

YEAR BOOK

FY 2024-25



**Government of Pakistan
Ministry of Privatisation
Privatisation Division
Islamabad**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**IN THE NAME OF ALLAH,
THE MOST BENEFICENT AND
THE MOST MERCIFUL**

Acknowledgement

The Ministry of Privatisation acknowledges the valuable contributions of all the officers, consultants and staff of the Ministry, without whose contributions, help and assistance, this essential task would not have been accomplished.

The team that compiled this Year book is especially thankful to the Minister for Privatisation and the Secretary, Privatisation Division for providing consistent guidance, patronage and spearheading this initiative.

Disclaim

The information contained in this book is derived from historical facts and statements that reflect management's views for the period covered by this report. These statements are based on assumptions that involve both known and unknown risks and uncertainties, which may cause actual results, performance, or events to differ materially from those expressed or implied. This book is intended solely for the purpose for which it has been prepared and may not be used for any other purpose.

ACRONYMS

BESOS	Benazir Employees Stock Option Scheme
BoI	Board of Investment
CCI	Council of Common Interests
CCoP	Cabinet Committee on Privatisation
CPS	Condition precedents
CPPA-G	Central Power Purchasing Agency (Guarantee) Limited
DFIs	Development Finance Institutions
DISCO	Distribution Company (Power)
ECO	Economic Cooperation Organization
EOI	Expression of Interest
FA	Financial Advisor
FDI	Foreign Direct Investment
FESCO	Faisalabad Electricity Supply Company
FPCCI	The Federation of Pakistan Chamber of Commerce & Industry
FY	Financial / Fiscal Year
GENCO	Generation Company (Power)
GHS	Golden Handshake Scheme
GOP	Government of Pakistan

HBFCL	House Building Finance Company Limited
HEC	Heavy Electrical Complex
ICP	Investment Corporation of Pakistan
IESCO	Islamabad Electric Supply Company
IMF	International Monetary Fund
IPO	Initial Public Offering
KAPCO	Kot Addu Power Company
KE	Karachi Electric
LESCO	Lahore Electric Supply Company
LoA	Letter of Acceptance
LPG	Liquified Petroleum Gas
MRTA	Management Right Transfer Agreement
NEPRA	National Electric Power Regulatory Authority
NICL	National Insurance Company Limited
NITL	National Investment Trust Limited
NIRC	National Industrial Relations Commission
NPCC	National Power Construction Corporation
NPGCL	Northern Power Generation Company Limited
NPPMCL	National Power Parks Management Company Limited
OGDCL	Oil and Gas Development Company Limited
OGRA	Oil and Gas Regulatory Authority
PARC	Pakistan Agricultural Research Council
PC	Privatisation Commission
PD	Privatisation Division
PEPCO	Pakistan Electric Power Company
PIACL	Pakistan International Airlines Corporation Limited
PIAHCL	Pakistan International Airlines Holding Company Limited
PO	Public Offering
PPP	Public Private Partnership
PPMC	Pakistan Planning and Monitoring Company
PSE	Public Sector Enterprises
PTCL	Pakistan Telecommunications Company Limited
QIB	Qualified Institutional Buyer
RFP	Request for Proposals
RSOQ	Request for Statement of Qualifications
SBP	State Bank of Pakistan
SECP	Securities and Exchange Commission of Pakistan
SITE	Sindh Industrial Trading Estate
SME	Small and Medium Enterprises
SMEDA	Small and Medium Enterprises Development Authority

SNGPL	Sui Northern Gas Pipelines Limited
SOEs	State Owned Enterprises
SOQ	Statement of Qualifications
SPA	Share Purchase Agreement
SPO	Secondary Public Offering
SPV	Special Purpose Vehicle
SSGC	Sui Southern Gas Company
VSS	Voluntary Separation Scheme

VISION

To promote private sector participation in efficient management of Public Sector Enterprises through privatisation process, facilitating the government to focus on socio-economic development of the Country.

MESSAGE

Privatisation continues to serve as a cornerstone of the Government of Pakistan's economic reform agenda. The Federal Government remains firmly committed to advancing this process with transparency, competitiveness and institutional efficiency at its core. By reducing the State's commercial footprint, privatisation not only alleviates the fiscal burden but also empowers the private sector to drive productivity, innovation and sustainable growth.

There is a clear consensus that the State should confine its role to strategically essential State-Owned Enterprises (SOEs). In line with this principle, the current privatisation strategy focuses on both loss-making entities and commercially viable but non-strategic SOEs, thereby promoting fiscal discipline while enabling private sector-led development.

In FY 2024–25, the Privatisation Commission made meaningful progress on key transactions. While the initial divestment attempt of Pakistan International Airlines (PIACL) did not achieve the intended outcome, the exercise generated critical insights that have significantly strengthened the ongoing effort, which now demonstrates encouraging prospects. Concurrently, the privatisation process for the first batch of Distribution Companies — IESCO, GEPCO and FESCO — was initiated in collaboration with the Power Division and Financial Advisers, laying a solid foundation for investor engagement.

