



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad.
Ph: 9206500, 9207200 Fax : 9210215
E-mail: office@nepra.org.pk

Registrar

No. NEPRA/R/LAG-35/4275-76

October 11, 2007

Mr. Tasadduq Shams
Senior Manager P & A
Ibrahim Fibres Limited (IFL)
Ibrahim Centre,
15-Club Road,
Faisalabad

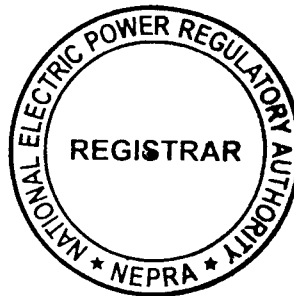
Subject: **Generation Licence No. SGC/33/2007**
Licence Application No. LAG-35
Ibrahim Fibres Limited (IFL)


Please refer to your letter no. nil, dated October 14, 2006 to NEPRA for a Generation Licence.

2. Enclosed here is Generation Licence No. SGC/33/2007 granted by the Authority to Ibrahim Fibres Limited (IFL). The Licence is granted to you pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

3. Please quote above mentioned Generation Licence No. for your future correspondence with the Authority.

DA/as above




11.10.07.
(Mahjoob Ahmad Mirza)

Copy for information to Director General, Pakistan Environmental Protection Agency, House No. 311, Main Margalla Road, F-11/3, Islamabad.

**National Electric Power Regulatory Authority
(NEPRA)
Islamabad – Pakistan**

GENERATION LICENCE

No. SGC/33/2007

In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Authority hereby grants a Generation Licence to:

IBRAHIM FIBERS LIMITED

Incorporated under the Companies Ordinance, 1984
Under Certificate of Incorporation

No. L-41 of 1986-87, Dated July 30, 1986

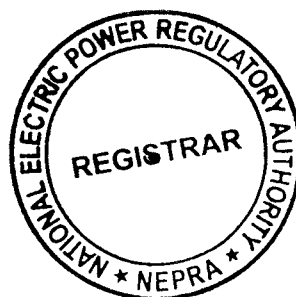
For its Plant Located at 38-Kilometer Faisalabad- Shiekhupura Road,
Near Shahkot, Faisalabad, Punjab
(Installed Capacity: 31.80 MW Gross ISO)

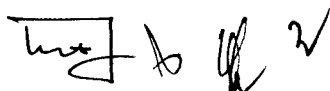
to engage in generation business subject to and in accordance with the Articles of this Licence.

Given under my hand this 10th day of OCTOBER, Two
Thousand & Seven, and expires on 30th day of December, Two
Thousand & Twenty One.



Registrar





Article-1
Application of Rules

Save as expressly provided otherwise, the provisions of the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 as amended from time to time shall apply to this Licence.

Article-2
Definitions

Unless there is anything repugnant in the subject or context and save as expressly defined hereinafter, words and expressions used in this Licence bear the respective meanings given thereto in the Act or in the Rules.

Article-3
Grant of Licence

3.1 The location, size (capacity in MW), technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the generation facilities of the Licensee are set out in Schedule-I of this Licence.

3.2 The net capacity of the Licensee's generation facilities is set out in Schedule-II hereto.

Article-4
Licence Fee

After the grant of the Generation Licence, the Licensee shall pay to the Authority the Licence fee, in the amount and manner and at the time set out in National Electric Power Regulatory Authority (Fees & Fines) Rules, 2002.

Article-5
Term of Licence

This Licence is granted for a term of Fourteen (14) years.



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Article-6
Tariff

The Licensee shall charge from its consumers only such tariff which is either approved or specified by the Authority.

Article-7
Distribution Facilities of Licensee.

The Licensee may hand over ownership and control of its distribution facilities to the DISCO in whose service territory the Licensee is operating on terms and conditions as approved by NEPRA; in the event, it wishes to retain ownership and control of its distribution facilities, it shall apply for a distribution licence within one month from the grant of this Generation Licence, in accordance with the relevant NEPRA rules.

Article-8
Connection to Transmission System,
Compliance with Grid Code,
Pooling and Settlement Arrangement

Rule 10 of the Rules shall apply only to those SPPs whose generation facilities are connected directly or indirectly at voltage of 132 KV or above.

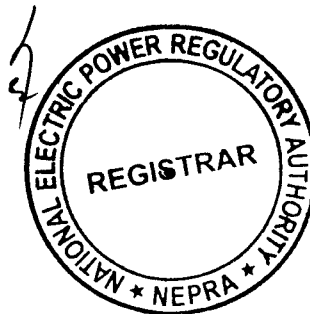
Article-9
Generating Capacity Reserve Requirements

The installed generating capacity of the Licensee shall not fall below 85% (95% in the case of single consumer on a feeder) of the connected load and generating capacity of the largest installed unit at the time of application for Generation Licence.

Article-10
Compliance with Performance Standards

The Licensee shall conform to the relevant NEPRA rules on Performance Standards as may be prescribed by the Authority from time to time.





Article-11
Compliance with Environmental Standards

The Licensee shall conform to the environmental standards as may be prescribed by the relevant competent authority.

Article-12
Maintenance of Record

12.1 The Licensee shall keep complete and accurate record and data in respect of all aspects of the generation business and the second-tier supply business, in their original as well as in electronic form.

12.2 Without prejudice to the provisions of sub-rule 15(3) of the Rules, unless provided otherwise under the law or the applicable documents, all record and data shall be maintained for a period of five (5) years after the creation of such record or data. The Licensee shall not destroy or dispose off any such record or data after the aforesaid period without thirty days prior written notice to the Authority. The Licensee shall also not dispose off or destroy any record or data which the Authority directs the Licensee to preserve.

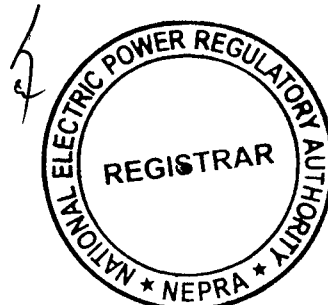
12.3 All record and data maintained in an electronic form shall, subject to just claims of confidentiality, be accessible to the staff authorized by the Authority.

Article-13
Provision of Information

13.1 The obligation of the Licensee to provide information to the Authority shall be in accordance with Section 44 of the Act.

13.2 The Licensee shall be subject to such penalties as may be specified in the relevant rules made by the Authority for failure to furnish such information as may be required from time to time by the Authority and which is or ought to be or has been in the control or possession of the Licensee.

