

Registrar  
National Electric Power Regulatory Authority,  
NEPRA Tower, Attaturk Avenue (East),  
Sector G-5/1,  
Islamabad.

Ref. No. KE/BPR/NEPRA/2025/081  
March 18, 2025

**Subject: Additional Write Off Claims for MYT 2017-2023**

Dear Sir,

This is with reference to the mechanism for write-off claims included in KE's Multi-Year Tariff (MYT) determination dated July 05, 2018, KE's letter Ref No. CEOSEC\_438\_160125 dated January 16, 2025, and NEPRA's letter Ref No. NEPRA/ADG(Tariff)/TRF-100/3227 dated February 28, 2025.

In this regard, as highlighted in KE letter dated January 16, 2025, KE has filed write-off claims of PKR 67,902 million currently under NEPRA approval, out of which PKR 43,565 million pertains to customer billings of non-public sector consumers for the period FY 2017 to FY 2023. Further, it was also highlighted that KE's actual recovery loss for the period FY 2017 to FY 2023 was PKR 122,774 million in respect of non-public sector consumer billings and hence an amount of PKR 79,209 million remains available to be claimed as write-offs after fulfilling the conditions for write-offs stipulated in Clause 34.1 (XV) of the MYT 2017-2023. KE further submitted that it has initiated the process to claim write-offs from the aforementioned unrecovered amount. In response to which, NEPRA in its letter dated February 28, 2025 directed that KE may file additional write off claims in accordance with law.

Accordingly, we would like to submit that the conditions for write-offs stipulated in Clause 34.1 (XV) of the MYT 2017-2023, including Auditors verification have been completed for additional write-off dues amounting to PKR 8.131 billion for billing related to the period FY 2017 to FY 2023 and KE hereby submits the additional claims of PKR 8.131 billion along with Auditor's Letter and KE's Board Approval for Authority's kind approval.

We look forward to the Authority's understanding and earliest determination of the pending write-off claims.

Regards



Syed Moonis Abdullah Alvi  
Chief Executive Officer

Enclosures

- Auditor's Letter
- Board Resolution

The Board of Directors  
K-Electric Limited  
KE House, 39-B, Sunset Boulevard  
Phase-II, Defence Housing Authority  
Karachi

March 18, 2025

ASR 4813

Dear Board Members

**VERIFICATION OF ADDITIONAL WRITE-OFF CLAIMS TO BE SUBMITTED WITH NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA) UNDER MYT 2017 - 2023**

We understand that the Board of Directors of K-Electric Limited (the Company) is convening a meeting on March 18, 2025 to finalise and submit the petition for additional write-off claims pertaining to MYT 2017 - 2023 in line with its discussions / correspondence with NEPRA subject to compliance of the requirements as given in clause 34.1 (XV) of MYT 2017 - 2023 dated July 5, 2018 which are as follows:

- The defaulter connection to be written-off shall be disconnected.
- The amount of write-off shall be approved by the Board of Directors which shall certify that the Company has made all best possible efforts to recover the amount being written-off.
- The auditors shall verify that the amount is non-recoverable notwithstanding the efforts of the Company.
- The terms of write-off shall also be given in detail.
- In case any amount written-off is subsequently recovered from the customer, the recovered amount shall be adjusted in next year's tariff.

Based on the recent correspondence with NEPRA, we understand that the Company intends to file an additional write-off claim out of the available balances that can be claimed as write-off (KE letter CEOSEC\_438\_160125 dated January 16, 2025 and NEPRA's letter NEPRA/ADG(Tariff)/TRF-100/3227 dated February 28, 2025 refers).

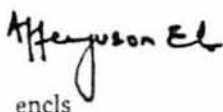
As mentioned in clause 34.1 (XV) of MYT 2017 - 2023, in order for the write-off claim to be submitted to NEPRA, the auditor needs to verify that the amount is non-recoverable notwithstanding the efforts of the Company.

The management of K-Electric Limited has approached us for verification of additional write-off claims that they intend to submit to NEPRA pertaining to MYT 2017 - 2023. The management has determined and submitted the write-off claims of Rs 8.9 billion for our verification in accordance with the terms of MYT 2017 - 2023. Accordingly, we have carried out our verification procedures in respect of additional write-off claim pertaining to MYT 2017 - 2023. These verification procedures are the same as carried out for write-off claims recognised in the financial statements for the years ended June 30, 2017 to 2023.

Based on the verification procedures, having verified the customers, the amount of write-off of trade debts of Rs 8.13 billion claimed by the Company as non-recoverable, notwithstanding the efforts of the Company is in accordance with the terms of MYT 2017 - 2023. The verification procedures shall become part of our audit working papers for the audit of the financial statements of the Company for the year ended June 30, 2024 which is currently in progress.

