

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

Tele: Pabx: 051-9252937-39 Ext: 376
Direct 051-9253284
Fax 051-9253286

Office of the
Finance Director
IESCO Head Office,
Street 40, G-7/4 Islamabad
Dated 15-03-2024

No 3893-94 /IESCO/FDI/CPC

The Registrar,
National Electric Power Regulatory Authority
NEPRA Tower, Ataturk Avenue,
G-5/1, Islamabad.

**Subject: REQUEST FOR INTERIM ANNUAL ADJUSTMENTS/INDEXATION FOR FY 2024-25
ALONG WITH PRIOR YEAR ADJUSTMENT (PYA) IN RESPECT OF DISTRIBUTION
AND SUPPLY TARIFF OF ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED**

It is informed that IESCO has submitted its Multi Year Tariff Petitions for the control period of five years i.e w.e.f 2023-24 to 2027-28 separately vide Letter No 6153-56 dated 18-05-2023 for Supply of Power and vide 6157-60 dated 18-05-2023 for Distribution of Power after determination of its investment plan (DIIP) by NEPRA.

IESCO has also requested NEPRA vide this office Letter no 6871-73 dated 05-06-2023 to determine IESCO Distribution and Supply Tariff for FY 2023-24 for implementation w.e.f July 01,2023 on interim basis, subject to adjustment after final determination enabling IESCO to pass on the cost of its consumers for timely recovery. NEPRA has Determined IESCO Distribution and Supply Tariff on interim basis vide No. NEPRA/DG(Tariff)ITRF-607 & TRF-608/18263-69 dated July 14,2023.

NEPRA in its monthly FCA decision of January, 2024 directed DISCOs to file their Annual Indexation/Adjustment request for FY 2024-25, at the earliest in order to ensure that rebasing of tariff for the FY 2024-25 is done in a timely manner. Ministry of Energy (Power Division) Islamabad also imparted directions for filing Annual Indexation/ Adjustment request for FY 2024-25.

In view of foregoing, IESCO is hereby submitting its interim Annual Adjustment/Indexation of Distribution Margin (DM) for the FY 2024-25 along with left over Prior Year Adjustments (PYA) in terms of Rule 4(7) of the NEPRA (Tariff Standards and Procedure) Rules, 1998 on interim basis subject to adjustment and/or refund, based on the final determination of NEPRA in the matter of MYT Petitions of IESCO.

(ENGR. DR. MUHAMMAD AMJAD KHAN)
CHIEF EXECUTIVE OFFICER
IESCO ISLAMABAD

Copy to :-

1. Joint Secretary (T&S), Ministry of Energy (PD) Pak Secretariat Islamabad.

For information & n.a, please.

• ADG (Tariff)
Copy to: CC: Chairman
- DG (M&E) - M (Tariff)
- M/F.

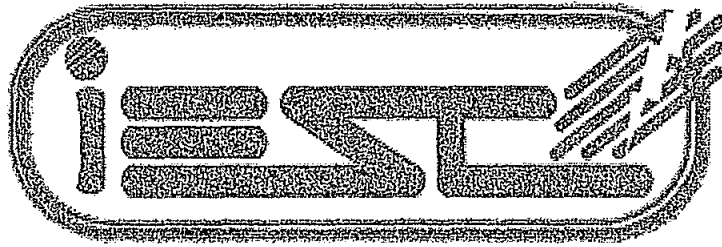
TARIFF (DEPARTMENT)

Dir (T-I).....
Dir (T-II).....
Dir (T-III).....
Dir (T-IV).....
Dir (T-V).....
Addl. Dir (RE).....
Date 19-3-24

Tariff Division Record
Dy No 1581
Dated 19-3-24

REGISTRAR OFFICE
Diary No 2981
Date 18-3-24

Islamabad Electric Supply Company Ltd.



Interim Annual Adjustment/Indexation of
Distribution & Supply Business For FY 2024-25

&

Prior Year Adjustment (PYA) For 2022-23 Under Multi
Year Tariff (MYT) Regime

March 15, 2024

IESCO HEAD QUARTER
STREET 40, G-7/4 ISLAMABAD

Table of Contents

Details of Applicant:.....	3
Justification for Filing Adjustment/Indexation:	3
Indexation/ Adjustment of Distribution and Supply Margin (D/SM).....	3
Return on Rate Base (RORB) Adjustment, Depreciation and other Income:	4
Prior Year Adjustment (PYA) For FY 2022-23:	4
Un-Recovered Distribution Margin (DM) For FY 2022-23:	4
Minimum Tax Paid during FY 2022-23:	5
Sales Mix Variance:.....	5
Depreciation for FY 2022-23:	5
Other Income For FY 2022-23	6
Less Allowed Post Retirement Benefits (PRB) for FY 2022-23	6
Actuarial Gain/Loss Charged to OCI for FY 2022-23	6
Summary of Prior Year FY 2022-23 into Distribution & Supply	7
Power Purchase Price.....	7
Revenue Requirement	8
Prayer/ Request.....	9