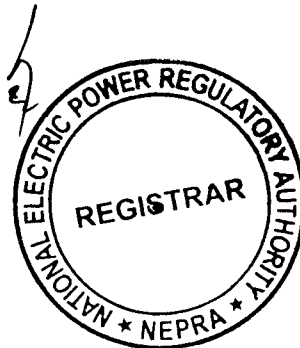
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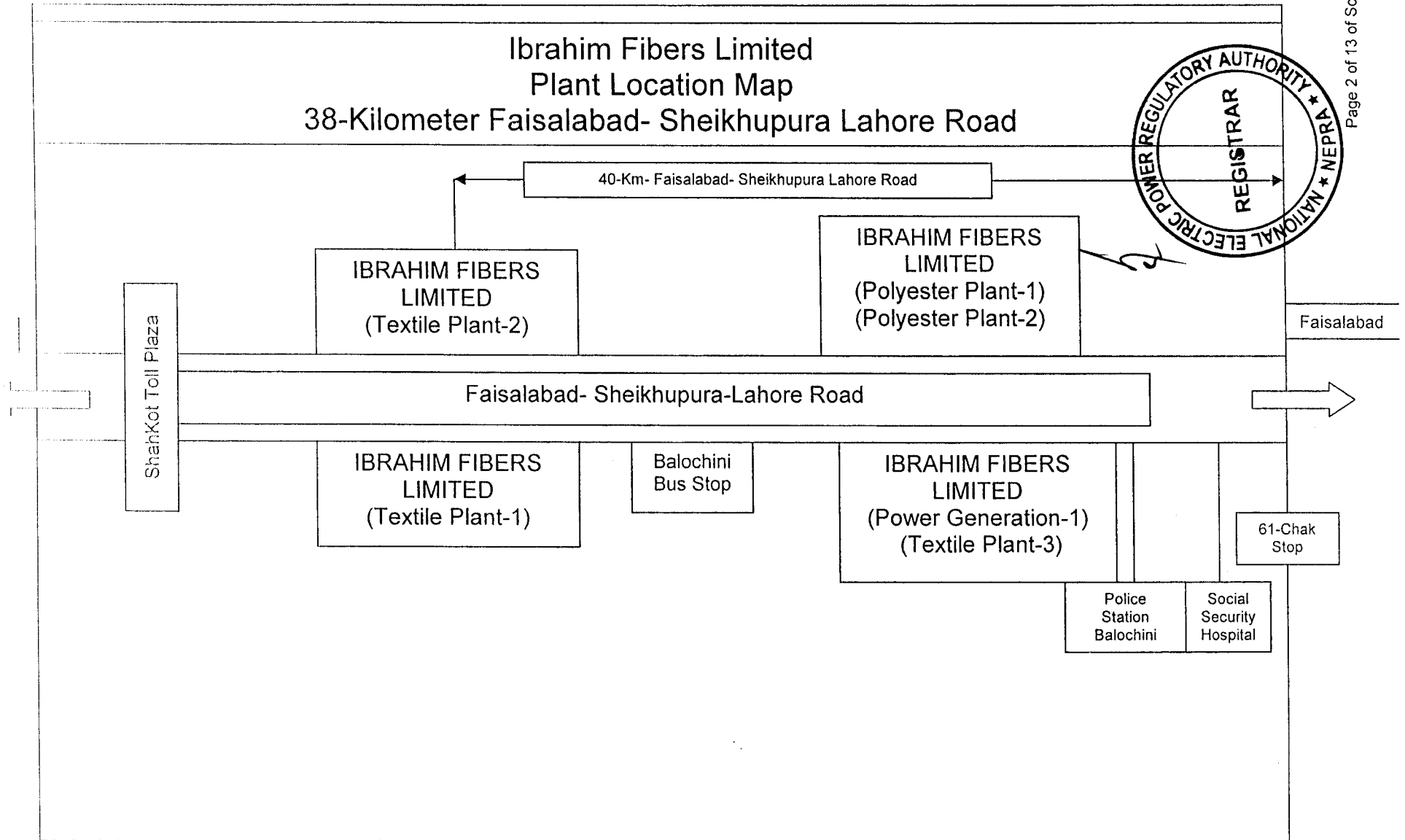
SCHEDULE-I

The location, size (capacity in MW) technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the generation facilities of the Licensee.

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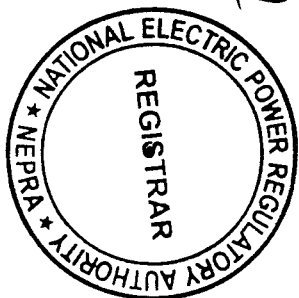
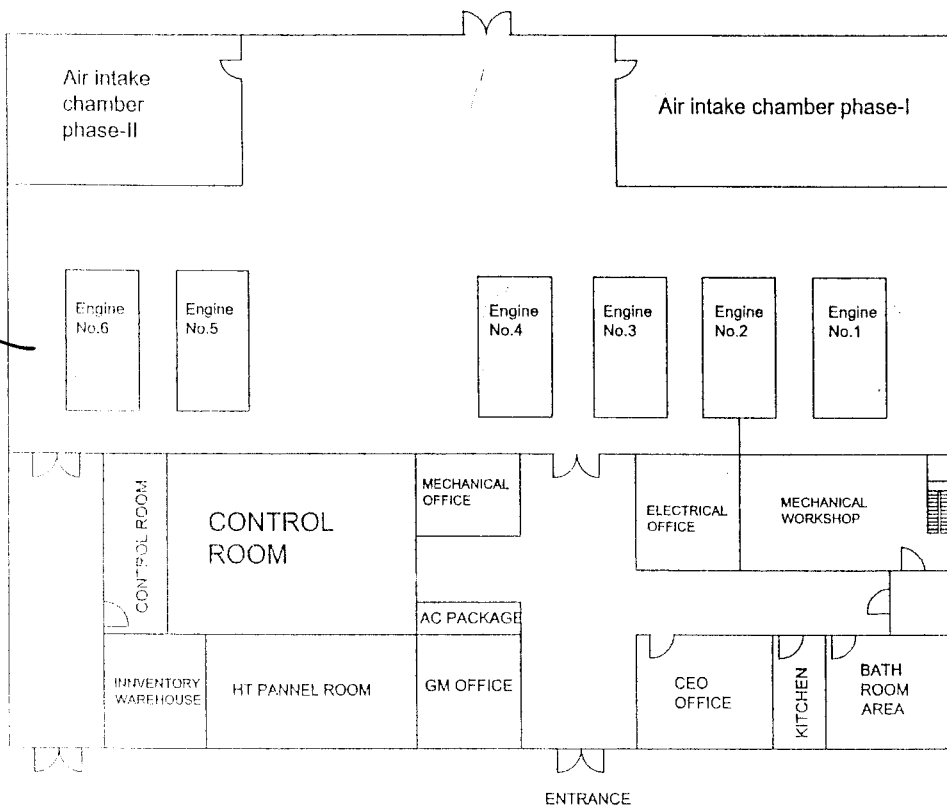
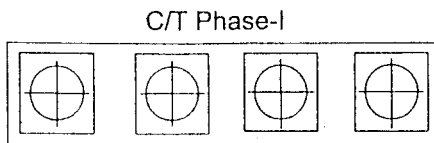
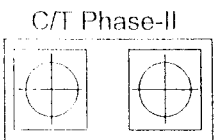
Lahore



