

Date 19.05.2023

Registrar

National Electric Power Regulatory Authority (NEPRA)
NEPRA Tower,
Ataturk Avenue (East)
G-5/1
Islamabad


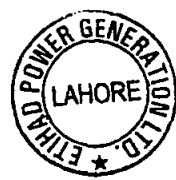
Subject: Eti had Power Generation Limited – Application for a Supply License

I, Muhammad Shakil, the Chief Executive Officer, being the duly authorized representative of Eti had Power Generation Limited ("EPGL") by virtue of Board Resolution dated May 3, 2023 (Wednesday), hereby apply to the National Electric Power Regulatory Authority for the grant of a supply license for the category- II to EPGL pursuant to section 23E of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

I hereby certify that the documents-in-support attached with this application is prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application, Modification, Extension, and Cancellation) Procedure Regulations, 2021, 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 no material omission has been made.

A PAY ORDER in the sum of Rs. 1,047,900 (Rupees one million forty-seven thousand and nine hundred only), being the license application fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Application, Modification, Extension, and Cancellation) Procedure Regulations, 2021, is also attached herewith.

Date: 19.05.2023

Muhammad Shakil
Chief Executive Officer

INDEX OF DOCUMENTS AND INFORMATION

SR. No.	SUPPORTING DOCUMENTS/ INFORMATION	ANNEX
1.	Application in the form specified in Schedule I of the Licensing Regulations, along with duly authorized statement verifying that the Petitioner has not been refused a license under NEPRA laws;	-
2.	Extracts of Board Resolution along with Vakalatnama;	-
3.	Affidavit of Correctness;	-
4.	Affidavit undertaking that the Petitioner has not been granted any other license under NEPRA laws;	-
5.	Application fee in accordance with Schedule II of the Licensing Regulations;	-
II.	COMPANY INFORMATION	
6.	Prospectus/SL Petition;	II(A)
7.	Further Information;	II(B)
8.	Certified copy of the Certificate of Incorporation;	II(C)
9.	Certified copy of the Memorandum and Articles of Association;	II(D)
10.	Audited Financial Statements	II(E)
11.	Last annual return submitted under Section 130 of the Companies Act;	II(F)
12.	Details of authorized, issued, subscribed and paid up share capital;	II(G)
13.	Details of shareholder ownership;	II(H)
III.	FINANCIAL AND TECHNICAL CAPABILITIES	
14.	Cash balances held in reserve along with the bank certificates;	III(A)
15.	Details of any charges or encumbrances;	III(B)
16.	Latest audited financial statements;	III(C)
17.	Documents describing the net worth and the equity and debt ratios;	III(D)
18.	Profile of Company, its management staff and its members in the electricity industry;	III(E)

19.	Employment records (CVs) of engineering and technical staff of the Petitioner proposed to be employed;	III(F)
IV.	FINANCIAL AND TECHNICAL PROPOSAL	
20.	Technical and financial proposals for the operation, maintenance, planning and development of the supply project;	IV(A)
v.	FEASIBILITY STUDY	
21.	The type, technology, model, technical details, operational characteristics, system interconnection, and design of the facility proposed to be constructed, developed or installed;	V(A)
22.	The expected life of the facility or the system;	V(B)
23.	The location of the facility or system, or the territory with outer boundaries within which the facility or system is proposed to be installed and operated by the licensee, along with maps and plans;	V(C)
24.	Infrastructure project cost, financing plan, financing terms, tariff calculations and assumptions of financial calculations including economic/financial analysis;	V(D)
25.	The type and details of the services proposed to be provided;	V(E)
26.	The environmental impact of the facility, system or project;	V(F)
VI.	DETAILS OF THE SUPPLY LICENCE	
27.	Feeder maps and number of consumers and expected load;	VI(A)
28.	Consumer class/category, sub-category on the basis of sanctioned load and voltage level;	VI(B)
29.	Tariff categories of consumer classes to be served;	VI(C)
30.	Demand and consumption pattern on different time periods;	VI(D)
31.	Procurement Plan for meeting expected loads;	VI(E)
32.	12-month projections on expected load, number of consumers and expected sale of units for each consumer category;	VI(F)
33.	5-year Investment Plan indicating schemes/models/framework for undertaking supply of electric power;	VI(G)
34.	Training and development procedures and manuals;	VI(H)
35.	Consumer Service Manual;	VI(I)

36.	Proposed service territory;	VI(J)
37.	Billing and collection procedures;	VI(K)
38.	Ability to access consumer metering systems and other services/equipment;	VI(L)
39.	Emergency provisions and protocols;	VI(M)
40.	Basis of common services for commercial and residential consumers and their allocation thereof;	VI(N)

SL PETITION - TABLE OF CONTENTS

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PETITION: For the grant of a Supply License on behalf of Etihad Power Generation Limited ("EPGL" or "Petitioner")

1 LEGAL REGIME

- 1.1 Under the Regulation of Generation, Transmission and Distribution of Electric Power Act (Act No. XL of) 1997 (the "**NEPRA Act**"), the Authority is mandated to, *inter alia*, grant licenses for generation, transmission, distribution, and supply of electric power and perform such functions which are consequential or incidental thereto.
- 1.2 The Petitioner has filed this petition for the grant of a supply license (the "**SL Petition**") before the National Electric Power Regulatory Authority (the "**NEPRA**" or the "**Authority**") pursuant to Section 23E of the NEPRA Act, the NEPRA (Application, Modification, Extension and Cancellation) Regulations, 2023 and other enabling provisions of NEPRA Rules, Regulations, Codes and Applicable Documents.
- 1.3 Specifically, the Petitioner's supply facility will be located at Karam Abad, District Rahim Yar Khan, Punjab to supply power to its associated companies Etihad Alloys (Pvt.) Limited and Etihad Sugar Mills Limited, which are located adjacent to the Petitioner's facility.
- 1.4 This supply facility will be used to sell power to the two consumers.
- 1.5 In light thereof, the Authority is empowered under the NEPRA Act to allow the Petitioner to undertake supply activities.

2 THE PETITIONER - EPGL

- 2.1 The Petitioner is a public limited company by shares engaged in the business of power generation, incorporated and existing under the laws of Pakistan. Copies of the Certificate of Incorporation, the Memorandum of Association and Articles of Association of the Petitioner are appended as **Annex II (C)** and **Annex II (D)**.
- 2.2 The authorised and paid-up capital of the Petitioner is appended in the latest Annual Return of the Petitioner as **Annex – II (F)**.

3 PURPOSE OF THE SUPPLY LICENCE

- 3.1 The Petitioner is to sell excess power from its generation facility to Etihad Alloys (Pvt.) Ltd. and Etihad Sugar Mills Limited (the "**Associated Concerns**") for its various operations.
- 3.2 The Petitioner intends to use its Bagasse reserves to provide fuel for the generation facility and has made arrangement for storage of bagasse to power the facility throughout the year.
- 3.3 The objectives of the Petitioner will include *inter alia* engaging in the activities relating to the business of ownership, management, control, operation and maintenance of the supply facility in order to sell power.

- 3.4 As the sale of electric power in Pakistan is a regulated activity, the Petitioner requires permission from the Authority in the form of a Supply Licence.

4 DETAILS AND SALIENT FEATURES OF THE SUPPLY LICENCE

- 4.1 The set-up of the supply infrastructure includes cables that will be purchased from either Pakistan Cables or Fast Cables or New Age Cable and the energy meter to be used may be purchased from the vendor namely Vertex Electronics. The equipment to be purchased will be as per NEPRA approved standards and best industry practices.
- 4.2 The offtake of power is going to be by the Associated Concerns whose locations are adjacent to the facility.
- 4.3 All the material and equipment to be used and procured by the Petitioner will be in accordance with NEPRA approved specifications.
- 4.4 That the Petitioner will use the power it generates from its own Facility and supply the same to the consumers.

5 FINANCIAL STRENGTH

- 5.1 The Petitioner has demonstrably strong financial capabilities to continue funding the operation and maintenance of the Generation Facility. Evidence of the financial strength of the Petitioner is appended as **Annex II (E)**.

6 O&M AND EMPLOYEES

- 6.1 The Petitioner is implementing the operation & maintenance programmes that meet the Authority's approved specifications. The Petitioner has employed, *inter alia*, experienced and trained personnel to carry out the operation and maintenance of the Supply Facility.


7 ADDITIONAL INFORMATION

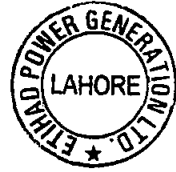
- 7.1 The Petitioner shall provide NEPRA such further or additional information, clarification or explanation as it may require from time to time.
- 7.2 It is respectfully submitted that the Petitioner also requests the Authority to allow it to supplement and submit such information and supporting material that it may deem appropriate.

8 PRAYER

- 8.1 In light of the forgoing, the Petitioner respectfully prays that the learned Authority kindly:
- 8.1.a accept the instant SL Petition and grant the Supply Licence to the Petitioner for the purpose of undertaking supply activities;
- 8.1.b allow such other reliefs which is just, fair, proper, better and necessary in these circumstances.

Dated: 19.05.2023


PETITIONER



Etihad Power Generation Ltd.

through

RIAA Barker Gillette
3rd Floor, 65-W, Executive Heights,
Block H, Fazl-ul-Haq Road,
Blue Area, Islamabad
Tel: (051) 111-LAWYER
Fax: (051) 2852427-30
www.riaabarkergillette.com

I.

APPLICATION

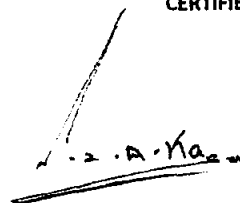
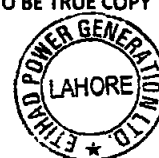
EXTRACTS FROM RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF ETIHAD POWER GENERATION LIMITED AT THEIR MEETING HELD ON MAY 3, 2023 (WEDNESDAY)

RESOLVED that ETIHAD POWER GENERATION LIMITED (the "Company") shall apply for a supply license in respect of the Company's 37.20 MW Bagasse based Renewable Co-Generation Power Plant in Karamabad, District Rahim Yar Khan in the province of Punjab (the "Project"), and in relation thereto, sign all requisite documentation, pay all applicable fees and undertake all other necessary and ancillary acts and deeds.

RESOLVED FURTHER that an application for a supply license be made to National Electric Power Regulatory Authority (NEPRA) with regards to the Project (the "License Application").

RESOLVED FURTHER that Mr. Muhammad Shakil S/O Chaudhry Muhammad Jamil, bearing CNIC No. 35201-1537699-1, the Chief Executive Officer of the Company, and Mr. Saqib Riaz S/O Mr. Riaz Ahmad Saleem bearing CNIC No. 36402-9122201-5, the Chief Financial Officer of the Company be and is hereby authorized to singly sign the License Application and any documentation ancillary thereto, represent before and provide any information required by the NEPRA in relation to the License Application, do all lawful acts and deeds necessary and ancillary for the processing, completion and finalization of the License Application, and authorize legal advisors to represent the Company before the National Electric Power Regulatory Authority in respect of the License Application.

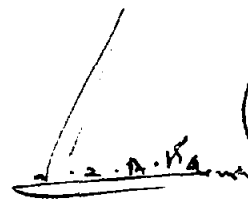

CERTIFIED TO BE TRUE COPY



Syed Zafar Abbas Kazmi
Company Secretary

CERTIFICATION

CERTIFIED, that, the above resolution was duly passed by the Board of Directors of Etihad Power Generation Limited in their meeting held on May 3, 2023, for which the quorum of directors was present.

FURTHER CERTIFIED, that the said resolution has not been rescinded and is in operation and that this is a true copy thereof.



Syed Zafar Abbas Kazmi
Company Secretary

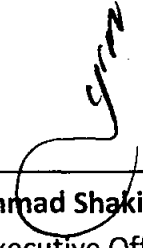
VAKALATNAMA

I, Muhammad Shakil S/O Chaudhry Muhammad Jamil, bearing CNIC No. 35201-1537699-1, the Chief Executive Officer of the Company, hereby appoint and constitute **MR. NADIR ALTAf, Mr. MUHAMMAD FAHIM KHAN, MS. ZOYA MOH YUDDIN AND MS. NOOR BOKHARI** of M/S RIAA Barker Gillette to appear and act for Etihad Power Generation Limited as our legal advisors in connection with preparation, filing and follow up of the application before the National Electric Power Regulatory Authority for a supply license in respect of a 37.20 MW power project in Karamabad, District Rahim Yar Khan in the province of Punjab and represent us in connection therewith.

The above mentioned legal advisors, or any of them, are also authorized to do all acts and things necessary for the processing, completion, acceptance and finalization of the application for supply license with the National Electric Power Regulatory Authority.

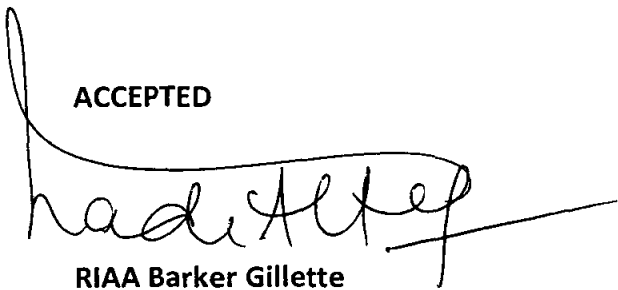
Dated: May 19, 2023

For and on behalf of
Etihad Power Generation Ltd.


Muhammad Shakil
Chief Executive Officer



ACCEPTED



RIAA Barker Gillette

Third Floor 65-W Executive Heights,
Fazal e Haq Rd, G 7/2 Blue Area,
Islamabad
UAN: 111-LAWYER

E-STAMP



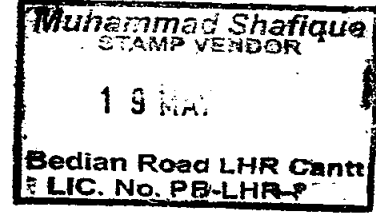
ID : PB-LHR-6E047455093986D1
Type : Low Denomination
Amount : Rs 100/-



Scan for online verification

8174

Description : AFFIDAVIT- 4
Applicant : MUHAMMAD HAMID [35202-2144520-3]
Representative From : ETIHAD POWER GENERATION LTD
Agent : Self
Address : LAHORE
Issue Date : 19-May-2023 3:06:42 PM
Delisted On/Validity : 26-May-2023
Amount in Words : One Hundred Rupees Only
Reason : UNDERTAKING IN FAVOR OF NEPRA
Vendor Information : Muhammad Shafique | PB-LHR-852 | Bedian Road Cantt



نوٹ: یہ ٹرانزیکشن تاریخ اجرا سے سات دنوں تک کے لیے قابل استعمال ہے۔ ای اسٹامپ کی تصدیق بذریعہ ویب سائٹ، کیوآر کوڈ یا ایس ایم ایس سے کی جا سکتی ہے۔
Type "eStamp <16 digit eStamp Number>" send to 8100

BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

AFFIDAVIT

I, Mr. Muhammad Shakil S/O Chaudhry Muhammad Jamil, bearing CNIC No. 35201-1537699-1, the Chief Executive Officer of the Company, being duly authorized by Etihad Power Generation Limited, hereby solemnly affirm and declare on oath that the contents of the accompanying application of Etihad Power Generation Limited for a supply license, including all attached documents-in-support, are true and correct to the best of my knowledge and belief and that nothing has been concealed.

DEPONENT

Signature:
Name: Mr. Muhammad Shakil
Designation: Chief Executive Officer
Date: May 19, 2023

ATTESTED
Sheikh M. Zeeshan Advocate
Oath Commissioner for Lahore

E-STAMP



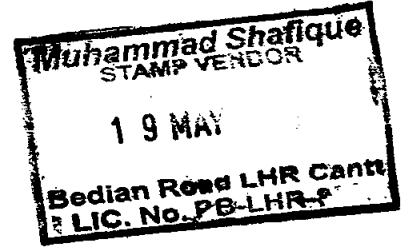
ID : PB-LHR-096D3F87FA117D3A
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Amount : Rs 100/-



8173

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Type "eStamp <16 digit eStamp Number>" send to 8100



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

AFFIDAVIT

I, Mr. Muhammad Shakil S/O Chaudhry Muhammad Jamil, bearing CNIC No. 35201-1537699-1, the Chief Executive Officer of the Company, be and is hereby authorized by Etihad Power Generation Limited, hereby solemnly affirm and declare on oath that Etihad Power Generation Limited has been granted a generation license under the NEPRA Act, 1997. Etihad Power Generation Limited has also not been refused the grant of any license under the NEPRA Act, 1997.

