

QUARTER 1

January – March 2026



SECMC
Sindh Engro Coal Mining Company

16th Floor, The Harbor Front Building,
HC#3, Marine Drive, Block 4, Clifton,
Karachi-75600, Pakistan

U 00 92 (21) 111-211-211
T 00 92 (21) 35297875-84
F 00 92 (21) 35293665

3rd SEPTEMBER 2026

To,
REGISTRAR
THAR COAL ENERGY BOARD
KARACHI, SINDH

Reference: SECMC-2023-05-2026

Subject: Filing of Motion for Indexation of Tariff for January to March 2026 Quarter and Annual Reconciliation Report for the period of October 2024 to September 2025.

Dear Sir,

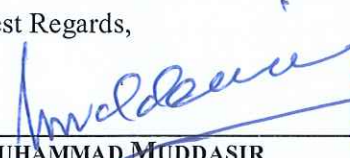
I, Muhammad Muddasir, Vice President and Chief Financial Officer, duly authorized representative of Sindh Engro Coal Mining Company Limited (“**SECMC**”) having its registered office at 16th Floor, the Harbor Front Building, HC-3, Marine Drive, Block 4, Clifton, Karachi, hereby submit to the Thar Coal & Energy Board (“**Authority**”), motion for indexation of tariff components for the quarter January to March 2026 on account of applicable indexations including duties and taxes, as per Initial Multi Year Stage Tariff vide letter no. TCEB/Registrar/2-1/2014/MYT - dated 22nd October 2025 (“**Tariff**”). Moreover, as per the Decision over Limited Petition for Verification and Endorsement of Duties and Taxes Determination for the period from July 2019 to December 2025 vide letter no. TCEB/Registrar/2-1/2014/LSP(D&T) dated 6th August 2026, the amount is being adjusted proportionately in this quarter, apportioned from the claw-back amount pertaining to the quarter.

Attached is an Instrument No. 60304738 (Stationary Ref No.1900002087) dated 25th May 2026 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.

Furthermore, in accordance with the MYT Tariff Determination, Clause 16 “*Tariff Adjustment*”, Part B “*Tariff Control Period Balancing Account (TCPBA)*”, sub-clause 6, as suggested, the detailed Annual Reconciliation Report for the period of October 2024 to September 2025 is hereby submitted accompanied by the documents required under the same with the Filing of motion of Indexation for January to March 2026.

We respectfully request your kind consideration and support in determining the matter.

Best Regards,


MUHAMMAD MUDDASIR
VICE PRESIDENT & CHIEF FINANCIAL OFFICER





3rd SEPTEMBER 2026

To,
REGISTRAR
THAR COAL ENERGY BOARD
KARACHI, SINDH

Reference: SECMC-2024-05-2026

Subject: Filing of Indexations for the Quarter Based on Actual Macros and Duties

Inline with the prevailing practice for filing indexations, we are submitting the indexation for the quarter January to March 2026, in line with the MYT-determined tariff and prepared in compliance with the approved methodology. We continue to use the same format for this quarter as well, which is based on actual macroeconomic indicators prevalent during the quarter and the actual duties and taxes paid during the quarter. The details of and mechanism of the same are as follows:

Macroeconomic Indicators and Assumptions

For each quarter, the following macroeconomic indicators and assumptions will be used for the indexation:

1. **1-month KIBOR:**
 - o Average of daily rates of 1-month offer KIBOR published by SBP during the quarter.
2. **6-month KIBOR:**
 - o Average of daily rates of 6-Month offer KIBOR published by SBP during the quarter.
3. **6-month SOFR and Exchange Rate:**
 - o (a) Average of daily rates SOFR published by Federal Reserve Economic Data as per applicable look-back period for the quarter.
 - o (b) Average of daily selling PKR/USD exchange rates published by NBP during the quarter.
4. **Diesel Prices:**
 - o Day-wise weighted average of retail prices of HSD at Shell Pakistan Petrol Pumps in Islamkot, as published by OGRA during the quarter.
5. **Local CPI:**
 - o Average of monthly rates published by the Pakistan Bureau of Statistics during the quarter.
6. **US CPI:**
 - o Average of monthly rates published by the US Bureau of Labor Statistics during the quarter.
7. **Power Generation Mix:**
 - o Details of power generation mix during that quarter from Diesel and Solar.
8. **RMB/USD Exchange Rate:**
 - o Average of daily selling and buying rates published by the Bank of China.
9. **Duties and Taxes:**
 - o Actual duties and taxes paid during the quarter.



