

## Circular Debt Report - May 2023

Circular Debt Details as of (PKR Billion)	FY 22	Jul-May 22	Jul-May 23
Payable to Power Producers	1,351	1,545	1,771
GENCOs' payable to fuel suppliers	101	86	110
Amount Parked in PHL	800	827	765
<b>Total</b>	<b>2,253</b>	<b>2,458</b>	<b>2,646</b>
<b>Increase/ (Decrease) in Circular Debt</b>	<b>(27)</b>	<b>178</b>	<b>394</b>
<b>Break-up of Increase / (decrease)</b>			
1 Budgeted but unreleased subsidies	(12)	143	72
2 Unbudgeted / (unclaimed) subsidies	(133)	(122)	(34)
3 IPPs Interest Charges on delayed payments	105	95	87
4 PHL Markup paid out of IPPs' claims	29	32	58
5 Pending Generation Cost (QTAs+FCA)	414	282	171
6 Non Payment by K-Electric	107	137	57
7 DISCO Losses Inefficiency	133	105	125
8 DISCO Under recoveries	180	161	249
9 Other Adjustments (Prior Year Recovery, etc)	(285)	(252)	(264)
<b>Sub-total (a)</b>	<b>536</b>	<b>579</b>	<b>522</b>
<b>Payment through Fiscal Space</b>			
10 PHL Principal Repayments	(130)	(103)	(35)
11 PHL unpaid markup	-	-	-
12 Stock Payments	(434)	(298)	(93)
<b>Sub-total (b)</b>	<b>(564)</b>	<b>(401)</b>	<b>(128)</b>
<b>Total (a+b) PKR Billion</b>	<b>(27)</b>	<b>178</b>	<b>394</b>

### Important Notes

- N-1 Payable to Power Producer increased by Rs. 5 bln due to withdrawal by FBR in April-23.
- N-2 Outstanding subsidies amounting to Rs. 117 bln have been released in June 2023.
- N-3 Rs. 456 bln is receivable from KE as on May 2023 pending due to subsidy dispute between KE and GoP.
- N-4 Other adjustments include recovery and advance subsidy in respect of deferred FCAs.