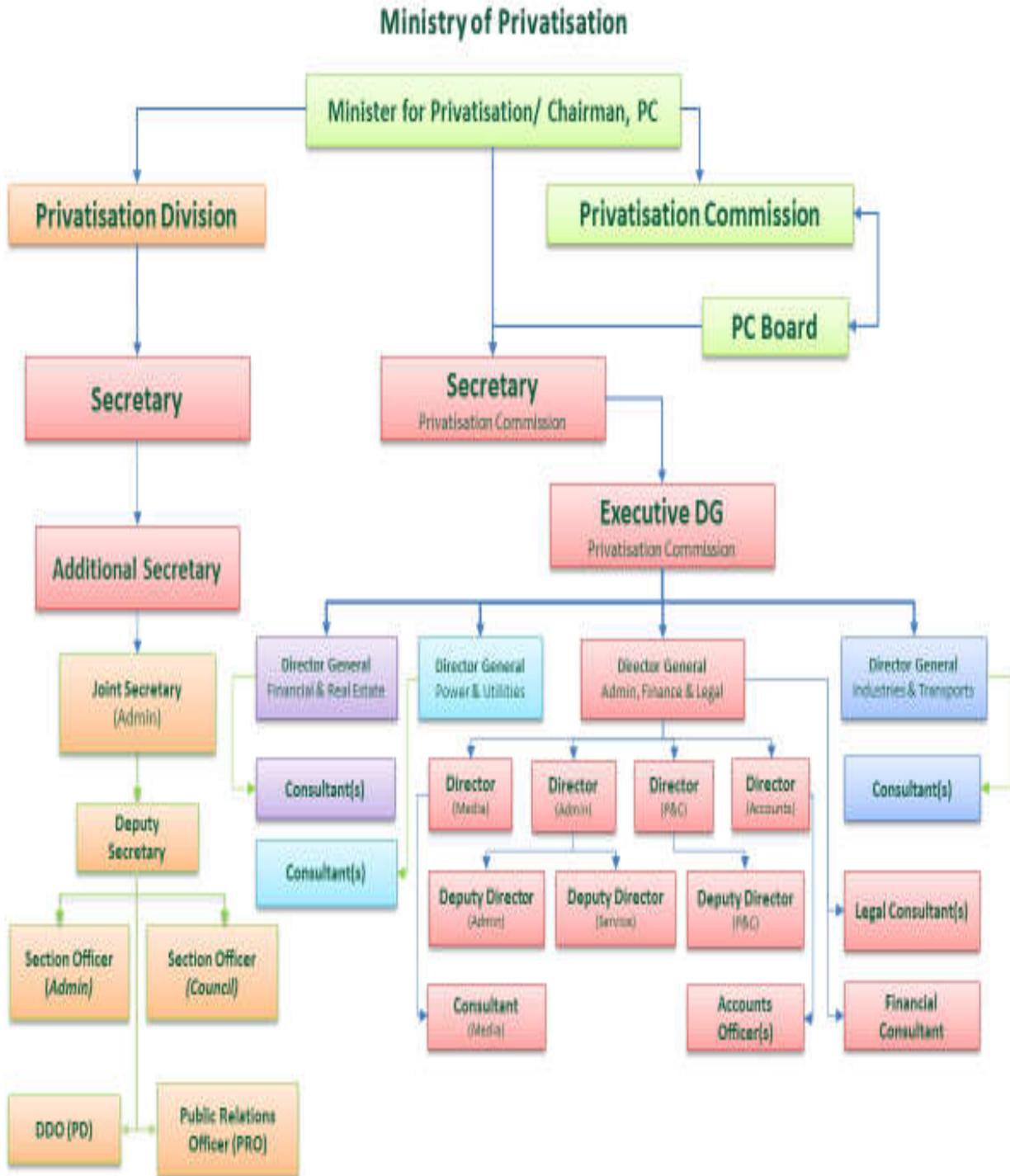
Despite deep-rooted challenges - including institutional inefficiencies, resistance from vested interests and regional instability - the Government remains steadfast in pursuing regulatory reform and institutional strengthening. Our objective is to ensure a transparent, rules-based framework aligned with global standards and conducive to enhanced investor confidence.

The Privatisation Commission is also deepening its engagement with international investors and multilateral institutions to further reinforce the credibility and effectiveness of Pakistan's privatisation programme.

I extend my sincere appreciation to the Honourable Prime Minister for his leadership and to the Special Investment Facilitation Council (SIFC) for its vital role in supporting this reform process. The progress achieved in FY 2024–25 reflects our shared resolve and establishes a strong foundation for future economic transformation.

We remain confident that these efforts will unlock Pakistan's economic potential, improve service delivery, attract investment and secure long-term national prosperity.

ORGANOGRAM (MINISTRY OF PRIVATISATION)



1. PRIVATISATION DIVISION

1.1 *Introduction*

The Privatisation Division (PD) was created on November 28, 2000 to administer activities of the Privatisation Commission (PC), governed under the Privatisation Commission Ordinance 2000, which is the executive arm of all privatisation and related activities. In November 2002, the scope of the Ministry was expanded by attaching the Board of Investment to it. Later on, in October 2007, the Division was bifurcated into the 'Privatisation Division' and 'Investment Division', under the same Ministry. On December 08, 2008, Investment Division was created as a separate Ministry. In 2013, the 'Ministry of Privatisation' was abolished and it was merged with the newly created Ministry of Finance, Revenue, Economic Affairs, Statistics and Privatisation. Subsequently, in August 2017, the Ministry of Privatisation was re-established.

1.2 *Functions of the Division*

The Rules of Business, 1973 mandate Privatisation Division for:

- Formulation of Privatisation Policies.
- The Transfer of Managed Establishment Order, 1978.
- Administration of Privatisation Commission Ordinance, 2000.
- Negotiation with International Organizations relating to the functions of privatisation in consultation with the Economic Affairs Division.
- Any item incidental or ancillary to the above.

1.3 Detail of Privatisation Division's Human Resource

S. #	Designation	Scale	Sanctioned Strength
1.	Secretary	22	1
2.	Additional Secretary	21	1
3.	Joint Secretary	20	1
4.	Deputy Secretary	19	1
5.	Section Officer	17/18	2
6.	Accounts Officer	17/18	1
7.	Private Secretary	17/18	3
8.	Superintendent	16	1
9.	Assistant Private Secretary	16	8
10.	Assistant	15/16	6
11.	Steno typist	14	3
12.	UDC	13	3
13.	Telex/Fax Operator	11	1
14.	LDC	11	9
15.	Telephone Operator	7/10	2
16.	Record Sorter	7/8	1
17.	Bearer	5/7	2
18.	Staff Car Driver	4/5	4
19.	Dispatch Rider	4/5	2
20.	Qasid	2/3	4
21.	Naib Qasid/ Farash	1/2	14
22.	Sweeper	1/2	2
		Total	72

2. PRIVATISATION COMMISSION

2.1 Introduction

On 22 January 1991, the Privatisation Commission (PC) was established as a semi-independent wing under the Finance Division, to implement the privatisation policy of the Federal Government. Subsequently, on 28 September 2000, the Privatisation Commission Ordinance, 2000 (Ordinance) was promulgated and the Commission was converted into a body corporate, which further strengthened its legal authority for implementing the government's Privatisation Policy.

The Commission is entrusted with the task of privatising federal government assets such as its shares in banks, industrial units, public utilities, oil, gas and transport companies, and infrastructure service providers in an open and transparent manner. To enhance the private sector's role in the endowment of goods and services, the Ordinance has vested decision making powers to the Privatisation Commission Board (PC Board), consisting of eminent professionals from the public and private sectors. The decisions taken by the PC Board are taken-up with the Cabinet Committee on Privatisation (CCOP) for approval, which are subsequently placed before the Federal Cabinet for approval/ratification.