This letter is being issued on the request of the management for the submission of additional write-off claim with NEPRA as required by NEPRA as part of regulatory proceedings and should not be distributed to third parties other than NEPRA and its contents should not be disclosed to any person other than the management and the Board of Directors of the Company without our prior written consent.

Yours truly

  
encls



**CERTIFIED TRUE COPY OF THE BOARD RESOLUTION  
PASSED AT 1254<sup>TH</sup> MEETING OF THE BOARD  
HELD ON 18 MARCH 2025**

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**RESOLVED THAT** pursuant to write-off policy approved by the Board in accordance with National Electric Power Regulatory Authority (NEPRA) determined Multi Year Tariff (MYT) for FY2017 to FY2023, additional write off cases amounting to PKR 8.131 billion for the billing period from FY2017 to FY2023, duly verified by statutory auditors of the Company and reviewed / recommended by KE Board Audit Committee, be and are hereby approved and the Board certifies that KE has made all best possible efforts to recover the amount being written off.

**FURTHER RESOLVED THAT** in respect of Write off petitions and application etc. to be submitted before NEPRA, the Chief Executive Officer (CEO) or Chief Financial Officer (CFO) shall be individually authorized and empowered, for and on behalf of the Company, to do all such acts, deeds and things as may be necessary for the purposes aforesaid and for giving full effect to the abovementioned resolution.

  
**Rizwan Pesnani**  
Chief Risk Officer & Company Secretary



OFFICE OF THE  
REGISTRAR

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Tower, Ataturk Avenue (East) G-5/1, Islamabad

Phone: 2013200, Fax: 2600026

No. NEPRA/ADG(Tariff)/TRF-100/ 3227

February 28, 2025

Chief Executive Officer,  
K-Electric Limited KE House, 39-B,  
Sunset Boulevard, DHA Phase-2,  
Karachi

Subject: Petition for Write-off Claims under MYT 2017-2023

Reference is made to the Letter No. CEOSEC\_438\_160125 dated 16<sup>th</sup> January 2025 in the subject matter.

2. KE may file additional write-off claims, if any, pertaining to MYT Period 2017-2023, which shall be considered by the Authority in accordance with law.

(Masroor Khan)  
Director



The Registrar,  
National Electric Power Regulatory Authority (NEPRA),  
NEPRA Tower, Attaturk Avenue (East),  
G-5/1, Islamabad.

Ref No. CEOSEC\_438\_160125  
January 16, 2025

**SUBJECT: Petition for Write-off Claims under MYT 2017-2023**

Dear Sir,

This is with reference to the mechanism for write-off claims included in KE's Multi-Year Tariff (MYT) determination dated July 05, 2018 ('MYT 2017-2023') and the related hearings and discussions held on the matter.

KE has filed write-off claims of Rs. 67,902 million currently under NEPRA approval, out of which Rs. 43,565 million pertain to customer billings of non-public sector consumers for the period FY 2017 to FY 2023.

Further, it is humbly submitted that KE's actual recovery loss for the period FY 2017 to FY 2023 was Rs. 122,774 million in respect of non-public sector customer billings and hence an amount of Rs. 79,209 million remains available to be claimed as write-offs, after fulfilling the conditions for write-offs stipulated in Clause 34.1 (XV) of the MYT 2017-2023 (details enclosed as **Annexure A**).

In this regard, it is most respectfully submitted that KE has initiated the process for satisfaction of conditions for claim of write-offs as provided in the MYT 2017-2023 out of the unrecovered amount of Rs. 79,209 million detailed above, and the same shall be submitted to the Honorable NEPRA Authority in due course for the Honorable Authority's kind approval.

We look forward to the Honorable Authority's kind support in the matter.

Sincerely,

**Syed Moonis Abdullah Alvi**  
Chief Executive Officer

**Encl:** Annexure A  
General Power of Attorney

**K-Electric Limited**

39-B KE House Sunset Boulevard, DHA- Phase 2, Karachi, Pakistan

Annexure A to letter  
Ref No. CEOSEC\_438\_160125  
Dated January 16, 2025

Rs. in Million

FY	Write-Offs (Pre-MYT 2017 to 2023 Billing)	Write-Off (MYT 2017 to 2023 Billing)	Recovery Loss (FY 2017 to FY 2023)	Recovery Loss less MYT 2017 to 2023 Billing write-off
	A	B	C	D = C - B
FY 17	5,433	705	17,996	17,291
FY 18	1,966	1,386	15,954	14,568
FY 19	2,245	1,682	12,851	11,169
FY 20	2,769	4,468	15,180	10,712
FY 21	6,398	9,381	14,243	4,862
FY 22	2,869	11,871	14,146	2,275
FY 23	2,656	14,072	32,404	18,332
Total	24,337	43,565	122,774	79,209

