

# LAKE CITY — MANAGEMENT —

Ref: LCH/ED (E & CS)/926/2017

Dec 26, 2017

The Registrar  
National Electric Power Regulatory Authority  
NEPRA Tower  
Attaturk Avenue (East),  
Sector G-5/1, Islamabad.

ADG CT/

8  
48/12

Sub: APPLICATION FOR DISTRIBUTION TARIFF DETERMINATION  
SUBMITTED TO NEPRA BY LAKE CITY MANAGEMENT (PRIVATE) LIMITED,  
LAHORE

I, Mr. Safdar Ali Shah, Director, being the duly authorized representative of Lake City Management (Private) Limited by virtue of Memorandum of Association dated 02-Oct-2015, hereby apply to the National Electric Power Regulatory Authority for the grant of Distribution tariff to the Lake City Holdings Housing Scheme pursuant to section [ 20 ] of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of the above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and correct to the best of my knowledge and belief.

A BANK DRAFT Bearing # **CDR NO 11205519** dated **22-Dec-2017** for a sum of **Rupees 918,912/-**, being the nonrefundable tariff application fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, is also attached herewith.

Senior Advisor Tariff  
Date 28-12-17  
By 10208

Registrar
By No. 12474
Dated 27-12-17

Received along with  
2 copies & cheque of  
Rs. 918,912/-

For information &  
— DRG/DRG-I m/a/p.

Glach:

— SA-ETD/ct

— SA7-E

— ADG(LA)

— LACKIP

— M/E

271217

cc: chairm

VC/m(m/E)

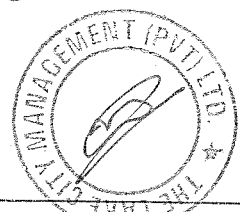
m(CT)

m(CA)

m(CA)

Safdar Ali Shah  
(Director)

(Lake City Management (Private) Limited



Lake City Management (Pvt) Limited

Before  
National Electric Power Regulatory Authority

Tariff Petition for Determination of  
Distribution Tariff

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Lake City Management (Pvt) Ltd  
For Distribution at  
Lake City Holdings Scheme – Lahore

26<sup>th</sup> December 2017

Lake City Management (Private) Limited  
3-KM, Main Raiwind Road, Lahore, Pakistan  
UAN: +92 (42) 111 000 096, FAX: +92 (42) 353 227 54



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## APPLICATION FOR DISTRIBUTION TARIFF



# LAKE CITY

—MANAGEMENT—

Ref: LCH/ED (E & CS)/926/2017

Dec 26, 2017


**The Registrar  
National Electric Power Regulatory Authority  
NEPRA Tower  
Attaturk Avenue (East),  
Sector G-5/1, Islamabad.**

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**Safdar Ali Shah  
(Director)  
(Lake City Management (Private) Limited)**



**Lake City Management (Pvt) Limited**

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## **BANK DRAFT FOR DISTRIBUTION TARIFF**



Report: 18254070285567800

http://10.133.249.5/T24ABL/servlet/BrowserServ



## CALL DEPOSIT RECEIPT

CDR No. 11205519

Date

0062  
LAKE CITY LAHORE

NOT OVER PKR \*\*\*918,912.00\*\*\*

22 DEC 2017

Received from

Payees A/C Only

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY\*\*\*\*\*

Rupees

FOR ALLIED BANK LIMITED

NINE HUNDRED AND EIGHTEEN THOUSAND NINE HUNDRED AND

TWELVE ONLY

as a deposit at call bearing no interest subject to general rules of the bank with respect to such deposit.

Rs.

\*\*\*918,912.00

When payment is required, this receipt must be returned to the bank duly discharged by the depositor under the words "Received Payment".

Authorized Signatory

IBS No.

10273

Authorized Signatory

IBS No.

6812

DO NOT WRITE BELOW THIS LINE

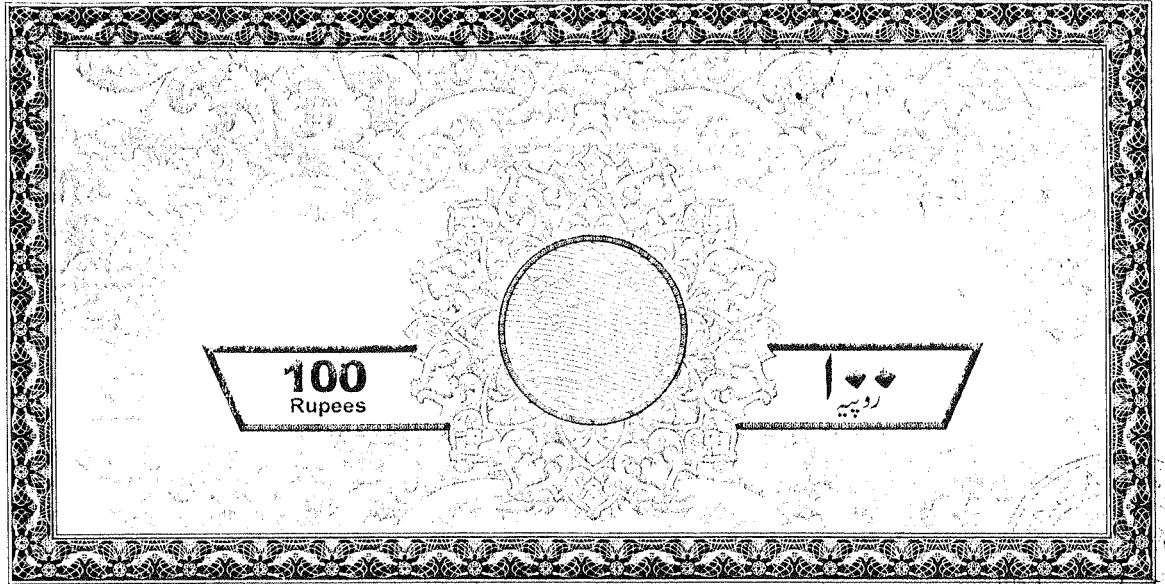
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## COPY OF AFFIDAVIT




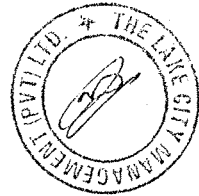
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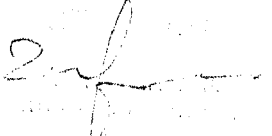


## AFFIDAVIT

I, **Safdar Ali Shah**, age 62 years, Director Lake City Management (Private) Limited 13 KM Raiwind Road Lahore, hereby declare that information received and provided in this document is true to the best of my knowledge and belief.

  
Safdar Ali Shah  
Director  
Lake City Management (Private) Limited



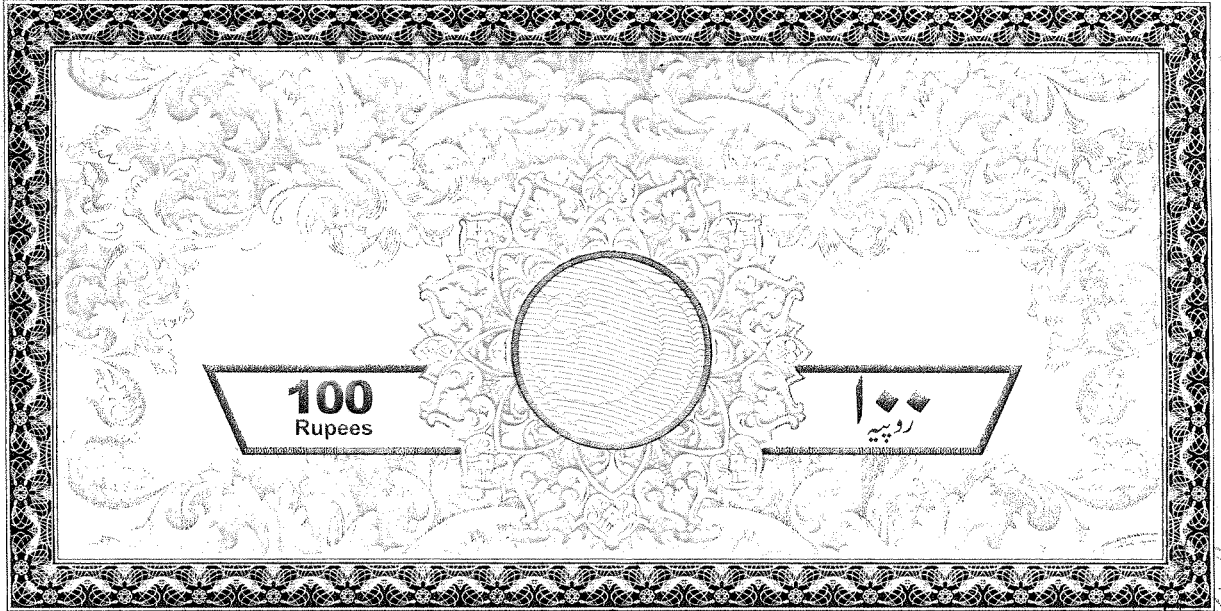




# POWER OF ATTORNEY

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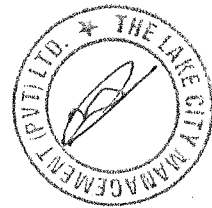


## POWER OF ATTORNEY

I Mr. Farouk Khan, Director, Lake City Management (Private) Limited do hereby appoint Mr. Safdar Ali Shah, as our attorney to apply for Tariff to NEPRA and sign all the related documents on behalf of Lake City Management (Private) Limited, Lahore.