2.2 Functions of Privatisation Commission

The functions and powers of the Commission as enumerated in Section 5 of the Privatisation Commission Ordinance, 2000 are as under:

- a) Recommend privatisation policy guidelines to the Cabinet;
- b) Prepare a comprehensive privatisation programme for the approval of the Cabinet;
- c) Plan, manage, implement and control the privatisation programme approved by the Cabinet;
- d) Prepare and submit reports to the Cabinet on all aspects of the privatisation programme;
- e) Facilitate or initiate legislation as approved by the Cabinet, by or on behalf of concerned Ministry in connection with the privatisation programme;
- f) Provide overall directions for the implementation of privatisation related activities including, restructuring, deregulation and post-privatisation matters in sectors designated by the Cabinet;
- g) Take operational decisions on matters pertaining to privatisation, restructuring, deregulation, regulatory issues including approval of licensing and tariff rules and other related issues pertaining to the privatisation programme approved by the Cabinet;
- h) Issue directions and instructions to the management of a business undertaking falling within the purview of the privatisation programme approved by the Cabinet on all major important administrative, financial, reporting and policy matters;
- i) Publicize the activities of the privatisation programme;
- j) Propose a regulatory framework, including the establishment and strengthening of regulatory authorities, to the Cabinet for the independent and fair regulation of each industry sector falling within the purview of the privatisation programme;
- k) Advise the Federal Government in selection and appointment of the head and a member of a regulatory authority;

- l) Advise the Federal Government that monopolies are not created in the process of privatisation;
- m) Appoint advisors, consultants, valuers, lawyers and such other staff, both local and foreign, on such terms as it may determine to discharge its functions under this Ordinance;
- n) Approve and take decisions and perform all acts to implement pre-privatisation restructuring, labor rehabilitation and severance schemes, and all other related matters as approved by the Cabinet;
- o) Invite applications for the privatisation and ensure widest possible participation;
- p) Evaluate bids received according to the criteria determined by the Commission from time to time and formulate recommendations for consideration by the Cabinet;
- q) Recommend for the Federal Government such labor and man-power rehabilitation programs as may be necessary during privatisation and to develop a roster of such employees who may need rehabilitation;
- r) Advise measures to the Federal Government for improvement of public sector units until their privatisation;
- s) Assist in the implementation of Federal Government policies on deregulation and privatisation and advise the Federal Government on deregulating the economy to the maximum possible extent; and
- t) Perform such other functions that are incidental or ancillary to carry out the privatisation programme approved by the Cabinet.

2.3 Human Resource of Privatisation Commission

The Human Resource of the Commission comprises of Civil Servants, Public Servants, Consultants / Transaction Managers, and other allied Staff.

a) Regular Human Resource

Sr. No.	PC Scale	Designation	Number of Posts
1		Chairman	1
2	22	Secretary	1
3	21	Executive Director General	1
4	20	Director General	4
5	19	Director	3
6	18	Deputy Director	2
7	17	Public Relation Officer	1
8	17	Private Secretary	3
9	17/18	Accounts Officer	2
10	17	Sr. Technical Assistant	3
11	16/17	Superintendent	1
		Sub-Total (A) 17 & above	22
		Sub-Total (B) 1 – 16	110
		Total (A+B)	132

b) Contractual Human Resources

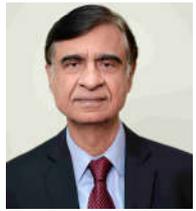
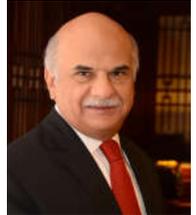
S. #	Designation	Grade	Strength
1	Consultants	G-I & II	10

2.4 Regulatory and Governance Structure

a) Board of Privatisation Commission

Section 6 of the Privatisation Ordinance, 2000, provides that “the general management and administration of the Commission shall vest in its Board”.

The Board comprises of a Chairman, a Secretary and ten (10) other Members. The Members are known professionals of various disciplines with distinguished careers in relevant fields.

Mr. Muhammad Ali Chairman		Mr. Usman Akhtar Bajwa Secretary	
Pir Saad Ahsanuddin Member		Mr. M. Shahbaz Jameel Member	
Mr. Pervaiz Afzal Khan Member		Ms. Naheed Memon Member	
Mr. Javaid Bashir Sheikh Member		Mr. Rasul Bux Phulpoto Member	
Mr. Muhammad Jehanzeb Khan Member		Mr. Khurram Schehzad Member	
Ms. Sadia Muzaffar Member		Ms. Ayesha Aziz	

b) Cabinet Committee on Privatisation (CCoP)

The mandate of the CCoP is to guide / advise and to streamline the functioning of the Privatisation Commission. It also serves as a forum for taking strategic decisions on privatisation and monitors the progress on various transactions. All major decisions taken regarding the privatisation process are placed for ratification of the Cabinet through the Cabinet Committee on Privatisation.

Currently, CCoP comprises of the following members: -

Composition of CCoP*

1. The Deputy Prime Minister / Minister for Foreign Affairs	Chairman
2. Minister for Finance & Revenue	Member
3. Minister for Commerce	Member
4. Minister for Power	Member

By Special Invitation/ Co-Opted:

1. Minister of State for Railways
2. Advisor to the Prime Minister on Privatisation
3. SAPM on Industries & Production
4. Governor, State Bank of Pakistan
5. Chairman, Securities Exchange Commission of Pakistan
6. Secretary, Power Division
7. Secretary, Commerce Division
8. Secretary, Communications Division
9. Secretary, Finance Division
10. Secretary, Industries & Production Division
11. Secretary, Law & Justice Division
12. Secretary, Petroleum Division
13. Secretary, Planning, Development and Special Initiatives Division
14. Secretary, Privatisation Division
15. Secretary, Revenue Division

**Issued vide notification No F.5/9/2024-Com., dated 07.04.2025*

Terms of Reference

- i. To formulate the Privatisation Policy for approval of the Government / Cabinet;
- ii. To approve the State-Owned Enterprises to be privatised on the recommendation of the Privatisation Commission or otherwise;
- iii. To take policy decisions on inter-ministerial issues relating to the privatisation process;
- iv. To review and monitor the progress of privatisation;
- v. To instruct the Privatisation Commission to submit reports/information/data relating to the privatisation process or any other matter relating thereto;
- vi. To take policy decisions on matters pertaining to privatisation, restructuring, deregulation, regulatory bodies and the Privatisation Fund Account;

- vii. To approve the Reference Price in respect of the State-Owned Enterprises being privatised;
- viii. To approve successful bidders;
- ix. To consider and approve the recommendations of the Privatisation Commission on any matter; and,
- x. To assign any other task relating to privatisation to the Privatisation Commission.

c) Council of Common Interests (CCI)

The Council is mandated to formulate and regulate policies in relation to matters in Part II of the Federal Legislative List and exercises supervision and control over related institutions.

Decisions of the Council are expressed in terms of opinion of the majority. The public sector entities/ interests etc. contemplated for privatisation are brought before the CCI for its approval before submission of summary to the Cabinet.

The composition of the Committee shall be as under:

Composition of CCI*

1. The Prime Minister	Chairman
2. The Chief Minister, Baluchistan	Member
3. The Chief Minister, Khyber Pakhtunkhwa	Member
4. The Chief Minister, Punjab	Member
5. The Chief Minister, Sindh	Member
6. Mr. Mohammad Ishaq Dar, Minister for Foreign Affairs	Member
7. Khawaja Muhammad Asif, Minister for Defence	Member
8. Engr. Amir Muqam, Minister for States & Frontier Regions (SAFRON)	Member

**Issued vide notification No 1(2)/2010-CCI, dated 25.03.2024*

Approval of Privatisation Program by CCI

The CCI in 1997 and 2006 approved a broad-based privatisation programme including PSEs in various sectors like Banking and Finance, Oil and Gas, Power, Infrastructure, Transport, Industries and Production etc.