DEPONENT

Signature:

Name:

Designation:

Date:

Mr. Muhammad Shakil

Chief Executive Officer

May 19, 2023

ATTESTED

Sheikh M. Zeeshan Advocate
Oath Commissioner Lahore

II.

COMPANY INFORMATION

ANNEX – II (A)

ETIHAD POWER GENERATION LIMITED - COMPANY PROFILE

The company information of Etihad Power Generation Limited has been provided below:

Brief Profile of Etihad Group, Sponsors and Management

Etihad Power Generation Limited (EPGL) is a group company of the Etihad Group. Etihad Group is one of the progressive industrial houses in Pakistan having core business of Sugar Industry and other businesses such as Construction Services, Real Estate and Hospitality.

Project Sponsors and Shareholders

EPGL is wholly owned subsidiary of Etihad Alloys (Pvt) Limited (EAL). EAL holds 100% ordinary shares of EPGL (except for qualifying shares of the directors) and Etihad Sugar Mills Limited (ESML) holds 100% non-voting preference shares of EPGL. Currently, Mr. Mohammad Munir and Etihad Sugar Mills Limited have 51% & 49% shareholding respectively in EAL.

A brief profile of the Project Sponsors is presented below:

Mr. Mohammad Munir: Mr. Mohammad Munir Chaudhry started his entrepreneurial journey in 1977 with the inception of Technical Associates Pakistan (Pvt.) Limited – the construction and real estate arm of the Group. He has been actively managing the Group's diverse business concerns including construction, sugar, real estate, security services etc.

Etihad Sugar Mills Limited: Etihad Sugar Mills Limited ("ESML") was incorporated in 2006, with its unit located in Karamabad, District Rahimyar Khan. It is engaged in the business of manufacturing and selling of refined sugar and allied products, with a capacity of 16,000 Tons of Cane per Day (TCD). It is ranked amongst top five sugar mills operating in Punjab in terms of production. Key financials of ESML are presented in 'Annexure B'.

Etihad Group is developing a new industrial set-up in Rahim Yar Khan, Punjab, consisting of a steel melting unit and billet manufacturing mill with installed capacity of 250,000 tons per annum ("Steel Project") under Etihad Alloys (Private) Limited ("EAL")

Management Profile of EPGL

Chief Executive Officer, EPGL

Mr. Muhammad Shakil Chaudhry holds experience of over three decades of managing different businesses including construction, sugar and power divisions of Etihad Group. He is also board member of various group companies. Mr. Shakil holds commerce degree from University of Punjab.

Chief Financial Officer

Mr. Saqib Riaz is currently working as the Chief Financial Officer of various group companies of Etihad Group. He has over thirteen (13) years of post-qualification experience of handling finance, accounts, taxation and operational matters for IPPs, real estate, sugar and textile manufacturing companies operating in Pakistan. Mr. Riaz is a fellow member of the Institute of Chartered Accountants of Pakistan.

Project Director Power Project

Mr. Asadullah Khan has more than 30 years of experience in Pakistan and overseas in the areas of project management, construction and commissioning, plant O&M, testing, inspection and certification. He is currently working as a principal consultant with Lummus Consultants International of USA for providing consultancy services in the Asia Pacific region. Mr. Khan also provided services as a Power Plant Expert to USAID in Pakistan for their energy and power policy programs in Pakistan. He has previously also worked with KEMA BV Netherlands, G.E, SIEMENS AG Germany, KAPCO Pakistan and SKODA POWER Czech Republic.

Overview of Project

A bagasse fired captive power plant having gross capacity of 37.2 MW ("**Power Project**") under Etihad Power Generation Limited (EPGL) to provide power to EAL and ESML.

The process to be used is known as co-generation. Steam shall be used for sugar processing as well as power generation. Bagasse energy is converted to steam in boilers that is sent to steam turbines for generation of power and process use. Proposed plant shall be using, extraction cum- condensing turbines. During sugar mill operation process steam shall be extracted at desired pressure to meet additional sugar mill steam need and condense further steam to balance power generation. During off-season there shall be no extraction of steam and all high-pressure steam shall be condensed to generate required power. All bagasse produced in the sugar mill shall be used for steam and power generation during season days of sugar mill and surplus shall be stored which shall be used for power generation during the off-season.

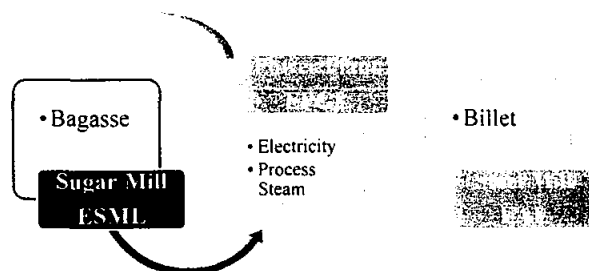
The Debt arrangement of Power project has been completed. Draw down to commence shortly.

Power Project has achieved about 45%+ stage of completion. The Power Project is expected to achieve Commercial Operations Date ("COD") by June, 2024.

Project Overview

The bagasse fired Power Project would source majority of its bagasse from Etihad Sugar Mills Limited ('ESML'), an Etihad Group company, while the Steel Project would rely on EPGL for its complete power requirement.

A snapshot of the project overview and interlinkages is as shown below:



FURTHER INFORMATION

1. Purpose:

Etihad Power Generation Limited will generate and sell electricity during off season to Associate Concerns.

2. Proposed Investment:

Proposed investment related to the project has already been incurred.

3. Social and Environmental Impact:

The Supply Facility has been set up within the compound of the Petitioner hence there is no adverse social or environmental impact to be considered.

ANNEX – II (C)

CERTIFICATE OF INCORPORATION

The Certificate of Incorporation has been provided hereinafter:

SECURITIES AND EXCHANGE COMMISSION OFFICE

COMPANY REGISTRATION OFFICE

CERTIFICATE OF INCORPORATION

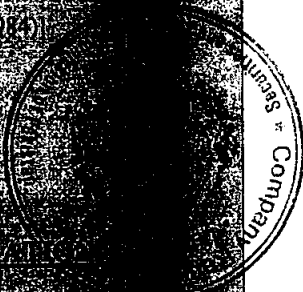
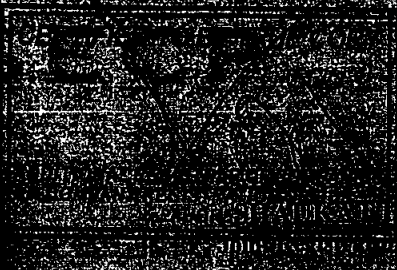
Under section 2 of the Company Registration Act, 1987 (Act No. 1987)

Company Registration Number: 1987/0000000000

LIMITED (Incorporated in the Republic of the Philippines)
1987 and that its corporate name is **LIMITED**

Capital of the company is **Thousand and no/100**

Page 5000/2



1987/0000000000

ANNEX – II (D)

MEMORANDUM AND ARTICLES OF ASSOCIATION

The Memorandum and Articles of Association of Etihad Power Generation Limited have been provided hereinafter:

THE COMPANIES ORDINANCE, 1984
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

OF

ETIHAD POWER GENERATION LIMITED

Name

- I. The name of the Company is ETIHAD POWER GENERATION LIMITED.

REGISTERED OFFICE

- II. The registered office of the company shall be situated in the province of the Punjab.

OBJECTS

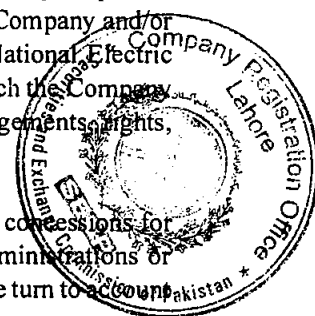
- III. The objects for which the company is established are to undertake any or all of the following business in and outside Pakistan:

1. To carry on the business of power generation and in relation thereto, to generate, accumulate, transmit, distribute and sell electric power anywhere in Pakistan using conventional and non-conventional fuel/energy resources (including bagasse, natural gas, oil, coal, solar, hydel, wind, biomass or any other energy resources whether indigenous or imported), to the public sector, including Pakistan Electric Power Company (Private) Limited, National Transmission and Dispatch Company Limited, Government and Government bodies, and the private sector subject to any permission required under the law.

2. To design, build, establish, own, operate, takeover, maintain, manage, power generation units, sub-stations, workshops, repair shops, wires, cables, transmission lines, accumulators for the purpose of conservation, distribution and supply of electricity to private and public sector companies/organizations for industrial, commercial, domestic, public and other purposes and also to provide regular services for repairing and maintenance of all distribution and supply lines subject to permission required under any law.

3. To install, operate, use, inspect, maintain, repair, replace, and remove cables, lines, ducts, transformers, switchgear (remotely controlled and otherwise and including time switches), fuses, circuit breakers, electricity services equipment, meters and other devices for measuring or controlling the quantity or quality of electricity supplied, prepayment and debt payment devices, items provided to afford access to, support, encase, insulate and protect from damage or tampering, the above-mentioned gadgets, or to protect people and property from injury or damage, or to comply with any legal obligation.

4. To buy sell, manufacture, repair, alter, improve, exchange or let out, Import, export and deal in all works legally permitted, plant, machinery, engines, tanks, cylinders, valves, regulators, testing equipment, tools, utensils, appliances, cookers, stoves, heater, apparatus, materials, chemicals, natural gas, liquefied petroleum gas, fuel oil, coal, lubricants, articles and things and to manufacture, experiment with, render marketable and deal in all products legally permitted, incidental to or obtained in the business carried on by the Company.
5. To apply for and obtain necessary consents, permissions and licenses from any government, provincial, local, foreign, multilateral or other authorities or entities for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, any government or authorities, foreign, federal, provincial, municipal, local or otherwise, public or quasi-public bodies, or with any other persons, in any place where the Company may have interests that may seem conducive to the objects of the Company and to obtain from any such government, authorities or persons any rights, privileges and concessions which the Company may think fit to obtain, and to carry out, exercise and comply therewith.
6. To ascertain the bulk supply tariff rates that will secure recovery of operating and other costs and a reasonable return on investment and to petition the appropriate government body for the adoption of or increase in its schedule of bulk supply tariff rates.
7. To provide or procure the provision of such facilities and services as may be necessary or desirable to forecast electricity/energy demand and to satisfy such demand.
8. To engage in reforestation and other works relating to pollution abatement and to acquire land for this purpose.
9. To enter into an agreement or agreements with any government or other authority, supreme, municipal, local or otherwise, that may seem conducive to all or any of the objects of the Company and/or to obtain from such government or authority including the State Bank of Pakistan or National Electric Power Regulatory Authority (NEPRA), any rights, concessions or privileges, licenses which the Company may think desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges, concessions and licenses.
10. To apply for tender, offer, accept, purchase or otherwise acquire any contracts and concessions for or in relation to the projection, execution, carrying out, improvements, management, administrations or control of works and conveniences and undertake, execute, carry out, dispose of or otherwise turn to account the same.
11. To establish warehouses and to carry on the business of the warehouse-men, stores, custodian, and to provide facilities for storage of commodities, articles, things, preparation of all kinds and description whatsoever, storage room, bins, godowns, cold storage and clearing, forwarding, transportation and distribution of merchandise of all kinds.
12. To make know or give publicity to the business and productions of the company by means of advertisement in the press, radio, television and cable television or any other electronic media, pamphlets, handbills, circulars, advertisement posters, cinema, slides, electronic media/computer device or publication of books or by donations or in any other suitable mode.



13. To purchase, take on lease or in exchange hire, apply for or otherwise acquire and hold for any interest, any rights, privileges, lands, building, easements, trademarks, patents, patent right, copyrights, licenses, machinery, plants, stock-in-trade, and any movable and immovable property 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.

14. To enter into arrangements with 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.

15. To acquire by concession, grant, purchase, barter, license either absolutely or conditionally and either solely or jointly with others any lands, buildings, machinery, plants, equipment, privileges, rights, licenses, 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.

16. 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 this company or the establishment or promotion of which may be beneficial to the company, as permissible under the law.

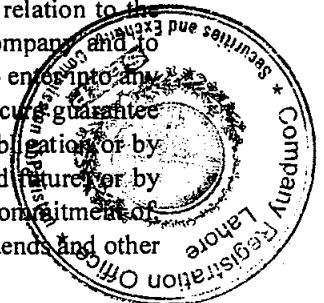
17. To guarantee the performance of the contracts and obligations of the company in relation to the payment of any loan, debenture, stock, obligations or securities by or in favor of the company and to guarantee the payment or return on such investments or on any share of the company and to enter into any guarantee, contract of indemnity or surety ship and in particular to guarantee, support or secure guarantee from banks, financial institutions etc with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) or by both such methods or in any other manner, the performance of any contract, obligation or commitment of and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities or liabilities of, any person or company.

18. To acquire, improve, manage, develop, exchange, sell, mortgage, franchise, dispose of or deal with all or any part of the property, rights, patents and concessions of the company.

19. To arrange for local currency and foreign currency loans from banks and financial institutions for the purpose of construction or purchase of office buildings and for the purposes of working capital or for any other purpose which the directors deem fit.

20. To pay all costs, charges and expenses incidental to the formation and registration of the company.

21. To sell in any manner, deal with or dispose of the undertaking or property of the company or part thereof for such consideration as the company may think fit.



22. To insure the property, assets, and employees of the company in any manner deemed fit by the company, and to create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, insuring, improving, extending or maintaining any of the properties of the company or for any other purpose conducive to the interests of the company, but not to act as an insurance company.

23. To carry out joint venture agreements with other companies within the scope of the objects of the company.

24. To apply, approach, purchase, tender, auction, hold, protect, prolong, work, use or otherwise to acquire, renew or dispose of in any part of the world any patents, copyrights, trade secrets, secret processes, information, know-how, formulas, inventions, trademarks, monos, designs, licenses, concessions and the like, conferring any absolute, exclusive, nonexclusive, limited, temporary or permanent right to use or work the same or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem beneficial to the company and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account, the property, rights, or information so acquired and to expend money in experimenting upon, testing or improving or seeking to improve any such patents, inventions, rights, designs or information as aforesaid which the company may acquire or propose to acquire.

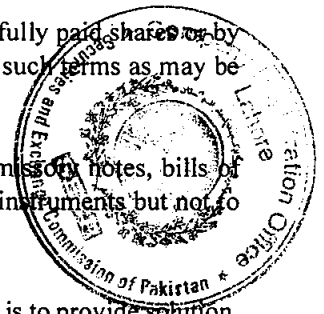
25. To open, operate and close bank accounts of any type with commercial banks, authorized financial institutions, Post office and government approved savings schemes and arrangement for overdraft facilities against securities of company property.

26. To pay for any property or rights acquired by the company either in cash or fully paid shares or by the issue of securities or partly in one mode and partly in another and generally on such terms as may be determined.

27. To draw, make, accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments but not to act as a banking company.

28. To aid and support any person, association, body or movement, whose object is to provide solution, or settlement, or to prevent any disputes, or labour problems connected with the company or with an industry, trade or business as a whole.

29. To raise or borrow money in local or foreign currency, in such manner as the Company shall think fit in pursuance of its objects and, in particular, by commercial papers, bonds, Participation Term Certificates, Term finance Certificates, including debentures, debenture stock and securities not based on interest for raising redeemable capital, resource funds from banks or financial institutions and to secure, if required, the repayment of any money borrowed, raised or owing by mortgage, charge, pledge, hypothecation or lien upon all or any of the property or assets of the company, both present and future, including its capital for the time being, and also by a similar mortgage, charge, pledge, hypothecation or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be, but not to act as a finance or banking company.