Farouk Khan  
Director

Lake City Management (Private) Limited



12/1/2015

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## BOARD RESOLUTION



# LAKE CITY

## —MANAGEMENT—

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF  
DIRECTORS OF LAKE CITY MANAGEMENT (PRIVATE) LIMITED IN ITS BOARD  
OF DIRECTORS MEETING HELD ON MARCH 06, 2017 at 13-K. M. RAIWIND ROAD,  
LAHORE**

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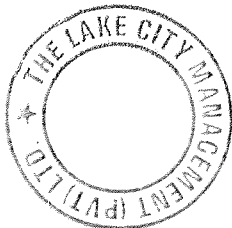
The Board of Directors resolved to accord approval as follows:

Following management officers / representatives are hereby authorized to sign individually or jointly the necessary documents, pay the necessary filing fee, appear before the National Electric and Power Regulatory Authority as needed, do all acts necessary for completion / processing of the Electricity Tariff Application.

- I) Mr. Syed Safdar Ali Shah
- II) Mr. Nadeem Afzal

For and on behalf of Board of Directors

  
Company Secretary



Lake City Management (Pvt) Limited

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## MEMORANDUM OF ASSOCIATION





A007028

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
COMPANY REGISTRATION OFFICE, LAHORE

CERTIFICATE OF INCORPORATION

[Under section 32 of the Companies Ordinance, 1984 (XLVII of 1984)]

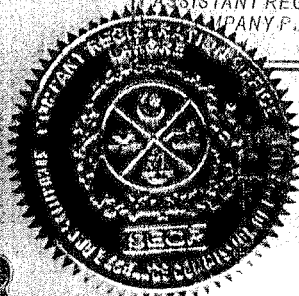
Corporate Universal Identification No. 0095517

I hereby certify that **LAKE CITY MANAGEMENT (PRIVATE) LIMITED** is this day incorporated under the Companies Ordinance, 1984 (XLVII of 1984) and that the company is Limited by Shares.

Given under my hand at Lahore this Second day of October, Two Thousand and Fifteen.

Fee Rs. 172,000/-

CERTIFIED TO BE TRUE COPY



ASSISTANT REGISTRAR OF COMPANIES  
COMPANY REGISTRATION OFFICE  
LAHORE

(LIAQAT ALI DOLLA)  
Additional Registrar

No. ARL/ 6060

DATED: 02-10-2015



THE COMPANIES ORDINANCE, 1984

(PRIVATE COMPANY LIMITED BY SHARES)

Memorandum of Association  
of  
**LAKE CITY MANAGEMENT  
(PRIVATE) LIMITED**

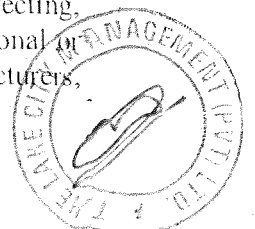
I. The name of the Company is "LAKE CITY MANAGEMENT (PRIVATE) LIMITED".

II. The Registered Office of the Company will be situated in the Province of Punjab.

III. The objects for which the Company established are all or any of the following:-

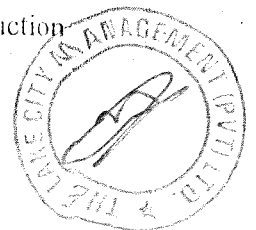
1. To carry on the business and management of Housing, Estate Development all kinds of construction and to manage maintain, improve, develop control and construct housing societies, plazas, hotels, restaurants, shops, bridges spillways, highways reservoirs, hospitals, clinics, dispensaries, maternity homes, nurseries, schools, colleges, training centers, residential blocks/bungalows, commercial complex/centers, buildings, business offices, workshops, mill, factories, where houses, apartments, multi-story flats, roads, footpaths, streets, sewerage and water treatment system, airport run-ways, electric, gas and telecommunication installation, dockyards, railway tracks/yards including hire and rent of buildings and construction and supply of material/equipments and to participate international tenders either singly as a company or in joint venture with foreign companies, individuals and firms subject to any permission required under the law.

2. To generate, accumulate, transmit, distribute, purchase, sell and supply electricity power or any other energy from conventional/non-conventional energy sources including wind, gas, oil, thermal, solar, hydel, coal, tidal and other types on a commercial basis to government, non-government, various organizations, including but not limited to WAPDA, LESCO and similar organizations, industries, cities, towns, buildings, streets, docks, markets, theatres and all places both public and private and to construct, lay down, establish, operate and maintain power/energy generating stations, including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running of power plants based on conventional non-conventional energy sources and to carry on business as manufacturers,



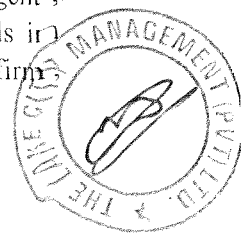
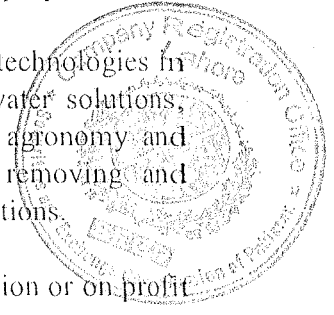
producers, processors, makers, converters, assemblers, fabricators, importers, exporters, traders, buyers, sellers, retailer, wholesalers, suppliers, indenters, packers, movers, preservers, stockiest, agents, sub-agents otherwise deal in all apparatuses and things required for or capable of being used in connection with the generation, distribution, supply and accumulation electricity power subject to permission from NEPRA/other regulatory authorities.

3. To locate, establish, construct, equip, operate, use, manage and maintain thermal power plants and coal fired power plants, power grid station, transforming, switching, conversion, and transmission facilities, grid stations, cables, overhead lines, sub-stations, switching stations, tunnels, cable bridges, link boxes, heat pumps, plant and equipment for combined heat and power schemes, offices, computer centres, shops, dispensing machines for pre-payment cards and other devices, showrooms, depots, factories, workshops, plants, printing facilities, warehouses and other storage facilities.
4. To carry on anywhere in Pakistan the business of power generation and distribution in all its branches and aspects and in particular to construct, lay down, establish, maintain and fix all necessary Power Stations together with ancillary works, cables, wires, meter, lines, accumulators, lamps, interconnect facilities, grid stations, transmission facilities and to generate, accumulate, distribute, sell, transit and supply electricity after obtaining approval from relevant authorities.
5. To carry on the business of manufacturers and suppliers of power generation plants and distribution systems of power, steam, gas diesel, solar, gas - generators, farmers, carriers and merchants, and to buy, sell, manufacturer, repair, convert, alter, let on hire, and deal in machinery including workshops and field services.
6. To design, insure, construct, acquire, own, operate and maintain power generation complexes and to carry on the business of electricity generation, power transmission and distribution services, over hauling and re-powering of power plants and to deal in electrical and other appliances cables, dry cells, accumulators, lamps, and to work, generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes for which electrical energy can be employed and to manufacture and deal in all apparatuses and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, including in the term electricity all power that may be incidentally hereafter discovered in dealing with electricity.
7. To carry out the distribution of electricity in the towns/colonies so developed/constructed and to obtain the necessary licences/approvals from NEPRA / relevant Authorities, Govt. Agencies, etc.
8. To carry on the business of estimation, drawing up or specifications and contracts, quantity surveying, supervision and execution of construction works and installation and maintenance thereof.



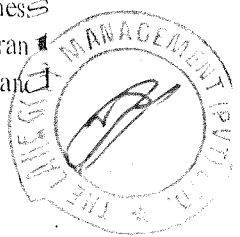
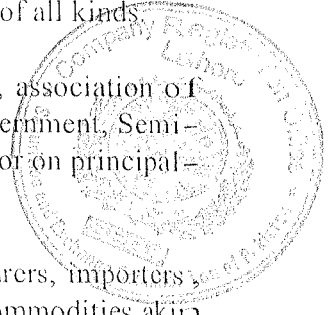


9. To construct, erect or maintain potable water treatment and distribution systems, chemical desalination, sewerage treatment plants and connection systems, waterworks, drainage and sewerage facilities, water supply, electric and gas installations and to deal with same in any manner whatsoever, and to provide all civic facilities to occupiers or tenants thereof as are commonly provided, subject to any permission required by law.
10. To carry on the business of contractors and suppliers of goods of all description to Government, Central and Provincial, Local bodies, Municipalities, L.D.A., C.D.A, K.D.A, Sui Northern Gas, Wapda and other autonomous bodies, persons, hotels, hospitals, firms, or corporations and to supply goods of all kinds for the purpose subject to any permission required by law of Pakistan.
11. To construct and maintain road, bridges, wharves, quays jetties and piers, pipelines, canal and storage tanks for water, petroleum, petroleum products, natural gas and other substances, water desalination, treatment plants and such other works as may be required for all or any of the above purpose.
12. To provide, co-ordinate and assist in the new inventions and technologies in the most potential areas in the fields of water and waste water solutions, environment, hot and cold climate solutions, agriculture, agronomy and organic food solutions, land reclamation, land obstacles, removing and breaching solutions, energy wastage, re-use and alternative solutions.
13. To carry on business of sales representative either on commission or on profit sharing basis of all kinds of goods and materials.
14. To carry on business of supervisors, administrators, executors, contractors, agents, (except managing agents) experts, collaborators, advisors and negotiators of civil engineering, hydraulic engineering, chemical engineering, mining, metallurgy, agriculture, afforestation soil conservation and reclamation, industries, aeronautics, telephone, telegraphs and wireless communication, rail, road, water and air transport and all affairs relating thereto, petroleum-products, machinery for exploration of gas, mines, petrol and petroleum product.
15. To apply for, tender, offer and accept purchase or otherwise acquire any contracts and concessions for on in relation to the projection, execution, carrying out improvements, management, administration or control of works and conveniences and undertake, execute, carry out, dispose of or otherwise turn to account the same.
16. To carry on and undertake trading business of all sorts and to act as indenters, importers, exporters, traders, suppliers manufacturers, stockiest agent, commission agents and retailers of products, commodities and materials in any form or shape manufactured or supplied by any company, firm



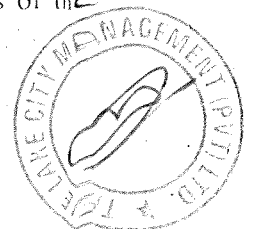
association of persons, body, whether incorporated or not, individuals, Government, Semi-Government or any local authority within the scope of the object of the company.

