PACRA	382,251	3,501,047,306
MCB Bank Limited	A1+	AAA	PACRA	123,553,229	533,593
Easypaisa Bank Limited (formerly Telenor Microfinance Bank Limited)	A1	A+	PACRA	65,478,367	81,460,629
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	17,393	17,395
United Bank Limited	A1+	AAA	VIS	169,035,141	122,553,539
Bank AL Habib Limited	A1+	AAA	PACRA	2,115,663,133	1,308,795,240
Samba Bank Limited	A1	AA	PACRA	15,817,460	11,632
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	126,882	117,863
Meezan Bank Limited	A1+	AAA	VIS	179,482	417,400
BankIslami Pakistan Limited	A1	AA-	PACRA	4,151	203,247
Soneri Bank Limited	A1+	AA-	PACRA	2,559,299,740	3,769,409,033
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	56,288	152,754
AlBaraka Bank (Pakistan) Limited	A1	AA-	VIS	210,589,706	575,079,990
Bank Makramah Limited	Suspended		VIS	63,438	41,385
The Punjab Provincial Co-operative Bank Limited	A2	BBB+	PACRA	53,829,184	54,369,907
Receivable from General Post Office (GPO)*	N/A	N/A	N/A	665,738,031	1,588,827,877
				10,582,163,500	22,169,684,527
Investments - Term deposit receipts					
Allied Bank Limited	A1+	AAA	PACRA	5,000,000,000	-
United Bank Limited	A1+	AAA	VIS	4,900,000,000	-
The Bank of Punjab	A1+	AA+	PACRA	5,100,000,000	-
				15,000,000,000	-
				25,582,163,500	22,169,684,527

* As Pakistan Post Office is not a bank, therefore no credit rating is available.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach for managing liquidity is to ensure, as far as possible, that it will always have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. For this purpose financial support is available to the Company from Federal Government. Further, liquidity position of the Company is closely monitored through budgets, cash flow projections and comparison with actual results by the Board.

Following are the contractual maturities of financial liabilities as at 30 June 2025:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-3 years	More than 3 years
	RUPEES					
Non-derivative financial liabilities:						
Long term financing	5,541,279,779	8,229,322,754	3,151,863,447	331,363,447	1,227,395,581	3,518,700,279
Long term security deposits	14,292,269,361	14,292,269,361	-	-	-	14,292,269,361
Trade and other payables	57,706,998,304	57,706,998,304	57,706,998,304	-	-	-
Accrued mark-up	4,867,028,928	4,867,028,928	4,867,028,928	-	-	-
	82,407,576,372	85,095,619,347	65,725,890,679	331,363,447	1,227,395,581	17,810,969,640

Following are the contractual maturities of financial liabilities as at 30 June 2024:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-3 years	More than 3 years
	RUPEES					
Non-derivative financial liabilities:						
Long term financing	5,541,279,779	8,684,361,714	2,914,758,052	350,975,088	1,305,842,146	4,112,786,428
Long term security deposits	12,946,895,095	12,946,895,095	-	-	-	12,946,895,095
Trade and other payables	94,188,328,276	94,188,328,276	94,188,328,276	-	-	-
Accrued mark-up	6,111,094,688	6,111,094,688	6,111,094,688	-	-	-
	118,787,597,838	121,930,679,773	103,214,181,016	350,975,088	1,305,842,146	17,059,681,523

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at 30 June. The rates of mark-up have been disclosed in Note 6 to these financial statements.

(d) Capital risk management

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern. The Company is not exposed to any external capital requirement. As public interest entity, financial support is available to the Company from Federal Government in the form of delayed settlement of CPPA-G against electricity purchase, tariff revision and subsidy on purchases.