30. To arrange, manage, promote, motivate, subsidize and organize training programmes for the employees, trainees and apprentices at all levels as may be conducive to the interest of the company and for the purpose to establish training centers, to organize and hold seminars, conferences, workshops, study meetings, group discussions, written tests, lectures, practical training, demonstrations and other devices and for the purpose to incur recurring and non-recurring expenses as may be necessary from time to time.

31. To secure, promote, organize, manage, or enter into collaboration agreement in all its branches with any person, firm, company, corporation, authority, body or other entity to acquire technical know-how, buy back arrangement, procurement of any nature of goods, financial assistance, training and development or for any other purpose whatsoever and subject to the law in force pay such commission, fees, royalty or other charges as may be agreed from time to time.

32. To incorporate, float, promote, constitute or form any subsidiary company or companies or to make any existing company as the subsidiary of the company for the purpose of carrying on any business or branch of a business which the company authorized to carry on or not, and to enter into any arrangement with such subsidiary company for sharing profits and losses of any business or branch of business as carried on, or to make any other arrangement which may seem conducive with reference to any business so carried on, including power at any time to close any such branch or business.

33. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to such persons who are or were at any time in the employment or service of the company or of any company which is a holding company, management company or a subsidiary of the company or is allied to or associated with the company or with any such subsidiary or affiliate company, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and the wives, widows, families and qualified dependents of any such persons, and also to establish, subsidize and subscribe to institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

34. To undertake, carry out, promote, sponsor, discharge, fulfill or assist all types of activities considered to be the social or moral responsibilities of the company to community, class of peoples, section of public or to public at large including activities for promotion of education, national welfare, economic growth, increase in standard of living, uplifting moral public, etc. by organizing seminars and lectures, publishing books and literature, distributing awards and scholarships, providing subsidies and donations to such persons or bodies on such terms and conditions as the board of directors of the company may think fit from time to time.

35. To acquire and hold of investments in shares, modaraba certificates, term finance certificates, musharika certificates, unit trust certificates, mutual fund certificates, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company, government, commission, public body or authority, supreme, municipal, local or otherwise and to dispose of investments as and when required or at the time of winding up of the company subject to any permission required by the law. But not to act as an investment company/finance company.

36. To accept shares, modaraba certificates, term finance certificates, musharika certificates, bonds, debentures or other securities of any other company in payment or part payment of any services rendered or for any sale made to or debt owing from any such company, subject to any permission required by the law.

37. To acquire, take over and undertake the whole or any part of business as a going concern along with all assets, liabilities, licenses, quotas, rights, entitlements etc. from any person, firm or company; to enter into partnership or into any arrangements for sharing profits, union of interests, co-operations, joint ventures, reciprocal concessions or otherwise with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as to directly or indirectly benefit this company and to guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, reissue, with or without guarantee or otherwise deal with the same.

38. To procure the company to be registered or recognized in any part of the world and to do all or any of the above things in any part of the world, either as principal, agent, trustee, contractor, or otherwise, alone or in collaboration with another, and either by or through agents, trustees, sub-contractors, subsidiaries or otherwise.

39. To give any director, official, 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 of arrangement as the company may deem fit and to procure any servants or employees of the company to be insured against the risk of accident in the course of their employment by the company.

40. To give charity and donations to any person, charitable institutions and other organizations as the directors of the company deemed fit.

41. To amalgamate, absorb or merge with any company or companies, firm or firms, association of persons, foreign company or association or body, whether or not having similar objects as of this company and to do all such incidental act, deeds and things as may be necessary to give effect to amalgamation, absorption or merger.

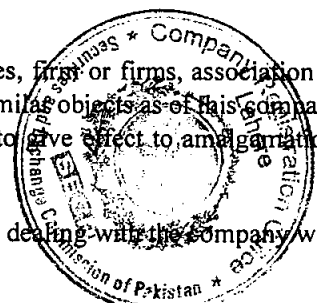
42. To advance money to staff members, customers and others having dealing with the company with or without security upon such terms as may deem expedient.

43. To sell, mortgage or dispose of the undertaking of the company or any part thereof in such manner and for such consideration as the company may think fit.

44. To distribute any of the company's property among the members in specie or in any manner whatsoever in the event of winding up of company.

45. To do all such other things as are incidental or conducive in the opinion of the board of directors, to the attainment of the above objects with approval from concerned authorities as permissible under the law.

46. To undertake or execute any trust the undertaking of which seem to the company desirable, either gratuitously or otherwise.



47. To apply for and obtain necessary consents, permissions and licenses from any government, state, local and other local authorities for enabling the company to carry on any of its objects into effect as and when required by law.

48. It is declared that notwithstanding anything contained in the forgoing object clauses of the memorandum of association nothing contained therein shall be constructed as empowering the company to undertake or indulge in business of banking company, banking, leasing, investment, managing agency or insurance business directly or indirectly as restricted under the law or any unlawful operation. Further that the company shall not launch multilevel marketing, pyramid and ponzi schemes.

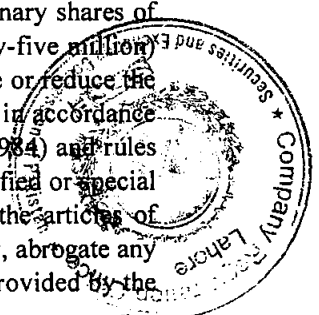
49. It is further declared that notwithstanding anything stated in any object clause, the company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.

LIABILITY OF MEMBERS

IV. The liability of the members is limited.

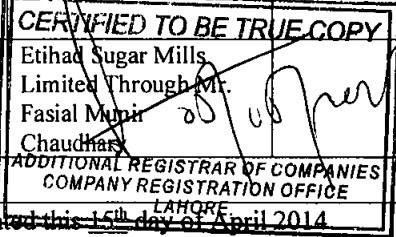
SHARE CAPITAL

- V. The authorized share capital of the company is Rupees 7,750,000,000 (seven billion seven hundred and fifty million rupees only) divided into 400,000,000 (four hundred million) ordinary shares of par value of Rs. 10 (Rupees Ten) each and 375,000,000 (three hundred and seventy-five million) of preference shares of par value of Rs. 10 (Rupees Ten) with the power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017 (repealed Companies Ordinance 1984) and rules made there under and to attach thereto respectively such preferential deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the articles of association or the regulations of the company for the time being and to vary, modify, abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the articles of association or regulations of the company.



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 shares in the capital of the Company set opposite our respective names.

Sr. No.	Name and Surname (Present and former) in full (in block letters)	NIC No. (In case of foreigner, passport No.)	Father's/ Husband's Name	Nationality (ies) with any former Nationality	Occupation	Residential address in full	Number of shares taken by each subscriber	Signatures
1	Muhammad Shakil	35201-1537699-1	Chaudhary Muhammad Jamil	Pakistani	Business Executive	House No. 69/9, Sher Khan Road, Lahore Cantt.	05	
2	Mukhtar Ahmed	35201-1316754-9	Chaudhary Fazal Din	Pakistani	Business Executive	7-Aziz Bhatti Road, Lahore Cantt.	05	
3	Faisal Munir	35202-2690216-3	Muhammad Munir	Pakistani	Business Executive	6-Bawa Park, Upper Mall Scheme, Lahore.	05	
4	Mohammad Munir	35202-2724780-1	Hidayat Ullah Mian	Pakistani	Business Executive	6-Bawa Park, Upper Mall Scheme, Lahore.	21	
5	Muhammad Ibrahim	31303-2451555-3	Haji Taj Muhammad	Pakistani	Business Executive	House No.20 Officers Colony, Club Road, Ward No.7, Rahim Yar Khan	03	
6	Imran Mukhtar Chaudhary	35202-2917102-9	Chaudhary Mukhtar Ali	Pakistani	Business Executive	133-Upper Mall, Lahore	05	
7	Makhdum Omar Shehryar	42301-9725732-7	Makhdum Rukan ud- Din	Pakistani	Business Executive	House No.117/2/1, Street No.9, Off Khayaban-e- Bukhari, Phase VI, DHA, Karachi.	06	
8	Etihad Sugar Mills Limited Through Mr. Fasial Munir Chaudhary			Pakistani	Company	4-Bawa Park, Upper Mall Scheme, Lahore.	50	
Total number of shares taken							100	



Dated this 15th day of April 2014

Witness to above Signatures.

Full Name: Khurram Saleem

Full Address: Andrabi & Gabriel, 8 Faridkot,
Link Road, Lahore



Fathers Name: Muhammad Saleem

Occupation: Advocate

CNIC: 35202-9380221-3

THE COMPANIES ACT, 2017
ARTICLES OF ASSOCIATION
OF
ETIHAD POWER GENERATION LIMITED
COMPANY LIMITED BY SHARES

I. PRELIMINARY

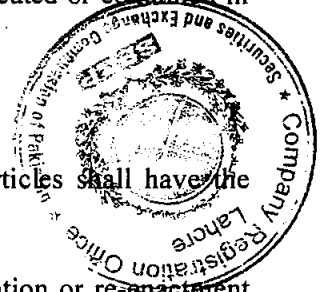
1. TABLE "A" Not to Apply.

The regulations contained in Table 'A' of the First Schedule to the Companies Act, 2017 shall not apply to the Company except in so far as the same are repeated or contained in these Articles.

2. DEFINITIONS

Unless the context otherwise requires, the terms used in these Articles shall have the meanings set out below:

- (a) **"Act"** means the Companies Act, 2017, or any modification or re-enactment thereof for the time being in force.
- (b) **"Article(s)"** means these articles of association of the Company as originally framed or as from time to time altered by the Company in accordance with the law.
- (c) **"Board"** means the group of directors in a meeting duly called and constituted or, as the case may be, the directors assembled at a Board.
- (d) **"Book and Paper"**, "book or paper" or "books of accounts" mean accounts, deeds, vouchers, writings and documents, maintained on paper or computer network, floppy, diskette, magnetic cartridge tape, CD-Rom or any other computer readable media;
- (e) **"Buy-back of shares rules"** mean the Companies (Buy-Back of Shares) Rules, 1999 or any modification or re-enactment thereof.
- (f) **"Company"** means ETIHAD POWER GENERATION LIMITED.
- (g) **"Central Depository"** means a central depository as defined in clause (ca) of section 2 of the Securities and Exchange Ordinance, 1969 (XVII of 1969) and registered with the Securities and Exchange Commission of Pakistan under section 32A of the said ordinance.



- (h) **“Central Depositories Act”** means Central Depositories Act, 1997 or any modification or re-enactment thereof.
- (i) **“Central Depository Regulations”** mean the Central Depository Company of Pakistan Limited’s regulations made pursuant to section 35(1) of the Central Depository Act, 1997 or any modification or re-enactment thereof.
- (j) **“Central Depository Register”** means a computerized Electronic register maintained by a Central Depository in respect of book-entry securities.
- (k) **“Code”** means the Code of Corporate Governance.
- (l) **“Commission”** means the Securities and Exchange Commission of Pakistan established under section 3 of Securities and Exchange Commission of Pakistan Act, 1997.
- (m) **“Directors”** means the directors for the time being of the Company including alternate directors and directors subsequently elected pursuant to Companies Act, 2017 or as the case may be, the directors assembled at a Board.
- (n) **“Dividend”** includes cash dividend, dividend in species and bonus shares.
- (o) **“Electronic”** includes electrical, digital, magnetic, optical, bio-metric, electro-chemical wireless or electromagnetic technology.
- (p) **“Electronic Transaction Ordinance”** means the Electronic Transaction Ordinance, 2002 or any modification or re-enactment thereof.
- (q) **“In Person”** includes attendance and/or voting at a meeting, personally or by video or telephone-conference or other facility whereby all the participants of the meeting can hear and / or see each other unless expressly stated otherwise by directors.
- (r) **“Instrument of transfer”** includes transfer deeds and any record of transfer of book-entry securities in the Central Depository Register, provided by the Central Depositories Act and the Central Depository Regulations.
- (s) **“Issue of Capital Rules”** mean Companies (Issue of Capital) Rules, 1996 or any modification or re-enactment thereof.
- (t) **“Listing Requirements”** mean the listing regulations of stock exchanges, to the extent applicable to the Company.

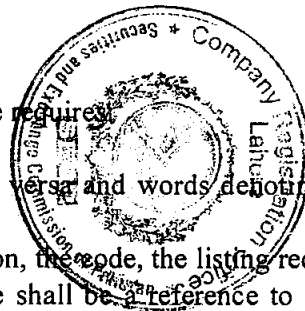
- (u) **"Member"** means a person whose name is for the time being entered in the register of members by virtue of his being a subscriber to the memorandum of association of the company or of his holding by allotment or otherwise any share, scrip or other security which gives him a voting right in the Company including but not limited to the account holders of a Central Depository.
- (v) **"Memorandum"** means the Memorandum of Association of the Company as originally framed or as from time to time altered in accordance with law.
- (w) **"Month"** means a calendar month according to the Gregorian calendar.
- (x) **"Office"** means the Registered Office for the time being of the Company.
- (y) **"Ordinance"** means the Companies Ordinance 1984 or any modification or re-enactment thereof for the time being in force.
- (z) **"Ordinary Share Capital"** means any shares of the Company with voting or other rights of management and control, and any securities of the Company that are convertible into such shares at the option of the holder.
- (aa) **"Preference shares"** not being ordinary shares mean preference shares, whether redeemable or irredeemable, cumulative, or otherwise with the rights, privileges and conditions attaching thereto as provided by the Articles.
- (bb) **"Preference shares holders"** not being ordinary shareholders mean, in relation to the Company, every person to whom the Company has allotted or who becomes the holder of Preference shares and whose name is entered in the Register of members.
- (cc) **"Proxy"** includes an attorney duly constituted under a power of attorney.
- (dd) **"Record"** includes, in addition to a written or printed form, any disk tape, sound track, film or other device in which sounds and / or other data is embodied which is capable (with or without the aid of some other instruments or machine) of being reproduced therefrom is audible, legible or visual form.
- (ee) **"Register"** means unless the context otherwise requires, the register of members and include the register of debenture-holders or holders of other securities maintained on paper or computer network, floppy, diskette, magnetic cartridge tape, CD-Rom or any other computer readable media; to be kept pursuant to section 119 of the Act and / or Central Depository Register under the Central Depositories Act and the Central Depository Regulations.

- (ff) **“Registrar”** means a registrar, defined in section 2(1) (57) of the Act, performing the duty of registration of companies under the Act.
- (gg) **“Regulations”** mean the rules of governance of the Company made by Board from time to time.
- (hh) **“Seal”** means the common or official seal of the Company.
- (ii) **“Section”** means section of the Act.
- (jj) **“Share Capital Rules”** mean the Companies’ Share Capital (variation in rights and privileges) Rules, 2000.
- (kk) **“Sign” and “signature”** unless otherwise provided in these Articles, include respectively lithography, printing facsimile, “advance electronic signature” which is capable of establishing authenticity and integrity of an electronic document, as defined by section 2(1)(e) of the Electronic Transactions Ordinance, and names impressed with a rubber or other kind of stamp.
- (ll) **“Special Resolution”** means the Special Resolution of the Company as defined in Section 2(1)(66) of the Act.
- (mm) **“Stock Exchanges”** mean the Islamabad, Lahore and Karachi Stock Exchanges and such other stock exchanges as may be established in Pakistan.

3. Interpretation

In these Articles, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa and words denoting any gender shall include all genders;
- (b) references to any act, ordinance, legislation, the code, the listing requirements, rules or regulations or any provision of the same shall be a reference to that act, ordinance, legislation, the code, the listing requirements, rules or regulations or provisions, as amended re-promulgated or superseded from time to time;
- (c) the terms “include” or “including” shall mean include or including without limitation;
- (d) expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form, including but not limited to, electronic transmission such as facsimile, and electronic mail or any other electronic process, as prescribed by section 3 of Electronic Transactions Ordinance;
- (e) words importing persons shall include bodies corporate; and



- (f) words and expressions contained in these Articles shall bear the same meaning as in the Act.