17. To carry on the business of general order suppliers, including Government, Semi-Government agencies, Armed Forces, Army, Military or Defence and commission agents, indenters, traders and as general merchants, wholesalers, retailers, dealers, distributors, stockiest agents, sub-agents in any goods or products or within the scope of the object of the Company and subject to any permission required under the law.
18. To carry on the business and obtain licences for shipping agents, clearing and forwarding agents, purchasing and indenting agents, selling agents, travel agents, tour operators, common carriers and contractors.
19. To establish warehouses and to carry on the business of warehouse-men stores, custodians, and to provide facilities for storage of commodities, articles, things preparation of all kinds and depreciation whatsoever, storage rooms, bins, godowns, cold storage, clearing and forwarding, transportation and distribution of beverages, food products and merchandise of all kinds.
20. To receive goods on consignment, from any company, firm, association of persons, body, whether incorporated or not, individuals, Government, Semi-Government or any local authority and sell the same as agent or on principal-to-principal basis.
21. To carry on in or outside Pakistan the business of manufacturers, importers, exporters, indenters, transporters, dealers in all articles and commodities akin to or connected with any of the business of the Company capable of being conveniently carried on or necessary for the promotion of the objects herein contained, as permissible under law.
22. To carry on agency business (except managing agency) and to acquire and hold selling agencies and to act as selling agents, commission agents, manufacturers, representatives and distributing agents of and for the distribution of all kinds of merchandise, goods, commodities, products, materials, substances, articles and things whether finished, semi-finished, raw, under process, refined, treated or otherwise pertaining to trade and commerce and for that purpose to remunerate them and to open and maintain depots and branches as allowed under the law.
23. To purchases, hire, apply for or otherwise acquire and hold for any interest, any rights, privileges, easements, trademarks, patents, patent right, copyrights, licences, secret processes, machinery, plants, stock-in-trade, and any movable and immovable property or assets of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof and to use, exercise, develop, grant licenses in respect of or otherwise turn to account any property, rights, and

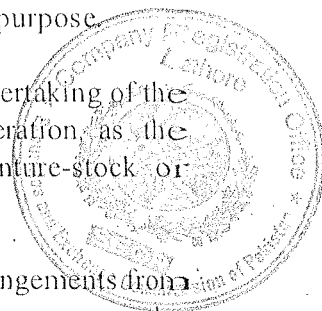


information so acquired, subject to any permission required under the law.

24. To acquire by concession, grant, purchase, barter, licence either absolutely or conditionally and either solely or jointly with others any lands, buildings, machinery, plants, equipments, privileges, rights, licences, trademarks, patents, and other movable and immovable property of any description which the Company may deem necessary or which may seem to the Company capable of being turned to account, subject to any permission as required under the law.
25. To act as representatives, for any person, firm or company and to undertake and perform sub-contracts and also act in the business of the Company through or by means of agents, sub-contractors and to do all or any of the things mentioned herein in any part of the world and either alone or in collaboration with others and by or through agents, sub-contractors, or otherwise.
26. To go in for, buy or otherwise acquire and use any patent design, copyright, licence, concession, convenience, innovation, invention, trademarks or process, rights, or privileges, plants, tools or machinery and the like in Pakistan or elsewhere, which may for the time being appear to be useful or valuable for adding to the efficiency or productivity of the Company's work or business, as permissible under the law.
27. To acquire and carry on all or any part of the business or property and to undertake any liabilities of any person, firm, association or Company possession of property suitable for any of the purposes of the Company or carrying on any business which this Company is authorized to carry on and in consideration for the same, to pay cash or to issue shares of the Company.
28. To enter into arrangements with the government or authority (supreme, municipal, local or otherwise) or any corporation, company, or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government, authority, corporation, company or person any charters, contracts, rights, privileges and commission which the Company may think desirable and to carry on exercise and comply with any such charters, contracts, decrees, rights privileges and concessions.
29. To enter into partnership, to amalgamate, or merge movable with immovable and/or to buy on all interests, assets, liabilities, stocks, or to make any arrangement for sharing profits, union of interests, co-operation, joint-venture, reciprocal concession or otherwise with any person, firm or company carrying on or proposing to carry on any business which this Company is authorized to carry on or which is capable of being conducted so as directly or indirectly to benefit this Company and have foreign collaborations and to pay royalties/technical fees to collaborators subject to the provisions of the Company Ordinance, 1984.

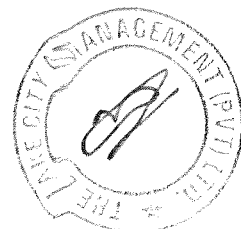


30. To establish, promote or assist in establishing or promoting and subscribe to or become a member of any other company, association or club whose objects are similar or in part similar to the objects of the Company or the establishment or promotion of which may be beneficial to the Company, as permissible under the law.
31. To open accounts with any Bank or Banks and to draw, make, accept, endorse, execute, issue, negotiate and discount cheques, promissory notes, bills of exchange, bills of lading, warrants, deposit notes, debentures, letter of credit and other negotiate instruments and securities.
32. To arrange local and foreign currency loans from scheduled banks, industrial banks and financial institutions for the purpose of purchase, manufacture, market, supply, export and import of machinery, construction of factory, building and for the purpose of working capital or for any other purpose.
33. To sell or otherwise dispose of the whole or any part of the undertaking of the Company, either together or in portions for such consideration as the Company may think fit and in particular, for shares, debenture-stock or securities of any Company purchasing the same.
34. To borrow or raise money by means of loans or other legal arrangements from banks, or other financial institutions, or Directors in such manner as the Company may think fit and in particular by issue of debentures, debenture stock, perpetual or otherwise convertible into shares and to mortgage, or charge the whole or any part of the property, assets or revenue of the Company, present or future, by special assignment or to transfer or convey the same absolutely or in trust as may seem expedient and to purchase, redeem or pay off any such securities.
35. To pay all costs, charges, and expenses preliminary or incidental incurred in formation or about the promotion and establishment of the Company and to remunerate any person, firm or company for services rendered or to be rendered in or about the formation or promotion of the Company or the conduct of its business.
36. To give any servant or employee of the Company commission in the profits of the Company's business or any branch thereof and for the purpose to enter into any agreement or scheme the Company may deem fit and to procure any servants or employees of the Company to be insured against risk of accident in the course of their employment by the Company.
37. To establish and support or aid in the establishment and support of funds, trusts, associations, institutions and conveniences calculated to benefit persons who are or have been Directors of or who have been employed by or who are serving or have served the Company or any other Company which is a subsidiary or associate of the Company or the dependents or connections



of such persons and to grant pensions, gratuities, allowances, relief's and payments in any other manner calculated to benefit the persons described herein.

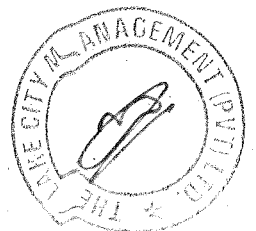
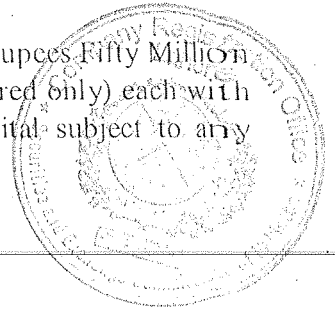
38. To capitalize such portion of the profits of the Company as are not distributed among shareholders of the Company in the form of dividend as the Company may think fit and for the purpose to issue bonus shares as fully paid up, in favour of the shareholders of the Company.
39. To establish, construct, manage, maintain and run any charitable institutions, hospitals and research institutes for the benefit of the public or employees of the Company, their families and dependents and to send any person, employees or Directors of the Company abroad to any foreign country or in Pakistan.
40. To distribute any of the Company's property and assets among the members in specie or in any manner whatsoever in the event of winding up of the Company.
41. To adopt such means of making known the business and products of the Company as may seem expedient, and in particular by advertisement in press by circulars by purchase and exhibitions of works of art or interest, by publication of books and periodicals and by granting prizes, rewards, donations and also giving advertisements as permissible under law.
42. To carry out joint venture agreements with other companies or countries within the scope of the objects of the Company.
43. To cause the Company to be registered or recognized in any foreign country.
44. To do and perform all other legally permissible acts and things as are incidental or conducive to the attainment of the above objects or any of them.
45. To apply for and obtain necessary consents, permission and licences from any Government, State, Local and other Authorities for enabling the Company to carry on any of its objects into effect as and when required by law.
46. It is declared that notwithstanding anything contained in the foregoing object clauses of this Memorandum of Association nothing contained therein shall be construed as empowering the Company to undertake or to indulge in business of banking company, leasing, investments, pre-payments sales scheme, managing agency or insurance business directly or indirectly as restricted under the law or any unlawful operation.



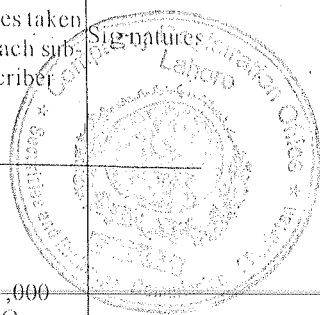

47. Notwithstanding anything stated in any object clause, the company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.

