



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)/TRF-242/HSML-2014/40501-40503  
November 3, 2021

**Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Hamza Sugar Mills Limited (HSML) (Case No. NEPRA/TRF-242/HSML-2014)**

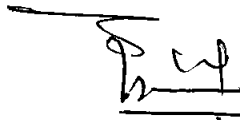
Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with Annex-I (02 pages) regarding quarterly indexation/adjustment of tariff of Hamza Sugar Mills Limited (HSML) for the quarters **Apr-Jun 2021, Jul-Sep. 2021 and Oct-Dec 2021** on account of US CPI, CPI (General), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-242/HSML-2014.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The adjusted/indexed tariff attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

  
03 11 21  
( Syed Safer Hussain )

Secretary  
Ministry of Energy  
(Power Division)  
'A' Block, Pak Secretariat  
Islamabad

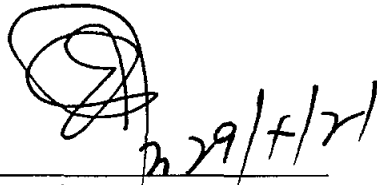
CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

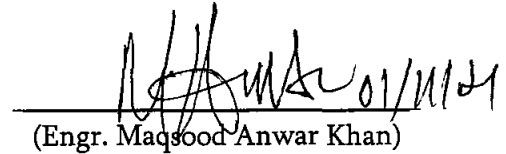
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF  
TARIFF FOR HAMZA SUGAR MILLS LIMITED (HSML)**

1. Pursuant to the decision of the Authority dated May 12, 2017, regarding One Time Adjustment of Upfront Tariff of HSML notified vide S.R.O No.627 (I)/2017 dated July 07, 2017 the tariff of HSML in respect of quarters from April 01, 2021 to December 31, 2021 has been adjusted/ indexed on account of US CPI, CPI (General), exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decision(s) of the Authority.
2. The above referred adjusted/ indexed tariff attached as **Annex-I** for the relevant quarter is to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
3. CPPA-G to ensure that all the payments are consistent with tariff determination.

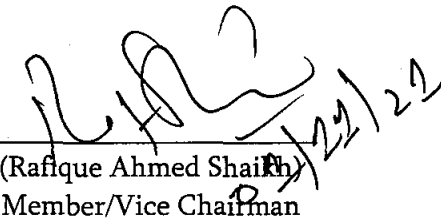
**AUTHORITY**



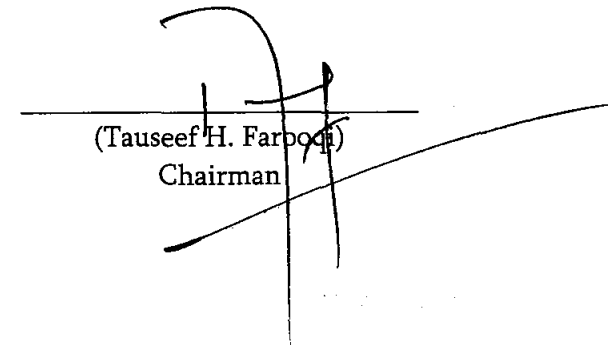
(Rehmatullah Baloch)  
Member



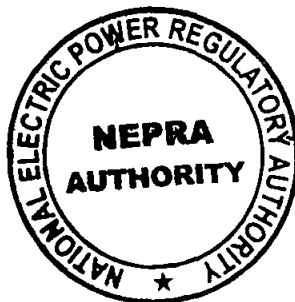
(Engr. Maqsood Anwar Khan)  
Member



(Rafique Ahmed Shaikh)  
Member/Vice Chairman



(Tauseef H. Farooqi)  
Chairman



24  
63 11 21

Hamza Sugar Mills Limited (Rahim Yar Khan) Quarterly Indexation/Adjustment of Tariff				
Tariff Components	Reference Component	Revised Apr-Jun, 2021	Revised Jul-Sep, 2021	Revised Oct-Dec, 2021
Rs./KWh				
Variable O&M - Local	0.1197	0.1627	0.1627	0.1627
Variable O&M - Foreign	0.3393	0.5714	0.6027	0.6614
Fixed O&M - Local	0.3194	0.4340	0.4340	0.4340
Return on Equity	1.0346	1.5641	1.6120	1.7408
Debt Service	3.8970	3.5852	3.5755	3.6354
Working Capital	0.1733	0.1445	0.1424	0.1474
Insurance	0.2204	0.2204	0.2204	0.2204
<b>Total</b>	<b>6.1037</b>	<b>6.6823</b>	<b>6.7496</b>	<b>7.0021</b>
Indexation Values				
CPI (General)	198.160	269.270	269.270	269.270
US CPI	236.119	263.014	269.195	273.567
Exchange Rate	101.60	153.600	158.300	170.950
3 Monthly KIBOR	9.50%	7.59%	7.45%	7.78%
<p>* For the purpose of indexation of Fixed O&amp;M (Local) component for the quarters Apr-Jun 2021, Jul-Sep 2021 and Oct-Dec 2021, CPI for Feb 2021, May 2021 and Aug 2021 respectively was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16.</p> <p>The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16, however, that decision shall be implemented upon Notification in the Official Gazette.</p> <p>As per relevant provision of the EPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&amp;M components is being made on provisional basis, subject to revision upon notification of the Authority's decision of revised index.</p>				