REGISTERED OFFICE

4. The registered office of the Company shall be in the province of Punjab as the directors shall from time to time appoint.

PUBLIC LIMITED COMPANY

5. The Company is a public limited company within the meanings of section 2(1), clause (52) of the Act.

BUSINESS

6. All branches or kinds of business which the Company is either expressly or by implication authorized to undertake may be undertaken by the directors at such time or times as they shall think fit, and further may be allowed by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the directors may deem it expedient not to commence or proceed with such branch or kind of business.

II. CAPITAL

SHARES

7. Subject to the relevant sections of the Act and any rules in that regard made under the Ordinance or Act, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with different rights, restrictions and privileges, including but not limited to the following as may be approved by the Company by Special Resolution:

- (i) different voting rights; voting rights proportionate to the paid-up value of the share held; voting rights for specific purposes only; or no voting rights at all;
- (ii) different rights for entitlement of dividend, right share or bonus shares or entitlement to receive the notices and to attend the general meeting;
- (iii) rights and privileges for indefinite period for a limited specified period or for such period as may from time to time be determined by the Company;
- (iv) different manner and mode of redemption, including redemption in accordance with the provisions of these Articles, subject to the relevant sections of the Act including but not limited to, by way of conversion into shares with such rights and privileges as determined by the Company in the manner and mode provided in these Articles; and
- (v) different rights and privileges for listing or non-listing of any class of shares.

8. The minimum subscription for further issue of shares upon which the Company may proceed to allot shares shall be Rupees 100,000 (Rupees One Hundred Thousand).

9. Subject to the provisions of these Articles, the relevant sections of the Act and any rules in that regard made under the Act or Ordinance, the Company may issue shares which are to be redeemed or any other redeemable security, on such terms and in such manner as may be provided in the said Articles, section and rules.

10. Subject to provisions of the Act and these Articles and subject to any special rights or privileges for the time being attached to any issued shares, the shares in the capital of the Company for the time being, including any new shares resulting from an increase in authorized capital, shall be under the control of the directors who may allot or otherwise dispose of the same or any of them to such persons (subject to these Articles), on such terms and conditions, and with such rights and privileges annexed thereto as the resolution creating the same shall direct, and if no direction has been given, as the directors shall determine and at such times and in such manner as the directors think fit, either at par or at a premium or subject to the relevant sections of the Act at a discount, with power to the directors to give any person the right to call for and be allotted shares of any class of the Company at par or at a premium or, subject as aforesaid, at a discount, such options being exercisable at such time, and for such consideration as the directors think fit. Provided that the shares in the capital of the Company shall always be issued as fully paid shares and no shares shall be issued as partly paid shares. The directors shall, as regards any allotment of shares, duly comply with the relevant provisions of the Central Depository Act, the Central Depository Regulations, the Issue of Capital Rules and the Share Capital Rules, as may be applicable to the Company.

11. Subject to the provisions of these Articles, the directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred or for services rendered, to the Company in ordinary course of its business, and shares so allotted shall be issued as and shall be deemed to be fully paid shares.

12. The board shall, as regards any allotment of shares, duly comply with such provisions of the Act as may be applicable.

13. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture stock in the Company or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares, debentures or debenture stock in the Company. Provided, that, if the commission in respect of shares shall be paid or payable out of capital, the statutory requirements and conditions shall be observed and complied with, and the amount or rate of commission shall not exceed such percentage on the shares, debentures or debenture stock in each case subscribed or to be subscribed, as may be determined by the Board subject to any limits required by law. The commission may be paid or satisfied, either wholly or partly, in cash or in shares, debentures or debenture stock. The Company may also on any issue of shares pay such brokerage fees as may be lawful; provided that such brokerage fees shall not exceed such percentage of the shares, debentures or debenture stock paid-up as may be determined by the Board subject to any limits required by law.

14. Subject to the relevant sections of the Act and any rules in that regard made under the Act or the Ordinance, the Company may purchase its own shares on such terms and in such manner as may be provided in the said section and rules. Except as aforesaid no part of the funds of the Company shall be employed in the purchase of its own shares.

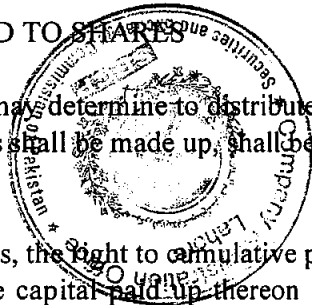
15. Except as permitted in the Act and any rules in that regard made under the Ordinance or the Act, no part of the funds of the Company shall be employed in the purchase of its own shares or in giving, whether directly or indirectly and whether by means of a loan, guarantee, security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of or any shares in the Company.

16. Shares may be registered in the name of persons, any limited company or other corporate body. Not more than four persons shall be registered as joint holders of any share.

17. If any share or shares stand in the name of two or more persons, the person first named in the register shall, as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company except voting at the meeting and the transfer of shares, be deemed the sole holder.

RIGHTS, PRIVILEGES AND CONDITIONS ATTACHED TO SHARES

18. As regards income, the profits which the Company may determine to distribute in respect of any financial year or other period for which the accounts shall be made up, shall be applied in the following order of priority;

- 
- (i) In paying the holders of the preference shares, the right to cumulative preferential dividend as determined by the Board on the capital paid up thereon payable as regards, each financial year out of the profits of the Company resolved to be distributed in respect of that year, but shall not be entitled to any further participation in profits; and
 - (ii) Subject to the rights of any class of shares for the time being issued, in distributing the balance amongst the holders of the ordinary shares according to the amounts paid up on the ordinary shares held by them respectively.

19. As regards conversion, the Company may partly or wholly convert the preference shares at the option of the holders of the preference shares in accordance, respectively, with the terms and conditions of their issue.

20. As regard redemption, subject to the relevant sections of the Act, the Company may, upon giving the holders of the shares to be redeemed notice in writing, redeem the whole or any part of the preference shares in accordance, respectively, with the term and conditions of their issue.

21. As regards capital, on a return of capital in a winding up or otherwise (except upon the redemption of shares of any class of preference shares or the purchase by the company of its own shares), the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:

- (i) in paying to the holders of the preference shares, the capital paid up on the same without any further right to participate in profits or assets; and
- (ii) subject to the rights of any other class of shares for the time being issued, in distribution of the balance amongst the holders of the ordinary shares according to the amounts paid up on the ordinary shares held by them respectively.

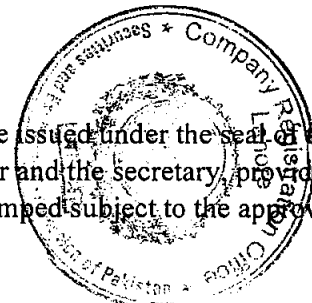
21(A). As regards entitlement of the dividend, the holders of preference shares shall also be entitled to receive 110% of the dividend declared for the ordinary shareholders.

22. As regards entitlement to bonus or right shares, the holders of preference shares shall not be entitled to bonus or right shares in the event that the Company increased its capital by the issue of further shares or otherwise.

23. As regards voting rights, the holders of the preference shares shall not be entitled to receive notice of, attend, or vote at, any general meeting of the Company, except as otherwise provided by the Act, where by the holders of such shares would be entitled to vote separately as a class, that is, with respect to voting entitlement of the preference shareholders on matters affecting, respectively, their substantive rights and liabilities without prejudices to the foregoing, the holders of preference shares may attend the general meeting of the Company as observers with prior permission of the chairman.

CERTIFICATES

24. The certificates of title to shares and duplicate thereof shall be issued under the seal of the Company and signed by two of the directors or by one such director and the secretary, provided that such signatures may if necessary be printed lithographed or stamped subject to the approval of the directors.



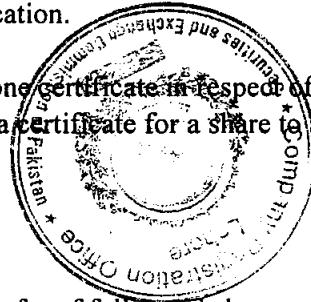
25. Every member shall be entitled to one certificate for all the shares registered in his name, or, if the directors so approve, to several certificates each for one or more of such shares, but in respect of each certificate for less than one hundred shares, the directors shall be entitled to charge a fee of Rupees 10 or such lesser sum as they may determine. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued.

26. The Company shall within ninety (90) days after the allotment of any shares, debentures or debenture stock and within forty-five (45) days (or where the transferee is a Central Depository, within five (5) days) after receipt by the Company of the application for transfer of

any such shares, debentures or debenture stock complete and have ready for delivery the certificate (such expression shall hereinafter be deemed to include book-entry security as defined in Central Depositories Act, and the Central Depository Regulations) of all shares, the debentures and the certificate of all debenture stock allotted or transferred, and unless sent by post or delivered to the person entitled thereto within the period aforesaid the Company shall immediately thereafter give notice to that person in the manner prescribed in these Articles for the giving of notices to members that the certificate is ready for delivery.

27. If a certificate of shares, debenture or debenture stock is proved to the satisfaction of the Company to have been lost or destroyed or, being defaced or mutilated or torn, is surrendered to the Company, and the Company is requested to issue a new certificate in replacement thereof, the Company shall, after making such inquiry as it may deem fit, advise the applicant within thirty (30) days from the date of application the terms and conditions (as to indemnity and otherwise and as to payment of the actual expenses incurred of such inquiry and of a fee not exceeding Rupees 10) on which the Company is prepared to issue a new certificate and time for compliance therewith or of the reasons why the Company is unable to issue a new certificate, as the case may be, and in the former case if the applicant shall within the time allowed comply with the terms and conditions specified, the Company shall issue a new certificate to the applicant within forty five (45) days from the date of application.

28. The Company shall not be bound to issue more than one certificate in respect of a share or shares held jointly by two or more persons and delivery of a certificate for a share to any one of the holders shall be sufficient delivery to all.



TRANSFER AND TRANSMISSION

29. (i) The directors shall not refuse to register the transfer of fully paid shares or Ordinary Share Capital, or the instrument of transfer is defective or invalid, or is not accompanied by the certificate of the shares(s) to which it relates. The directors may also decline to recognize any instrument of transfer unless it is accompanied, in addition to the certificate of the shares to which it relates, by such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer. The directors may waive the production of any certificate upon evidence satisfactory on them of its loss or destruction.
- (ii) If the directors refuse to register a transfer of any shares or Ordinary Share Capital they shall, within thirty (30) days (or where the transferee is a Central Depository, within five (5) days) after the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal indicating the reason for such refusal; provided that if the directors refuse to register a transfer of shares on account of a defect in or the invalidity of instrument of transfer, the transferee shall be entitled, after removal of such defect or invalidity, to re-lodge the instrument of transfer with the Company.

30. Shares of the Company shall be transferred in accordance with the Central Depositories Act and the Central Depository Regulations. If the shares of the Company are not registered in the Central Depository, the same may be transferred through the instrument of transfer. The instrument of transfer of any share shall be in writing in the usual common form, or in the following form or as near thereto as circumstances will admit:

Folio No. _____
Certificate No. _____

TRANSFER DEED

ETIHAD POWER GENERATION LIMITED

Is/or/o..... (hereinafter called "the transferror") in consideration of the sum of rupees paid to me bys/o r/o..... (hereinafter called "the transferee"), do hereby transfer to the said transferee the share (or shares) with distinctive numbers from to inclusive, in the Limited, to hold unto the said transferee, his executors, administrators and assigns, subject to the several conditions on which I held the same at the time of execution hereof, and I, the said transferee, do hereby agree to take the said shares (or shares) subject to the conditions aforesaid.

Signature

Signature

Transferor

Transferee

Full Name:

Full Name:

Father's / Husband's Name:

Father's / Husband's Name:

CNIC Number:

CNIC Number:

Nationality:

Nationality:

Occupation:

Occupation:

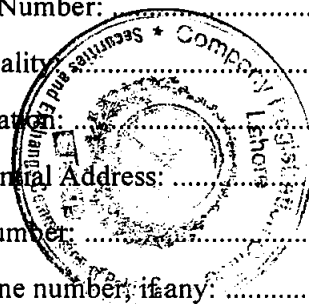
Residential Address:

Residential Address:

Cell number:

Landline number, if any:

Email address:



Witness 1:

Signature:

Date:

Name:

CNIC Number:

Full Address:

Witness 2:

Signature:

Date:

Name:

CNIC Number:

Full Address:

31. No transfer shall be made to a minor or person of unsound mind.

32. All registered instruments of transfer shall be retained by the Company, but any instrument of transfer which the directors may decline to register shall be returned to the person depositing the same.

33. The instrument of transfer of any share in the Company shall be duly stamped and executed both by the transferor and transferee, and the transferor shall be deemed as the holder of the share until the name of the transferee is entered in the register in respect thereof.

34. On giving a prior notice in the manner provided in the Act and Articles, the transfer book and register may be closed during such time as the directors think fit, not exceeding in the whole forty-five (45) days in each year, but not exceeding thirty (30) days at a time.

35. Any member may make or deposit with the Company a nomination in writing specifying one or more eligible person who or each of whom, in the event of the death of member, may be enter in the register as the holder of such number of share specified in the nomination for such nominee or each such nominee of which the member remain the registered holder, at the date of his death. A person shall be eligible for nomination for the purposes of this article only if he is a spouse, parent, brother, sister, or child of the member nominating him and the applicable relationships all should be specified in the nomination in respect of each nominee. A member may at any time by notice in writing cancel, or by making and depositing with the Company another nomination before his death vary any nomination already made by him pursuant to this article. In the event of death of a member any person nominated by him in accordance with this article may, on written application accompanied by the relative share certificate an evidence establishing the death of the member request the Company to register himself in place of the deceased member as the holder of the number of shares for which nomination in his favour had been made and deposit with the Company if it shall appear to the director that it is proper so to do, the directors may register the nominees as the holder of those shares in place of deceased member.

- a. In the case of death of the member who was a joint-holder of shares the survivor or survivors shall be the only persons recognized by the Company as having any title to his interest in the shares. If the deceased member was the sole holder of shares the nominee or nominees of the deceased where a nomination under article 35 is effective, and the legal personal representative, executors or administrators, of the deceased where no such nomination has been made and deposited with the Company, shall be the only person recognized by Company as having any title to his interest in the shares.
- b. Before recognizing any legal representative or executors or administrator, the directors may require him to obtain a grant of succession certificate or probate or letter of administration or other legal representation as the case may be from some competent court in Pakistan having effect in Lahore; provided nevertheless that in any case where the director in their absolute discretion think fit, it shall be lawful for director to dispense with the production of succession certificate or probate or letter or administration or such other legal representation, upon such term as to indemnity or otherwise as the directors, in absolute discretion, may consider necessary.

36. The executors or administrators or the nominee appointed under the relevant section of the Act of the deceased member (not being one of several joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such member, in the case of the death of any one or more of the joint-holders of all registered shares (such expression shall hereinafter be deemed to include registration as a sub-account holder of Central Depository under the Central Depositories Act and the Central Depositories Regulations), the survivors shall be the only persons, recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator, the directors may require him to obtain a grant of probate or nomination as mentioned above or letters of administration or other legal representation, as the case may be, from some competent court in Pakistan having effect in Lahore. Provided nevertheless that in case where the board in their absolute discretion think fit, it shall be lawful for the directors to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as the directors, in their absolute discretion, may consider necessary.

37. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the directors and subject as hereinafter provided, elect either to be registered himself as the holder of the share or instead of being registered himself, to make such transfer of the share or instead of being registered himself, to make such transfer of the share as the deceased or insolvent person could have made but the directors shall, in either case, have the same right to decline or suspend registration as they would have had in the

case of a transfer of the share by that member before his death or insolvency as the case may be.

38. Any committee or guardian of a lunatic or minor member or any person becoming entitled to a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the characters in respect of which he proposes to act under this article, or of his title, as the directors think sufficient, shall have the right to be registered as a member in respect of such share, or may, subject to the regulations as to transfer hereinbefore contained, transfer such share.