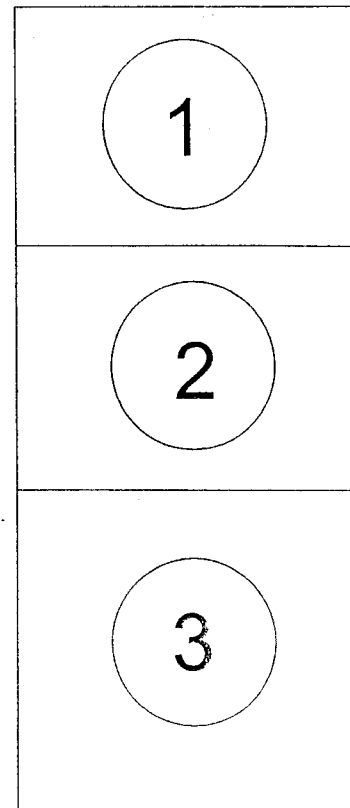
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PLANT LAYOUT

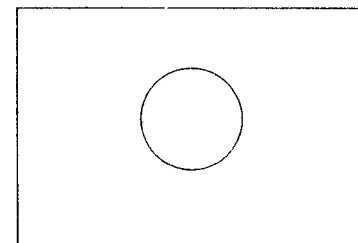
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HFO STORAGE TANKS

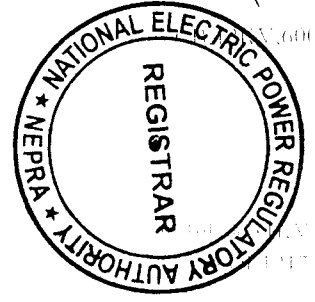
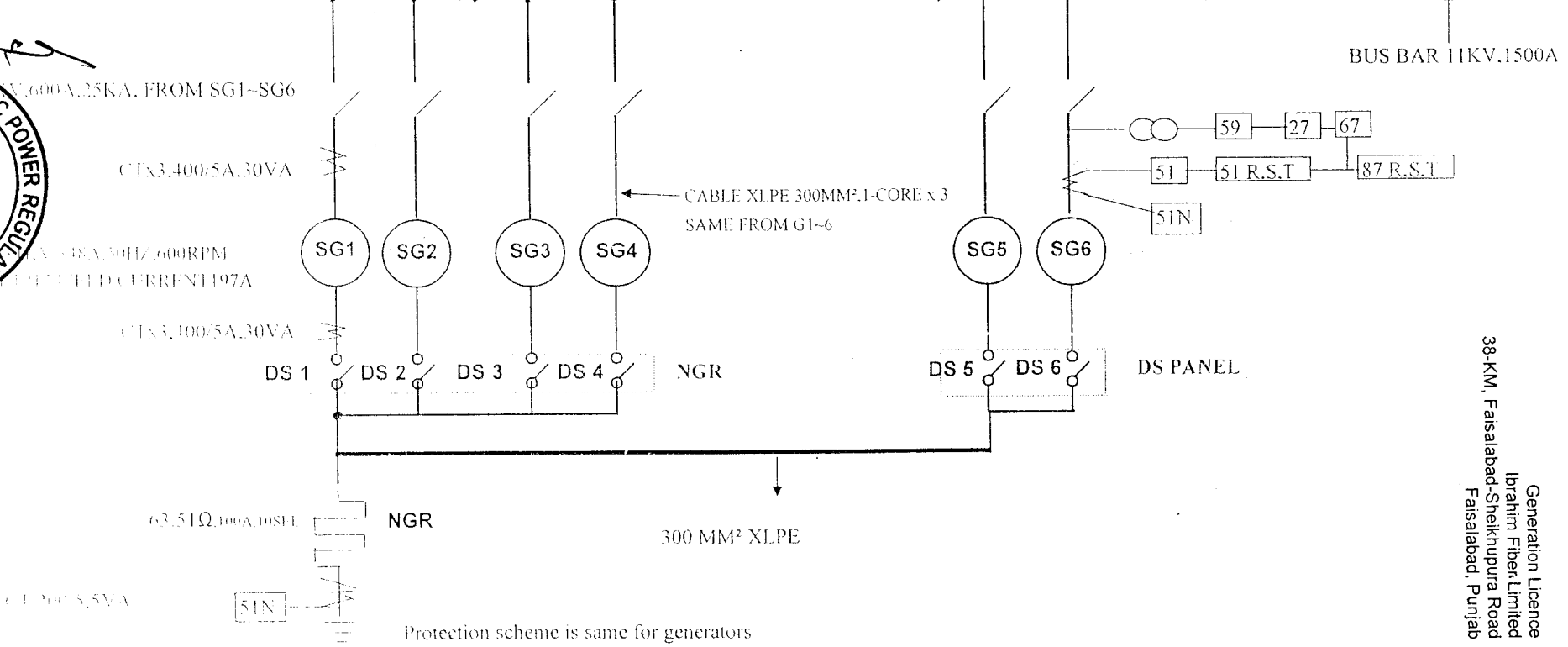
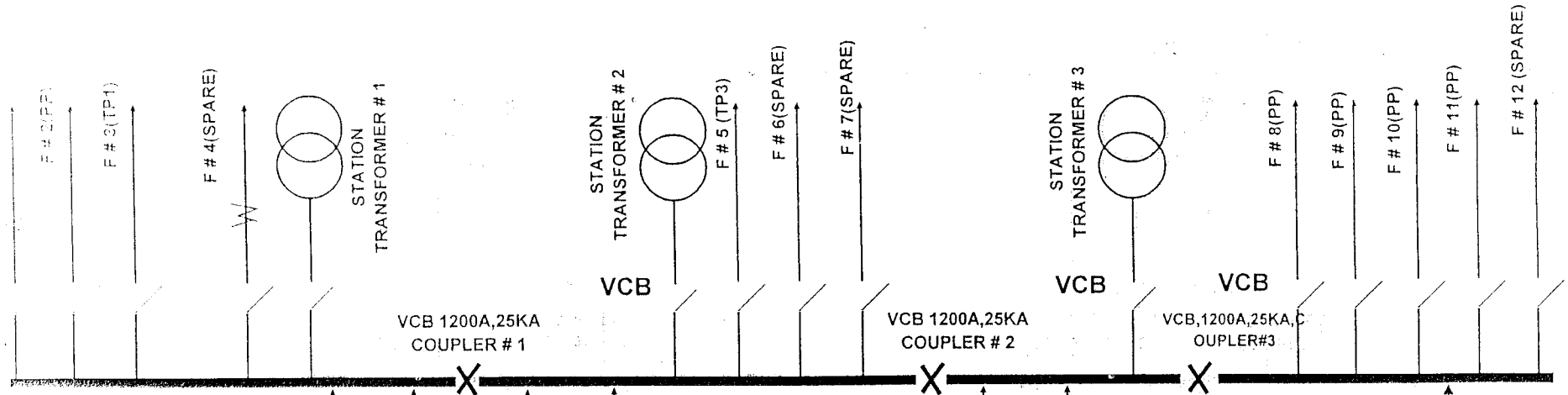