Moreover, after the 18th Amendment to the Constitution, the PC also sought approval of the CCI for the privatisation of all power generation companies (GENCOs) and power distribution companies (DISCOs) in 2014. Moreover, CCI also accorded approval for inclusion of two (02) RLNG Power Plants namely 1223 MW Balloki Power Plant and 1230 MW Haveli Bahadur Power Plant in the Active Privatisation List in January, 2019.

3. PERFORMANCE AND ACHIEVEMENTS

(From inception till date)

Since 1991, Privatisation Commission has completed **182** privatisation transactions and generated privatisation proceeds of Rs. 651,283 million. Details are given in the table below:

SECTOR	Sale Price 1991 to June 2024	
	Transactions	Amount (Rs. in million)
Banking	7	41,023
Capital Market Transaction	26	303,494
Energy	15	54,273
Telecom	4	187,024
Automobile	7	1,102
Cement	17	16,177
Chemical	16	1,643
Engineering	8	1,593
Fertilizers	7	40,281
Ghee Mills	24	842
Mineral	1	6
Rice	8	236
Roti Plants	15	91
Textile	4	371
Newspapers	5	271
Tourism	4	1,805
Real Estate Properties	9	898
Others	5	153
Total	182	651,283

4. PRIVATISATION PROGRAMME OF PAKISTAN

In terms of Section 5(a) and (b) of the Ordinance, the Commission formulates recommendations for the policy guidelines and a comprehensive privatisation programme for approval of the Federal Government.

The Government's policy is to create space for the private sector to harness the efficiency gains, generate revenue, reduce fiscal burden, promote competition and innovation, and manage risks effectively. This strategy will help enhance economic performance and governance outcomes besides generating long-term economic benefits such as increased investment, job creation, and enhanced economic efficiency.

Privatisation Programme of Pakistan aims at generating growth and addressing structural imbalance by removing artificial barriers and opening-up the economy to competition. This will not only reduce the government expenditure in funding operation and investments in these entities but will also help the government to concentrate more on the core government functions such as regulation, policy formulation and infrastructure development. The Government's policy is to facilitate the private sector with a focus on the following objectives:

- a. Harness the efficiency gains,
- b. Generate revenue,
- c. Reduce fiscal burden,
- d. Enhance competitiveness and adopt the new technologies and business practices,
- e. Manage risks effectively by sharing/transferring operational and fiscal risks,
- f. Enhance economic performance and governance outcomes,
- g. Generate long-term economic benefits such as increased investment and job creation.

The privatisation process is being carried in accordance with the provisions of the PC Ordinance, 2000 and the rules and regulations made thereunder. It is aimed at privatizing SOEs in an open and transparent way, to generate best possible scenario for privatisation. The process varies with regard to the nature of the SOEs being privatized, proportion of shares being offered for privatisation and whether transfer of management is involved.

A phased five (5) years Privatisation Programme (2024-2029) is being prepared with the intention to reduce government footprint in commercial space.

1) The broad policy guidelines of the privatisation programme are as under:

- i. Foot print of the Federal Government shall be restricted to Commercial SOEs having some national or strategic interest;
- ii. Loss-making Commercial SOEs shall be privatised on priority;
- iii. Profitable Commercial SOEs shall also be identified to reduce Federal foot print in economy;
- iv. The programme shall have three phases (0-1 year, 1-3 years and 3-5 years);
- v. Issues including but not limited to, employees, property, legislation, regulations, liabilities etc. required to be addressed or likely to hinder the privatization process may be identified along with the proposed way forward; and
- vi. Issues pertaining to SOEs, already included in the Active Privatisation List, shall be resolved by the concerned Ministries/Division, on priority, in order to fast track their privatisation.

2) The Process of Privatisation Programme Formulation:

Ministry of Privatisation, in order to formulate recommendations with regard to the privatization programme, undertook an extensive consultative process with relevant Ministries having State-Owned Enterprises under their domain as reflected in the Federal Footprint State Owned Enterprises (SOEs) Consolidated Report FY2020-22 dated December 2023. In total, 84 entities were identified and deliberated upon. The Privatisation Commission under Section 5(b) of the PC Ordinance formulated recommendations for consideration of the Federal Government. It covers complete spectrum of SOEs and includes the following important sectors:

- i) Aviation
- ii) Transport / Communication
- iii) Finance / Insurance
- iv) Industries
- v) Power
- vi) Others

3) Phases of Privatisation Programme:

The programme is planned for 5 years in a phased manner:

- i. Phase I: 01 Year
- ii. Phase II: 01-03 Years
- iii. Phase III: 05 Years

4) Approval of Privatisation Programme:

The Cabinet Committee on Privatisation (CCoP) in its meeting held on 10th May, 2024 approved, in principle, 24 entities for privatisation, while 42 entities have been referred to the Cabinet Committee on State-Owned Enterprises (CCoSoEs) for their categorization as per SOE Act/Policy. Those not falling in the category of Strategic/Essential SOEs will also become part of the privatisation programme after approval of the Federal Cabinet.

5. ON-GOING PRIVATISATION PROGRAMME

The current privatisation programme was approved by the Cabinet Committee on Privatisation (CCoP) on 31st October, 2018 and ratified by the Federal Cabinet on 1st November, 2018. It is being reviewed periodically by Privatisation Commission and the CCoP. The current programme includes privatisation / divestment of twenty (20) PSEs belonging to sectors like Energy, Finance/ Banking, Insurance, Industries, Hospitality etc. In addition, twenty-seven (27) properties/ assets of various Ministries/ Divisions are also included for sale through open auction.

The privatisation process is executed as per the provisions contained in the Ordinance and the Rules/Regulations made thereunder. The objective is to:

- a) Improve upon the operational efficiency and overall performance of entities proposed to be privatised and to promote competition.
- b) Reduce the financial burden imposed upon the Government by public enterprises and to release resources for utilization on alternate urgent requirements such as those of social sectors and the development of physical and technological infrastructure, thereby accelerating the pace of industrialization.
- c) Promote and strengthen the capital market by broadening and deepening its base through enlarging the number of shareholders and listing new enterprises.