IV. The liability of the members is limited.

- V. The authorized share capital of the company is Rs.50,000,000/-(Rupees Fifty Million only) divided into 500,000 shares of Rs.100/-(Rupees One Hundred only) each with powers to the company from time to time to increase its capital subject to any permission required under the law.



We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company as set opposite to our respective names.

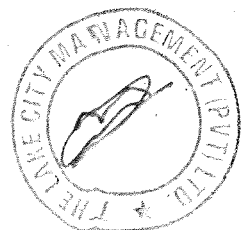
Name and Surname (Present & Former) in Full (in Block Letters)	C.N.I.C. No. (in case of foreigner, , Passport No.)	Father's / Husband's Name(in full)	Nationality with any former Nationality	Occupation	Residential Address ( in Full )	Number of shares taken by each sub- scriber	Signatures
1. MUHAMMAD FAROUK KHAN	13101- 5418259-7	S/o Raja M. Zubair Effendi	Pakistani	Private Service	130-D, State Life Housing Society, Lahore.	1,000 One Thousand	
2. SYED SAFDAR ALI SHAH	35200- 2265334-5	S/o Syed Faqir Hussain Shah	Pakistani	Private Service	1 - JP, Ghazi Raod, Lahore.	1,000 One Thousand	
<div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>CERTIFIED TO BE TRUE COPY</p>  <p>ASSISTANT REGISTRAR OF COMPANIES COMPANY REGISTRATION OFFICE LAHORE. 17/9/15</p> </div>						Total Number of Shares Taken	2,000 Two Thousand

Dated this 18th Day of September, 2015.

Witness:

**National Institutional Facilitation  
Technologies (Pvt.) Ltd.**

5th Floor, AWT Plaza,  
I. I. Chundrigar Road,  
Karachi.



*THE COMPANIES ORDINANCE, 1984*  
(PRIVATE COMPANY LIMITED BY SHARES)

Articles of Association  
of  
**LAKE CITY MANAGEMENT  
(PRIVATE) LIMITED**

**PRELIMINARY**

1. Subject as hereinafter provided, the Regulations contained in Table 'A' of the First Schedule to the Companies Ordinance, 1984, (hereinafter referred to as Table 'A') shall apply to the Company so far as those are applicable to Private Companies, with the exception of the Regulations which are modified, altered or added hereunder.

**PRIVATE LIMITED COMPANY**

2. The Company is a Private Company within the meaning of Clause (28) of Section 2(1) of the Companies Ordinance, 1984 and accordingly:-

(a) No invitation shall be issued to the public to subscribe for any shares, debentures or debenture-stocks of the Company;

(b) The number of members of the Company (exclusive of persons in the employment of the Company) shall be limited to fifty provided that for the purpose of this provision when two or more persons hold one or more shares in the Company jointly they shall for the purposes of this clause be treated as a single member; and

(c) The right to transfer shares in the Company is restricted in the manner and to the extent hereinafter appearing.

**BUSINESS**

3. The Company is entitled to commence business from the date of its incorporation.

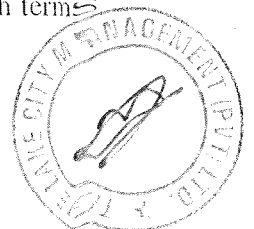
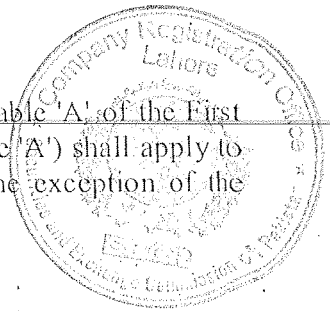
4. The business of the Company shall include all or any of the objects enumerated in the Memorandum of Association.

5. The business of the Company shall be carried out at such place or places in the whole of Pakistan or elsewhere as the Directors may deem proper or advisable from time to time.

**CAPITAL**

6. The Authorized Capital of the Company is Rs. 50,000,000/- (Rupees Fifty Million only) divided into 500,000 ordinary shares of Rs. 100/- (Rupees One Hundred only) each with powers to increase, reduce, consolidate, sub-divide or otherwise re-organize the share capital of the Company.

7. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons; firms, corporation or corporations on such terms and conditions and at any such time as may be thought fit.





### VOTES OF MEMBERS

17. At any General Meeting a resolution put to the vote of the General Meeting shall be decided on a show of hands, unless a poll is demanded in accordance with the provisions of Section 167 of the Companies Ordinance, 1984.

18. On a show of hands every member present shall have one vote and on a poll, every member present in person or by proxy shall have one vote in respect of each share held by him.

19. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or notarially certified copy of that power of attorney or authority shall be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy will not be treated as valid.

### CHAIRMAN

20. The Directors may from time to time appoint one of their members to be the Chairman of the Company for a period not exceeding three years on such terms and conditions as they deem fit. The Chairman shall preside over the meetings of the Board of Directors and members of the Company. In his absence, the Directors may elect one of them to preside over Board's / General Meetings. The questions arising at the meeting of the Directors shall be decided by a majority of votes. In the case of equality of votes, the Chairman or the Director presiding over the meeting, as the case may be, shall have a casting vote.

### CHIEF EXECUTIVE

21. The first Chief Executive of the Company will be appointed by the Board of Directors within fifteen days from the date of incorporation of the Company who shall hold office till the first Annual General Meeting.

### DIRECTORS

22. Unless otherwise determined, the number of Directors shall not be less than two. The following will be the first Directors of the Company:

1. MUHAMMAD FAROUK KHAN
2. SYED SAFDAR ALI SHAH

23. The election of the Directors shall be held in accordance with the provisions of Section 178 of the Companies Ordinance, 1984.

24. The first Directors including the Chief Executive shall hold office up to the First Annual General Meeting in accordance with the provisions of the Companies Ordinance, 1984, unless any one of them resigns earlier or becomes disqualified for being Director or otherwise ceases to hold office.

25. A resolution for removing a Director shall not be deemed to have been passed if the number of votes against him is equal to, or less than the number of votes that would have been necessary for the election of Directors at the immediately preceding annual election of Directors in the manner aforesaid but as provided under Section 181 of the Companies Ordinance, 1984.



26. The remuneration of Directors except regularly paid Chief Executive and full time working Directors shall, from time to time, be determined by the Board of Directors but it shall not exceed Rs. 500/- per meeting at which the Directors are present.

27. The Directors may sanction the payment of such additional sums as they may think fit to any Director for any special service he may render to the Company or be thought capable of rendering either by fixed sum or in any other form as may be determined by the Directors subject to the provisions of the Companies Ordinance, 1984.

28. The Director who resides out of station shall also be entitled to be paid such traveling and other expenses for attending the meeting for the Company as may be fixed by the Directors from time to time according to the provisions of the Companies Ordinance, 1984.

29. Any casual vacancy occurring on the Board of Directors shall be filled in by a resolution of the Board of Directors and the person so appointed shall hold office for the remainder of the term of the Directors in whose place he is appointed.

30. No Director shall be disqualified from his office by contracting with the Company either as vendor, purchaser or otherwise nor shall any Director be liable to account for any profit realized from any such contract or arrangement or the fiduciary relation thereby established, but the nature of his interest must be disclosed by him at the first meeting of the Directors after acquisition of his interest.

#### **NOMINEE DIRECTOR**

31. In addition to the elected Directors, the Financial Institutions shall be entitled, during the currency of their respective loan(s) to the Company to appoint one person on the Board of Directors of the Company to be called Nominee Director and to recall and/or replace such a person from time to time. Such Nominee Director on the Board of Directors of the Company may not be holders of share(s) in the Capital of the Company and regulations and/or rules pertaining to the election, retirement, qualification and/or disqualification of Directors shall not apply to him.

#### **NOTICES**

32. Notices for every meeting of the Board of Directors will be given in writing and there must be given a reasonable time in advance. The nature of the business to be transacted at an intended Board meeting will be specified in the notice.

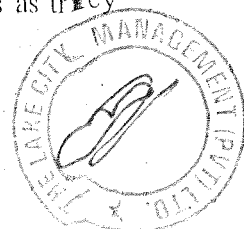
#### **MANAGEMENT**

33. The whole business and affairs of the Company shall, subject to the control and supervision of the Board of Directors, be managed and controlled by the Chief Executive.

34. Subject to the limit fixed by the Directors, the Chief Executive may from time to time raise or borrow any sums of money for and on behalf of the Company from other companies, banks or financial institutions on such terms as may be approved by the Board of Directors from time to time.

35. Without prejudice to the powers conferred by these Articles, the Board of Directors shall have the following powers:-

- (a) To take on lease, purchase, erect or otherwise acquire for the Company any assets, stocks, lands, buildings, property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as they think fit.



8. The shares in the capital of the Company may be allotted or issued in payment of any property, land, machinery or goods supplied or any services rendered to the Company or promotion or formation of the Company or conduct of its business and any shares so allotted may be issued as fully paid shares.

### SHARES, TRANSFER AND TRANSMISSION

9. Every person whose name is entered, as a member in the Register of Members shall without payment be entitled to a certificate under the Common Seal of the Company specifying the shares held by several persons. The Company shall not be bound to issue more than one certificate and delivery of a share certificate to any one of several joint holders shall be sufficient delivery to all.

10. The Directors may decline to register any transfer of share to transferee of whom they do not approve and shall be bound to show any reasons for exercising their discretion subject to the provisions of Sections 77 and 78 of the Companies Ordinance, 1984.