DIESEL OIL STORAGE TANKS



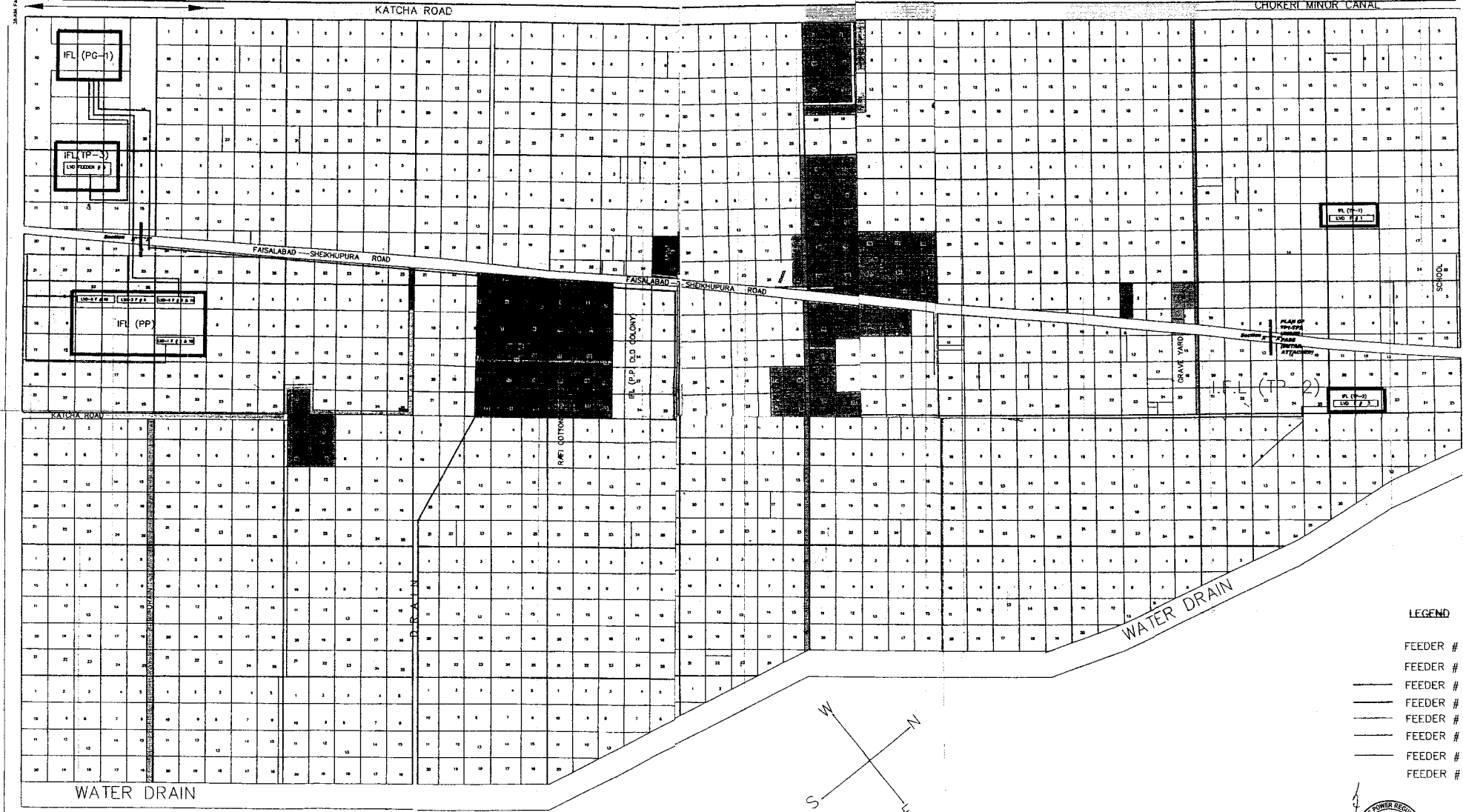
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SINGLE LINE DIAGRAM GEN. & DIST.



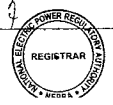
CHAK NO.61 R.B.

CHAK NO.60 R.B.



LEGEND

- FEEDER # 1
- FEEDER # 2
- FEEDER # 2 & 3
- FEEDER # 8 & 11
- FEEDER # 5
- FEEDER # 9
- FEEDER # 10
- FEEDER # 9 & 10



Plant Details*

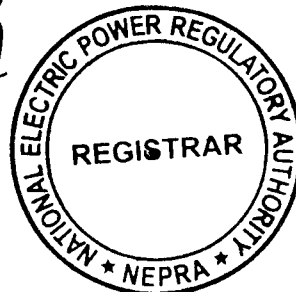
1. General Information

i.	Name of Applicant	IBRAHIM FIBRES LTD.
ii.	Registered/Business Office	1-A, Ahmed Block, New Garden Town Lahore, Punjab.
iii.	Plant Location	38 Km Faisalabad-Sheikhupura Road, Faisalabad
iv.	Type of Generation Facility	Thermal Generation

2. Plant Configuration

i.	Plant Size Installed Capacity (Gross ISO)	31.8 MW			
ii.	Type of Technology	Reciprocating Engines			
iii.	Unit Size (MW)/No. of Units	5.3 MW/06 Units			
iv.	Unit Make, Model and Date of Manufacture	Unit	Make	Model	Date of Manufacture
		Unit (1-4)	NIIGATA/	16V32CL/	1992
		Unit (5-6)	NIIGATA/	16V32CL/	1996
v.	De-rated Capacity at Mean Site Conditions (MW)	26.5 MW			
vi.	Auxiliary Consumption	1.00 MW			
vi.	Date of Commissioning of the plant	Unit (1-4)		November 30, 1993	
		Unit (5-6)		December 31, 1996	
vii.	Expected remaining life of the Facility	14			

* As provided by the Applicant



3. Fuel Detail

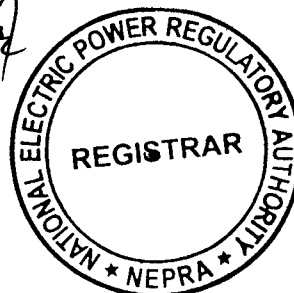
i.	Primary Fuel	Heavy Furnace Oil (HFO)	
ii.	Fuel (imported/Indigenous)	Imported as well as Indigenous	
iii.	Alternate Fuel	Diesel Oil (DO)	
iv.	Fuel Supplier	PSO/Shell/Caltex	
v.	Supply Arrangement	Through Oil Tankers	
vi.	No of Tanks	HFO	DO
		3	1
vii.	Storage Capacity of each Tank	HFO	DO
		2500 M TON	375000 LTRS
viii.	Gross Storage	HFO	DO
		7500 M TON	375000 LTRS