Details of Applicant:

Islamabad Electric Supply Company Limited ("**IESCO**" or the "**Petitioner**" or the "**Company**") is a public limited company incorporated in Pakistan, under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company was established to take over all the properties, rights and liabilities of Islamabad Area Electricity Board owned by Water and Power Development Authority (WAPDA). The Company was incorporated on 25th April 1998 and commenced commercial operations on 1st June 1998.

The Company is principally engaged in distribution and supply of electricity within defined geographical boundaries. The company was granted license No. 01/DL/2001 2nd November 2001 by the National Electric power Regulatory Authority ("**NEPRA**" or the "**Authority**") for electricity distribution which expired on 1st November 2021. After the application of IESCO for renewal of its distribution license, the company has been granted license No. DL/01/2023 dated 6th April 2023 by the Authority to engage in the distribution of electric power to the consumers in its service territory on a non-exclusive basis.

Justification for Filing Adjustment/Indexation:

IESCO has submitted its Multi Year Tariff Petitions for the control period of five years i.e w.e.f 2023-24 to 2027-28 separately vide Letter No 6153-56 dated 18-05-2023 for Supply of Power and vide 6157-60 dated 18-05-2023 for Distribution of Power after determination of its investment plan (DIIP) by NEPRA.

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In view of foregoing, IESCO is hereby submitting its interim Annual Adjustment/Indexation of Distribution Margin (DM) for the FY 2024-25 along with left over Prior Year Adjustments (PYA) in terms of Rule 4(7) of the NEPRA (Tariff Standards and Procedure) Rules, 1998 on interim basis subject to adjustment and/or refund, based on the final determination of NEPRA in the matter of MYT Petitions of IESCO.

Annual Indexation/Adjustment of DM for the FY 2024-25 is based on incorporating CPI increase of December 2023 (29.66%) over the interim allowed Margin for Distribution and Supply business for FY 2023-24. The PYA is based on audited accounts of the FY 2022-23.

Indexation/ Adjustment of Distribution and Supply Margin (D/SM)

Summary of Indexation/Adjustment of Distribution Margin for the FY 2024-25 with breakup into Distribution and Supply of Electric Power functions is given below;

(PKR Millions)

Distribution & Supply Margin Component	2023-24			2024-25		
	Determined			Adjusted / indexed		
	DoP	SoP	Total	DoP	SoP	Total
Operating & Maintenance Cost (O&M)	18,331	4,117	22,448	23,768	5,338	29,106
Return on Regulatory Asset Base (RORB)	9,475		9,475	12,285		12,285
Depreciation Expense	5,057		5,057	6,557		6,557
Gross Distribution Margin	32,863	4,117	36,980	42,610	5,338	47,948
Less: Other Income	(524)		(524)	(679)		(679)
Net Distribution Margin	32,339	4,117	36,456	41,931	5,338	47,269
Unit Sold	11,939	11,939	11,939	13,492	13,492	13,492
Rs. /kWh	2.71	0.34	3.05	3.11	0.40	3.50

Operation & Maintenance (O&M) Cost:

The O&M Cost for the FY 2024-25 for Distribution of Electric Power is Rs. 23,768 Million and Supply of Electric Power Rs. 5,338 Million by incorporating the increase in CPI of December 2023 over the interim allowed cost for Distribution and Supply business for FY 2023-24. The increase in CPI is 29.66% $\{(255.24\% - 196.86\%)/(196.86\%)\}$. The total O&M cost is Rs. 29,106 Million as detailed below.