11. No share can be mortgaged, pledged, sold, hypothecated, transferred or disposed off by any member to a non-member without the previous sanction of the Board of Directors.

12. The legal heirs, executors or administrators of a deceased holder shall be the only persons to be recognized by the Directors as having title to the shares. In case of shares registered in the name of two or more holders the survivors and the executors of the deceased shall be the only persons to be recognized by the Company as having any title to the shares.

### GENERAL MEETING

13. The First Annual General Meeting shall be held within 18 months from the date of incorporation of the Company in accordance with the provisions of Section 158 and thereafter once at least in every year and within a period of four months following the close of its financial year and not more than fifteen months after the holding of its last preceding Annual General Meeting as may be determined by Directors. The Directors may, whenever they think fit, call an Extraordinary General Meeting of the shareholders in terms of Section 159 of the Companies Ordinance, 1984.

### PROCEEDINGS AT GENERAL MEETING

14. Twenty one days' notice at least specifying the place, day and hour of the General Meeting and in case of special business the general nature of such business, shall be given to the members in the manner provided in Table "A" but accidental omission to give such notice to or non-receipt of such notice by the member shall not invalidate the proceedings of the General Meeting.

15. The Chief Executive, with the consent of a meeting at which quorum is present and shall if so directed by the meeting may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### QUORUM

16. No business shall be transacted at any General Meeting unless a Quorum of members is present at the time when the meeting proceeds to business. Two members, present in person, representing not less than 25% of the total voting power either on their own account or as proxies, shall form a Quorum for a General Meeting.



(b) To let, mortgage, sell, exchange or otherwise dispose of absolutely or conditionally all or any part of the assets, stocks, raw materials, properties, privileges and undertaking of the Company upon such terms and conditions and for such consideration as they think fit.

(c) To appoint any person or persons to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as they may, from time to time, think fit.

(d) To enter into, carry out, rescind or vary all financial arrangements with any bank, person, company, firm or corporation or in connection with such arrangements to deposit, pledge or hypothecate property of the Company or the documents representing or relating to the same.

(e) To make and give receipts, release and discharge all moneys payable to the Company and for the claims and demands of the Company.

(f) To compound or allow time to the payment or satisfaction of any debt due to or by the Company and any claim and demands by or against the Company and to refer claims or demands by or against the Company to arbitration and observe and perform the awards.

(g) To institute, prosecute, compromise, withdraw or abandon any legal proceedings by or against the Company or its affairs or otherwise concerning the affairs of the Company.

(h) To raise and borrow money from time to time for the purposes of the Company, on the mortgage of its property or any part thereof and/or on any bond or debenture payable to bearer otherwise repayable in such a manner and generally upon such terms as they think fit.

(i) To open, operate and maintain bank/banks account(s) individually or jointly as the Board may authorize or to any other person on its behalf.

### **BORROWING POWERS**

36. The Directors may from time to time raise, borrow or secure the payment of any sums for the purposes of the Company in such manner and upon such terms and conditions as they think fit and in particular by the issue of debentures, debenture-stock or other securities charged upon all or any part of the property of the Company present or future.

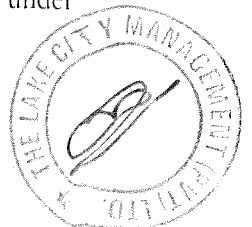
37. Debentures, debenture-stock, or other securities may be issued with any special privileges as to redemption, surrender, allotment of shares, attending and appointment of Directors or other privileges subject to any permission required by law.

### **THE SEAL**

38. The Company shall have a Common Seal and the Directors shall provide for the safe custody of the same. The Seal shall not be applied on any instrument except by the authority of the Board of Directors and in the presence of at least two Directors who shall sign every instrument to which the Seal shall be affixed in their presence. Such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

### **ACCOUNTS**

39. The Directors shall cause to be kept proper books of account as required under Section 230 of the Companies Ordinance, 1984.



40. The books of account shall be kept at the registered office of the Company or at such other place as the Directors shall think fit subject to the provisions of Section 230 of the Companies Ordinance, 1984.

#### AUDIT

41. Once at least in every year the accounts of the Company shall be audited and correctness of the Balance Sheet shall be ascertained by one or more Auditors. The Auditors shall be appointed and their duties regulated in accordance with the provisions of Section 252 to 255 of the Companies Ordinance, 1984.

#### INDEMNITY

42. In connection with carrying on the business of the Company, the Chief Executive, every Director, or other officers of the Company shall be indemnified by the Company for all losses and expenses occasioned by error of judgment or oversight on his part, unless the same happens through his own dishonesty or willful act and defaults.

#### SECRECY

43. No member shall be entitled to visit and inspect the Books of the Company without the permission of the Chief Executive or one of the Directors or to require discovery of any information regarding any detail of the Company's business or any matter which is or may be in the nature of trade secret, or secret process which may relate to the conduct of the Company's business and which in the opinion of the Directors, will not be in the interest of the members of the Company to communicate to the public.

#### ARBITRATION

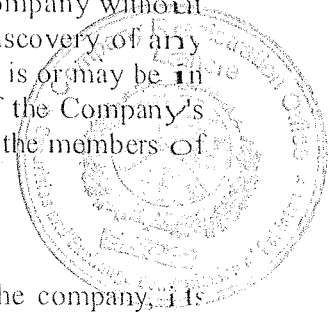
44. In the event that a dispute, claim or controversy arises between the company, its management and its shareholders, or between the shareholders inter-se. all steps may be taken to settle the dispute and resolve the issue through mediation by an accredited mediator before taking recourse to formal dispute resolution such as arbitration or litigation.

45. Whenever any difference arises between the Company on the one hand and the members, their executors, administrators or assignee on the other hand, touching the true intent or construction or the incident or consequence of these presents or of the statutes or touching anything thereafter done, executed, omitted or suffered in pursuance of these presents or otherwise relating to these presents or to any statutes affecting the Company, every such difference shall be referred for the decision of the arbitrator who will be qualified in Islamic law.


46. The cost incidental to any such reference and award shall be at the discretion of the arbitrator or umpire respectively who may determine the amount thereof and direct the same to be shared between the attorney and client or otherwise and may award by whom and in what manner the same shall be borne and paid.

#### WINDING UP

47. If the Company is wound up whether voluntarily or otherwise the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie any part of the assets and liabilities of the Company, subject to Section 421 and other provisions of the Companies Ordinance, 1984 as may be applicable.



We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of this Articles of Association, and we respectively agree to take the number of shares in the Capital of the Company as set opposite to our respective names.

Name and Surname (Present & Former) in Full ( in Block Letters )	C.N.I.C. No. (in case of foreigner, Passport No.)	Father's / Husband's Name(in full)	Nationality with any former Nationality	Occupation	Residential Address ( in Full )	Number of shares taken by each sub- scriber.	Signatures
1. MUHAMMAD FAROUK KHAN	13101-5418259-7	S/o Raja M. Zubair Effendi	Pakistani	Private Service	130-D, State Life Housing Society, Lahore.	1,000 One Thousand	
2. SYED SAFDAR ALI SHAH	35200-2265334-5	S/o Syed Faqir Hussain Shah	Pakistani	Private Service	1 - JP, Ghazi Raod, Lahore.	1,000 One Thousand	
<div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>CERTIFIED TO BE TRUE COPY</p>  <p>ASSISTANT REGISTRAR OF COMPANIES COMPANY REGISTRATION OFFICE LAHORE. 17/9/17</p> </div>						<div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>Total Number of Shares Taken</p> <p>2,000 Two Thousand</p> </div>	

Dated this 21st Day of September, 2015.

Witness:

**National Institutional Facilitation  
Technologies (Pvt.) Ltd.**

5th Floor, AWT Plaza,  
I. I. Chundrigar Road,  
Karachi.



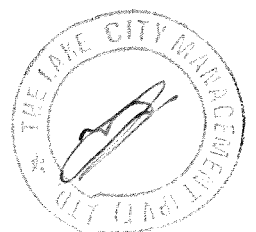
# **DISTRIBUTION TARIFF PETITION**

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## Section 1. Petitioner's Information





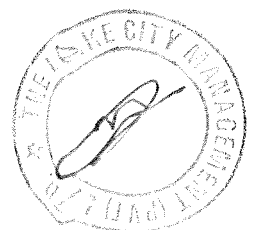
## 1.1 Name and Address

Lake City Management (Private) Limited  
13-KM, Main Raiwind Road, Lahore, Pakistan  
UAN: +92 (42) 111 000 096, FAX: +92 (42) 353 227 54  
Phone: 042-35322754

## 1.2 A

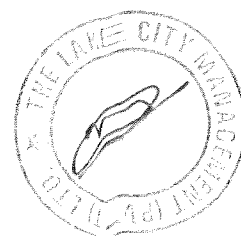
### Authorized Representatives of Project Company

- |   |  |
|---|--|
| 2 | Mr. Farouk Khan, Director  |
| 3 | Mr.Safdar Ali Shah, Director   |
| 4 | Brig @ Pervaiz Bashir, Executive Director Coordination                             |
| 5 | <del>Col @ Nauman Siddiqi, Executive Director(Engineering &amp; Construction</del> |
|   | <del>Services)</del>   |
| 6 | Lt Col @ Nadeem Afzal, Manager Coordination  |
| 7 | Mr.Sheikh Muhammad Yahya, Electrical Consultant                                    |
| 8 | Mr.Hasnat Ahmad Khan, Electrical Consultant  |
| 9 | Mr.Asad Mumtaz Baloch (ACA), Financial Consultant                                  |



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## Section 2. . Grounds for the Petition



## **2.1 Basis for Petition**

This Petition is made to the National Electric Power Regulatory Authority ("NEPRA") under the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of) 1997 (the "NEPRA Act") and the Tariff Standards and Procedure Rules, 1998 (the "NEPRA Rules") made under the NEPRA Act; and other applicable laws.