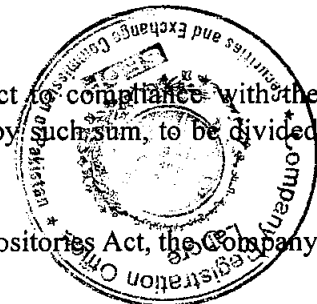
39. Neither the Company nor the directors nor any other officer of the Company shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same way, by reason of any fraud or other cause not known to the Company or the directors or any other officer of the Company, as aforesaid, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and, notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner, and in every such case the person registered as transferee, his executors, administrator and assigns alone shall be entitled to be recognized as the holder of such shares and the previous holder shall, so far as the Company is concerned as deemed to have transferred his whole title hereto.

ALTERNATE OF CAPITAL

40. The Company may by ordinary resolution and subject to compliance with the requirements of the Act increase the authorized share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

41. Subject to the provisions of the Act and the Central Depositories Act, the Company may, by ordinary resolution:

- (a) consolidate and divide its share capital into shares of larger amount than its existing shares;
- (b) by sub-division of its existing share or any of them, divide the whole or any part of its share capital into shares of smaller amount than is fixed by the memorandum of association;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.



42. The directors may from time to time increase the issued share capital by such sum as they think fit. Except as otherwise permitted by the Act or Share Capital Rules, the Listing Requirements and the Central Depositories Act, as are applicable to the Company and subject to any special rights or privileges for the time being attached to any issued shares, all shares intended to be issued by the directors shall, before issue, be offered to the members strictly in proportion to the amount of the issued shares held by each member (irrespective of class); provided that fractional shares shall not be offered and all fractions less than a share shall be consolidated and disposed of by the Company and the proceeds from such disposition shall be paid to such of the entitled members as may have accepted such offer. Such offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think fit. In respect of each such offer of shares the directors shall comply with the provisions of the Act. Any difficulty in the apportionment of shares amongst the members, such difficulty shall, in the absence of any direction given by the Company in general meeting, be determined by the directors.

43. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to transfer and transmission and otherwise.

44. Subject to the provisions of the Act, if, owing to any inequality in the number of new shares to be issued and the numbers of shares held by a member entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction to the resolution creating the shares or by the Company in general meeting, be determined by the Act.

45. The Company may, by special resolution, reduce its share capital in any manner with and subject to, any incident authorized and consent required by law.

46. The share premium account maintained pursuant to the Act may, be applied by the Company:

- (a) in writing off the preliminary expenses of the Company;
- (b) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or
- (c) in providing for the premium payable on the redemption to any redeemable preference shares or debentures of the Company; or

- (d) in paying up un-issued shares of the Company to be issued as fully paid bonus shares.

47. Subject to the provisions of the Act, the directors may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares.

VARIATION OF SHAREHOLDERS' RIGHTS

48. Whenever the capital is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of the Act, be modified, commuted, affected, abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is (a) ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of the class or (b) confirmed by a special resolution passed at any extraordinary general meeting of the holders of shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting. This Article shall not by implication curtail the power of modification which the Company would have if this Article were omitted.

III. MEETINGS

CONVENING OF GENERAL MEETINGS

49. The statutory meeting of the Company shall be held within the period required by provisions of the Act.

50. Except as may be allowed under the Act and Listing Requirements, the Company shall hold a general meeting once at least in every calendar year within a period of four months following the close of its financial year in the town in which the office is situated and at such time and place as may be determined by the directors, provided that no greater interval than fifteen (15) months shall be allowed to elapse between two such general meetings. The Company may, for any special reason and with permission of the commission, extend the time within which any annual general meeting, not being the first such meeting, shall be held.

51. The Company shall hold its annual general meeting in the town in which the registered office is situated; provided that, it may, for any special reason and with permission of the commission, hold the said meeting at any other place. Save as aforesaid, the Company may hold its general meeting at two (2) or more venues using any technology that gives the members as a whole a reasonable opportunity to participate in the meetings.

52. All general meetings of the Company, other than the statutory meeting or any annual general meeting, shall be called extraordinary general meetings, and shall be subject to Listing Requirements.

53. The directors may, whenever they think fit, and they shall, on the requisition of the holders of not less than one-tenth of the issued capital of the Company, forthwith proceed to convene an extraordinary general meeting of the Company. If at any time there are not within Pakistan sufficient directors capable of acting to form a quorum, any director of the Company may call an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be called by the directors, and in the case of such requisition the following provisions shall have effect:

- (i) The requisition must state the objects of the meeting and must be signed by the requisitioners and deposited at the office and may consist of several documents in like form each signed by one or more requisitioners.
- (ii) If the directors do not proceed within twenty-one (21) days from the date of the requisition being so deposited to cause a meeting to be called, the requisitioners or a majority of them in value may themselves convene the meeting, but any meeting so convened shall not be held after three (3) months from the date of the deposit.
- (iii) Any meeting convened under this Article by the requisitioners shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the directors but shall be held at the office.
- (iv) A requisition by joint-holders of shares must be signed by all such holders.

54. (i) Notice of a general meeting shall be sent in the manner hereinafter mentioned at least twenty one (21) days before the date on which the meeting is to be convened to all such persons as are under these Articles or the Act entitled to receive such notices from the Company and shall specify the place and the day and hour of the meeting and the nature of the business to be transacted thereat.

(ii) In the case of an emergency affecting the business of the Company, an extraordinary general meeting may be convened by such shorter notice than that specified herein as the registrar may authorise.

(iii) Where any special business, that is to say, business other than consideration of the accounts, balance sheet and the reports of the directors and auditors, the declaration of dividend, the appointment and fixation of the remuneration of auditors and, where the notice convening the meeting provides for the election of directors, the election of directors (all such matters being herein referred to as ordinary business) is to be transacted at a general meeting, there shall be annexed to the notice of such meeting a statement setting out all such facts as may be material for the consideration of such business including the nature and extent of the interest (whether direct or indirect) of any director, and where the item of business involves approval of any document, the time and place appointed for

inspection thereof, and to the extent applicable such a statement shall be annexed to the notice also in the case of ordinary business to be transacted at the meeting.

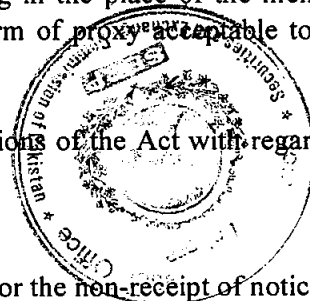
(iv) Where a resolution is intended to be proposed for consideration at a general meeting in some special or particular form, a copy thereof shall be annexed to the notice convening such meeting.

(v) If a special resolution is intended to be passed at a general meeting, the notice convening that meeting shall specify the intention to propose the resolution as a special resolution.

(vi) A notice for a general meeting at which an election of directors is to take place shall state the number of directors to be elected at that meeting and the names of the retiring directors.

(vii) The notice of every general meeting shall prominently specify that a proxy may be appointed who shall have the right to attend, demand or join in demanding a poll and vote on a poll and speak at the meeting in the place of the member appointing him and shall be accompanied by a form of proxy acceptable to the Company.

(viii) The Company shall comply with the provisions of the Act with regard to giving notices of general meetings.



55. The accidental omission to give any such notice to, or the non-receipt of notice by any of the members shall not invalidate the proceedings at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

56. 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; save as herein otherwise, provided ten (10) members present in person representing twenty five percent (25%) of the total voting power either of their on account or as proxies shall be quorum.

57. The chairman of the board of directors shall presides as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present in person within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the chief executive shall presides as chairman of the meeting, or if the chief executive is absent or unwilling to act, any one of the directors present in person may be elected to be chairman of the meeting, or if no director be present in person, or if all the directors present in person decline to take the chair, the members present in person shall choose one of their member to be chairman of the meeting.

58. If within half-an-hour from the time appointed for the meeting, a quorum is not present, the meeting if convened upon such requisition as aforesaid shall be dissolved, but in any other case it any shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for it, the meeting shall be dissolved.

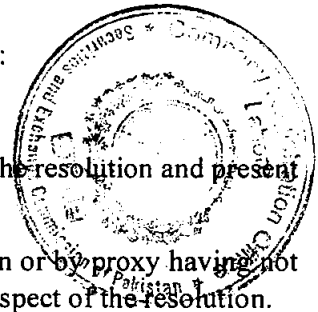
59. The chairman may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for more than seven (7) days, notice of the adjourned meeting shall be given as in case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

60. In the case of an equality of votes the chairman shall, both on a show of hands and at the poll, have as casting vote in addition to the vote or votes to which he may be entitled as member.

61. (i) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with paragraph (ii) of this article, and unless a poll is so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book or electronic record of the proceeding of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, the resolution.

(ii) Any of the following persons may demand a poll:

- (a) The chairman of the meeting, or
- (b) Five members having the right to vote on the resolution and present in person or by proxy; or
- (c) Any member or members present in person or by proxy having not less than one-tenth of the total voting power in respect of the resolution.



62. If a poll is demanded, as aforesaid, it shall be taken (subject to the relevant sections of the Act) in such manner and at such time and place as the chairman of the meeting directs, and either at once or after an interval or adjournment of not more than fourteen (14) days from the day on which the poll is demanded, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was held. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. In case of any dispute as to the admission or rejection of a vote, the chairman of the meeting shall determine the same, and such determination made in good faith shall be final and conclusive.

63. Any poll duly demanded on the election of the chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on any other question shall be taken at such time, not being more than fourteen (14) days from the day on which the poll is demanded as the chairman of the meeting directs.

64. The demand of a poll shall not prevent the continuance of a meeting for the Company of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

65. Subject to the Act and any rights or restrictions for the time being attached to any class or classes of shares, every member present in person (where all the participants of a general meeting can see each other) shall have, whether on a show of hands or on a poll, votes proportionate to the paid up value of the shares or other securities carrying voting rights held by him according to the entitlement of the class of such shares or securities, as the case may be provided that, the provisions of the relevant section of the Act shall apply in the case of the election of directors.

66. Without prejudice to Articles 69 and 79, on a show of hands, every members present in person shall have one vote and upon a poll every member in present in person or by proxy shall have one vote in respect of each share held by him. Provided always that in the case of an election or removal of a director, the provisions of Articles 91 and 92 respectively shall apply.

67. On a poll a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

68. Any company or other corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the company or corporation which he represents as that company or corporation could exercise if it were an individual member of the Company, present in person. The production before or at the meeting of a copy of such resolution purporting to be signed by a director or the secretary of such company or corporation and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of the appointment of such representative.

69. Any person entitled under Article 37 to any shares may vote at any general meeting in respect thereof in the same manner as if he were registered holder of such shares, provided that forty-eight hours at least before the time of holding of meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the directors of his right to such shares, or the director shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non compos mentis, he may vote, whether by a show of hands or at a poll, by his committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy.

70. Where there are jointly registered holders of any share, any one of such persons may vote at any meeting either in person or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint-holders be present at any meeting, either in person or by proxy, that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

71. On a poll votes may be given either in person (including without limitation of representative of a company duly authorised under Article 66) or by proxy.

72. No objection shall be raised to the qualification of any voter except at the members' adjourned meeting at which the vote objected to is given or tendered, and every vote no objection at such meeting shall be valid for all purposes. Any such objection made in due time shall be informed to the chairman of the meeting, whose decision shall be final and conclusive.

73. The instrument appointing a proxy shall be in writing under the hand of the appointer (such expression shall exclude any reference to the electronic transactions ordinance in accordance section 31 (1) of the electronic transactions ordinance) or of his attorney duly authorised in writing (such expression shall exclude electronic transmission as prescribed by section 3 of the electronic transactions ordinance) or if such appointer is a corporation under its common seal or signed by an officer or an attorney duly authorised by it (such expression shall exclude any reference to the electronic transactions ordinance in accordance section 31 (1) of the electronic transactions ordinance). Save as provided by Article 78, no person shall be appointed a proxy who is not a member of the Company and qualified to vote.

74. Subject to Article 71 hereof, the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a copy of that power or authority duly notarized, shall be deposited (Such expression shall hereinafter include where permitted by law, receipt in accordance with section 15 of the electronic transactions ordinance) at the office 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 shall not be treated as valid.

75. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office before the meeting. Provided nevertheless that the chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

76. Every instrument appointing a proxy shall, as nearly as circumstances will admit, be in the form or to the effect following and shall be retained by the Company:

ETIHAD POWER GENERATION LIMITED
Proxy Form

I _____ / _____ We, _____ being the member of Etihad Power Generation Limited hereby appoint _____ Mr. _____ /Mrs. _____ /Miss. _____ who is a member of the company vide Registered Folio / CDC Participant ID. No. _____ or failing whom Mr./Mrs./Miss. _____ Who is also a member of the company vide Registered Folio / CDC Participant ID. No. _____ as my proxy to attend and vote for me and own my behalf at the annual / extra ordinary general meeting of the company to be held on (day) (date) (month) (year) at _____ A.M / P.M and / or at any adjournment thereof

Folio No	CDC account Number	
	Participants I.D.	Account No.

(Signature on
Rupees Five
Revenue Stamp)

(Signature should agree with the
specimen signature registered
with the company)

WITNESSES:

i. Signature _____

ii. _____ Signature

Name _____

Name _____

Address _____

Address _____

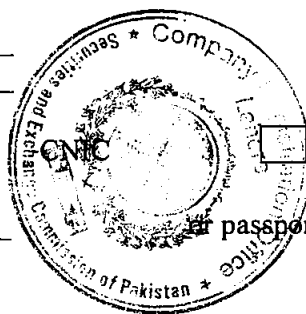
CNIC _____

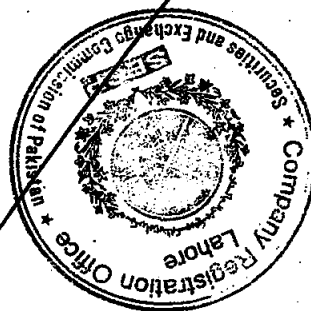
or passport No. _____

or passport No. _____

Date: _____

Date: _____





NOTES

- i. The proxy form must be signed across Rupee Five revenue stamp and it should be deposited in the Company's registered office not less than 48 hours before the time of holding the meeting.
- ii. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
- iii. A member entitled to attend may appoint another member as his / her proxy or may by power of attorney authorize any other person as his / her agent to attend, speak and vote at the meeting. A corporation or a company, as the case may be, being a member of the Company, may appoint any of its officials or any other person to act as its representative and the person so authorized shall be entitled to the same powers as if he were an individual shareholder.

For CDC account holders / corporate entities:

In addition to the above, the following requirements have to be met:

- (i) The Proxy Form shall be witnessed by two persons whose names, addresses and CNIC or Passport numbers shall be mentioned on the Form.
- (ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iii) The proxy shall produce his original CNIC or original passport at the time of the meeting.

In case of corporate entity, the board of directors' resolution (power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Provided always that an instrument appointing a proxy may be in the form set out in the Act, to the extent applicable.

IV. DIRECTORS

NUMBER OF DIRECTORS

77. Subject to the provisions of these Articles and the Act, all directors shall be elected by the members in general meeting.
78. The Company shall have at least three (03) directors, Subject to the said minimum, the directors themselves shall determine from time to time in the manner provided in this Article the number of directors that the Company shall have. The directors of the Company shall, subject to the Act fix the number of elected directors of the Company not later than thirty five (35) days before the convening of general meeting at which directors are to be

elected. The number of elected directors so fixed by the directors shall not be changed except with the prior approval of the Company in a general meeting.