4. Emission Values

i.	SO _x	920 p.p.m
ii.	NO _x	1095 p.p.m.
iii.	CO ₂	6.5 %
iv.	Particulate	-

5. Cooling System

i.	Cooling Water Source/Cycle	Underground water obtained from tube well is treated in the Reverse Osmosis plant for supplying cooling water to the plant/Closed Loop Cycle.
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6. Plant Cost

i.	Equity (Rs. Million)	186.874
ii.	Debt (Rs. Million)	370.993
iii.	Total Project Cost (Rs. Million)	557.867

7. Plant Characteristics

i.	Generation Voltage (KV)	11KV
ii.	Frequency	50 Hz
iii.	Power Factor	0.8
iv.	Automatic Generation Control	Yes
v.	Ramping Rate	30min & can be fully loaded in 5 minutes
vi.	Time required to Synchronize to Grid and loading the complex to full load.	N/A

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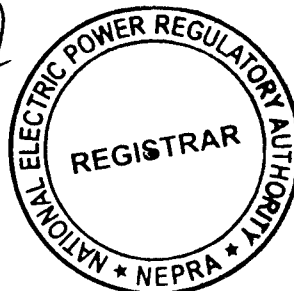


Licensee-Performa for Information regarding Distribution issues.

Network Facts

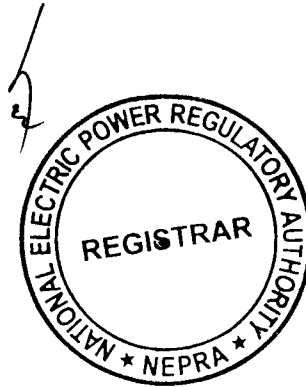
Part-A

A.	No. of Feeders	Eight (08) Feeders.							
B.	Length of Each Feeder (KM)	F ₁	F ₂	F ₃	F ₅	F ₈	F ₉	F ₁₀	F ₁₁
		3.4	1.6	3.4	0.7	1.6	1.6	1.6	1.6
C.	Length of Each Feeder to each Consumer	-Do-							
D.	In respect of all the Feeders, describe the property (streets, farms, Agri land, etc.) through, under or over which they pass right up to the customer's premises, whether they cross-over or pass near the DISCO lines.	Feeders F ₂ , F ₈ to F ₁₁ are crossing over the FESCO line at one location. Similarly Feeders F ₁ & F ₃ crosses FESCO lines at three different locations.							
E.	Whether owned by IFL Consumer or FESCO -(deal with each Feeder Separately)								
	- If owned by FESCO, please furnish particulars of contractual arrangement	N/A							
	- Operation and maintenance responsibility for each feeder	The Captive Power Plant supplying power to its sister concerns only. The Operation and Maintenance is the responsibility of Small Power Producer (SPP), IFL.							



F.	Whether connection with network of FESCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	N/A
G.	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A

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Licensee-Performa for Information regarding Distribution issues.

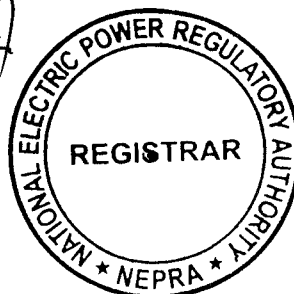
Consumer Facts

Part-B

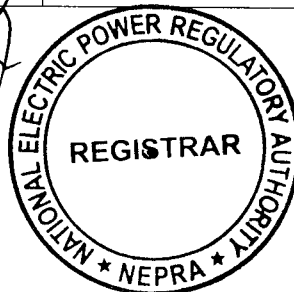
A.	No. of Consumers	Four (04) Consumers including Ibrahim Fibers Limited (Polyester Plant-PP), Ibrahim Fibers Limited (Textile Plant-1), Ibrahim Fibers Limited (Textile Plant-2), Ibrahim Fibers Limited (Textile Plant-3)	
B.	Location of consumers (distance and/or identity of premises)Length of Each Feeder	Ibrahim Fibers Limited (Polyester Plant-PP), 38-Kilometer, Faisalabad-Sheikhupura Road.	1.6 KM
		Ibrahim Fibers Limited (Textile Plant-1), 40-Kilometer, Faisalabad-Sheikhupura Road.	3.4 KM
		Ibrahim Fibers Limited (Textile Plant-2), 40-Kilometer, Faisalabad-Sheikhupura Road.	3.4 KM
		Ibrahim Fibers Limited (Textile Plant-3), 38-Kilometer, Faisalabad-Sheikhupura Road.	0.7 KM
C.	Contracted Capacity and Load Factor for consumer	Ibrahim Fibers Limited (Polyester Plant-PP).	12 MW at 0.83 load factor.
		Ibrahim Fibers Limited (Textile Plant-1).	4.5 MW at 0.92 load factor.
		Ibrahim Fibers Limited	3.5 MW at

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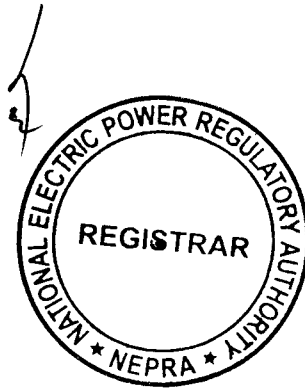
		(Textile Plant-2).	0.88 load factor.
		Ibrahim Fibers Limited (Textile Plant-3).	3.5 MW at 0.94 load factor.
D.	Specify Whether		
	i) The consumer is an Associate undertaking of the IFL- If yes, specify percentage ownership of equity;	Ibrahim Fibers Limited (Polyester Plant-PP), Ibrahim Fibers Limited (Textile Plant-1), Ibrahim Fibers Limited (Textile Plant-2) and Ibrahim Fibers Limited (Textile Plant-3) are the Associated Undertaking of IFL.	
	ii) There are common directorships:	Yes	
	iii) Either can exercise influence or control over the other.	Yes	
E.	Specify nature of contractual Relationship		
	i) Between each consumer and SPP.	Firm Supply of Electricity on Continuous basis	
	ii) Consumer and DISCO.	No	
F.	Capacity originally sanctioned by Provincial Government- If subsequently enhanced, evidence of permission for enhancement.	Phase-I	21.2 MW by Government of Punjab
		Phase-II	10.6 MW by Government of Punjab
G.	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	Nil	



SCHEDULE-II

The net capacity of the Licensee's Generation Facilities

htg b



SCHEDULE-II*

1.	Installed Capacity Gross ISO	31.80 MW
2.	De-rated Capacity Mean at Site Conditions	26.50 MW
3.	Auxiliary Consumption	01.00 MW
4.	Net Capacity of the Plant at Mean Site Conditions	25.50 MW