NEPRA is responsible under the NEPRA Act to determine tariffs, rates and other terms and conditions for the supply of electric power services by the generation, transmission and distribution companies and to recommend them to the Federal Government for notification. NEPRA is also responsible for determining the process and procedures for reviewing and approving tariffs and tariff adjustments.

## **2.2 Background**

Project Company conducted number of processes leading to tariff petition of the project. This includes amongst other application for distribution license and conducting various studies in relation to the project, and selection of distribution equipment supplier. In order to select distribution system equipment, Project Company will carry out a competitive bidding process, after which the transformers (distribution system etc.) would be selected & EPC contracts for Balance of Plant (PoB), civil works, erection, installation and commissioning would be finalized.

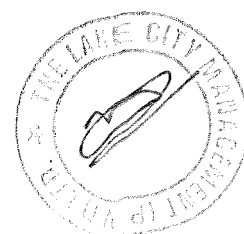
The capital structure of the Project is envisaged at 70:30 (Debt: Equity). Debt for the project would be obtained from Local Banks, DFIs or Institutional Investors.

Under the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (the "NEPRA Act"), the Authority is mandated to determine tariff and other terms and conditions for the supply of electricity through generation, transmission and distribution.

The tariff petition is being filed before National Electric Power Regulatory Authority (the "NEPRA" or the "Authority") pursuant to Rule 3 of the NEPRA (Tariff Standards and Procedure) Rules, 1998.

## **2.3 About the Petitioner**

The principal business of Lake City is to provide most modern and valuable living concept in housing, commercial ventures & host of business opportunities. Lake City holdings is a collaboration between some of the largest business and industrial groups of Pakistan. Lake City holdings



Lahore has more than 10 year experience of successful operation and maintenance of its own underground distribution system.

Lake City holding comprising of 16,834 Kanals is a resort / residential development planned 13 Km on outskirts of Lahore. Lake City was established in 2005. The project is planned around 18 holes 214 Acres, the largest in Pakistan with luxury bungalows surrounding the course greens. Lake City intends to set up its own distribution system with an aim to provide uninterrupted power supply to the residents of the consumers i.e. housing colony.

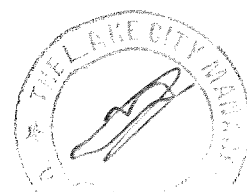
#### **2.4 Request for Tariff Determination**

As all the requirements of tariff petition has been completed, therefore it is submitted to NEPRA for the determination of distribution tariff of Lake City Management (Private) Limited along with below annexures.

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#### **Annexures**

- a. Proposed Tariff structure (Annexures-A )
- b. Schedule of Comparison with LESCO (Annexures-B)
- c. Projected Financial Statements for the period From January 01, 2018 to June 30, 2018 including,
  - i. Projected Profit & Loss Statement for 6 Months 2017-18 (Annexures-C)
  - ii. Projected Balance Sheet up to June 30, 2018 (Annexures-D)
  - iii. Cash Flow statements for 9 Months 2017-18 (Annexures-E)
- d. Assumptions to Financial Projections (Annexure-F)
- e. Following Statutory Forms of NEPRA are attached
  1. Company Statistics
  2. Profit & Loss Statement
  3. Monthly Profit & Loss Statement
  4. Balance Sheet
  5. Cash flow Statement
  6. Power Purchase Actual & Projected
  7. Line Losses Actual & Projected
  8. Asset Registrar
  9. Accounts Receivable
  10. Projected Energy Sales by Tariff
  11. Operating Costs
  12. Distribution Margin Comparison
  13. Return on Rate Base
  14. Revenue Requirement Actual & Projected



## 2.5 Submission

Pursuant to the relevant provisions of the NEPRA Rules, read with the provisions of the NEPRA Act and the Rules and Regulations made there under; and in respect of compliance by Lake City Management (Private) Limited (LCM) Submits herewith before NEPRA, the competent regulatory authority lawfully authorized to determine tariff for power generation & distribution companies, for its approval a tariff petition (the Tariff Petition) for approval of following:

- Distribution tariff (the Reference Distribution Tariff);
- the Indexations and Adjustments;
- Adjustments at commercial operations date;
- Other matters set out in this Tariff Petition.

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Given the advance stage of the project, NEPRA is kindly requested to process the Tariff Petition at the earliest, thereby enabling LCM to proceed further with the development and implementation process.



(Annexure-A)

**Proposed Tariff structure  
From  
1<sup>st</sup> January 2018 to 30<sup>th</sup> June 2018**

**Tariff Structure for Consumer Billing**

	Mix				
Residential					
1-100	5%	4%	146,467	5.73	839,565
101-200	10%	8%	292,934	8.03	2,351,941
201-300	10%	8%	292,934	10.10	2,958,051
301-700	55%	41%	1,611,139	15.84	25,520,444
701-above	20%	15%	585,869	17.82	10,440,182

**Commercial**

Commercial - or peak load requirement up to 5 kW	24%	937,390	25.00	23,434,751
Commercial (<100).	0%			
Commercial (<20 KW) For peak load requirement exceed	0%			
Regular	0%			

**Public Lighting G**

1%	39,058	14.85	580,010
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**Industrial**

B2 - TOU (Peak)	30%	0%	-	19.00	-
B2 - TOU (Off Peak)	70%	0%	-	11.00	-
	50%		3,905,792	16.93	66,124,944

**Consumer Mix**

Residential	75.0%	2.93
Commercial	24.0%	0.94
Street Lighting	1.0%	0.04
Industrial	0%	-
Total	100%	3.9057919



(Annexure-B)

# **Comparison Schedule** **Lake City Consumer Tariff** **With** **Lahore Electric Supply Company Ltd**

## **Residential**

1-100	5.73	9.25	3.46	-	5.79
101-200	8.03	11.00	2.89	-	8.11
201-300	10.10	11.00	0.80	-	10.20
301-700	15.84	13.33	-	2.67	16.00
701-above	17.82	15.00	-	3.00	18.00

## **Commercial**

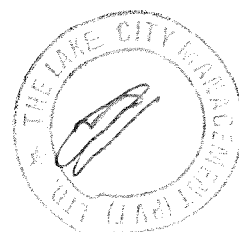
Commercial - or peak load requirement up to 25.00	25.00	16.00	-	2.00	18.00
Commercial (<100).		12.00		4.00	16.00
Commercial (<20 KW) For peak load requirement exceeding 5 kW					
Regular					

Public Light Plug G	14.85	14.00	-	1.00	15.00
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## **Industrial**

B2 - TOU (Peak)	19.00
B2 - TOU (Off Peak)	11.00

16.93	#	15.36
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(Annexure-C)

## Projected Profit & Loss Statement 6 Months 2017-18

	Unit	
Units Received	kWh	4,292,079
Units Lost	kWh	386,287
Units Lost	%	9.00%
Units Sold	kWh	3,905,792
<b>Revenue</b>		
Sales Revenue	PKR	66,124,944
Subsidy	PKR	-
Fuel Price Adjustment	PKR	-
<b>Total Sales Revenue</b>	PKR	66,124,944
Rental & Service Income	PKR	-
Amortization of Def Credits	PKR	-
Late payment Surcharge	PKR	-
Other Income	PKR	-
<b>Total Revenue</b>	PKR	66,124,944
<b>Operating Cost</b>		
Power Purchase Cost	PKR	90,749,659
O&M Expenses	PKR	10,200,000
Depreciation	PKR	12,532,392
Amortization	PKR	-
Provision for Bad Debt	PKR	-
<b>Total Operating Cost</b>	PKR	113,482,052
<b>EBIT</b>	PKR	(47,357,107)
Financial Charges	PKR	-
EBT	PKR	-
Tax	PKR	-
<b>Interest and Tax</b>	PKR	-
<b>EAT</b>	PKR	(47,357,107)
WPPF	PKR	-
<b>Profit for the period</b>	PKR	(47,357,107)

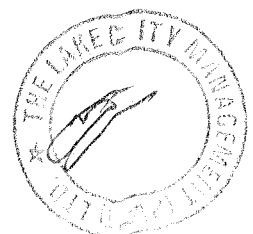




(Annexure-D)

**Projected Balance Sheet**  
**up to**  
**June 30, 2018**

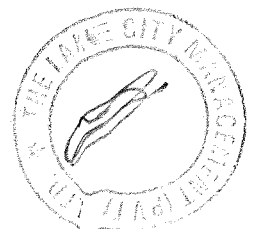
Non-Current Assets Held for Sale	
Net Fixed Assets in Operations	990,059,003
<b>Total Net Fixed Assets in Operations</b>	<b>990,059,003</b>
Capital Work in Progress	
Long Term Loans to Employees	
Deferred Cost & Long Term Deposits	
<b>Current Assets</b>	<b>20,000,000</b>
Stores & Spares	-
Trade Debts	-
Advances, Prepayments, Other Receivables	-
Tariff Subsidy	-
Receivable from Associated Companies	-
Cash & Bank Balances	17,583,890
<b>Total Current Assets</b>	<b>37,583,890</b>
<b>Total Assets</b>	<b>1,027,642,893</b>
Subscribed Equity	300,000,000
Deposit for Share	(47,357,107)
Unappropriated Profit	252,642,893
<b>Total Equity</b>	
Surplus on revaluation of Fixed Assets	
<b>Long Term Liability</b>	
Liability against Govt Investment	-
Security Deposits	-
Employee Retirement Benefits	-
TFCs & SUKUK	-
Deferred Credits	-
Long Term Loan	700,000,000
<b>Long Term Liability</b>	<b>700,000,000</b>
<b>Current Liability</b>	
Current Maturity on Long Term Loans	-
Bridge Finance by Sponsors	25,000,000
Provision for Taxation	-
Payable to NTDC	-
Creditors, Accrued and Other Liabilities	50,000,000
<b>Total Current Liability</b>	<b>75,000,000</b>
<b>Total Liabilities and Commitments</b>	<b>1,027,642,893</b>
<b>Total Liabilities and Equity</b>	