Keeping in view the approved privatisation plan of a PSE / Asset, the Privatisation Commission executes the privatisation process in consultation with concerned stakeholders, including administrative & line Ministry / Division, PSE Management, and Sectoral Regulators. During execution period, foremost challenge is the high-level of dependency on completion of each milestone by the relevant stakeholders. Also, many of the entities enlisted for privatisation lack basic and essential requirements as incomplete title deeds, unavailability of updated financial accounts, non-existent Board of Directors etc. Despite all such constraints, the Commission is fully committed to steer the privatisation programme while upholding the standards of transparency and fairness in compliance with the existing legal framework so as to establish credibility and restore confidence of the investors and other stakeholders.

The Privatisation Process generally comprises of the following steps:

- i. Hiring of Financial Advisor (FA) or Valuator.
- ii. Due diligence by FA and PC.
- iii. Approval of Transaction Structure by CCoP.
- iv. Invitation of Expression of Interests from Potential Investor / Bidders.
- iv. Submission of Statement of Qualification from Potential Investors/Bidders.
- v. Pre-qualification of Potential Investors / Bidders.
- vi. Conduct of Bus-side Due Diligence.
- vii. Finalization of draft Agreement(s).
- ix. Approval of Valuation (Reference Price) by PC Board and CCoP.
- x. Open Bidding (media invited to observe bidding).
- xi. Approval of bidding results by PC Board and CCoP.
- xii. Execution of Sale Agreement, Completion of Condition precedents by seller & buyer and Financial Closure.

A brief status of the ongoing transactions is as follows:

5.1 SALE OF PROPERTIES / ASSETS OWNED BY FEDERAL GOVERNMENT ORGANIZATIONS

In January 2019, an Inter-Ministerial Assets Management Committee was constituted by Prime Minister to oversee the identification and sale of Federal Government owned or controlled properties. The Federal Cabinet vide its decision dated 19th March, 2019, directed all Federal Ministries / Divisions to identify three (03) properties each, free of all encumbrances having clear documents of the properties for purpose of their disposal. Accordingly, information was sought from all Federal Ministries/Divisions by Privatisation Commission (PC). After due process, 32 properties were identified for auction in view of Cabinet's aforementioned directive. Later five (5) properties were delisted by CCOP in its meeting held on 14th January 2020, with direction to hand over these 5 properties to Naya Pakistan Housing Authority.

5.1.1 Privatisation Process

Due Diligence was carried out by the Financial Advisor Consortium (FAC). After PC Board's approval, a reserve price of PKR 6.62 Billion was determined for 27 properties and later approved by CCoP and Cabinet in February 2020. Accordingly, press advertisement was published in the leading national dailies across the country on 08 March 2020 with auctions due to start in April 2020. However, owing to the COVID-19 pandemic and restrictions on public gathering/auctions, the auctions were postponed through press advertisement dated 22 Mar 2020. After relaxation in COVID-19 lockdown, it was decided to re-initiate the auction of 27 Federal Government owned and controlled properties. Press advertisement was published in widely published English and Urdu newspapers on 06 August, 2020.

An Open auction was held in different cities during September 2020. The referred 27 properties as approved by Federal Cabinet were reserved for auction by the Privatisation Commission. Twenty-three (23) properties with reserve price of Rs. 1.011 billion were successfully auctioned for Rs. 1.113 billion while no bidder showed up for three (03) properties and the auction of one (01) remaining property i.e. WAPDA rest house, Swat was postponed on request of Government of Khyber Pakhtunkhwa to handover/ allot the said property for own utilization. The CCoP approved the auction on 16th November 2020. However, out of Twenty-Three (23) properties, PC only received full payment against ten (10) properties, whereas, the earnest money of Rs.12.9 million from the defaulted bidders of thirteen (13) properties was forfeited.

Out of 10, (6) properties were transferred during 2021-22 and the following (3) properties were transferred during 2023-24: -

- i. WAPDA's 16 Marla leftover building at 34- Nicholson Road, Lahore with Reserve price PKR 90,000,000/- and auctioned at an amount of PKR 92,000,000/- on 9th September 2020 in Lahore.
- ii. ERRAs 9 & 10 Marla land at Mouza Makhnial, Pir Sohawa, Haripur, Islamabad with Reserve price PKR 5,525,000/- an auctioned at an amount of PKR 19,200,000/- on 7th September 2020 in Islamabad, and;
- iii. FBR's 15 Kanal land situated at Canal Bank Road, Faisal Town, Mouza Malik Pur, Manawala, Chak 203, Faisalabad with a Reserve price PKR 640,000,000/- was auctioned at an amount of PKR 645,000,000/- on 14th September 2020 in Faisalabad.

5.2 Privatisation of Pakistan International Airlines Company Limited (PIACL)

The process for divestment and privatisation of PIACL is being carried out in accordance with the Privatisation Commission (PC) Ordinance 2000 and rules and regulations framed thereunder. PC is committed to completing this process while following the due process and adhering to the relevant provisions of law, rules and regulations.

The hiring of Financial Adviser, restructuring and legal segregation of core and non-core assets has been carried out in accordance with the best practices and keeping in view the financial position and viability of PIACL to make it attractive for the potential investors. It is pertinent to mention here that PIACL has suffered losses amounting to PKR 499 billion (equivalent to US\$ 3.4 billion) since 2015. PIACL made a loss of PKR 75 billion approximately during the year 2023 while accumulating liabilities amounting to PKR 825 billion with total assets amounting to PKR 161 billion.

5.2.1 Privatisation Process

5.2.2 Receipt of Statement of Qualifications and Pre-Qualification process

Advertisement for Invitation of Expression of Interest (EOI) from Potential Investors was published on 2nd & 3rd April, 2024 in local and international newspaper. Last date of submission was 3rd May 2024 which was extended till 17th May 2024 on the request of Interested Parties. Eight (08) firms / consortia submitted their SOQs by the deadline of 17th March 2024.

PC Board in its meeting held on 3rd June, 2024 pre-qualified the following six (06) Interested Parties namely:

1. Fly Jinnah Limited
2. Air Blue Limited
3. Arif Habib Corporation Limited
4. Consortium Lead by Y.B. Holdings (Private) Limited (Consortium members comprises Pioneer Cement Limited, Artistic Milliners Limited, ANS Capital Private Limited, Metro Ventures Private Limited)
5. Consortium Lead by Pak Ethanol (Consortium members comprises AirSial Limited, Serene Airlines Private Limited, Liberty Daharki Power Limited)
6. Consortium Lead by Blue World City (Consortium members comprises Blue World Aviation, IRIS Communication Limited).