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*
As provided by the applicant

**Authorization by National Electric Power Regulatory Authority
(NEPRA) to Ibrahim Fibers Limited**

**Incorporated under the Companies Ordinance, 1984
Under Certificate of Incorporation**

No. L-41 of 1986-87, Dated July 30, 1986

NEPRA GENERATION LICENCE No. SGC/33/2007

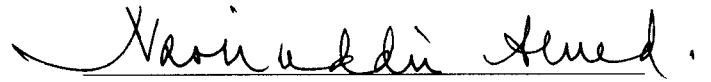
For

Sale to Bulk Power Consumers

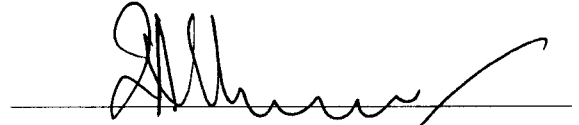
Pursuant to Section 22 of the Act and Rule 7 of the NEPRA Licensing (Generation) Rules-2000, the Authority hereby authorize IBRAHIM FIBERS LIMITED (Licensee) to engage in second-tier supply business, limited to the following consumers also mentioned in Schedules-I of the Generation Licence No. SGC/33/2007.

1. Ibrahim Fibers Limited (Polyester Plant-PP),
2. Ibrahim Fibers Limited (Textile Plant-1),
3. Ibrahim Fibers Limited (Textile Plant-2),
4. Ibrahim Fibers Limited (Textile Plant-3)


Nasiruddin Ahmed
Member



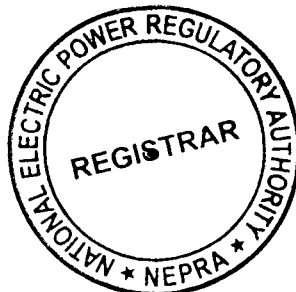
Zafar Ali Khan
Member



Abdul Rahim Khan
Acting Chairman



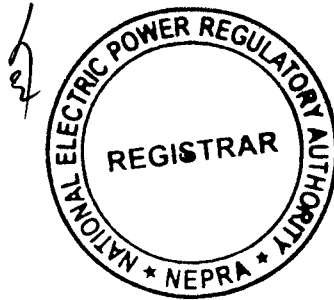






National Electric Power Regulatory Authority
NEPRA

Determination in the Matter of Grant of Generation
Licence to Ibrahim Fibers Limited



October 10, 2007
Application No. LAG-53

Background

Power Sector in Pakistan was traditionally to a large extent owned and operated by the Government of Pakistan (GOP). The sector primarily consisted of two Government controlled utilities, Water and Power Development Authority (WAPDA) and Karachi Electric Supply Corporation (KESC). Besides improving the efficiency of Public Sector Institutions, policies were aimed at increasing private sector participation in the development of energy sector. Accordingly, GOP started Institutional Reforms in the Energy Sector of the country in the last two decades.

2. ECC of the cabinet on September 22, 1985, first decided to induct private sector in energy generation and approved the broad principles for such induction in this regard. Consequently, Private Power Cell was formed in the Ministry of Water and Power to meet these objectives. In line with these objectives, in 1986 the GOP encouraged setting up of private sector power projects on BOO (Build-Own-Operate) basis as a matter of policy.

3. Although the earlier initiatives of the late 80's could not attract significant investment in the Power Sector until the announcement of a Private Power Policy of 1994, which successful in attracting significant Investment in this Sector and a number of Independent Power Plants (IPPs) were set up in the private sector. The initiatives of the late 80's stimulated some of the Textile and Chemical industries to install some Power Plants, based on Heavy Fuel Oil (HFO), for catering their own

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requirements as well supplying power to other nearby located Industrial Consumers.

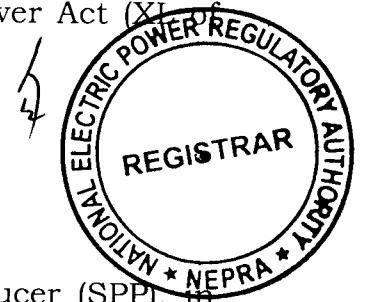
4. All such Power Plants having generating facility of below 100 MW gross capacity engaged in generation and sale of electric power as on April 22, 2000 and not signed any Power Purchase/Implementation agreement with WAPDA or KESC were later termed as Isolated/Distributed Generation Companies or Small Power Producers when these facilities approached NEPRA for the grant of Generation and Distribution Licences after the enactment of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), commonly known as the NEPRA Act.

Filing of Application

5. Ibrahim Energy Limited (IEL), a Small Power Producer (SPP), in accordance with Section 15 of Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), filed an application on May 30, 2000 for the grant of a Generation Licence for its Electrical Power Generation Facilities, located at 38-Kilometer Faisalabad-Sheikhupura Road.

6. The Authority admitted the application for the grant of Generation Licence on August 2, 2000 and a hearing in the matter was held on September 19-21, 2000 along with other applicants. The applicant prior to issuance of the generation licence moved a petition before the Lahore High Court, whereby the merger of Ibrahim Fibers Limited (IFL) was sought with four other associated companies' viz. Zainab Textile Mills Limited, Ibrahim Energy Limited, A. A. Textile Mills Limited and Ibrahim Textile Mills Limited.

7. The Lahore High Court vide its judgment of January 15, 2002 approved the merger and each of the above named entity stood merged with IFL. Resultantly IFL became a self-generation company, which does not require any Generation Licence under NEPRA Rules and Regulations.



8. IFL moved an application on March 3, 2004 for withdrawal of its already submitted application for grant of Generation Licence. Authority allowed the withdrawal of application of IEL for the grant of Generation Licence on April 20, 2004. However, Authority also directed IEL/IFL to handover its distribution system to the concerned DISCO, FESCO, as its distribution facilities were passing through public property.

9. Different options were considered to resolve the matter of the handing over of the distribution facilities of IFL and several meetings were held among the various stakeholders, however, the issue remained unresolved as IFL did not show its preference to handover its distribution facilities to FESCO. Seeing that the last alternative, IFL/IEL through its correspondence of October 14, 2006, showed its inclination to get a Generation Licence and subsequent a Distribution Licence.

10. Authority in its meeting on November 24, 2006 allowed the reinstatement of the application of IEL for the grant of Generation Licence submitted and admitted in May 30, 2000 and August 2, 2000 respectively, to be considered for the grant of the Generation Licence of IFL. Further, Authority also approved the merger of IEL along with the above mentioned entities with IFL and the substitution of the name of IFL in place of IEL for the original application of May 30, 2000.

11. The decision of the Authority was conveyed and IFL was advised to submit the latest information required for the processing of its application for the grant of the Generation Licence. IFL submitted the required information and other related documents on April 16, 2007.