ALTERNATE DIRECTORS

79. When any director intends to be, or is living outside Pakistan, he may with the approval of the directors appoint any person to be his alternate director, and such alternate director during the absence of the appointer from Pakistan, shall be entitled to receive notice of and to attend and vote at meeting of directors and shall be subject to and entitled to the provisions contained in these Articles with reference to directors and may exercise and perform all such powers, directions and duties as his appointer could have exercised or performed including the power of appointing another alternate director. An alternate director so appointed shall not be required to hold any qualification, Such appointment shall be recorded in the director minute book. A director may at any time by notice in writing to the Company remove an alternate director appointed by him. The alternate director shall cease to be such provided that if any director retires but is re-elected at the meeting at which such retirement took effect any appointment made by him pursuant to this Article which was in force immediately prior to this retirement and re-election and which has not otherwise ceased to be effectively shall continue to operate after his re-election as if he had not so retired. An alternate director shall not be deemed to be the agent of the director appointing him but shall be reckoned as one with his appointer. All appointments and removals of alternate directors shall be effected by writing under the hand of the director making or revoking such appointment and left at the office, For the purpose of assessing a quorum hereof an alternate director shall be deemed to be director. Any director may act an alternate director for any one or more directors, as well as being able to act as a director in his own right. An alternate director may resign as such upon giving thirty (30) days prior notice to the board to this effect. An alternate director need not be a member of the Company.
80. Notwithstanding Article 164, an alternate director, even if not a member, shall, in the absence of a direction to the contrary in the instrument appointing him, be entitled to notice of general meetings of the Company and (subject to the provisions of Article 71) to vote at such meetings on behalf of his appointer, if his appointer is a member of the Company, and generally to represent his appointer.
81. Directors shall have power at any time and from time to time to appoint any person as technical/executive director and such technical/executive director may be appointed only for a fixed period in such special remuneration as may be determined by the board. The number of such directors appointed shall not be counted within minimum or maximum fixed for number of directors in these Articles. Such technical/executive directors would be the senior executives of the Company and will not have any representation on the board of the Company unless specially invited by the director to assist them in the proceedings of the meeting of the board of directors of the Company.

CHIEF EXECUTIVE AND OTHER PRINCIPAL OFFICERS OF THE COMPANY

82. The Company shall have an office of chief executive which shall be filled from time to time by the directors who may appoint a director or (subject to the relevant sections of the

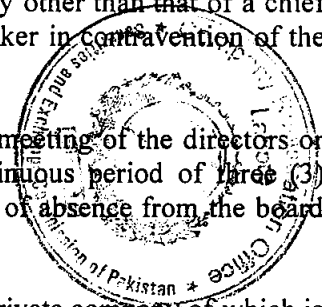
Act) any other person to be the chief executive of the Company for a period not exceeding three years and on such terms and conditions as the directors may think fit, and such appointment shall be made within fourteen (14) days from the date on which the office of chief executive falls vacant. If the chief executive at any time is not already a director he shall be deemed to be a director of the Company notwithstanding that the number of directors shall thereby be increased and he shall be entitled to all the rights and privileges and shall be subject to all liabilities of the office of director. Upon the expiry of his period of office, a chief executive shall be eligible for re-appointment. The chief executive may be removed from office in accordance with the provisions of the Act notwithstanding anything contained in these Articles or in any agreement between the Company and the chief executive.

83. No person who is ineligible to become a director of the Company shall be appointed or continue as the chief executive except as permitted by the Act.
84. The chief executive retiring under Article 82 continues to perform his functions until his successor is appointed unless non-appointment of his successor is due to any fault on his part or his office is expressly terminated.
85. The directors may appoint other principal officers of the Company including chief operating officer, chief financial officer, head of internal audit and the company secretary (who is to be a full time employee of the Company if required by the Act), and give such officer such designations and with such terms and conditions as the directors may determine from time to time.
86. A chief executive of the Company shall receive such remuneration as the directors may determine and it may be made a term of his appointment that he be paid a pension and/or gratuity and/or other benefits on retirement from his office.
87. The directors may from time to time entrust to and confer upon the chief executive for the time being such of the powers exercisable under these Articles by the directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they deem expedient; and they may confer such powers, either collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the directors in that behalf; and may from time to time revoke, withdrawal, alter or vary all or any of such powers.

QUALIFICATION AND REMUNERATION OF DIRECTORS

88. Any director who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration as the directors may determine from time to time. The remuneration of a director for attending meeting of the board shall from time to time be determined by the directors.

89. Each director of the Company may, in addition to any remuneration receivable by him, be reimbursed his reasonable travelling and hotel expenses incurred in attending meetings of the directors or of the Company or otherwise whilst employed on the business of the Company.
90. Each director of the Company shall meet the qualifications and eligibility criteria of a director prescribed in the Act. To the extent required under the Act, a director shall acquire his share qualification within two (2) months from the effective date of his appointment as director.
91. The continuing directors may act notwithstanding any vacancy in their but, so long as their number is not reduced below the number fixed by or pursuant to these Articles to the necessary quorum of directors.
92. The office of a director shall be vacated in accordance with the Act and these Articles if:
- (a) he ceases to hold the share qualification, if any, necessary for his appointment as required under the Act; or
 - (b) he is found to be of unsound mind by a court of competent jurisdiction; or
 - (c) he is adjudged an insolvent; or has applied to be adjudicated as an insolvent and his application is pending or is undercharged insolvent; or
 - (d) he has been convicted by a court of law for an offence involving moral turpitude;
 - (e) he or any firm of which is a partner or any private company of which he is a director without the sanction of the Company in general meeting accepts or holds any office of profit under the Company other than that of a chief executive or legal or technical advisor or a banker in contravention of the relevant provisions of the Act ;
 - (f) he absents himself from three (3) consecutive meetings of the directors or from all meetings of the directors for a continuous period of three (3) months, whichever is the longer, without leave of absence from the board of directors; or
 - (g) he or any firm of which he is a partner of any private company of which is a director accepts a loan or guarantee from the Company in contravention of the relevant sections of the Act; or
 - (h) he acts in contravention of Section 205 of the Act; or
 - (i) by notice in writing to the Company he resigns his office; or



- (j) he is removed from office by resolution of the Company in general meeting in accordance with the relevant section of the Act;
- (k) his appointment is withdrawn by the authority nominating him as director;
- (l) he has betrayed lacked of fiduciary behavior and a declaration to the effect has been made by the court under the relevant section of the Act at any time during the preceding five (5) years.

93. Subject to authorization being given by the directors in accordance with the relevant sections of the Act, a director shall not be disqualified from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with any company or partnership of or in which any directors of the Company shall be a member or otherwise interested, be avoided, nor shall any such director so contracting or being such member or so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such director holding that office or the fiduciary relationship so established. A director who, or whose spouse or minor child, is in any way, whether directly or indirectly, concerned or interested in any contract or arrangement or proposed contract or arrangement with the Company shall disclose the nature of such concern or interest in accordance with the relevant section of the Act. Subject to the relevant provisions of the Act, a general notice that any director of the Company is director of the company or a member of any other named company or is a member of any named firm and is to be regarded as interested in subsequent transaction with such company or firm shall, as regards any such transaction, be sufficient disclosure under this article. Provided, however, that any such general notice shall expire at the end of the financial year in which it was given and may be renewed for a further period of one financial year at a time by giving fresh notice in the last month of the financial year in which it would otherwise expire.

94. Except as provided in the relevant section of the Act, a director shall not in respect of any contract or arrangement in which he is either directly or indirectly concerned or interested nor shall his presence count for the purpose of forming a quorum at the time of any such vote and if he does so vote, his vote shall not be counted.

95. Whereby any contract or resolution of the directors an appointment or a variation in the terms of an existing appointment is made (whether effective immediately or in the future) of a chief executive, whole time director or secretary of the Company, in which appointment of any director of the Company is, or after the contract or resolution becomes, in any way, whether directly or indirectly, concerned or interested, or whereby any contract or resolution of the directors, an appointment or a variation in the terms of appointment is made (whether effective immediately or in the future) of a chief executive, the Company shall inform the member of such appointment or variation in the manner required by the relevant sections of the Act and shall comply with the requirement of that section in regard to the maintaining of such contracts and resolutions open for inspection by members at the office, the provision of certified copies thereof and extracts therefrom and otherwise.

96. In accordance with the Act, the Company shall maintain at its office a register or electronic record, in which shall be entered separately particular of all contracts, arrangements or appointments in which directors are interested. Such register or electronic record shall be open to inspection to the members during business hours, subject to any reasonable restriction that may be imposed by the Company in a general meeting.

97. Subject to the relevant sections of the Act, a director of the Company may be or become a director of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and no such director shall be accountable for any benefit received as director or member or such other company.

ELECTION OF DIRECTORS

98. The number of directors determined by the directors under these Articles shall be elected to office by the members in general meeting in the following manner, namely:

- (a) a member present in person or by proxy shall have such number of votes as is equal to the product of voting shares held by him and the number of directors to be elected.
- (b) a member may give all his votes to single candidate or divide them between more than one of the candidates in such manner as may choose, and
- (c) the candidate who gets the highest number of votes shall be declared elected as director and then the candidate who gets the next highest number of votes shall be so declared, and so on until the total number of directors to be elected has been so elected.

If the number of persons who offer them to be elected as directors is not more than the number of vacancies for which elections are being held, such persons being otherwise eligible shall be deemed to have been elected as directors from the date on which the election was proposed to be effective.

99. A director elected under these Articles shall hold office for a period of three (3) years unless he earlier resigns or becomes disqualified from being a director, or otherwise ceases to hold office.

100. A retiring director of the Company shall be eligible for re-election.

101. The Company in a general meeting may remove a director from office by a resolution passed with the requisite number of votes determined in accordance with the Act.

102. Any causal vacancy occurring among the directors may be filled up by the directors within a time period prescribed by the code, and the person so appointed shall hold office for the remaining period of the director in whose place he is appointed. Provided that the directors may not fill a causal vacancy by appointing any person who has been removed from the office of a director of the Company under these Articles.

103. No person including a retiring director of the Company shall be eligible to the office of director of the Company at any general meeting unless he has, not less than fourteen (14) days before the date of the meeting, left at the office, a notice in writing duly signed, signifying his candidature for the office.

104. The Company shall keep at the office a register of the directors and officers, containing the particulars required by the relevant sections of the Act and the Company shall otherwise comply with the provisions of that section as regards furnishing returns to the registrar and for the inspection of registrar.

PROCEEDINGS OF DIRECTORS

105. The directors shall meet together at least once in each quarter of a year for the dispatch of business, adjourn and otherwise regulate their meeting and proceedings as they may think fit in accordance with the Act, the code and the Listing Requirements. Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote.

106. The quorum necessary for the transaction of the business of the directors shall be one-third of directors or four directors, whichever is greater, present in person. An alternate director whose appointment is effective shall be counted in a quorum. If all the directors except one are disqualified from voting, the matter should be decided in general meeting.

107. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors. Such meetings may be held using any technology consented to by all the directors, including but not limited to telephone and video conferencing. The consent may be a standing one, withdrawable by a director only within a reasonable period of time before the meeting. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from Pakistan.

108. The Board of directors of the Company shall from time to time elect one of the directors as chairman of the board of directors of the Company and determine the period for which is to hold office and his remuneration. The chairman or in his absence the chief executive shall preside over all meetings of the board of directors, but if at any meeting neither the chairman nor the chief executive is present in person within half an hour of the time appointed for holding the same, the directors present in person may choose one of their member to be chairman of the meeting.

109. A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under these Articles for the time being vested in or exercisable by the directors generally.

110. The directors may from time to time delegate of their powers to committees consisting of such two members or more members of their body as they think fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the directors.

111. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the directors under these Articles.

112. All acts done by any meeting of the directors or by a committee of the directors or by any person acting as a director of the Company shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such directors or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a director and had been entitled to be a director. Provided that nothing in this Article shall be deemed to give validity to acts done by any such director after the appointment of such director has been shown to be invalid.

113. A resolution, other than resolution in respect of any matter specified in the Act circulated through fax or email or any form of electronic transmission to all the directors for the time being entitled to receive notice of a meeting of the directors, passed without any meeting of the directors or of a committee of directors and signed are affirmed through fax or email or any form of electronic transmission, by a majority of all directors in writing under the hands of all directors (or in their absence their alternate directors) for the time being in Pakistan being not less than the quorum required for the meetings of the directors, or as the case may be of the members of the committee, shall be valid and effectual as if it had been passed at the meeting of the directors or as the case may be of such committee, duly called are constituted. The resolution in writing of the Company may consist of several copies of a document signed by one of more director(s) and take effect at the date and time on which the last director, necessary for the resolution to be passed, signs a copy of the resolution; or a record of several signed of electronic messages each indicating the identity of the sender, the text of the resolution and the sender's agreement or disagreement to the resolution, as the case may be and such a resolution take effect on the date on which the last director's message, necessary for the resolution to be passed, is received.

114. If any director of the Company, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from his place of business for the time being for any of the purposes of the Company or in giving special attention to the business of the Company as the member of a committee of directors, the Company may remunerate such directors so doing either by a fix sum or by a percentage

of profits or otherwise as may be determined by the directors, and such remuneration may be either in addition to or in substitution or his or their share in remuneration about provided for the directors.



MINUTES

115. The directors shall cause minutes to be duly entered in books provided for the purpose of or as an electronic record, of,

- (a) All appointment of officers;
- (b) The names of directors present in person at each meeting of the directors and of any committee of the directors;
- (c) All orders made by the directors and committees of the directors;
- (d) All resolutions and proceedings of the general meeting and of meetings of the directors and of the committees of the directors;

and any such minutes of any meeting of the directors or of any such committee or of the Company, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be prima facie evidence of the matter stated in the minutes.

POWERS AND DUTIES OF DIRECTORS

116. The directors shall duly comply with the provisions of the Act, the Listing Requirements and the code. In particular and without prejudice to the generality of foregoing, the Company shall comply with the provisions of the Act in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, to the keeping of register of the directors, and to the sending to the registrar of an annual list of members and summary of particulars relating thereto, and notice of any consolidation or increase of share capital, subdivision of shares, and copies of special resolutions and a copy of the register of directors and notification of any changes therein. All such information may be stored as an electronic record and transmitted accordingly, where possible.

117. The control of the Company shall be vested in the directors, and the business of the Company shall be managed by the directors who may exercise all such powers of the Company and do all such acts and things as may be exercised or done by the Company as by the Act or by these Articles or by a special resolution expressly directed or required to be exercised or done by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provision of the Act, and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a general meeting; but no regulation made by the Company in a general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

118. Without prejudice to the general powers conferred by the Articles herein and to any other powers or authorities conferred by these Articles on the directors, it is hereby expressly declared that the director shall have the following powers, that is to say, power:

- (i) To purchase or otherwise acquire for the Company any 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, and to sell, let, exchange or otherwise dispose of absolutely or conditionally any part of the property, privileges and undertaking of the Company upon such terms and conditions, and for such consideration, as they may think fit.
- (ii) At their discretion to pay for any property, rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in shares (subject to provision of the Act) bonds, debentures or other securities of the Company. Any such bonds, debentures, or other securities may be either specifically charges upon all or any part of the property of the Company or not so charged.
- (iii) To open account with any bank or financial institution and deposit into and withdraw money from such account from time to time.
- (iv) To make, draw, endorse, sign, accept, negotiate and give all cheques, bill of lading, draft, orders, bills of exchange, and other promissory notes and negotiable instruments required in the business of the Company.
- (v) To secure the fulfillment of any contract, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company for the time being or in such other manner as they may think fit.
- (vi) Subject to provision of the Act, to appoint and at their discretion remove or suspend such agents (other than managing agents), managers, secretaries, officers, employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to acquire security in such instances and to such amount as they think fit.
- (vii) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose, and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (viii) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demand by or against the Company.