A/c Head	Interim allowed Cost 2023-24			(Rs. in Million) Adjustment 2024-25		
	DoP	SoP	Total	Dist	Supply	Total
Salaries , wages & other benefits	11,191	2,846	14,037	14,510	3,690	18,200
Retirement Benefits	3,704	793	4,497	4,803	1,028	5,831
Repair & Maintenance	1,496	208	1,704	1,940	270	2,209
Other O&M	1,940	270	2,210	2,515	350	2,865
Total	18,331	4,117	22,448	23,768	5,338	29,106

Return on Rate Base (RORB) Adjustment, Depreciation and other Income:

A/c Head	Interim allowed Cost 2023-24			Adjustment 2024-25		
	DoP	SoP	Total	Dist	Supply	Total
RORB	9,475	-	9,475	12,285	-	12,285
Depreciation	5,057	-	5,057	6,557	-	6,557
Other Income	524	-	524	679	-	679

Prior Year Adjustment (PYA) For FY 2022-23:

Un-Recovered Distribution Margin (DM) For FY 2022-23:

The Authority allowed a Distribution Margin (DM) of Rs. 27,455 Million for the FY 2022-23 vide decision No. NEPRA/ADG(Tariff)/TRF-100/XW DISCOS/13548-13558 dated July 22,

2022. The same was notified by GoP Vide SRO No. 1168(1)/2022 dated July 25, 2022. The DM recovered was Rs. 25,223 Million (**Annexure-A**)

Description	PKR Min.
Allowed by Authority	27,455
Recovered by IESCO	25,223
Less Recovered	2,232

Minimum Tax Paid during FY 2022-23:

IESCO paid minimum tax of Rs. 7,823 Million for the FY 2022-23 as given here under.

CPR No	Date	Tax Paid
FY 2021-22		
IT2021100801011145848	08-10-2021	924
IT2022010401011012968	04/01/2022	577
IT2022033101011616144	31/03/2022	534
IT2022062901011694926	29/06/2022	696
FY 2022-23		
IT2022092301012023442	23/09/2022	1,340
IT2022092701012229177	27/09/2022	240
IT2022103101012434997	31/10/2022	600
IT2023033001012513744	29/03/2023	651
IT2023061601011900523	16/06/2023	140
IT2023062601012506022	26/06/2023	38
FY 2023-24		
IT2023092801012312464	28/09/2023	1,387
IT2023122801011649152	28/12/2023	695
Total Tax Paid		7,823

Authority is requested to allow an amount of Rs. 7,823 Million in the Prior Year Adjustment of FY 2022-23.

Sales Mix Variance:

The actual Sales Mix for FY 2022-23 at the base tariff notified vide SRO 185(I)/2021 dated February 12, 2021 (effective from 12.02.2021 to 24.07.2022) & No. 1168(1)/2022 dated July 25, 2022 (effective from 25.07.2022 to 30.06.2023) was Rs. 360 Million than the standard Mix. Working attached as (**Annexure-B**).

Authority is requested to adjust the impact of sales mix of Rs. 360 Million in the Prior Year Adjustment of FY 2022-23.

Depreciation for FY 2022-23:

Authority has allowed Depreciation of Rs. 4,063 Million for FY 2022-23 vide decision No. NEPRA/ADG(Tariff)/TRF-100/XW DISCOS/13548-13558 dated July 22, 2022. The same was notified by GoP Vide SRO No. 1168(1)/2022 dated July 25, 2022. As per audited financial statement for FY 2022-23 was Rs. 5,740 Million. The allowed depreciation was higher than

the actual depreciation by Rs. **1,677** Million (difference of amount allowed and actual) as given below.

Description	PKR. Mln.
Allowed Depreciation	4,063
Actual Depreciation	5,740
Excess Depreciation for FY 2022-23	1,677

Authority is requested to adjust the excess allowed Depreciation of Rs. 1,677 Million in PYA 2022-23.

Other Income For FY 2022-23

Authority allowed Other Income of Rs. **2,255** Million for FY 2022-23 vide decision No. NEPRA/ADG(Tariff)/TRF-100/XW DISCOS/13548-13558 dated July 22, 2022. The same was notified by GoP Vide SRO No. 1168(1)/2022 dated July 25, 2022. As per audited financial statement for FY 2022-23 actual Other Income earned for the FY 2022-23 was Rs. **3,120** Million. The Company earned an extra Other Income of Rs. **865** Million (difference of amount allowed and actual) than allowed by Authority for FY 2022-23. Detailed is given below.

Description	PKR. Mln.
Other Income Allowed by NEPRA	2,255
Actual Other Income	3,120
Additional Other Income earned for FY 2022-23	865

It is requested to adjust the amount of other income Rs. **865** Million in the PYA of FY 2022-23 earned above the allowed/determined.

Less Allowed Post Retirement Benefits (PRB) for FY 2022-23

Authority determined Post Retirement Benefits of Rs. **3,613** Million for the FY 2022-23 vide decision No NEPRA/ADG(Tariff)/TRF-100/XW DISCOS/13548-13558 dated July 22, 2022. The same was notified by GoP Vide SRO No. 1168(1)/2022 dated July 25, 2022. As per audited financial statement the actual Post-Retirement Benefits for the FY 2022-23 were Rs. **4,456** Million. Post-Retirement Benefits of Rs. **843** Million (difference of amount allowed and provision) less allowed for FY 2022-23 as detailed below.

