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## K-Electric Moves Forward with Overdue Duty Payments to Sindh Government

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After years of stalled progress, K-Electric (KE), the private utility company managing Karachi’s electricity distribution, has finally begun releasing long-overdue electricity duty payments to the Sindh government. The amount, totaling over Rs32 billion, had been collected from consumers through their monthly electricity bills but remained unpaid for several

years. The first step of this partial settlement includes Rs1.25 billion, which KE has agreed to transfer in two installments.

The agreement follows growing criticism and scrutiny over the company's failure to remit these consumer-collected funds. Electricity Duty (ED), a government-imposed charge, is meant to be transferred directly to the provincial exchequer. However, KE had retained the funds despite consistently collecting them from users, contributing to mounting frustration within the Sindh government.

As part of the new arrangement, KE has committed to paying Rs9.142 billion of the outstanding Rs32 billion. A structured payment timeline has been outlined, with Rs4.258 billion expected to be paid by September 2025. The remaining amount, however, remains without a definitive schedule. While this partial compliance has been welcomed by some in the provincial administration, there is understandable skepticism over whether KE will honor its full financial obligations without further delays or disputes.

This development highlights deeper issues within Pakistan's energy and governance systems, particularly the weak enforcement of accountability in the private utility sector. KE's history of delayed payments and operational inefficiencies has often drawn public ire, yet there has been little in terms of regulatory correction. While privatization was once seen as a solution to the inefficiencies of public-sector utilities, KE's example has instead raised concerns about transparency, financial management, and consumer protection.

It is worth noting that this is not just a financial matter; it directly affects the public. Funds collected through ED are meant to support local infrastructure and services. Delays in transferring these resources hinder provincial development and undermine trust in institutions.

Moving forward, the Sindh government will need to maintain pressure to ensure that KE adheres to the agreed payment schedule. Stronger regulatory oversight and public transparency will also be essential to prevent such backlogs from occurring in the future. With the energy sector already strained by rising demand and limited capacity, the public deserves assurance that utilities like KE operate with integrity and accountability, not at their expense.