12. Authority also instructed the Licensing Division to make a site visit of the facilities of IFL to ascertain the credibility reliability of the information submitted by IFL.



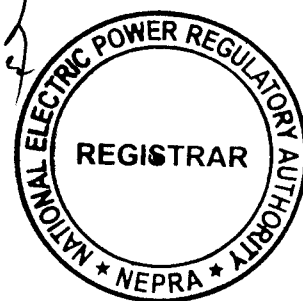
13. Director (Licensing) carried out the site visit on May 25-27, 2007 and it was established that that the information provided by the IFL was in line with the existing arrangement at site.

14. Although the public hearing on the application of IEL/IFL were earlier held on September 19-21, 2000, however considering the fact that a significant number of years has past when earlier hearing was held. Authority decided to hold the hearing for the grant of the Generation Licence to IFL afresh.

15. The Public Hearing in the matter was held on July 16, 2007, which was attended by the representatives of the applicant and other organizations including representatives of Private Power Infrastructure Board (PPIB), National Transmission and Dispatch Company (NTDC), Ministry of Water and Power, Environmental Protection Agency (EPA-Punjab), Hagler Bailly Pakistan and Faisalabad Electric Supply Company (FESCO).

Proceedings of Hearing

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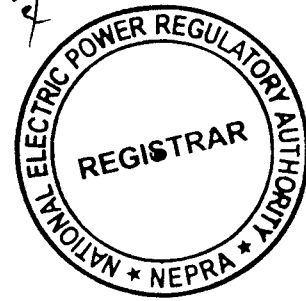
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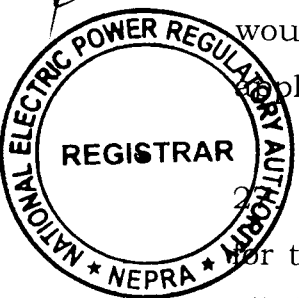
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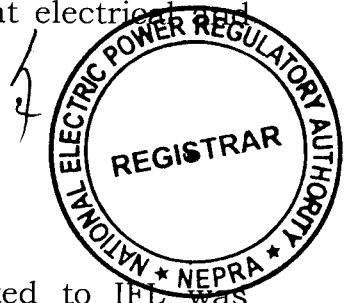
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Comments of Applicant on Draft Gen. Licence.

28. Draft Generation Licence proposed to be granted to IFEL was circulated to all stakeholders including the applicant. No objections were received earlier or proffered during the hearing with respect to the Terms and Conditions of the proposed Draft Generation Licence by any of the stakeholders except Faisalabad Electricity Supply Company (FESCO). The grant of Generation Licence was supported by all the stakeholders who provided comments except FESCO which agitated the grant of the Generation Licence.

Grant of Generation Licence.

29. Small Power Producers (generating facility of below 100 MW gross capacity engaged in generation and sale of electric power as on April 22, 2000 and not signed any Power Purchase/Implementation agreement with WAPDA or KESC) have been pioneer in attracting Investment in the Power Sector of the country at a critical time in the history of the country when most of the investment in this sector was being carried out by the Government entities. The Investments made by the SPPs not only resulted in providing a relatively cheap and reliable supply of electricity but it also triggered a trend for Investment of the Private entrepreneurs in the Electrical Power Industry of the Country.

30. Authority considers that Investments made by the Private Entrepreneurs in the shape of SPPs should be considered a welcome sign for the development of the energy sector of the country and should be protected through legal protection by granting necessary Generation as well as Distribution Licence.

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31. Accordingly, Authority in the past has granted a significant number of Generation and Distribution Licence to these SPPs. The present case for the grant of Generation Licence to IFL is in fact a continuation of the earlier effort of the Authority to protect the investment of the SPPs by granting different licences to existing SPPs operating in the country.

32. The Authority considers that as in the past, Generation and Distribution Licences were granted to SPPs to safeguard the Investments made, the instant case of IFL for the grant of the Generation Licence is very much justified and qualifies for the grant of the Generation Licence as it will safeguard the investment made by IFL.

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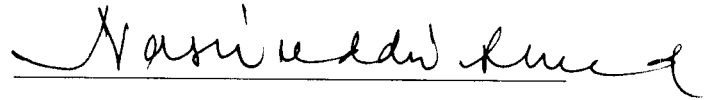
35. The Authority has also considered the objections/comments of FESCO in the matter of the grant of Generation Licence to IFL, however based on the clarification of the legal experts assisting the Authority, it is decided that the objections raised by FESCO do not form any basis to be considered as any bar for the grant of the Generation Licence to IFL.



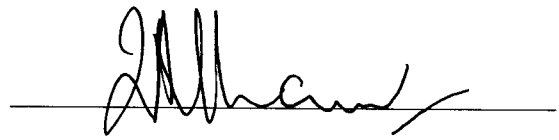
36. In view of the above the Authority hereby decides to approve the grant of Generation Licence to Ibrahim Fibers Limited, in the terms set out in the attached Licence as annexed to this determination. The grant of such a licence would be subject to the provisions contained in the NEPRA Act and relevant rules framed there under.

Authority

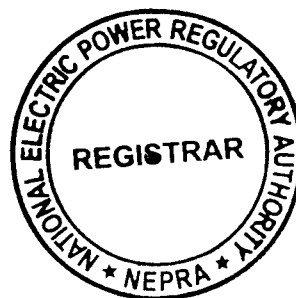
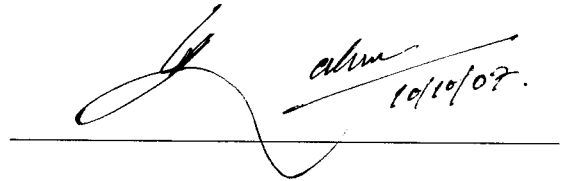
Nasiruddin Ahmed
Member



Zafar Ali Khan
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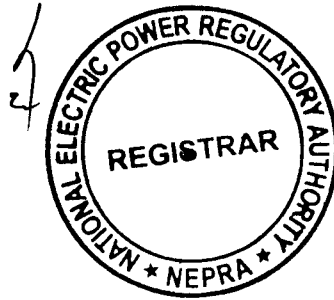


Abdul Rahim Khan
Member/Acting Chairman



National Electric Power Regulatory Authority
NEPRA

Determination in the Matter of Grant of Generation
Licence to Ibrahim Fibers Limited



October 10, 2007
Application No. LAG-53

Background

Power Sector in Pakistan was traditionally to a large extent owned and operated by the Government of Pakistan (GOP). The sector primarily consisted of two Government controlled utilities, Water and Power Development Authority (WAPDA) and Karachi Electric Supply Corporation (KESC). Besides improving the efficiency of Public Sector Institutions, policies were aimed at increasing private sector participation in the development of energy sector. Accordingly, GOP started Institutional Reforms in the Energy Sector of the country in the last two decades.