(Annexure-E)

## Cash Flow statements 6 Months 2017-18

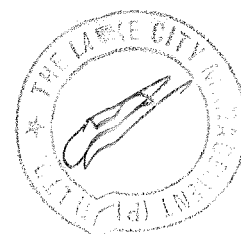
	Unit	
Average Monthly Demand Index (MDI)	MW	1.63
Units Purchased	kWh	4,292,079
Technical Losses	kWh	0.10%
Distribution Losses	kWh	8.90%
Units Sold to Customers	kWh	3,905,792
Average Tariff Required	Rs/unit	27.45
Average Tariff Existing	Rs/unit	16.93
<i>Tariff Difference</i>	Rs/unit	10.52
Revenue from Sales		66,124,944
Collection from Required	%	100%
<b>Inflows from Operations:</b>		
Collection from Current Sales		66,124,944
Prior Year Recovery		
<b>Total Inflows from Operations</b>		<b>66,124,944</b>
<b>Outflow from Operations</b>		
Payment for electricity (to LCH G)		90,749,659
Distribution Service Cost (=DMC)		10,200,000
<b>Total Outflow from Operations</b>		<b>100,949,659</b>
<b>Surplus/Deficit from Operations</b>		
<b>Inflows from Other Sources</b>		
Capital Contributions		300,000,000
Consumer Security Deposits		-
Other Incomes		-
Late payment Surcharge		-
Bridge Finance by Directors		25,000,000
Creditors, Accrued and Other Liabilities		50,000,000
Long Term Loan / Redeemable Capital		700,000,000
<b>Total Inflows from Other Sources</b>		<b>1,075,000,000</b>
<b>Outflow Others</b>		
Financial Charges		-
Repayment of Long Term Loans		-
Investment Program		1,002,591,395
Working Capital/other Changes		20,000,000
<b>Total Outflow Others</b>		<b>1,022,591,395</b>
<b>Surplus/Deficit Others</b>		
<b>Total Inflows (Operations + Others)</b>		<b>1,141,124,944</b>
<b>Total Outflows (Operations + Others)</b>		<b>1,123,541,054</b>
<b>Opening Balance</b>		
Surplus/Deficit for Fiscal Year		17,583,890
Deficit from Financing/Loans		
<b>Closing Balance</b>		<b>17,583,890</b>



(Annexure- F)

### Key Assumptions to Financial Projections

1. **Determination of Tariff Rate:** Tariff is proposed @ 1% below the tariff rates charged by LESCO to its residential customers for year 2017-18 and charged special rate for commercial consumers to benefit the domestic consumers and will be followed time to time.
2. **Sales Projections:** For Year 2017-18 projections are basis of 6 months from 1<sup>st</sup> January to 30<sup>th</sup> June 2018 with estimated increase of 10% on previous usage patron of network.
3. **Financial Support:** Operational Deficit shall be met by the petitioner sponsors through bridge finance free of interest till the reaches to surplus level.
4. **Inflation:** Salaries & Wages estimated increase would be @ 10% per annum. The Power Purchase price would be adjustable as per the indexed applicable tariff of Generation Facility.
5. **Power Purchase Price:** Expected applied tariff for Generation facility is the reference and Comprise of Expected per Unit Energy Purchase Price & Capacity Purchase Price for complete facility.
6. **Operation & Maintenance Expenses:** Would be on basis of actual costs incurred for the Division including Salaries, Repair Maintenance & Stores & Spares.
7. **Equity:** is the amount of Subscribed Share Capital from sponsors.
8. **Return on Investment:** Currently due to losses and system under usage no Return on Investment will be charged. On achievement of Break Even the ROI on basis of **WAAC** with Debt: Equity balance of 70:30 will be charged
9. **Taxation & WPPF :** Will be pass through on actual
10. **Technical Losses:** Estimated to be @ 5 %
11. **Depreciation:** As per company policy on Grid & Network Installations @ 2.5% would be charged due to underutilization and would be adjusted later, whereas Computer & accessories @ 25% and other assets @ 15% would be charged from COD.



Form 1 - Company Statistics

Company Statistics		
Peak demand	kWh	4,292,079
Number of Consumers	Nos.	3,300
Area	Sq Km	
Circles	Nos.	1
Divisions/Sub Divisions	Nos.	1
Length of Feeders	Km	13.6
Average Length of Feeders	Km	1.5
Maximum Length of Feeder	Km	2.7
Minimum Length of Feeder	Km	0.5
Target for new connections	Nos.	200
Length of High Voltage Transmission lines (132 kV)	Km	-
Length of STG lines (66 and 11 kV)	Km	-
Length of Low Voltage Distribution Lines (400v)	Km	362
Number of HV transformers (11/0.4 KV)	Nos.	254
Number of burned down HV transformers	-	-
Number of STG transformers	-	-
Number of burned down STG transformers	-	-
Number of LV transformers	-	-
Number of burned down LV transformers	-	-

Company Staff		
Qualified Professionals		
Engineers	3	3,000,000
Others	2	1,000,000
Staff		
Technical	10	8,000,000
Clerical	5	800,000
Non Technical	10	3,600,000
Total	30	16,400,000

Form 3 - Profit and Loss Statement (Monthly)

Power Balances										
Units Received	kWh	417,589	608,330	583,410	1,699,328	782,951	894,250	515,540	2,592,751	4,292,079
Units Lost	kWh	37,583	62,850	52,507	152,940	70,466	77,783	85,099	233,348	386,287.1
Units Lost	%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Units Sold	kWh	380,006	635,480	530,903	1,546,389	712,486	786,468	860,450	2,359,403	3,905,792
Revenue										
Sales Revenue	PKR	6,433,484	10,758,656	8,988,179	26,180,319	12,062,364	13,314,875	14,567,387	39,944,626	66,124,944
Subsidy	PKR	-	-	-	-	-	-	-	-	-
Fixed Price Adjustment	PKR	-	-	-	-	-	-	-	-	-
Total Sales Revenue	PKR	6,433,484	10,758,656	8,988,179	26,180,319	12,062,364	13,314,875	14,567,387	39,944,626	66,124,944
Rental & Service Income	PKR	-	-	-	-	-	-	-	-	-
Amortization of Deferred Cost	PKR	-	-	-	-	-	-	-	-	-
Late payment Surcharge	PKR	-	-	-	-	-	-	-	-	-
Other Income	PKR	-	-	-	-	-	-	-	-	-
Total Revenue	PKR	6,433,484	10,758,656	8,988,179	26,180,319	12,062,364	13,314,875	14,567,387	39,944,626	66,124,944
Operating Cost										
Power Purchase Cost	PKR	11,371,739	14,909,561	15,462,798	39,747,118	15,976,636	17,000,847	18,025,057	51,002,541	90,749,659
O&M Expenses	PKR	992,387	1,659,560	1,386,457	4,038,404	1,860,661	2,053,865	2,247,069	6,161,596	10,200,000
Depreciation	PKR	609,656	1,019,522	851,747	2,480,925	1,143,065	1,261,757	1,380,449	3,785,271	6,266,196
Amortization	PKR	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	PKR	-	-	-	-	-	-	-	-	-
Total Operating Cost	PKR	12,975,803	17,589,643	15,701,002	46,266,447	18,980,363	20,316,469	21,652,576	60,949,408	107,215,855
EBIT	PKR	(6,542,318)	(6,830,988)	(6,712,823)	(20,086,129)	(6,917,999)	(7,001,594)	(7,085,189)	(21,004,782)	(41,090,911)
Financial Charges	PKR	-	-	-	-	-	-	-	-	-
EBT	PKR	(6,542,318)	(6,830,988)	(6,712,823)	(20,086,129)	(6,917,999)	(7,001,594)	(7,085,189)	(21,004,782)	(41,090,911)
Tax	PKR	-	-	-	-	-	-	-	-	-
EAT	PKR	(6,542,318)	(6,830,988)	(6,712,823)	(20,086,129)	(6,917,999)	(7,001,594)	(7,085,189)	(21,004,782)	(41,090,911)
WDPF	PKR	-	-	-	-	-	-	-	-	-
Profit for the period	PKR	(6,542,318)	(6,830,988)	(6,712,823)	(20,086,129)	(6,917,999)	(7,001,594)	(7,085,189)	(21,004,782)	(41,090,911)

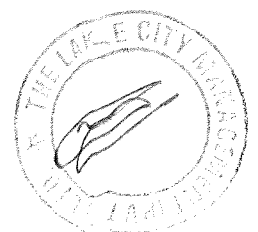


## Form 6 - Power Purchase

	Unit	Jan	Feb	Mar	Apr	May	Jun	
<b>Demand &amp; Energy:</b>								
Units Received	kWh	417,589	698,330	583,410	782,951	864,250	945,549	4,292,079
MDI	MW	3.00	3.00	3.00	3.50	3.50	3.50	1.63
Energy Purchase Price	Rs/ kWh	12.60	12.60	12.60	12.60	12.60	12.60	12.60
Capacity Purchase Price	Rs/kW/M	14.64	8.75	10.48	7.81	7.07	6.46	8.55
Transmission Charge	Rs/kW/M	-	-	-	-	-	-	-
<b>Power Purchase Cost:</b>								
Energy Charge	PKR	5,260,823	8,797,625	7,349,861	9,863,700	10,887,910	11,912,121	54,072,040
Capacity Charge	PKR	6,112,936	6,112,936	6,112,936	6,112,936	6,112,936	6,112,936	36,677,619
Transmission Charge	PKR	-	-	-	-	-	-	-
Adjustment	PKR	-	-	-	-	-	-	-
<b>Total Power Purchase Cost</b>	<b>PKR</b>	<b>11,373,759</b>	<b>14,910,561</b>	<b>13,462,798</b>	<b>15,976,636</b>	<b>17,000,847</b>	<b>18,025,057</b>	<b>90,749,659</b>