SECMC

Sindh Engro Coal Mining Company

16th Floor, The Harbor Front Building,
HC#3, Marine Drive, Block 4, Clifton,
Karachi-75600, Pakistan

U 00 92 (21) 111-211-211
T 00 92 (21) 35297875-84
F 00 92 (21) 35293665

Mechanism for Quarterly Indexation Filing and Billing to Customers

The following mechanism will be followed for filing indexations each quarter along with an example for ease of explaining:

1. Initial Invoicing:

- For the months within a given quarter (for e.g., October, November and December), SECMC will initially invoice customers based in line with the MYT-determination.

2. Indexation Filing and Determination:

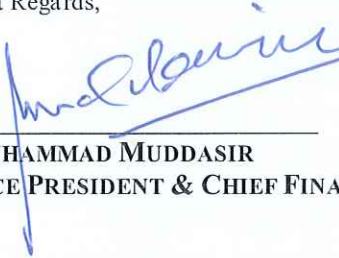
- SECMC will file the indexation for the completed quarter in the subsequent month
- TCEB will then determine indexation for that quarter.

3. Adjustment Notes:

- Once TCEB determines the indexation, SECMC will issue debit or credit notes (as applicable) to customers for the January – March 2026, based on the difference between the last issued invoices and the indexation determination.

Should you have any questions or require further clarification, please do not hesitate to contact us.

Best Regards,



MUHAMMAD MUDDASIR

VICE PRESIDENT & CHIEF FINANCIAL OFFICER

QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR SINDH ENGRO COAL MINING COMPANY
For the Quarter Jan-26 to Mar-26

Tariff Components	Reference Tariff (PKR/Ton)	Revised Jan-26 to Mar- 26 Quarter (PKR/Ton)
CAPACITY (FIXED) PAYMENTS		
Fixed O&M - Foreign	1,066.57	1,129.46
Fixed O&M - Local	1,018.44	1,105.43
Cost of Working Capital	447.86	309.11
Insurance	152.87	152.87
Power Cost - By Solar	9.31	11.03
Power Cost - By Diesel	517.76	576.19
ROE	1,413.11	1,423.17
ROEDC	581.12	585.26
Principal Debt Repayment - Local SG	701.60	701.60
Principal Debt Repayment - Local NSG	27.39	27.39
Principal Debt Repayment - Foreign	795.56	801.23
Interest Payment - Local SG	769.36	564.65
Interest Payment - Local NSG	60.03	44.73
Interest Payment - Foreign	272.57	275.89
Total	7,833.55	7,708.01
PRODUCTION (VARIABLE) PAYMENTS		
Fuel	1,793.12	2,060.97
Variable O&M - Foreign	1,086.20	1,150.25
Asset Replacement Cost	1,018.91	1,078.99
Royalty	879.89	894.77
Heating Value Adjustment	-	(67.93)
Transportation	150.15	172.58
Total	4,928.27	5,289.63
Grand Total	12,761.82	12,997.64

Duties & Taxes*	As per TCEB determination dated August 6, 2026	PKR Mn
Duties & Taxes (for the period till Dec-25)		3,220,264,352
- EPTL		1,970,594,563
- TEL		624,971,027
- TNPTL		624,698,763
- LEPCL		-

* Duties & Taxes are to be recovered from IPPs as per TCEB determination dated August 6, 2026 on the Limited scope petition for verification and endorsement of Duties and taxes

Duties & Taxes**	As per TCEB determination dated August 6, 2026	PKR Mn
Duties & Taxes (for the quarter Jan 26 - Mar 26)		2,501,748,322
- EPTL		1,250,874,161
- TEL		625,437,081
- TNPTL		625,437,081
- LEPCL		-

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

Clawback of Historical Under-runs	As per MYT determination	PKR Mn
Historical Under-runs		4,782.60
- EPTL		2,391.30
- TEL		1,195.65
- TNPTL		1,195.65
- LEPCL		-

Indexation Values	Reference	Revised Jan-26 to Mar-26 Quarter
PKR/USD	278.05	280.03
US CPI	315.30	327.42
Local CPI	260.96	283.25
RMB/USD	7.02	6.93
Diesel Notified Ex GST Price	253.52	291.39
% Diesel	85.29%	82.58%
% Solar	14.71%	17.42%
6 Month KIBOR - SG	16.95%	12.44%
6 Month KIBOR - NSG	17.70%	13.19%
6 Month LIBOR / SOFR	7.99%	8.03%
1 Month KIBOR	19.64%	12.81%
Heating Value	11.30	11.45

Signature



Signature