2. ECC of the cabinet on September 22, 1985, first decided to induct private sector in energy generation and approved the broad principles for such induction in this regard. Consequently, Private Power Cell was formed in the Ministry of Water and Power to meet these objectives. In line with these objectives, in 1986 the GOP encouraged setting up of private sector power projects on BOO (Build-Own-Operate) basis as a matter of policy.

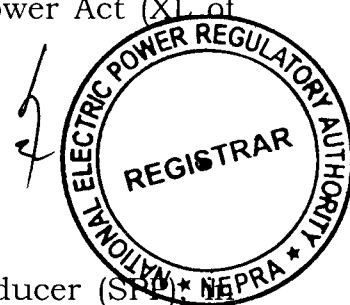
3. Although the earlier initiatives of the late 80's could not attract significant investment in the Power Sector until the announcement of a Private Power Policy of 1994, which successful in attracting significant Investment in this Sector and a number of Independent Power Plants (IPPs) were set up in the private sector. The initiatives of the late 80's stimulated some of the Textile and Chemical industries to install some Power Plants, based on Heavy Fuel Oil (HFO), for catering their own

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requirements as well supplying power to other nearby located Industrial Consumers.

4. All such Power Plants having generating facility of below 100 MW gross capacity engaged in generation and sale of electric power as on April 22, 2000 and not signed any Power Purchase/Implementation agreement with WAPDA or KESC were later termed as Isolated/Distributed Generation Companies or Small Power Producers when these facilities approached NEPRA for the grant of Generation and Distribution Licences after the enactment of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), commonly known as the NEPRA Act.

Filing of Application



5. Ibrahim Energy Limited (IEL), a Small Power Producer (SPP), in accordance with Section 15 of Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), filed an application on May 30, 2000 for the grant of a Generation Licence for its Electrical Power Generation Facilities, located at 38-Kilometer Faisalabad-Sheikhupura Road.

6. The Authority admitted the application for the grant of Generation Licence on August 2, 2000 and a hearing in the matter was held on September 19-21, 2000 along with other applicants. The applicant prior to issuance of the generation licence moved a petition before the Lahore High Court, whereby the merger of Ibrahim Fibers Limited (IFL) was sought with four other associated companies' viz. Zainab Textile Mills Limited, Ibrahim Energy Limited, A. A. Textile Mills Limited and Ibrahim Textile Mills Limited.

7. The Lahore High Court vide its judgment of January 15, 2002 approved the merger and each of the above named entity stood merged with IFL. Resultantly IFL became a self-generation company, which does not require any Generation Licence under NEPRA Rules and Regulations.

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8. IFL moved an application on March 3, 2004 for withdrawal of its already submitted application for grant of Generation Licence. Authority allowed the withdrawal of application of IEL for the grant of Generation Licence on April 20, 2004. However, Authority also directed IEL/IFL to handover its distribution system to the concerned DISCO, FESCO, as its distribution facilities were passing through public property.

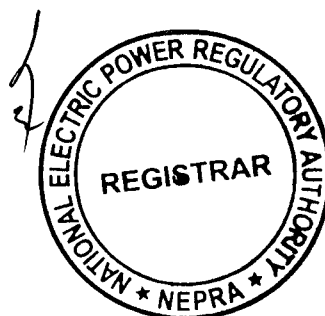
9. Different options were considered to resolve the matter of the handing over of the distribution facilities of IFL and several meetings were held among the various stakeholders, however, the issue remained unresolved as IFL did not show its preference to handover its distribution facilities to FESCO. Seeing that the last alternative, IFL/IEL through its correspondence of October 14, 2006, showed its inclination to get a Generation Licence and subsequent a Distribution Licence.

10. Authority in its meeting on November 24, 2006 allowed the reinstatement of the application of IEL for the grant of Generation Licence submitted and admitted in May 30, 2000 and August 2, 2000 respectively, to be considered for the grant of the Generation Licence of IFL. Further, Authority also approved the merger of IEL along with the above mentioned entities with IFL and the substitution of the name of IFL in place of IEL for the original application of May 30, 2000.

11. The decision of the Authority was conveyed and IFL was advised to submit the latest information required for the processing of its application for the grant of the Generation Licence. IFL submitted the required information and other related documents on April 16, 2007.

12. Authority also instructed the Licensing Division to make a site visit of the facilities of IFL to ascertain the credibility reliability of the information submitted by IFL.

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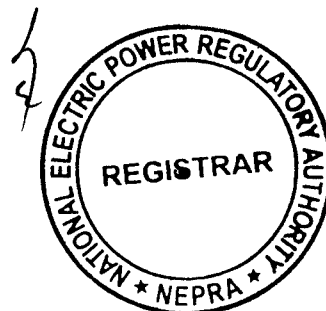
13. Director (Licensing) carried out the site visit on May 25-27, 2007 and it was established that that the information provided by the IFL was in line with the existing arrangement at site.

14. Although the public hearing on the application of IEL/IFL were earlier held on September 19-21, 2000, however considering the fact that a significant number of years has past when earlier hearing was held. Authority decided to hold the hearing for the grant of the Generation Licence to IFL afresh.

15. The Public Hearing in the matter was held on July 16, 2007, which was attended by the representatives of the applicant and other organizations including representatives of Private Power Infrastructure Board (PPIB), National Transmission and Dispatch Company (NTDC), Ministry of Water and Power, Environmental Protection Agency (EPA-Punjab), Hagler Bailly Pakistan and Faisalabad Electric Supply Company (FESCO).

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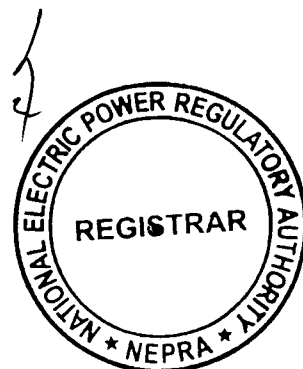
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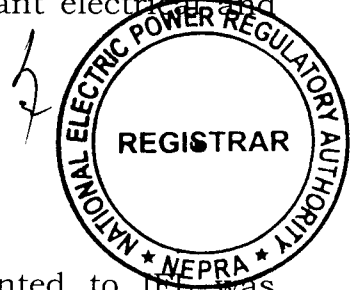
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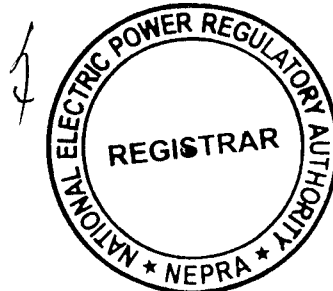
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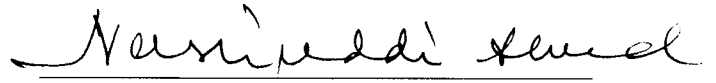
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Nasiruddin Ahmed
Member



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