

QUARTER 7

April-June 2024



SECMC

Sindh Engro Coal Mining Company

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28th August 2024

To,
REGISTRAR
THAR COAL ENERGY BOARD
KARACHI, SINDH

Reference: SECMC-1474-08-2024

Subject: Filing of Motion for Indexation of Tariff for April-June 2024 Quarter

Dear Sir,

I, Muhammad Muddasir, Chief Financial Officer and duly authorized representative of Sindh Engro Coal Mining Company Limited (“SECMC”) having its registered office at 16th Floor, the Harbor Front Building, HC-3, Marine Drive, Block 4, Clifton, Karachi, hereby submit to the Thar Coal & Energy Board (“Authority”), motion for indexation of tariff components for the quarter April- June 2024 on account of applicable indexations including duties and taxes, as per Phase II COD determined tariff TCEB/Registrar/2-1/2014/COD-Phase II dated 6th May 2024 (“Tariff”).

Attached is an Instrument No. 60258434 (Stationary Ref No. 1900001420) dated 15th August 2024 drawn on Industrial Commercial Bank of China being the TCEB tariff petition fee in accordance with Schedule I of Thar Coal Tariff Determination Rules, 2014 and notification dated 15 February 2023.

Furthermore, we would request that going forward SECMC should be allowed to invoice customers based on the last available indexation determination (*Initial invoice*) until the subsequent indexation is determined. It is to highlight that SECMC will file the motion for indexations for the subsequent quarter preferably by the third week of the month following the previous quarter's end and as soon as the same is determined by TCEB, SECMC will issue debit or credit notes (as applicable) to customers, based on the difference between the initial invoicing and the indexation determination (*Adjustment notes*). This process will ensure that our filings are based on the most accurate and up-to-date data points, thereby aligning with the actual macroeconomic conditions.

We look forward to your usual support in determining the same.

Best Regards,


Muhammad Muddasir
Chief Financial Officer

QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR SINDH ENGRO COAL MINING COMPANY

For the Quarter Apr-24 to Jun-24

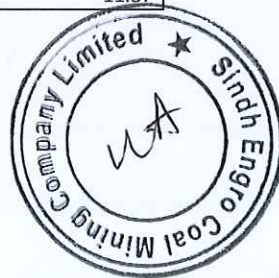
The same shall be applicable for all future sales until indexation order for the subsequent quarter has been determined by TCEB

Tariff Components	Reference Tariff (PKR/Ton)	Revised Apr-24 to Jun-24 Quarter (PKR/Ton)
CAPACITY (FIXED) PAYMENTS		
Fixed O&M - Foreign	907	1,149
Fixed O&M - Local	646	898
Cost of Working Capital	402	666
Insurance	192	192
Power Cost - By Solar	9	10
Power Cost - By Diesel	482	553
ROE	1,148	1,400
ROEDC	477	582
Principal Debt Repayment - Local SG	432	432
Principal Debt Repayment - Local NSG	18	18
Principal Debt Repayment - Foreign	577	703
Interest Payment - Local SG	949	1,231
Interest Payment - Local NSG	70	90
Interest Payment - Foreign	289	421
Total	6,598	8,344
PRODUCTION (VARIABLE) PAYMENTS		
Fuel	1,462	1,725
Variable O&M - Foreign	1,260	1,596
Asset Replacement Cost	1,043	1,321
Royalty	777	971
Heating Value Adjustment	-	-35
Transportation	117	137
Total	4,659	5,714
Grand Total	11,257	14,059

Duties & Taxes*		PKR Mn
Duties & Taxes	As per Actual	583,322,249
- EPTL		291,661,124
- TEL		145,830,562
- TNPTL		145,830,562
- LEPCL		-

- Duties & Taxes are to be recovered from IPPs based on their respective capacity quantity allocation for the quarter

Indexation Values	Reference	Revised Apr-24 to Jun- 24 Quarter
PKR/USD	228.45	278.51
US CPI	296.81	313.93
Local CPI	185.68	258.01
RMB/USD	7.12	7.25
Diesel Notified Ex GST Price	238.63	281.51
% Diesel	85.29%	82.89%
% Solar	14.71%	17.11%
6 Month KIBOR - SG	17.66%	22.91%
6 Month KIBOR - NSG	18.41%	23.66%
6 Month LIBOR	7.53%	9.01%
1 Month KIBOR	17.91%	23.94%
Heating Value	11.30	11.37



Subject: Power Cost Component of Tariff for April-June 2024 Quarter for the Sindh Engro Coal Mining Company (SECMC)

The Sindh Engro Coal Mining Company (SECMC) confirms that the power generation source mix for the April-June 2024 quarter is as follows:

Component	Percentage
Diesel genset	82.89%
Solar Power System	17.11%

This will be duly verified by TCEB at the time of the Multi Year Tariff (MYT).

Best Regards,