Description	PKR. Mln.
Allowed PRB	3,613
Actual PRB	4,456
Less Allowed PRB	843

It is requested to allow the Post Retirement Benefits of Rs. **843** Million in the PYA of FY 2022-23

Actuarial Gain/Loss Charged to OCI for FY 2022-23

Actuarial loss of Rs. 13,791 Million for the FY 2022-23 charged to Other Comprehensive Income as a result of re measurement of Post-Retirement Benefits Obligations of IESCO employees. Breakup of which is given below.

PKR Million				
Pension	Free Supply	Leave Encashment	Free Medical	Total
11,855	901	-	1,035	13,791

Summary of Prior Year FY 2022-23 into Distribution & Supply

The breakup of Prior Year Adjustment for the FY 2022-23 into Distribution and Supply of Electric Power after taking into account the preceding para is given below;

PKR Million	
Description	Total
Un-Recovered Distribution Margin For FY 2022-23	2,232
Minimum Tax Paid during FY 2022-23	7,823
Un-favorable Consumer Mix Variance for FY 2022-23	366
Excess Allowed Depreciation for FY 2022-23	1,677
Less Allowed Other Income for FY 2022-23	865
Less Allowed PRB for FY 2022-23	843
Actuarial Gain/Loss Charged to OCI for FY 2022-23	13,791
Total PYA for FY 2022-23	27,597
Projected Unit Sold for FY 2024-25	13,492
Rs./kWh	2.05

Power Purchase Price

As per NEPRA Guidelines for determination of consumer end tariff (Methodology and Process) notified vide SRO 34(1)/2015 dated 16.01.2015, CPPA-G has to submit Procurement Plan to NEPRA for approval of Power Purchase Cost. It is also a fact that major component of the consumer-end tariff is the Power Purchase Price (PPP). Therefore, projection of PPP is of utmost importance, as all future monthly fuel charges adjustments as well as quarterly adjustments are worked out based on the projected notified PPP references. CPPA-G (Market Operator) and NEPRA (Power Sector Regulator) can better project the PPP references for the FY 2024-25 keeping in view the ground realities, economic factors and IGCEP etc. for the entire sector.

However, for the sake of arriving at overall Revenue Requirement of IESCO, the Power Purchase Price (PPP) has been assumed by incorporating an increase of 8% over the actual/provisional units purchased for the FY 2023-24.

The T&D Losses has been taken as 7.31% approved by NEPRA in the case of IESCO DIIP for the FY 2024-25. The estimated purchase and sales for the FY 2024-25 would be **14,556 M kWh** and **13,492 M kWh** given below;

Description	Rs. Million
Energy Purchase Price (EPP)	136,436
Capacity Purchase Price (CPP)	177,179
UoSC, PMLTC & UoSC	12,002
Total	325,618

Revenue Requirement

Based on the information given in the preceding paragraphs the estimated Revenue Requirement (RR) for the FY 2024-25 on projected Sales of 13,492 M kWh is given here under

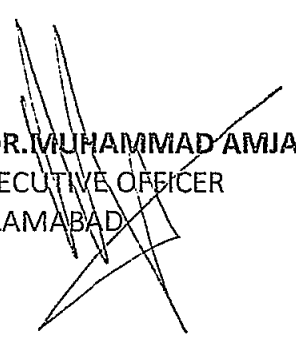
Description	Rs.Million			Unit Rate Rs.kWh		
	Dist:	Supply	Total	Rs./kWh	Total	Rs./kWh
<u>A- Power Purchase Price</u>						
Energy Charges	-	136,436	136,436	-	10.11	10.11
Capacity Charges	-	177,179	177,179	-	13.13	13.13
UoSC & MoF	-	12,002	12,002	-	0.89	0.89
Total PPP	-	325,618	325,618	-	24.13	24.13
<u>B- Distribution/ Supply Margin</u>		-		-	-	-
O&M Cost	23,768	5,338	29,106	1.76	0.40	2.16
RORB	12,285	-	12,285	0.91	-	0.91
Depreciation	6,557	-	6,557	0.49	-	0.49
Total	42,610	5,338	47,948	3.16	0.40	3.55
C- Other Income	(679)	-	(679)	(0.05)	-	(0.05)
D- Net Distribution/ Supply Margin	41,931	5,338	47,269	3.11	0.40	3.50
E- Prior Year Adj 2022-23		27,597	27,597	-	2.05	1.02
F- Total (A+B+C+D+E)	41,931	358,553	400,483	3.11	26.58	29.68

Prayer/ Request

The Authority is requested to consider/allow adjustment/indexation of Distribution/Supply Margin for the FY 2024-25 and Prior Year Adjustments for the FY 2022-23 along-with left over amounts pertaining to previous years.

Any other appropriate order deems fit by the honorable Authority may also be passed.

With best regards,



(ENGR. DR. MUHAMMAD AMJAD KHAN)
CHIEF EXECUTIVE OFFICER
IESCO ISLAMABAD

Annexure - A

Detail of DM Recovered FY 2022-23

Rs.Million	
Description	Amount
DM Allowed FY 2022-23	27,455
Units Sold MkWh	10,779
Net DM Notified Rs./kWh	2.34
DM Recovered FY 2022-23	25,223
Less Recovered	2,232

Annexure-B

IESCO SALES MIX FOR FY 2022-23

Month	Units Sold	Revenue as per NEPRA			Average Tariff Actually Recovered	Revenue	Sales	Rate	Revenue as per Determined tariff	Mix Variance
		Fixed Charges Rs./kWh	Variable Charges Rs./kWh	Total						
Jul-22	586,612,992	360,250,571	8,431,170,401	8,791,420,972	14.99	158,039.00	11,056.00	14.29	8,385,286,780.27	(406,134,191.89)
Jul-22	574,107,959	309,094,092	8,366,556,747	8,674,652,838	15.11	158,039.00	11,056.00	14.29	8,206,534,708.07	(468,118,130.32)
Jul-22	21,930,702	786,540	512,878,906	513,664,446	23.42	158,039.00	11,745.00	23.70	519,157,637.40	6,093,191.78
Aug-22	224,378,081	127,806,605	3,221,841,670	3,349,647,275	14.93	158,039.00	11,056.00	14.29	3,207,352,346.52	(142,294,928.41)
Aug-22	261,328,039	205,929,772	6,071,982,841	6,277,912,613	24.02	278,422.00	11,745.00	23.70	6,193,474,524.30	(84,438,088.27)
Aug-22	774,435,451	527,082,510	18,025,934,666	18,553,017,176	23.96	278,422.00	11,745.00	23.70	18,354,120,188.70	(198,896,987.04)
Sep-22	1,180,543,220	912,861,442	27,294,874,298	28,207,735,740	23.89	278,422.00	11,745.00	23.70	27,978,874,314.00	(228,861,425.67)
Oct-22	361,848,197	366,240,335	8,269,492,260	8,635,732,595	23.87	278,422.00	11,745.00	23.70	8,575,802,268.90	(59,930,326.24)
Oct-22	578,557,182	537,616,643	13,168,777,135	13,706,393,777	23.69	278,422.00	11,745.00	23.70	13,711,805,213.40	5,411,436.03
Nov-22	710,039,364	790,766,674	15,931,654,237	16,722,419,911	23.55	278,422.00	11,745.00	23.70	16,827,932,926.80	105,513,015.87
Dec-22	692,427,523	760,723,290	15,526,321,115	16,287,044,405	23.52	278,422.00	11,745.00	23.70	16,410,532,285.10	123,487,890.32
Jan-23	772,382,143	802,266,668	17,424,159,549	18,226,425,217	23.60	278,422.00	11,745.00	23.70	18,305,456,789.10	79,031,571.66
Feb-23	729,953,064	829,196,860	16,383,970,918	17,213,167,778	23.58	278,422.00	11,745.00	23.70	17,299,888,090.80	86,720,312.80
Mar-23	616,000,602	786,503,802	13,645,104,948	14,431,608,750	23.43	278,422.00	11,745.00	23.70	14,599,214,267.40	167,605,517.44
Apr-23	683,922,592	754,063,246	14,968,870,481	15,722,933,727	22.99	278,422.00	11,745.00	23.70	16,208,965,430.40	486,031,703.44
May-23	862,038,605	766,007,586	19,089,053,548	19,855,061,134	23.03	278,422.00	11,745.00	23.70	20,430,314,938.50	575,253,804.20
Jun-23	1,148,013,924	803,742,046	26,084,818,973	26,888,561,019	23.42	278,422.00	11,745.00	23.70	27,207,929,998.80	319,368,979.91
Total	10,778,519,660	9,640,934,681	232,416,464,692	242,057,399,373					242,423,242,718	365,843,346

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Rupees	2022 Rupees
SALE OF ELECTRICITY - NET	27	251,085,098,816	212,051,663,498
SUBSIDIES FROM THE GOVERNMENT OF PAKISTAN	28	24,238,529,846	27,900,052,821
		<u>275,323,628,662</u>	<u>239,951,716,319</u>
COST OF ELECTRICITY	29	(241,263,825,274)	(226,703,925,952)
GROSS PROFIT		<u>34,059,803,388</u>	<u>13,247,790,367</u>
AMORTIZATION OF DEFERRED CREDIT	23	1,987,709,091	1,813,499,956
		<u>36,047,512,479</u>	<u>15,061,290,323</u>
OPERATING EXPENSES:			
ADMINISTRATIVE EXPENSES	30	(7,084,971,182)	(7,918,261,274)
DISTRIBUTION COST	31	(24,644,184,729)	(20,197,667,417)
CUSTOMER SERVICES COST	32	(1,540,030,194)	(1,245,847,611)
		<u>(33,269,186,105)</u>	<u>(29,361,776,302)</u>
PROFIT / (LOSS) FROM OPERATIONS		<u>2,778,326,374</u>	<u>(14,300,485,979)</u>
OTHER INCOME	33	6,103,660,106	3,074,858,457
FINANCE COST	34	(2,359,190,836)	(2,573,214,332)
PROFIT / (LOSS) BEFORE TAXATION		<u>6,522,795,644</u>	<u>(13,798,841,854)</u>
TAXATION	35	(7,189,502,241)	(2,594,061,871)
LOSS AFTER TAXATION		<u>(666,706,597)</u>	<u>(16,392,903,725)</u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	2023 Rupees	2022 Rupees
LOSS AFTER TAXATION	(666,706,597)	(16,392,903,725)
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	(13,791,223,120)	635,105,590
Related deferred income tax	3,999,454,705	(184,180,621)
	(9,791,768,415)	450,924,969
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive (loss) / income for the year - net of tax	(9,791,768,415)	450,924,969
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(10,458,475,012)</u>	<u>(15,941,978,756)</u>

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

CHIEF EXECUTIVE OFFICER

Qameel
DIRECTOR

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	NOTE	2023 Rupees	2022 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	177,635,155,137	161,423,681,204
Intangible asset under development	4	133,274,981	114,032,619
Long term loans	5	340,298,528	332,707,015
Deferred income tax asset	6	-	-
		<u>178,108,728,646</u>	<u>161,870,620,838</u>
CURRENT ASSETS			
Stores, spares and loose tools	7	1,462,728,075	1,846,542,415
Trade debts	8	90,035,836,867	127,215,233,057
Loans and advances	9	411,212,689	517,403,237
Receivable from Government of Pakistan	10	5,479,502,996	5,734,484,094
Security deposits	11	95,402,897	73,736,230
Other receivables	12	9,264,983,230	11,584,202,580
Sales tax receivable	13	30,729,194,945	23,407,056,774
Advance income tax	14	1,377,015,405	1,312,858,799
Short term investments	15	3,355,700,644	-
Cash and bank balances	16	17,830,006,577	12,577,067,294
		<u>160,041,584,325</u>	<u>184,268,584,480</u>
Non-current assets held for sale	12.7	65,890,500	65,890,500
		<u>160,107,474,825</u>	<u>184,334,474,980</u>
TOTAL ASSETS		<u><u>338,216,203,471</u></u>	<u><u>346,205,095,818</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
5,000,000,000 (2022: 5,000,000,000) Ordinary shares of Rupees 10 each		<u>50,000,000,000</u>	<u>50,000,000,000</u>
Issued, subscribed and paid up share capital	17	5,798,253,340	5,798,253,340
Accumulated loss		(92,301,799,356)	(83,715,990,977)
Capital reserves			
Deposit for shares	18	44,386,762,271	33,767,229,112
Surplus on revaluation of operating fixed assets - net of deferred income tax	19	71,299,003,618	73,174,570,251
		<u>115,685,755,889</u>	<u>106,961,899,363</u>
Total reserves		<u>23,383,956,533</u>	<u>23,242,906,386</u>
Total equity		<u>29,182,209,873</u>	<u>29,041,161,726</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term loans	20	8,463,423,309	4,767,257,072
Long term security deposits	21	9,288,135,898	8,336,047,237
Staff retirement benefits	22	61,346,505,350	45,573,104,473
Deferred credit	23	35,900,412,637	32,910,817,864
		<u>114,998,477,194</u>	<u>91,587,226,646</u>
CURRENT LIABILITIES			
Trade and other payables	24	178,964,910,403	212,990,079,093
Accrued mark-up	25	10,368,754,001	8,623,270,244
Current portion of long term loans	20	4,701,852,000	3,963,358,109
		<u>194,035,516,404</u>	<u>225,576,707,446</u>
TOTAL LIABILITIES		<u>309,033,993,588</u>	<u>317,163,934,092</u>
CONTINGENCIES AND COMMITMENTS			
	26	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>338,216,203,471</u></u>	<u><u>346,205,095,818</u></u>

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

32.1 This includes an amount of Rupees 474.189 million (2022: Rupees 308.340 million) in respect of staff retirement benefits (Note 22.12).

32.2 This includes an amount of Rupees 2.706 million (2022: Rupees 1.168 million) in respect of short term leases.

	NOTE	2023 Rupees	2022 Rupees
33 OTHER INCOME			
Income from financial assets			
Profit on bank deposits		1,533,491,078	710,055,002
Profit on short term investments		256,419,918	-
Late payment surcharge		2,983,621,783	1,601,852,104
		<u>4,773,532,779</u>	<u>2,311,907,106</u>
Income from non-financial assets			
Sale of scrap		195,045,064	20,067,342
Gain on disposal of operating fixed assets		25,170,000	-
Vetting and processing fee		253,446,061	207,076,997
Income from rest houses		1,956,010	1,445,350
Reversal of provision against slow moving / obsolete items of stores, spares and loose tools	7.1	-	45,595,279
Operating revenue	33.1	373,577,262	147,513,171
		<u>849,194,397</u>	<u>421,698,139</u>
Others			
Public lighting		24,308,633	20,239,286
Commission on collection of electricity duty and PTV license fee		92,849,243	79,064,496
Liquidated damages		116,286,422	56,191,377
Meter / service rent		39,014,296	39,114,596
Reconnection fees		10,295,400	6,726,132
Wheeling charges		9,080,533	6,646,722
Miscellaneous		189,088,403	133,270,603
		<u>480,932,930</u>	<u>341,253,212</u>
		<u>6,103,660,106</u>	<u>3,074,858,457</u>

33.1 This represents gain on installation of new connection / deposit works

34 FINANCE COST

Mark-up on long term loans		1,745,483,757	1,401,030,137
Mark-up transferred from GoP	34.1	-	573,316,321
Exchange loss		141,066,224	120,849,041
Interest on Worker's Profit Participation Fund	24.5	727,072,105	435,032,840
Bank charges	34.2	72,396,725	42,985,993
		<u>2,686,018,811</u>	<u>2,573,214,332</u>
Finance cost capitalized	34.3	(326,827,975)	-
		<u>2,359,190,836</u>	<u>2,573,214,332</u>

34.1 It represents mark-up in respect of syndicated term finance facility amounting to Rupees 41 billion. The facility was obtained by PHL. As per ECC of the cabinet, servicing of mark-up, principal repayments and all other amounts becoming due and payable in respect of this facility shall be the responsibility of respective DISCO.

34.2 This includes a sum of Rupees 60.379 million (2022: Rupees 38.308 million) in respect of tax deducted on bank profit on plan assets.

34.3 The capitalization rate used to determine the amount of finance cost be capitalized is 12% per annum applicable to the entity's specific borrowings from Asian Development Bank against Advance Metering Infrastructure and consultancy during the year.

	NOTE	2023 Rupees	2022 Rupees
35 TAXATION			
Current year	35.1 & 14	3,190,047,536	2,778,242,492
Deferred tax	6	3,999,454,705	(184,180,621)
	35.2	<u>7,189,502,241</u>	<u>2,594,061,871</u>

35.1 The provision for minimum taxation is calculated at 1.25% (2022: 1.5%) of the Company's gross revenue and other income under the provisions of the Income Tax Ordinance, 2001.

35.2 The relationship between tax expense and accounting profit has not been presented in these financial statements as taxable income and tax liability are based on minimum tax payable on turnover for the year.



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20230330-0101-2513744

Payment Date : 30-Mar-2023

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business :

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , ADVANCE TAX U/S 147 OF ITO 2001 -
3RD QUARTER 2023

Tax Amount : 651,062,848

Amount of Tax in Words : Six Hundred Fifty One Million Sixty Two Thousand Eight Hundred Forty Eight Rupees And No Paisas
Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	651,062,848	30-Mar-2023		



IT-20230330-0101-2513744

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



INCOME TAX DEPARTMENT
COMPUTERIZED PAYMENT RECEIPT (CPR - IT)



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20231228-0101-1649152

Payment Date : 28-Dec-2023

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2024

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business : ISLAMABAD ELECTRIC SUPPLY COMPANY LTD.

**Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , IESCO HEAD OFFICE, STREET NO. 40,
SECTOR G-7/4, Islamabad (Advance tax for Quarter Oct-Dec 2023)**

Tax Amount : 695,313,823

**Amount of Tax in Words : Six Hundred Ninety Five Million Three Hundred Thirteen Thousand Eight Hundred Twenty Three Rupees
And No Paisas Only**

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	695,313,823	28-Dec-2023		



IT-20231228-0101-1649152

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20221031-0101-2434997

Payment Date : 31-Oct-2022

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business : ISLAMABAD ELECTRIC SUPPLY COMPANY LTD.

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , IESCO HEAD OFFICE, STREET NO. 40,
SECTOR G-7/4, Islamabad RS.600 Million will be adjusted against tax liability under section 147 of
ITO 2001 for 2nd quarter tax year 2023.

Tax Amount : 600,000,000

Amount of Tax in Words : Six Hundred Million Rupees And No Paisas Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	600,000,000	31-Oct-2022		



IT-20221031-0101-2434997

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20230928-0101-2312464

Payment Date : 28-Sep-2023

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2024

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business :

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , IESCO HEAD OFFICE, STREET NO. 40,
SECTOR G-7/4, Islamabad

Tax Amount : 1,386,837,137

Amount of Tax in Words : One Billion Three Hundred Eighty Six Million Eight Hundred Thirty Seven Thousand One Hundred Thirty
Seven Rupees And No Paisas Only

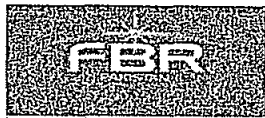
Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	1,386,837,137	28-Sep-2023		



IT-20230928-0101-2312464

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



INCOME TAX DEPARTMENT
COMPUTERIZED PAYMENT RECEIPT (CPR - IT)



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20220927-0101-2229177

Payment Date : 27-Sep-2022

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business : ISLAMABAD ELECTRIC SUPPLY COMPANY LTD.

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , Advance Tax Paid u/s 147 of the ITO 2001
Adjustable in 2nd Quarter 2023

Tax Amount : 240,000,000

Amount of Tax in Words : Two Hundred Forty Million Rupees And No Paisas Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	240,000,000	27-Sep-2022		



IT-20220927-0101-2229177

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20220923-0101-2023442

Payment Date : 23-Sep-2022

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business :

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , IESCO HEAD OFFICE, STREET NO. 40,
SECTOR G-7/4, Islamabad

Tax Amount : 1,340,403,274

Amount of Tax in Words : One Billion Three Hundred Forty Million Four Hundred Three Thousand Two Hundred Seventy Four
Rupees And No Paisas Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	1,340,403,274	23-Sep-2022		



IT-20220923-0101-2023442

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer

SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20230626-0101-2506022

Payment Date : 26-Jun-2023

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTU : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business :

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , Payment of Balance of Advance Tax u/s
147 of ITO 2001 for the 4th Quarter 2023

Tax Amount : 37,872,088

Amount of Tax in Words : Thirty Seven Million Eight Hundred Seventy Two Thousand Eighty Eight Rupees And No Paisas Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	37,872,088	26-Jun-2023		



IT-20230626-0101-2506022

FBR ADC 0101

Signature & Stamp of Manager / Authorized officer



SBP Banking Services Corporation

Alternative Delivery Channel - ADC (0101) : ISLAMABAD

CPR No : IT-20230616-0101-1900523

Payment Date : 16-Jun-2023

Payment Section : 147 - Advance Income Tax - 9202

RTO/LTO : LTO ISLAMABAD

Nature of Payment : Advance Income Tax

Tax Period : 2023

Account Head(NAM) : B01105

Details of Tax Payer

NTN / CNIC : 2748840-3 / 0000535

Status : CO

Taxpayer/Business :

Name & Address : ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED , Advance Tax u/s 147 of the ITO 2001 - 4th Quarter 2023

Tax Amount : 139,795,677

Amount of Tax in Words : One Hundred Thirty Nine Million Seven Hundred Ninety Five Thousand Six Hundred Seventy Seven Rupees And No Paisas Only

Payment Mode	Amount	Date	AC / Ref No	Bank & Branch
ADC (e-payment)	139,795,677	16-Jun-2023		



FBR ADC 0101

IT-20230616-0101-1900523

Signature & Stamp of Manager / Authorized officer