National Electric Power Regulatory Authority
Islamic Republic of Pakistan

Registrar

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No. NEPRA/DG(Trf)/TRF-372/SSML-2016/ 21436-40 October 23, 2026

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of tariff for Shahtaj Sugar Mills Limited for the Quarter October-December 2026**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority alongwith **Annex-I** (total 02 pages) regarding Quarterly Indexation/Adjustment of tariff for Shahtaj Sugar Mills Limited for the Quarter **October-December 2026** on account of N-CPI(General) and KIBOR variations in Case No. NEPRA/ TRF-372/SSML-2016.

2. The Decision is being sent to the Federal Government for intimation under Proviso (ii) of Section 31(7) of the NEPRA Act, before its notification by NEPRA after 15 Calendar days pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: **As above**

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

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

Copy to:

1. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
2. Deputy Secretary (RA), Cabinet Division, Cabinet Secretariat, Islamabad
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPAG), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Director, Shahtaj Sugar Mills Limited 72/C-1, M.M. Alam Road, Gulberg-III, Lahore

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR SHAHTAJ SUGAR MILLS LIMITED FOR THE QUARTER OCT-DEC 2026

Pursuant to the decision of the Authority in the matter of application of Shahtaj Sugar Mills Limited ("SSML") opting for upfront tariff on January 02, 2017, decision on Modification Tariff petition on January 24, 2022 and the decision in the matter of Tariff adjustment at Commercial Operations Date (COD) dated August 18, 2026 notified vide S.R.O 1623(I)/2026 dated September 18, 2026, the relevant tariff components of SSML are required to be indexed.

2. In accordance with the requisite indexation/adjustment mechanisms stipulated in the aforementioned decision(s) of the Authority, SSML vide letter dated October 16, 2026 requested the Authority for indexation of tariff components for the quarter Oct-Dec 2026.

3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:

> "Indexation/adjustment for the quarter Oct-Dec 2026 has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated in **Annex-I**."

4. The aforementioned adjusted/indexed tariff mentioned in **Annex-I** 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(XL of 1997).

5. CPPAG to ensure that all the payments are consistent with tariff determination.

AUTHORITY

(Amina Ahmed)
Member

(Engr. Maqsood Anwar Khan)
Member

(Ghulamullah Shaikh)
Member

(Waseem Mukhtar)
Chairman

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA AUTHORITY

Annex - I

SHAHTAJ SUGAR MILLS LIMITED
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Tariff	Indexation
Date of decision	Jan 24,2022 Aug 18,2026	Oct-Dec 2026	
	Rs./kWh	Rs./kWh	
Fuel Cost Component (FCC)*	10.8467	11.3890	5 % annual indexation
Variable O&M - Local	1.1977	1.2576	Lower of 5 % per annum or Average N-CPI
Fixed O&M - Local	0.7985	0.8384	Lower of 5 % per annum or Average N-CPI
Return on Equity	1.4275	1.4275	-
Return on Equity during Construction	0.1037	0.1037	-
Principal Repayment-Local Loan	0.6665	0.6665	-
Interest-Local Loan	2.3742	2.8696	KIBOR
Insurance	0.1102	0.1102	-
Total	**17.5250**	**18.6625**	
Indexation Values			**Sources (Website)**
N-CPI (General)-Average	280.15	296.98	Pakistan Bureau of Statistics
3 Month KIBOR- Local Loan	9.50%	11.85%	SBP
Principal Outstanding-Commercial Local Loan (Rs./MW)		76,664,600	

**FCC shall be applicable from Oct 01, 2026 to Sep 30, 2027*

Based on the data declared by SSML.

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
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AUTHORITY