5.2.3 Buy-side Due Diligence

The Pre Qualified Bidders (PQBs) were granted access to Virtual Data Room (VDR) for their respective Buy-side Due Diligence, on 7th June, 2024, followed by Kick Off Sessions held on 14th & 15th June 2024. As per of buy side due diligence, PQBs also conducted Site Visits to PIACL facilities in Karachi on 26th-28th June 2024. The buy side due diligence exercise continued till October, 2024

5.2.4 Bidding Process

In order to finalize the Bidding Documents, 05 Pre-bids conferences were held with pre-qualified bidders to negotiate terms. However, no agreement on 02 critical tasks i.e., Removal of 18% GST on aircrafts and cleaning of PKR 45 billion negative equity, was reached. Resultantly only one bidder i.e., Blue World City Consortium submitted bid of PKR 10 billion, during bidding held on 31st Oct 2024 against minimum expectation price of PKR ~85 billion. PC Board recommended rejection of bid to CCOP in its meeting held on 12th Nov 2024, which was approved by the CCoP on 14th Nov 2024. Subsequently, the same was ratified by Federal Cabinet on 2nd Dec 2024.

5.3 Roosevelt Hotel, New York, USA

The Roosevelt Hotel is a former hotel and a shelter for asylum seekers at 45 East 45th Street in the Midtown Manhattan neighborhood of New York City. Named in honor of U.S. president Theodore Roosevelt, the hotel was developed by the New York Central Railroad and the New York, New Haven and Hartford Railroad and opened in 1924. The 19-story structure was designed by George B. Post & Son with an Italian Renaissance Revival-style facade, as well as interiors that resembled historical American buildings. The Roosevelt Hotel is one of several large hotels developed around Grand Central Terminal as part of Terminal City. Since 2000, Pakistan International Airlines (PIA) has owned the structure.

5.3.1 Privatisation Process

In pursuance to the decisions of the CCoP, PC in February 2024 after due process appointed M/s Jones Lang LaSalle (JLL) as Financial Adviser for privatisation of the Hotel.

The FA after conducting sell-side due diligence submitted proposed Transaction Structure in August 2025. Due to peculiar nature of asset, detailed deliberations are underway at various forums including PC Board, CCoP to formulate feasible Transaction Structure for the site.

5.4 First Women Bank Limited (FWBL)

FWBL is a commercial bank with a mandate to cater for the financial and business needs of women and provide them with easy access to credit for enterprise development across all levels of economic activity, Consumers, SMEs, Commercial Entities and Corporates. It was established in 1989 with GoP holding 82.64%. The bank is operating with a network of 42 branches located across 24 cities in Pakistan.



5.4.1 Privatisation Process

Cabinet Committee on Privatisation (CCOP) in its meeting held on 31st October 2018 placed First Women Bank Limited (FWBL) on the Active Privatisation Program, duly ratified by the Cabinet dated 01st November 2018.

Accordingly, the Privatisation Commission (PC), appointed Financial Advisory Consortium (FAC), lead by M/S Bridge Factor & National Bank of Pakistan with the approval of PC-Board on 27th December 2019.

FAC conducted the Due Diligence (DD) of FWBL and finalized the report in June 2020. The CCOP approved the Transaction Structure on 21st August 2020. Due to the non-availability of Audited Accounts (FY 2018 to the FY 2021), further steps including the issuance of EOI/RSOQ for competitive bidding process, could not take place and the privatisation process of FWBL remained halted.

Nevertheless, Audit for FY-2018, FY-2019, FY-2020, FY-2021, FY 2022 and FY-2023 has been completed.

Due to lapse of considerable time, FAC has re-initiated the Due Diligence previously conducted (till FY-2019) and submitted updated draft Due Diligence report based on Audited Accounts for the FY-2021 and Management Accounts for the FY-2022 & FY-2023.

During this time, the Government of UAE, through International Holding Company (IHC) has conveyed its interest in February 2024 in buying/acquiring Federal Government's shares in FWBL by entering into a formal agreement as per the relevant law and rules framed thereunder.

In view of UAE's interest in the Bank, G2G process for the transaction has been approved by the Federal Government in February, 2024.

FWBL transaction on G2G mode will be conducted, after nomination of UAE entity falling under the relevant Laws, for negotiations for the transaction.

5.5 House Building Finance Company Limited (HBFCL)

House Building Finance Company Limited (HBFCL) is the only housing finance institution in Pakistan, established in 1952 by the Government of Pakistan. It was corporatized in 2007 and is now an unlisted public limited company. State Bank of Pakistan (SBP) and Government of Pakistan (GoP) jointly hold the capital of HBFCL with 90.31% and 9.69% shareholding respectively. HBFCL provides financing facilities for the construction and purchase of houses through its deep rooted and national footprint of 51 Branches, 7 Area offices, 3 Regional offices and Head Office based in Karachi.



5.5.1 Privatisation Process

CCOP approved the privatisation of HBFCL as part of Active Privatisation Programme in September 2019. Subsequently, in December 2019, the Financial Advisory Consortium (FAC) comprising MCB Bank, Elixir Securities & EY Ford Rhodes was appointed.

The Transaction structure of HBFCL was approved by the Federal Cabinet in November 2020.

Post various marketing exercises; 04 investors shared their EOIs/SOQs, namely

Pakistan Mortgage Refinance Company (PMRCL),
Pakistan Housing Finance Company Ltd (PHFCL),
ICD-Islamic Development Bank, KSA (IsDB)
IFIC Bank PLC - Bangladesh

Subsequently, EOI/SOQs were evaluated/reviewed by FAC. During this time, two international investors (ICD-Islamic Development Bank, KSA & IFIC Bank, Bangladesh) withdrew their interest (in Sept/Oct 2022) from HBFCL transaction owing to change in their investment policy/ submission of deficient information to PC. The remaining two investors; PMRCL & PHFCL remained committed to the process.

Upon recommendation of FAC in its Pre-qualification report dated Jan 31, 2023; the PC Board in its meeting held on March 21, 2023 approved PMRC and PHFCL as pre-qualified bidders subject to completion of Fit and Proper Test (FPT) from the regulator. Subsequently, SBP & SECP were approached to solicit FPT Clearance. While SECP cleared both the pre-qualified bidders, SBP informed about non-compliance status of PHFCL and hence did not recommend it to be included in the bidding process.

Pursuant to the Rule 6 of the Privatisation (Modes & Procedures) Rules, 2001 the PC Board in its meeting held on June 15, 2023 recommended to the Cabinet Committee on Privatisation (CCoP) to: *“consider single source/negotiated transaction for Privatisation of House Building Finance Company Ltd with sole pre-qualified investor namely Pakistan Mortgage Refinance Company Ltd (PMRCL)”*. The CCoP considered the summary and approved the proposal in its meeting held on July 10, 2023 with single (pre-qualified) investor. The Cabinet ratified the decision of CCoP dated July 26, 2023.