## Form 7 - Line Losses

	Unit	Jan	Feb	Mar	Apr	May	Jun	
<b>Power Balances</b>								
Units Received	kWh	417,589	698,330	583,410	782,951	864,250	945,549	4,292,079
Units Sold	kWh	388,006	635,480	530,903	712,486	786,468	860,450	3,905,792
Units Lost	kWh	37,583	62,850	52,507	70,466	77,783	85,099	386,287
Units Lost	%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
Technical Losses	%	8.90%	8.90%	8.90%	8.90%	8.90%	8.90%	8.90%
Administrative Losses	%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
<b>Technical Losses at Different Levels:</b>								
Transmission Losses 132 kV	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11 kV Losses (11kV & below)	%	8.90%	8.90%	8.90%	8.90%	8.90%	8.90%	8.90%
<b>Total Technical Losses</b>	<b>%</b>	<b>8.90%</b>	<b>8.90%</b>	<b>8.90%</b>	<b>8.90%</b>	<b>8.90%</b>	<b>8.90%</b>	<b>8.90%</b>



Form 13 - Asset register as the year ended

No.	Description							book value as at 30/06/2018
A.	Land	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
B.	Buildings	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
C.	Sub Transmission	-	-	-	-	-	-	-
1	132 KV Sub Transmission Lines	-	-	-	-	-	-	-
2	66 KV Sub Transmission Lines	-	-	-	-	-	-	-
3	33 KV Sub Transmission Lines	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
D.	Grid Station	-	-	-	-	-	-	-
1	132 KV Grid Station	-	984,701,395	984,701,395	-	12,308,767	12,308,767	972,392,628
2	66 KV Grid Station	-	-	-	-	-	-	-
3	33 KV Grid Station	-	-	-	-	-	-	-
	Total	-	984,701,395	984,701,395	-	12,308,767	12,308,767	972,392,628
E.	11 KV Distribution Equipments	-	-	-	-	-	-	-
1	11 KV Poles	-	-	-	-	-	-	-
2	11KV Line	-	-	-	-	-	-	-
3	Distribution Transformer	-	-	-	-	-	-	-
4	Misc Equipment	-	17,890,000	17,890,000	-	223,625	223,625	17,666,375
	Total	-	17,890,000	17,890,000	-	223,625	223,625	17,666,375
F.	LV Distribution Equipments	-	-	-	-	-	-	-
1	LV Poles	-	-	-	-	-	-	-
2	440 LV Distribution Line	-	-	-	-	-	-	-
3	220 LV Distribution Line	-	-	-	-	-	-	-
4	KWh Meters & Service Cable	-	-	-	-	-	-	-
5	Misc Equipment	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
G.	Vehicles	-	-	-	-	-	-	-
1	132/66/33 KV GSO Vehicles	-	-	-	-	-	-	-
2	Vehicles	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
H.	AMI	-	-	-	-	-	-	-
	AMI Equipment	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
I.	Detail of General Plant Assets	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
J.	O&M Equipments	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
	Grand Total	-	1,002,591,395	1,002,591,395	-	12,532,392	12,532,392	990,059,003

Depreciation Rates:

Plant and machinery	2.5%
Computer and Accessories	25.0%
Other Assets	15.0%



## Form 14 - Aging of Accounts Receivables

Aging of Accounts Receivables as on 30th June		Unit	
Outstanding for current year	PKR	-	
Outstanding for more than 1 year	PKR	-	
Outstanding for more than 2 years	PKR	-	
Outstanding for more than 3 years	PKR	-	
Outstanding for more than 4 years	PKR	-	
Outstanding for more than 5 years	PKR	-	
Total Receivables as on June 30	PKR	-	

## Form 16 - Operating Costs

Description	Unit	
<b>A Power Purchase Cost</b>		
Energy Charge	PKR	54,072,040
Capacity Charge	PKR	36,677,619
Transmission Charge	PKR	-
Adjustment	PKR	-
<b>Total Power Purchase Cost</b>	PKR	<b>90,749,659</b>
<b>B Operation &amp; Maintenance</b>		
Employees Cost		
Salaries, Wages & Benefits	PKR	8,200,000
Retirement Benefits	PKR	-
Total Employees Cost	PKR	<b>8,200,000</b>
Admin Expenses	PKR	-
Repair & Maintenance	PKR	1,000,000
Travelling	PKR	-
Transportation	PKR	-
Management Fee	PKR	-
Miscellaneous Expenses	PKR	1,000,000
<b>Total O&amp;M</b>	PKR	<b>10,200,000</b>
<b>C Depreciation &amp; Amortization</b>		
Depreciation	PKR	6,266,196
Amortization of Leased Assets	PKR	-
<b>Total</b>	PKR	<b>6,266,196</b>
<b>D Provision for Bad Debts</b>		
Provision for bad debts *	PKR	-
Bad debts written off	PKR	-
<b>Total</b>	PKR	-
* Basis of this provision should be elaborated		



## Form 17. - Distribution Margin

O&M Expenses	10,200,000
Increase in %	
Depreciation	6,266,196
RORB	-
Income Tax	-
Other Income	-
<b>Distribution Margin</b>	<b>16,466,196</b>
Energy Sold	3,905,792
<b>DM per unit</b>	<b>4.22</b>
<b>DM per unit increase %</b>	<b>18.1%</b>

## Form 18 - RoRB Calculation

	Unit	
A Gross Fixed Assets in Operation - Opening Balance	PKR	-
B Addition in Fixed Assets	PKR	1,002,591,395
C Gross Fixed Assets in Operation - Closing Balance	PKR	1,002,591,395
D Less: Accumulated Depreciation	PKR	12,532,392
E Net Fixed Assets in Operation	PKR	990,059,003
F Add: Capital Work In Progress - Closing Balance	PKR	-
G Investment in Fixed Assets	PKR	-
H Less: Deferred Credits	PKR	-
I Regulatory Assets Base	PKR	990,059,003
J Average Regulatory Assets Base	PKR	990,059,003
Rate of Return	%	0.00%
Return on Rate Base	PKR	-





## Form 20 - Revenue Requirement

		Unit	
<b>A</b>	<b>Power Purchase Price</b>	PKR	90,749,659
<b>B</b>	<b>DM</b>		
	O&M	PKR	10,200,000
	Depreciation	PKR	6,266,196
	RORB	PKR	-
	Other Income	PKR	-
	Impact of Disallowed Losses	PKR	-
	<b>Total DM</b>	PKR	16,466,196
<b>C</b>	<b>Revenue Requirement (A+B)</b>	PKR	107,215,855
<b>D</b>	<b>Financial Charges</b>	PKR	-
<b>E</b>	<b>Less/ (Excess) Recovery PYA</b>	PKR	-
<b>F</b>	<b>Total Revenue Requirement (C+D±E)</b>	PKR	107,215,855

### FORM - 20 (A) Distribution Company

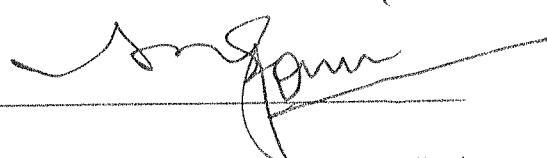
#### Revenue Requirement (per unit sold)

		Unit	
<b>A</b>	<b>Power Purchase Price</b>	PKR/kWh	23.2346
<b>B</b>	<b>DM</b>		
	O&M	PKR/kWh	2.6115
	Depreciation	PKR/kWh	1.6043
	RORB	PKR/kWh	-
	Other Income	PKR/kWh	-
	Impact of Disallowed Losses	PKR/kWh	-
	<b>Total DM</b>	PKR/kWh	4.2158
<b>C</b>	<b>Revenue Requirement (A+B)</b>	PKR/kWh	27.4505
<b>D</b>	<b>Financial Charges</b>	PKR/kWh	-
<b>E</b>	<b>Less/ (Excess) Recovery PYA</b>	PKR/kWh	-
<b>F</b>	<b>Total Revenue Requirement (C+D±E)</b>	PKR/kWh	27.4505



Capital Cost

EPC		PKR
HT/LT Material Cost		800,91 0,854
HT/LT Contrador Cost		58,48 5,254
Cost of 19 No Grid End Panel @ 1448838	Out Door AIS	27,52 7,922
Cost of 2 No 11 KV Feeder Lines		11,77 1,365
Sub Total		984,70 1,395
Total Grid Station Cost		984,70 1,395
Non-EPC		PKR
Tractor + Fuel		3,00 0,000
Crane		2,00 0,000
Vehicle		1,20 0,000
Tools + PPE		2,50 0,000
Office		50 0,000
Inventory		50 0,000
Bikes		49 0,000
Total		10,19 0,000
Project Development Cost		PKR
PDC		7,70 0,000
Total Value(Eqpt Price+ Civil Work)	Total External Distribution System	17,89 0,000



Lake City Management (Private) Limited

Date:

