

**KE receivables soar to Rs 158.8 billion**

The outstanding receivables due to K-Electric (KE) have ballooned to a massive Rs 158.8 billion on account of outstanding payments from various federal and provincial public sector entities including Karachi Water and Sewerage Board (KWSB) which owes Rs 31.9 billion and miscellaneous others, said a statement released by the power utility on April 4, 2019 with reference to KE dues. According an official spokesperson the stark contrast to commonly held perception, the power utility would like to clarify that KE's receivables (Rs 158.8 billion) are nearly two times its payables, which total Rs 82.2 billion. Of this payable amount, Rs 13.7 billion is the actual principal payments due to Sui Southern Gas Company (SSGC) against gas supply (out of which Rs 4.67 billion is to be adjusted against refundable GIDC), while the remaining dues relate to National Transmission and Distribution Company (NTDC) and other federal and provincial entities.

In response to a question about the difference in value of outstanding payments being claimed by SSGC, KE Spokesperson has clarified that, "KE has not defaulted on its current payments to SSGC since 2012, and during this period, KE has paid over Rs 277 billion to SSGC which includes all the current running bills and payments for arrears to the tune of Rs 13.55 billion. The current outstanding principal balance of SSGC is around Rs13.7 billion (out of which Rs 4.67 billion is adjustable against refundable GIDC), whereas the remaining amount as claimed by SSGC appears to be grossly inflated through the inclusion of markup or interest which has been challenged in the court of law. Considering that this matter is still subjudice and pending judgement, it is highly inappropriate that grossly exaggerated allegations have been made against KE. Until the culmination of the litigation process, through a judgment on the merits, deeming this disputed amount as dues would be premature and contrary to the facts and law."

The power utility reiterates that the financial settlements between KE and public sector entities must be treated in a fair and uniform manner and the yardstick applied on KE's payables, should also apply to KE's receivables from provincial, federal & other public sector entities. K-Electric is in constant liaison with concerned stakeholders for a fair and equitable resolution of this matter. Most importantly, all stakeholders must acknowledge that KE is Pakistan's sole vertically integrated power utility, providing power to the country's financial and industrial hub and thus should be treated equitably, in a fair manner and all settlements whether federal or provincial should be tabled together under one umbrella.

KE, as the sole power provider to Karachi and its adjoining areas with over twenty million inhabitants, is committed to serving its customers and powering the country's economic hub. In this regard, the power utility has invested more than USD 2.1 Billion in infrastructure upgrades across the energy value chain over the last 9 years and has exempted more than 70% of its service area from load-shed including 100% exemption for industries.

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