Negotiations Committee (NC) for carrying out the Negotiated Sale process under Privatisation (Modes and Procedures) Rules 2001 was approved by PC-Board in January 2024 along with delegation of full powers to negotiate sale process and parameters for negotiation. The composition of Negotiation Committee is as follows;

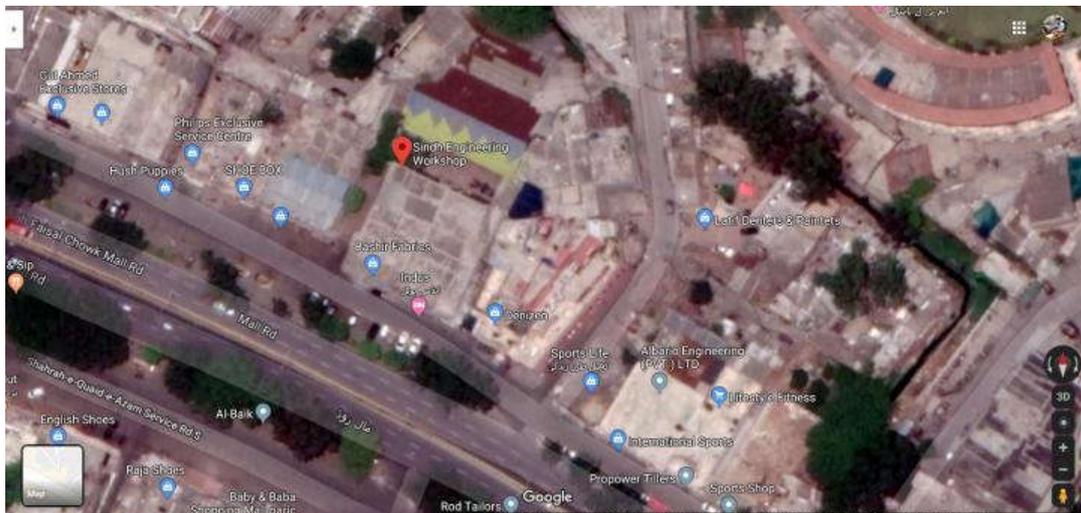
Minister/Chairman Privatisation (Chair)
Minister for Finance (Member)
Minister for Law (Member)
Secretary, Finance Division
Secretary, Privatisation Commission
Secretary, Law Division
MD, House Building Finance Company Ltd (HBFCL)

The buyer side due diligence of HBFCL by PMRC has been concluded. FAC, in compliance with Privatisation (Modes & Procedures) Rules, 2001, shared the initial drafts of Share Purchase Agreement (SPA) & Instructions to the Interested Party (ITIP). The draft of SPA/ITIP was shared with the Finance Division, State Bank of Pakistan and management of HBFCL to solicit their comments.

The draft of bidding documents has been finalized in consultation with all stakeholders, and will be placed before Negotiation Committee for approval. Upon approval of the same, approval of reference price of the HBFCL will be solicited from the Cabinet, and subsequently Negotiated Bidding process will be conducted.

5.6 Sindh Engineering Limited (SEL)

SEL is an automobile assembly-cum-progressive manufacturing unit which was established as Wazir Ali Engineering Ltd in 1963 in Karachi. It was nationalized in 1973 and was renamed as Sindh Engineering Ltd. The unit is owned by the GoP through Pakistan Automobile Corporation (PAC) and is administrated under Ministry of Industries and Production. The xcompany is non-operational since 2008.



5.6.1 Privatisation Process

Cabinet Committee on Privatisation (CCoP) in August 2019, selected ten (10) PSEs for running effective privatisation programme, including SEL. Pursuant to decision of the CCoP, Privatisation Commission (PC) initiated the process of hiring Financial Advisory Consortium (FAC) for the subject transaction. However, the Financial Advisory Services Agreement ('FASA') to this effect was not executed due to inherent issues of company's property, management and operational performance (continuous losses), which require serious consideration/resolution before proceeding ahead. Post deliberation on all important matters by the PC-Board, CCoP geared up and directed the relevant stakeholders to deliberate on issues related to privatization of SEL and submit viable recommendations thereon, enabling timely privatisation of the entity. The privatisation of SEL will be initiated post resolution of its major issues which is in progress.

5.7 Pakistan Engineering Company Limited (PECO)

PECO was incorporated on 15-02-1950 under the Companies Act, 1913 (Now Companies Act, 2017) as a public limited company. Its shares are listed on Pakistan Stock Exchange. The factory of the Company is situated at Kot Lakhpat, Quaid-e-Azam Industrial Estate, Lahore. It was principally engaged in the manufacturing and sale of engineering products such as electricity transmission and communication towers, electric motors, pumps and steel rolled products etc.

Keeping in view the financial condition of the company, the GoP in the past had closed down all the divisions of the company. However, a rehabilitation plan was approved by the Federal Cabinet, according to which Structure (STR) division was kept operational and Badami Bagh Works was closed down with its land being offered for sale by the Privatization Commission. However, since 2018 no financial statements have been prepared and the company has a defaulter status as per Pakistan Stock Exchange website.

5.7.1 Privatisation Process

In compliance of CCoP's decision dated August 2019, the PC Board in its meeting held on 26-08-2019 selected ten (10) PSEs, including PECO to initiate the privatisation process. However, during the course of the transaction, several significant issues/bottlenecks pertaining to operational and financial performance of the company were observed, which were hindering the privatisation process of PECO.

Post deliberation on all important matters hindering the privatisation, by the PC-Board, CCoP directed the relevant stakeholders to deliberate on issues related to privatisation of PECO and submit viable recommendations thereon. The privatisation of PECO will be initiated post resolution of its major issues which is in progress.

6. PUBLIC FACILITATION & REDRESSAL OF COMPLAINTS

The Public Complaints Resolution Mechanism has been established in the Privatisation Division and Privatisation Commission under the supervision of Deputy Secretary (Admin), Privatisation Division and Director (Admin), Privatisation Commission respectively for expeditious processing / resolution of public complaints.

Moreover, the Complaint Management Information System (CMIS) has also been connected with the Wafaqi Mohtasib Secretariat (WMS) via www.privatisation.gov.pk & <http://complaints.mohtasib.gov.pk>, in order to facilitate monitoring of complaints by the WMS and their quick disposal by relevant organizations.

Pension Facilitation Cell

The Pension Cell has been established in the Privatisation Division under the supervision of Joint Secretary (Admin), Privatisation Division to facilitate pensioners for timely completion / finalization of pension cases in compliance with the WMS's instructions.

Redressal of Grievances and Settlement of Disputes related to Procurement Process

The Privatisation Commission has implemented the provisions of Rule 48 of the Public Procurement Regulatory Authority Rules, 2004. In this regard, PC formulates Grievance redressal Committees on case-to-case basis.

All grievances submitted by the aggrieved party(ies), during the procurement process of hiring of Financial Advisors, were timely disposed of by the respective Committees on merit.