42.2 **Financial instruments by categories**

	2025 RUPEES	2024 RUPEES
	At amortized cost	
As at 30 June		
Assets as per statement of financial position		
Trade debts	69,910,996,545	76,115,806,764
Loans and advances	262,015,972	225,710,737
Accrued interest	833,481,279	777,893,915
Deposits	52,917,946	52,753,706
Other receivables	34,205,316,485	34,249,955,948
Short term investments	15,000,000,000	-
Cash and bank balances	10,970,924,766	22,751,139,528
	131,235,652,993	134,173,260,598
Liabilities as per statement of financial position		
Long term financing	5,541,279,779	5,541,279,779
Long term security deposits	14,292,269,361	12,946,895,095
Trade and other payables	57,706,998,304	94,188,328,276
Accrued mark up	4,867,028,928	6,111,094,688
	82,407,576,372	118,787,597,838

42.3 **Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:**

	2025			2024		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
	RUPEES					
Assets as per statement of financial position						
Trade debts	69,910,996,545	-	69,910,996,545	76,115,806,764	-	76,115,806,764
Long term advances	227,080,509	-	227,080,509	195,615,972	-	195,615,972
Loans and advances	34,935,463	275,578,747	310,514,210	30,094,765	316,932,962	347,027,727
Accrued interest	833,481,279	-	833,481,279	777,893,915	-	777,893,915
Deposits	52,917,946	-	52,917,946	52,753,706	-	52,753,706
Other receivables	34,205,316,485	-	34,205,316,485	34,249,955,948	-	34,249,955,948
Short term investments	15,000,000,000	-	15,000,000,000	-	-	-
Cash and bank balances	10,970,924,766	-	10,970,924,766	22,751,139,528	-	22,751,139,528
	131,235,652,993	275,578,747	131,511,231,740	134,173,260,598	316,932,962	134,490,193,560

	2025			2024		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
	RUPEES					
Liabilities as per statement of financial position						
Long term financing	5,541,279,779	-	5,541,279,779	5,541,279,779	-	5,541,279,779
Long term security deposits	14,292,269,361	-	14,292,269,361	12,946,895,095	-	12,946,895,095
Trade and other payables	57,706,998,304	60,185,404,411	117,892,402,716	94,188,328,276	29,390,519,373	123,578,847,650
Accrued mark up	4,867,028,928	-	4,867,028,928	6,111,094,688	-	6,111,094,688
	82,407,576,372	60,185,404,411	142,592,980,784	118,787,597,838	29,390,519,373	148,178,117,212

42.4 Offsetting financial assets and financial liabilities

As on the reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

43. RECOGNIZED FAIR VALUE MEASUREMENTS

Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

44. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the non-financial assets that are recognized and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels:

As at 30 June 2025	Level 1	Level 2	Level 3	Total
		RUPEES		
Land - freehold	-	73,096,373,867	-	73,096,373,867
Buildings on freehold land	-	6,118,864,813	-	6,118,864,813
Feeders (up to 11 kv)	-	81,138,143,649	-	81,138,143,649
Grids and equipment	-	51,649,716,151	-	51,649,716,151
Total non-financial assets	-	212,003,098,480	-	212,003,098,480

As at 30 June 2024	Level 1	Level 2	Level 3	Total
		RUPEES		
Land - freehold	-	73,055,766,900	-	73,055,766,900
Buildings on freehold land	-	4,753,919,114	-	4,753,919,114
Feeders (up to 11 kv)	-	78,633,089,671	-	78,633,089,671
Grids and equipment	-	41,500,145,330	-	41,500,145,330
Total non-financial assets	-	197,942,921,015	-	197,942,921,015

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold land, buildings thereon, feeders, grids and equipment. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of buildings is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of feeders, grids and equipment is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new feeders, grids and equipment.

45. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified for better presentation, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

46. DATE OF AUTHORIZATION

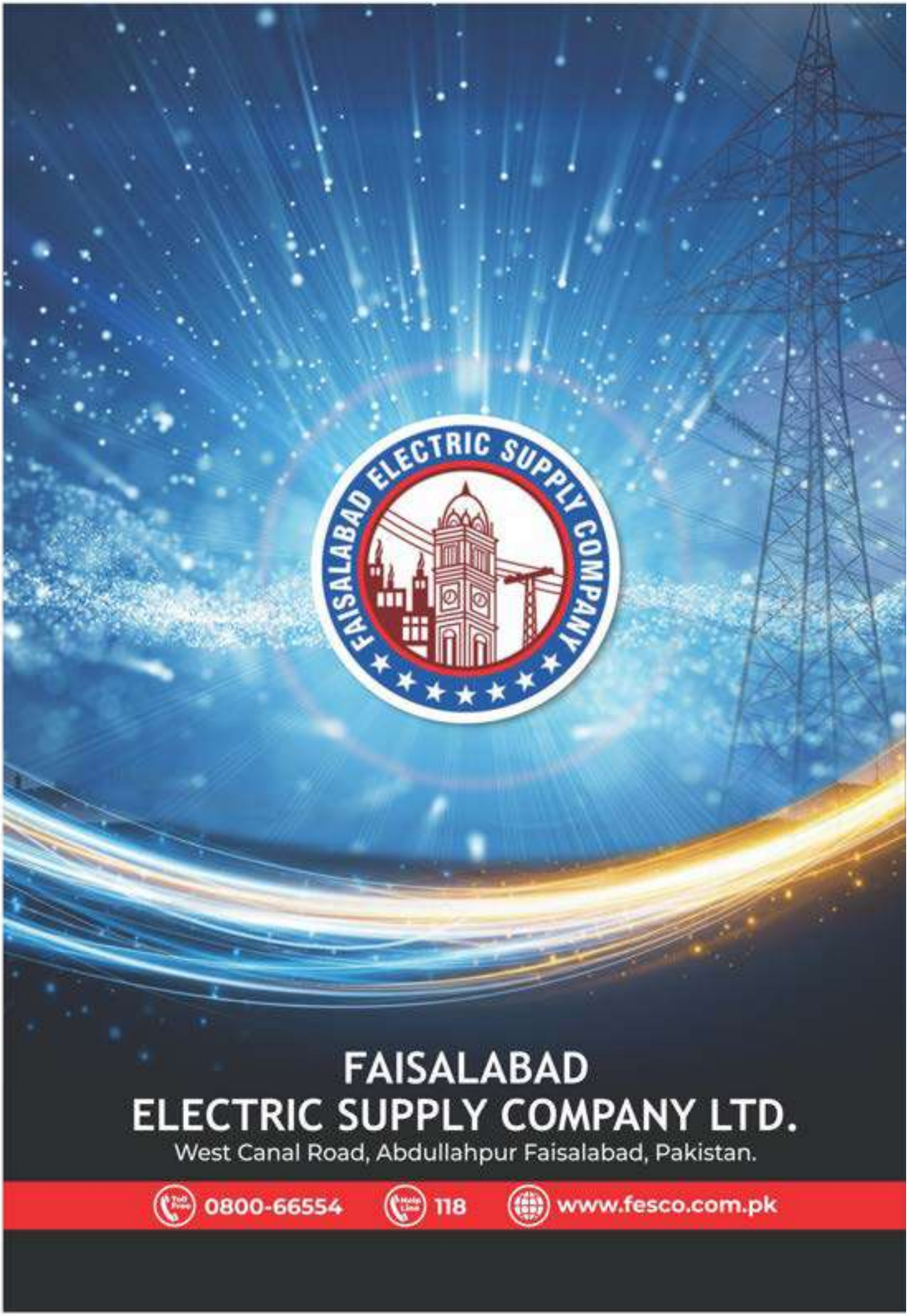
These financial statements were authorized for issue on 02 OCT 2025 by the Board of Directors of the Company.

47. GENERAL

Figures have been rounded off to the nearest Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR



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