Prime Minister's Performance Delivery Unit (PMDU)

To provide reliable and effective mechanism for expeditious redressal of public grievances relating to the dispensation of government services, a Portal has been developed in order to enable two-way communication between the citizens and the Government institutions and resolve their grievances in line with prevailing laws and to seek feedback. The system is operational under directions of the Prime Minister to:

- provide better insight into Governance issue through public participation and feedback,
- reduce the cost of service to citizens by providing government information to the public through a dedicated mobile app,
- ensure transparency in government-public interactions, and
- provide a single interaction point for the citizens in obtaining electronic services i.e. e-domicile, file tracking, and revenue record tracking etc. (Future plan).

CURRENT STATUS OF TASKS AND COMPLAINTS

AS ON 30-06-2025

Task Management System

Total Tasks	Completed	On Track	In Process	Remarks
108	104	0	4	Four in process

Citizen Portal Complaints

Total Complaints	Resolved	Forward	Dropped	In Process	Remarks
155	71	70 (Forwarded to concerned Min/Div/ Dept)	14 (4- on request of complainant) (7- services matters) (2- unclear / vague contents) (1- family matters)	0	Nothing pending

7. INSTITUTIONAL REFORMS

Ministry of Privatisation believes in creating a robust working environment for achieving its targets efficiently and effectively within timelines. Initiatives were undertaken in the following areas for the purpose:

7.1 Human Resource Reforms

In order to implement the privatisation programme, continuous capacity building of PC through hiring of professionals is being carried out. Accordingly, PC has assessed requirements of Consultants/Professionals for conducting privatisation transactions and hired requisite Consultants/Professionals relating to Legal, Power, Energy, Finance, Industries, Telecom and Media, Post-Privatisation Sectors.

Furthermore, in-house capacity building of the regular staff of Scale 01 to 16 has been reviewed. Further, promotions, upgradation and re-designation of various posts has also been conducted.

Privatisation Commission is also intending to revamp the overall Human Resource Structure to streamline the structural pyramid of the organization.

7.2 E-Office Implementation

In line with the government's endeavor to ensure paper less environment in the various Federal Government Organizations, Ministry of Privatisation has implemented E-Office for executing Day-to-Day affairs of the Ministry, and Level-IV have been achieved. Further, as per directions, R&I have been revamped to ensure receipt and issue of Dak through E-Office.

7.3 Strengthening of Internal Financial Control and Management

Following measures were taken to strengthen internal control and management: -

a) Development of policies and procedures

In order to process the payment in standardized manner, Standard Operating Procedures for payments under Financial Advisory Service Agreement has been developed. Written procedures serve various functions. It provides written direction of processing payment and serve as reference material etc. a source of continuity and a basis for uniformity. Without clear, written and current procedures, an internal control structure is weaker because practices, controls, guidelines and processes may not be applied consistently, correctly and uniformly.

b) Segregation of Duties

Duties have been segregated to ensure that errors or irregularities are prevented or detected on a timely basis. Hence, segregation of duties provided the following two benefits:

- i. Rendered working a fraud more difficult because it requires collusion of two or more persons, and;
- ii. Made it much more likely that errors will be found as soon as they happened.

c) Adequate Physical Control of Assets

Recurring and non-recurring verification of stocks/ assets and comparison with control records directions have been issued and strict observance of the same is being made.

d) Correct Errors Promptly

Errors detected at any stage of a process receive prompt corrective action and reported to the appropriate level of management.

e) Perform Reconciliations Regularly

Reconciliations provide a powerful control to identify and correct errors on a timely basis. Monthly reconciliation process is carried out to record necessary adjustments in a timely manner.

f) Review and Approve Processes/Transactions

Approvals are documented to verify that a review has been done. Due-diligence, pre-audit and approvals helped to reduce uncorrected errors, irregularities and inaccurate or incomplete information in funds, accounts, and reports.

g) Maintain Adequate Supporting Documentation

Adequate supporting documentation provides evidence to properly verify that the appropriate processes and controls are being used.

h) Evaluation of Internal Control

Performing an evaluation of internal control helped in identifying possible deficiencies before problems arise and it ensured implementation of more effective controls.

7.4 Digitalization of Essential Official Record

The Privatisation Commission was established in 1991 and since then enormous data has been generated to manage various official matters, primarily relating to the privatisation activities. The government is embarking upon to digitalize record of various organizations and has accordingly passed on guidelines in this regard. Further, in the meantime, the government also launched e-Office mechanism while facilitating paper less environment and to initiate digitalization of data. The Privatisation Commission Management felt that such enormous data needs to be secured and digitalized in order to ensure its safety from any unforeseen incident, while complying to the government directions. Accordingly, a Record Room was established, and essential data was collected from various quarters for digitalization. A mechanism was also put in place to ensure readiness of such data for scanning, verification and onward achieving at e-Office.

NEWS

ADVISER TO THE PRIME MINISTER ON PRIVATISATION MUHAMMAD ALI ASSUMES CHARGE OF FEDERAL MINISTER FOR PRIVATISATION

MARCH 07, 2025



GALLERY

Minister Timeline Pictures July 2024~June 2025



Adviser to the Prime Minister on Privatisation / Chairman Privatisation Commission, Mr. Muhammad Ali chairing the meeting of Privatisation Commission Board in Islamabad on 17th March, 2025.



Muhammad Ali, Adviser to the Prime Minister on Privatisation /Chairman Privatisation Commission, chairing the meeting of the Privatisation Commission Board in Islamabad on April 17, 2025.



The Adviser to the Prime Minister on Privatisation and Chairman of the Privatisation Commission, Muhammad Ali, held a series of high-level meetings in London with global investment leaders to advance Pakistan's privatisation agenda and attract strategic foreign investment



Privatization and Finance Ministers Engage Global Investors at High-Profile Roundtable in London



Adviser to the Prime Minister on Privatisation, Muhammad Ali addressing the Pakistan Access Day organized by Jefferies and KTrade Securities in London on 8th May, 2025.



Adviser to the Prime Minister on Privatisation and Chairman Privatisation Commission, Muhammad Ali chairing the Privatisation Commission Board meeting in Islamabad on June 18, 2025.



Federal Minister for Privatization / Chairman Privatization Commission, Abdul Aleem Khan held an interactive briefing session with the senior Journalists from leading newspapers at Privatization Division, Islamabad on July 3, 2024.





Federal Minister Abdul Aleem Khan presided PCB meeting



Federal Minister for Privatisation, Board of Investment & Communications Abdul Aleem Khan presided 222nd meeting of Privatisation Commission Board in Islamabad



Federal Minister for Privatisation, Communication and Investment, Abdul Aleem Khan presiding Privatisation Commission Board Meeting in Islamabad on 20th September, 2024



Federal Minister for Privatisation Commission, Board of Investment & Communications Abdul Aleem Khan presided over meeting of Privatisation Board in Islamabad on Sept. 30



Islamabad: Federal Minister for Privatisation, Investment and Communication Abdul Aleem Khan chairing 227th meeting of Privatisation Commission Board on 12th November, 2024.