- (ix) To refer claims or demands by or against the Company to arbitration and observe and perform the awards.
- (x) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (xi) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (xii) To determine who shall be entitled to sign on Company's behalf bills, notes, receipts, acceptance, endorsements, cheques, releases, contracts and documents.
- (xiii) From time to time to provide for the management of the affairs of the Company either in different parts of Pakistan or elsewhere in such manner as they think fit and in particular to establish branch offices and to appoint any persons to be the attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.
- (xiv) To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities and in such manner as they may think fit, and from time to time to vary or realise such investments.
- (xv) To execute in the name and on behalf of the Company in favour of any director of the Company or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.
- (xvi) To give to any person employed by the Company, a commission on the profits of any particular business or transaction or a share in the general profits of the Company and such commission or share of profits shall be treated as part of the working expenses of the Company.
- (xvii) From time to time to make, vary and repeal bye-laws for the business of the Company and its employees.
- (xviii) To enter into all such negotiation and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

- (xix) To establish, maintain, support and subscribe to any charitable or public object, and any institution, society, or club which may be for the benefit of the Company or its employees, or may connected with any town or place where the Company carries on business; to give pension, gratuities, or charitable aid to any person or persons who have served the Company or to the wives, children, or dependents of such person or persons, that may appear to the directors just or proper, whether any such person, his window, children or dependents, have or have not a legal claim upon the Company.
- (xx) Subject to the provisions of the Act, before recommending any dividends, to set aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities, or compensation; or to create any provident or benefit fund in such or any other manner as the directors may deem fit.
- (xxi) Subject to the provision of the Act to accept from any member on such terms and conditions as shall be agreed a surrender of his shares or any part thereof.
- (xxii) To make advance and loans without security or on such security as they may deem proper and as permissible under the law.
- (xxiii) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the Company respectively to any such fund and the accruals, employment suspension and forfeiture of the benefits of the said fund and the application on and disposal thereof, and otherwise in to the working and management of the said fund as the directors shall from time to time think fit.
- (xxiv) To delegate all or any of powers hereby conferred upon them to such person or persons as they may from time to time think fit.
- (xxv) Subject to the relevant sections of the Act to authorise the having of an official seal of the Company for use abroad.

REGISTER OF DIRECTORS' SHAREHOLDINGS

119. In accordance with the relevant sections of the Act, the Company shall maintain at its office a register or electronic record of the directors, chief executive officer, chief financial officer (chief accountant), company secretary or head of internal audit who is or has been the beneficial owner of listed securities and every person who is directly or indirectly the beneficial owner of not less than ten percent (10%) of the beneficial interest in the Company. This register or electronic record shall be open to inspection during business hour subject to the relevant sections of the Act.

POWER OF ATTORNEY

120. The directors may from time to time and at any time by power of attorney appoint any company, firm or person (including any director or officer to the Company) or body of persons, whether nominated directly or indirectly by the directors, to be attorney or attorneys of the Company for such purposes and with such powers, authorities and directions and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney to delegate all or any of the powers, authorities and discretions vested in him; and without prejudice to the generality of the foregoing any such power of attorney may authorize the attorney to instruct, conduct, defend, compound or abandon any legal proceedings by or against the Company, whether generally or in any particular case.

AUDIT COMMITTEE

121. The directors shall establish an audit committee which shall comprise not less than three members, including the chairman. Majority of the members of the committee shall be from among the non-exclusive directors of the Company and the chairman of the audit committee shall preferably be a non-executive director. The names of members of the audit committee shall be disclosed in each annual report of the Company.

MANAGEMENT COMMITTEE

122. The directors shall establish management committees to comply with the requirements of the code of the corporate governance and their own requirements for effective management and control. The directors shall nominate members for each committee which may be from the Board of directors or outside the Board.

BORROWING POWERS

123. (I) The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and assets (both present and future), and to issue debentures, debenture stock, and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(II) In exercising the powers of the Company as aforesaid, the directors may, from time to time and on such terms and conditions as they think fit, raise money from banks and financial institutions and from other persons under any permitted systems of financing, whether providing for payment of interest or some other form of return, and in particular the directors may raise money on the basis of the mark up on price, musharaka, modaraba or any other permitted mode of financing, and without prejudice to the generality of the foregoing the directors may exercise all or any of the powers of the Company arising under the Act.

(III) In regard to the issue of securities the directors may exercise all or any of the powers of the Company arising under the Act and in particular the directors may issue any security or may issue any instruments or certificate representing redeemable capital or participatory redeemable capital, each as provided in the Act.

132. Subject to the relevant sections the Act, directors may from time to time provide for management of the affairs of the Company outside Pakistan or in any special locality in Pakistan in such manner as they shall think fit and the following provisions shall operate without prejudice to the general powers hereby conferred.

- (i) The directors may from time to time and at any time establish any local boards or agencies for managing any of the affairs of the Company outside Pakistan or in any specified locality in Pakistan and may appoint any persons to be members of such local board or any managers or agents and may fix their remuneration.
- (ii) The directors may from time to time and at any time delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the directors and may authorize the members for the time being of any such local board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the directors may think fit; and the directors may at any time remove any person so appointed and may annul or vary any such delegation.
- (iii) The directors may at any time and from time to time, by power of attorney under the seal of the Company, appoint any person to be the attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under those Articles) and for such period and subject to such conditions as the directors may from time to time think fit; and any such appointment may, if the directors think fit, be made in favour of all or any of the members of any local board established as aforesaid, or in favour of any company or the members directors, nominees or managers of any company or firm, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the directors think fit.
- (iv) Any such delegates or attorneys as aforesaid may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

V. ACCOUNTS AND DIVIDENDS

BOOK OF ACCOUNTS

(References to books of account, balance sheet, profit and loss account and auditors' report shall hereinafter mutatis mutandis include all electronic forms of record or storage of the Company).

133. The directors shall cause to be kept proper books of account with respect to the matters set out in the Act.

124. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

125. Any debentures, debenture-stock, bonds or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of shares, attending and voting at general meetings of the Company and appointment of directors of the Company.

126. The directors shall cause a proper register to be kept in accordance with the provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the provisions of the relevant sections of the Act including sections relating to registration of mortgages and charges, endorsement of certificates, filing of prescribed particulars, keeping of a copy every instrument creating any mortgage or charge by the Company at the office and giving of the intimation of the payment or satisfaction of any charge or mortgage created by the Company, to the extent applicable to the Company.

127. Every register of holders of debentures of the Company may be closed for any periods not exceeding in the whole forty five (45) days in any year and not exceeding thirty (30) days at a time. Subject as aforesaid, every such register shall be open to inspection of members or debenture holders. But the Company may in general meeting impose any reasonable restrictions, so that at least two hours, in each day when such register is open for inspection.

128. Subject to the provisions of the relevant sections of the Act and the Articles herein, no transfer of register debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with certificate or certificates of the debentures.

129. If the directors refuse to register the transfer of any debentures, they shall within thirty (30) days from the date on which the instrument of transfer was lodged with the Company, send or cause to be sent to the transferee and transferor notice of the refusal.

130. The Company shall comply with the provisions of the relevant sections of the Act (to the extent applicable to the Company) regarding inspection of copies of instruments creating mortgages or charges, etc. and the register of mortgages to be kept at the office.

131. The Company shall comply with the provisions of the relevant sections of the Act as to supplying copies of any register of holders of debentures or of any trust deed for securing any issue of debentures.

LOCAL MANAGEMENT

134. The books of account shall be kept at the office or at such other place as the directors think fit, and shall be open to inspection by the directors during business hours. If the directors decide to keep the books of account at a place other than the office they shall comply with the directions contained in the Act, if any.

135. The Company shall preserve in good order the books of account of the Company in respect of any financial year for a period of ten years following the close of that year or otherwise as provided in the Act.

136. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members, and no member (not being a director of the Company) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the directors or by the Company in general meeting.

137. (i) The directors shall arrange to place before the annual general meeting of the Company in every year a duly audited balance sheet and profit and loss account, conforming to the requirements of the Act and made up to a date not more than four months before the date of such meeting and having the auditor's report attached thereto, and a report of the directors conforming to the requirements of the Act.

(ii) As required by the Act the balance sheet and profit and loss account shall first be approved by the directors and when so approved shall be signed by the chief executive and at least one director but if on account of his absence from Pakistan or other reason the signature of the chief executive cannot be obtained, the balance sheet and profit and loss accounts shall be signed by at least two directors for the time being in Pakistan, and in every such case a statement signed by those two directors shall be subjoined to the balance sheet and profit and loss account stating the reason why the signature of the chief executive was not obtained.

(iii) The directors may authorized the chairman or the chief executive to sign the report of the directors which may then be signed accordingly, but in the absence of any such authority the report of the directors shall be signed as required by the Act or in the same manner as the balance sheet and profit and loss account.

138. (i) A copy of the balance sheet, profit and loss account and the reports of the directors and auditors shall be sent not less than twenty one (21) days before the date of the annual general meeting to the members and other persons entitled to receive notices of general meetings in the manner in which notices are to be given hereunder and a copy thereof shall be kept for a period of at least fourteen (14) days before the meeting at the office for inspection by members. To the extent applicable, the Company shall send, each stock exchange listing the shares of the Company three hundred copies (or such number as may be

prescribed from time to time), and to the registrar of the companies and to the commission, five copies (or such number as may be prescribed from time to time), each of the balance sheet, profit and loss account and the reports of the directors and auditors at the same as they are dispatched to the members and other persons in accordance with this article.

(ii) After the balance sheet, profit and loss account and the reports of the directors and auditors have been laid before the annual general meeting of the Company, three copies thereof (or, such larger number as may be prescribed under the Act signed by the signatories thereto shall be filed with the registrar within thirty (30) days from the date of the meeting and the Company shall also comply with the provisions of the relevant sections of the Act where applicable.

(iii) Subject to the provisions of the Act and the Listing Requirements, to the extent applicable to the Company, the Company shall, within one (1) month from the close of the first and third quarter and two (2) months from the close of second quarter, of the year of account of the Company, prepare and transmit to the members one copy and to stock exchange listing the shares of the Company three hundred copies (or such number as may be prescribed from time to time), each of the profit and loss account for that quarter and of the balance sheet as at the end of that quarter. Such quarterly profit and loss account and balance sheet need not to be audited but must be signed in the same manner as the annual profit and loss account and balance sheet are required to be signed. The directors shall also send, to the commission and to the registrar three copies (or such number as may be prescribed for the time being under the Act), each of such quarterly profit and loss accounts and balance sheets at the same time as they are sent to the members in accordance with this Articles.

(iv) The Company may with the consent of shareholders and consultation of respective stock exchange(s), transmit quarterly accounts through website of the company subject to the approval of the commission.

139. The directors shall in all respects comply with the provisions of the Act, or any statutory modification thereof for the time being in force.

ANNUAL RETURNS

140. The Company shall make the requisite annual return in accordance with the relevant section of the Act.

DIVIDENDS

141. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the directors, provided that the Company in general meeting may declare a smaller dividend.

142. No dividend shall be paid otherwise than out of the profit of the year or any other undistributed profits, and in the determination of the profits available for dividends the directors shall have regard to the provisions of the Act.

143. The declaration of the directors as to the amount of the net profits of the Company shall be conclusive.

144. The directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

145. All dividends shall be declared and paid according to the amount paid on the shares. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

146. All dividends declared shall be paid within the periods specified in the Act.

147. No dividends payable in respect of a share shall bear interest against the Company.

148. The directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

149. Any general meeting declaring a dividend may resolve that such dividend be paid and satisfied wholly or in part in cash or by the distribution of specific assets, and in particular by the distribution of paid-up shares, debentures, debenture-stock, or other security of the Company, or paid-up shares, debentures, debenture-stock or other security of any other Company, or in any one or more of such ways.

150. Any general meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserve fund or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the members as would be entitled to receive the same if distribute by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such fund be applied on behalf of such members in paying up in full any unissued shares debentures, debenture-stock or other security of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized sum.

151. For the purpose of giving effect to any resolution under these Articles relating to distribution, the directors may settle any difficulty which may arise in regard to the distribution as they think expedient and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the

footing of the value so fixed in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalize fund as may seem expedient to the directors. Where required, a proper contract shall be filed in accordance with the provisions of the Act, and the directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.

152. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.

153. The directors may retain the dividends payable upon shares in respect of which any person is under these Articles entitled to become a member or which any person under these Articles is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

154. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividend and payments on account of dividends in respect of such share.

155. The dividend in respect of any share shall be paid to the registered holder of such share or to his banker or to a financial institution (as defined in the Act) nominated by him for the purpose. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled thereto, or, in the case of joint-holders, to the registered address of that one whose name stand first on the register in respect of the joint-holding, or to such financial institution or bank as the member or person entitled thereto or such joint-holders, as the case may be, direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, or to the order of the institution or bank directed as aforesaid.

156. All dividend unclaimed for one year after having been declared may be invested or otherwise made use of by the directors for the benefit of the Company until claimed and a dividends unclaimed for three years after having been declared may be forfeited by the directors of the benefit of the Company, but the directors may annual the forfeiture wherever they may think proper.

RESERVE AND DEPRECIATION FUNDS

157. The directors may from time to time before recommending any dividend set apart any and such portion of the profits of the Company as they think fit as a reserve fund to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for repairing, improving, and maintaining any of the property of the Company, and for such other purposes of the Company as the directors in their absolute discretion think conducive to the interests of the Company; and may invest the several sums so set aside upon such investment (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve fund into such special funds as they think fit, with full power to employ the reserve

funds or any part thereof in the business of the Company, and that without being bound to keep the same separate from the other assets.

158. The directors may, from time to time before recommending any dividend, set apart any and such portion of the profits of the Company, as they think fit, as a depreciation fund applicable at the discretion of the directors, for providing against any depreciation in the investment of the Company or for rebuilding, restoring, replacing or for altering any part of the buildings, work, plant, machinery, or other property of the company destroyed or damaged by fire, flood, storm, tempest, earthquake, accidents riot, wear and tear, or any other means whatsoever, and for repairing, altering and keeping in good condition the property of the company, or for extending and enlarging the buildings, machinery and property of the Company with full power to employ the assets constituting such depreciation fund in the business of the Company, and that without being bound to keep the same separate from the other assets.

159. All moneys carried to the reserve fund and depreciation fund respectively shall nevertheless remain and be profits of the Company applicable, subject to due provision being made for actual loss or depreciation, for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may be invested by the directors in or upon such investment or securities as they may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the directors may from time to time think proper.

160. The directors may also carry forward any profits which they may think prudent not to distribute, without setting them aside as a reserve.

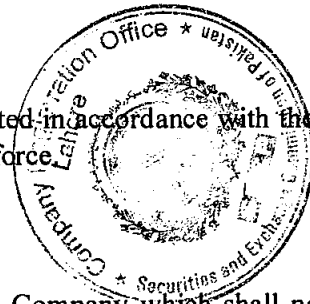
VI. AUDIT

161. Auditors shall be appointed and their duties regulated in accordance with the Act or any statutory modification thereof for the time being in force.

VII. SEAL

162. The directors shall provide a common seal of the Company which shall not be affixed to any instrument except by the authority of a resolution of the Board or by a committee of directors authorised in that behalf by the directors, and two (2) directors, or one (1) director and the secretary of the Company, shall sign every instrument to which the common seal is affixed.

163. The directors may provide for the use in any territory, district to place not situated in Pakistan, of an official seal which shall be a facsimile of the common seal of the Company, with the addition on its face of the name of every territory, district or place where it is to be used. The official seal shall not be affixed to any instrument except by the authority of a resolution of the Board or by a committee of directors authorised in that behalf by the directors, and two (2) directors, or one (1) director and the secretary of the



Company, or such other person as the directors may appoint for the purpose, shall sign every instrument to which the official seal is affixed.

VIII. NOTICES

164. (i) A notice may be given by the Company to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in Pakistan) to the address, if any, within Pakistan supplied by him to the Company for the giving of notices to him or in electronic form as prescribed by the Electronic Transactions Ordinance.

1. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

165. In accordance with the Electronic Transactions Ordinance, a notice dispatched by electronic transmission shall be deemed to be received by the addressee at his place of business or where he ordinarily resides when it reaches the designated information system of the addressee.

166. If a member has no registered address in Pakistan, and has not supplied to the Company an address within Pakistan or an electronic address, for the giving of notices to him, a notice addressed to him or to the shareholders generally and advertised in a newspaper, circulating in the Province in which the office is situated and in at least one issue each of a daily newspaper in the English language and a daily newspaper in the Urdu language circulating in the province in which the stock exchange on which the Company is listed is situate, shall be deemed to be duly given to him on the day on which the advertisement appears.

167. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

168. A notice may be given by the Company to the joint-holders of a share by giving the notice to the joint-holder named first in the register in respect of the share.

169. A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in Pakistan supplied for the purpose by the persons claiming to be so entitled or addressing it in a similar manner and dispatching it to a designed electronic address or until any such address has been so supplied, by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

170. Notice of every general meeting shall be given in same manner hereinbefore authorised to (a) every member of the Company except those members who (having no registered address within Pakistan) have not supplied to the Company either a postal address within Pakistan or electronic address for the giving of notices to them, and also to (b) every person entitled to a share in consequence of the death or insolvency of a member, who but for his death or insolvency would be entitled to receive notice of the meeting. Subject to these Articles and the Act, no other persons shall be entitled to receive notices of general meetings.

171. Any notice required to be given by the Company to the members or any of them and no expressly provided for by these Articles shall be sufficiently given, if given by advertisement.

172. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which was sent to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such shares.

173. Any notice or document delivered or sent by post to or left at the registered address or any member in pursuance of these Articles shall, notwithstanding that such member may be then deceased and whether or not the Company shall have received notice of his decease, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his heirs, executors, or administrators, and all persons, if any, jointly interested with them in any such share.

174. The signature to any notice to be given by the Company may be written or printed.

175. In the event of a winding up of the Company, every member of the Company who is not for the time being normally resident in the town in which the office is situate shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder residing in that town upon whom all summons, notices, process, orders and judgments in relation to or under the winding up of the Company may served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and where the liquidator makes any such appointment he shall with all convenient speed give notice thereof to such member by advertisement in some newspaper circulating in the province in which the office is situate and in at least one issue each of a daily newspaper in the English language and a daily newspaper in the Urdu language circulating in the province in which the stock exchange on which the Company is listed is situate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day on which the advertisement shall

first appear or on the day following that on which the letter is posted, as the case may be. The provisions of this Article shall not prejudice the right of the liquidator to serve any notice or other document in any other manner prescribed by the regulations of the Company.

PUBLICATION OF NOTICES IN NEWSPAPERS

176. To the extent applicable to the Company and subject to such provisions of the Act and Listing Requirements as may apply specifically to the manner in which certain notices are to be published in the newspaper(s):

- (i) Every prospectus issued by or on behalf of the Company or by or on behalf of any person who has been engaged or interested in the formation of the Company shall, in its full text or in such abridged form as may be prescribed, be published by the company in at least one (1) Urdu and one (1) English daily newspaper, in accordance with the provisions of sections 53, 57 and 64 not less than seven (7) days or more than thirty (30) days before the subscription list, as specified in the prospectus, is due to open. Provided that the Company may, for special reasons and with permission of the commission, publish the advertisements of a prospectus more than thirty (30) days before the subscription list is due to open.
- (ii) The Company may, on giving not less than seven (7) days notices by advertisement in a newspaper having circulation in the province, or part of Pakistan not forming part of a province, in which the office of Company is situated and, in addition a newspaper having circulation in the province, or other part as aforesaid in which the stock exchange(s) on which the Company is listed is / are situated close the register of members or debenture holders, as the case may be for any date or times not exceeding in the whole forty-five (45) days in a year and not exceeding thirty (30) days at a time, in accordance with the Act and Listing Requirements.
- (iii) The notice of a general meeting of the Company, whether annual or extraordinary general meeting, shall be published in at least one (1) issue each of daily newspaper in English language and a daily newspaper in Urdu language having circulation in the province in which the stock exchange(s) on which the Company is listed is / are situated, in accordance with the Act.
- (iv) All notices received by the Company in pursuance of the Act for election as a director, shall be transmitted to the members not later than seven (7) days before the date of the general meeting at which the directors are to be elected, by publication in at least one (1) issue each of a daily newspaper in English language and a daily newspaper in Urdu language having circulation in the Province in which the stock exchange(s) on which the Company's securities are listed is / are situated, in accordance with the Act.
- (v) If a resolution is to be passed at the Company's annual general meeting appointing as auditors a person other than a retiring auditors, the company shall,

not less seven (7) days before the date fixed for the annual general meeting, publish in at least one (1) issue each of a daily newspaper in English language and a daily newspaper in Urdu language having circulation in the province in which the stock exchange(s) on which the Company is listed is / are situated, in accordance with the Act.

- (vi) Notice of any resolution for winding up a Company voluntarily under the Act, shall be given by the Company within ten (10) days of the passing of the same by advertisement in a newspaper circulating in the province where the office of the Company is situated and, in addition, shall also published in at least one (1) issue of a daily newspaper in English language and a daily newspaper in Urdu language having circulation in the province in which the stock exchange(s) on which the Company is listed is / are situated, in accordance with the Act.

IX. AMALGAMATION, DIVISION AND RECONSTRUCTION

177. Subject to and in accordance with the provisions of the Act, the Company may reconstruct, amalgamate into another company or divide into two (2) or more companies in the process of which the whole or any part of the undertaking, property or liabilities of the Company or any other company, may be transferred to any other company or the Company, respectively, as the case may be. Provided that any sale of the undertaking of the Company, the directors, or the liquidator on a winding up, may if authorised by a special resolution, accept fully paid shares, debentures or securities of any other company, whether incorporated in Pakistan or not, either then existing or to be formed, for the purchase in whole or in part of the property of the Company, and the directors (if the profits of the company permit) or the liquidator (in a winding up) may distribute such shares, or securities, or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company, and for valuation of any such securities or property at such price in such manner as the meeting may approve, and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under the Act as are incapable of being included or excluded by these Articles.

X. SECRECY

178. Every director, manager, adviser, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the directors before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the

directors or by any meeting or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

179. Except as may be agreed in a written agreement by the Company, no member or other person (not being a director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the directors for the time being or, subject to these Articles, to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the directors it will be inexpedient in the interest of the members of the Company to communicate.

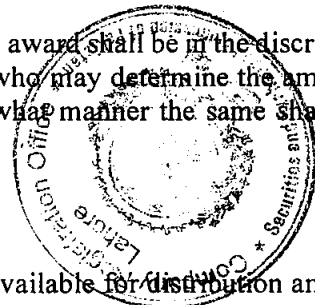
XI. ARBITRATION

180. Whenever a difference arises between the Company on the one hand and any of the members, their executors, administrators, or assignees on the other hand touching the true intent or construction or the incident or consequences of these presents, or of the status of enactment's of the legislature, or touching anything then or thereafter done, executed, omitted or suffered in pursuance of these presents or of the status of enactment's touching any breach or alleged breach or otherwise relating to the premises or to these presents, or to the status or to any of the affairs or officers of the Company, the Company by written agreement refer to arbitration in accordance with the Arbitration Act 1940 (X of 1940) and every such difference shall be referred to the decision of an arbitrator to be appointed by the parties in difference or if they cannot agree upon a single arbitrator, to the decision of two arbitrators, one appointed by such party, or in the event of disagreement of the arbitrators, to that of an umpire appointed by arbitrators themselves. The provisions of Arbitration Act 1940 (X of 1940) shall apply to all arbitrations between the Company and persons having such difference.

181. The costs of, or incidental to any such reference and award shall be in the discretion of the arbitrator/arbitrators or umpire as the case may be who may determine the amount thereof and may award by whom, and to whom, and in what manner the same shall be borne and paid.

XII. WINDING UP

182. If the Company shall be wound up and the assets available for distribution among the members, subject to the rights attached to any preference share capital, as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid up on the shares held by them respectively. But this Article is to be

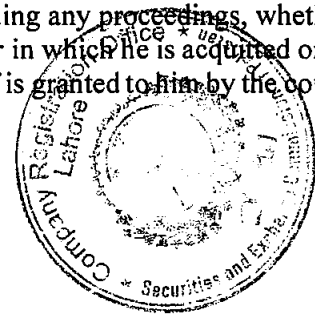


without prejudice to the rights of the holders of shares issued upon special terms and conditions.

183. If the Company shall be wound, whether voluntarily or otherwise, the liquidator may with the sanction of a special resolution divide among the members in specie or kind any part of the assets of the Company, and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the members or any of them as the liquidator with the like sanction shall think fit.

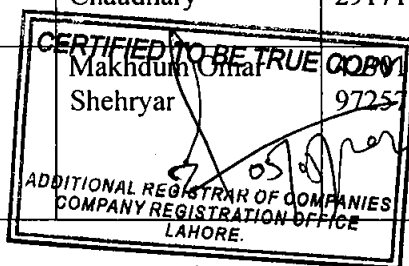
XIII. INDEMNITY

184. Every director or officer of the Company and every person employed by the Company as auditor shall be indemnified out of funds of the Company against all liability incurred by him as such director, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted or in connection with any application under the Act in which relief is granted to him by the court.



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 set opposite our respective names.

Sr. No.	Name and Surname (Present and former) in full (in block letters)	NIC No. (In case of foreigner, passport No.)	Father's/ Husband's Name	Nationality (ies) with any former Nationality	Occupation	Residential address in full	Number of shares taken by each subscriber	Signatures
1	Muhammad Shakil	35201-1537699-1	Chaudhary Muhammad Jamil	Pakistani	Business Executive	House No. 69/9, Sher Khan Road, Lahore Cantt.	05	
2	Mukhtar Ahmed	35201-1316754-9	Chaudhary Fazal Din	Pakistani	Business Executive	7-Aziz Bhatti Road, Lahore Cantt.	05	
3	Faisal Munir	35202-2690216-3	Muhammad Munir	Pakistani	Business Executive	6-Bawa Park, Upper Mall Scheme, Lahore.	05	
4	Muhammad Munir	35202-2724780-1	Hidayat Ullah Mian	Pakistani	Business Executive	6-Bawa Park, Upper Mall Scheme, Lahore.	21	
5	Muhammad Ibrahim	31303-2451555-3	Haji Taj Muhammad	Pakistani	Business Executive	House No.20 Officers Colony, Club Road, Ward No.7, Rahim Yar Khan	03	
6	Imran Mukhtar Chaudhary	35202-2917102-9	Chaudhary Mukhtar Ali	Pakistani	Business Executive	133-Upper Mall, Lahore	05	
7	Makhdum Umar Shehryar	9725782-7	Makhdum Rukan ud Din	Pakistani	Business Executive	House No.117/2/1, Street No.9, Off Khayaban-e-Bukhari, Phase VI, DHA, Karachi.	06	



8	Etihad Sugar Mills ltd Through Fasial Munir Chaudhary			Pakistani	Company	4-Bawa Park, Upper Mall Scheme, Lahore.	50	
Total number of shares taken							100	

Dated this 15th day of April 2014

Witness to above Signatures.

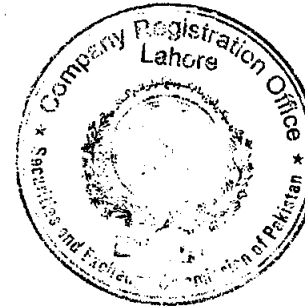
Full Name: Khurram Saleem

Full Address: Andrabi & Gabriel, 8 Faridkot,
Link Road, Lahore

Fathers Name: Muhammad Saleem

Occupation: Advocate

CNIC: 35202-9380221-3



ANNEX – II (E)

AUDITED FINANCIAL STATEMENTS OF ETIHAD POWER GENERATION LIMITED

The Audited Financial Statements of Etihad Power Generation Limited have been provided hereinafter:



INDEPENDENT AUDITOR'S REPORT

To the members of Etihad Power Generation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Etihad Power Generation Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be



materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

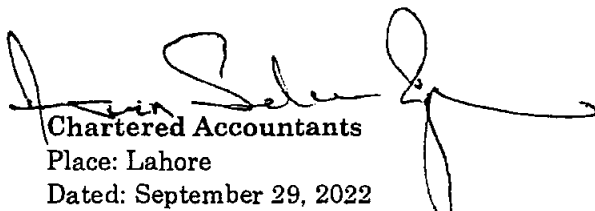
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Ahmad Salman Arshad.


Chartered Accountants
Place: Lahore
Dated: September 29, 2022
UDIN: AR202210384YTzAF5f7c

ETIHAD POWER GENERATION LIMITED

Statement of Financial Position

As at June 30, 2022

	Note	2022 Rupees	2021 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	6	6,350,956,880	5,840,293,100
Long term advances	7	32,189,823	15,282,514
Long term investment	8	-	9,390,917
Defined benefit asset	16	-	86,605
Total Non Current Assets		6,383,146,703	5,865,053,136
CURRENT ASSETS			
Other receivables	9	-	801,250
Trade deposits and short term prepayments	10	10,178,082	84,482
Tax refunds due from government	11	128,810,902	116,949,617
Cash and bank balances	12	960,656	81,313,701
Total Current Assets		139,949,640	199,149,050
Total Assets		6,523,096,343	6,064,202,186
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up capital	13	4,977,450,000	1,234,300,000
REVENUE RESERVES			
Un-appropriated loss		(586,191,484)	(518,985,236)
Total		4,391,258,516	715,314,764
Share deposit money	14	40,296,000	40,296,000
Loan from sponsors	15	1,640,000,000	-
Total Equity		6,071,554,516	755,610,764
LIABILITIES			
NON CURRENT LIABILITIES			
Defined benefit liability	16	2,958,448	-
Retention money payable	17	4,435,178	2,595,276
Long term loan from associates	18	-	3,327,575,000
Long term financing	19	-	1,468,396
Deferred grants	20	-	41,413
Contract liability	21	49,826,332	219,131,156
Total Non Current Liabilities		57,219,958	3,550,811,241
CURRENT LIABILITIES			
Trade and other payables	22	63,473,021	23,566,998
Mark up accrued	23	3,463,249	530,396,575
Current portion of non-current liabilities	24	205,485,599	225,180,477
Short term loan from associate	25	121,900,000	978,638,132
Provision for taxation	26	-	-
Total Current Liabilities		394,321,869	1,757,780,182
Total Liabilities		451,541,827	5,308,591,422
Total Equity and Liabilities		6,523,096,343	6,064,202,186
CONTINGENCIES AND COMMITMENTS			
	27		

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

ETIHAD POWER GENERATION LIMITED

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
Administrative expenses	28	(61,536,665)	(68,957,889)
Operating loss		(61,536,665)	(68,957,889)
Finance cost	29	(5,781,293)	(364,453,623)
Other expenses	30	(58,380)	(6,155,665)
Other income	31	265,093	109,080,554
Loss before taxation		(67,111,245)	(330,486,623)
Taxation	32	-	(655,620)
Net loss after taxation		(67,111,245)	(331,142,243)
Other comprehensive income			
Items that may be subsequently reclassified in profit or loss			
Item that may not be reclassified subsequently to profit or loss:			
Remeasurement (loss)/ gain on defined benefit plan	16	(95,003)	162,135
Other comprehensive (loss)/ income for the year		(95,003)	162,135
Total comprehensive loss for the year		(67,206,248)	(330,980,108)

The annexed notes 1 to 40 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR

ETIHAD POWER GENERATION LIMITED

Statement of Cash Flows

For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(67,111,245)	(330,486,623)
Adjustments for non cash items:			
Depreciation on operating fixed assets	6.1.1	609,078	1,907,461
Gratuity expense	16.15	1,558,564	2,343,076
Finance cost	29	5,781,293	343,594,234
Interest on unwinding of contract liability	29	-	20,859,389
Gain on disposal of property, plant and equipment	31	-	(26,083,389)
Dividend on investment in mutual funds	31	-	(560,953)
Amortization of deferred grant	31	(265,093)	(703,886)
Loss on disposal of long term investment	30	58,380	(2,049)
Impairment of advance income tax	28	4,251,338	-
Gain on extinguishment of financial liability	31	-	(81,692,365)
		11,993,560	259,661,518
Changes in working capital:			
(Increase)/ decrease in current assets:			
Other receivables		20,000	(20,000)
Advances, deposits and short term prepayments		(10,093,600)	(3,602,169)
Receivable against disposal		-	5,006,149
Increase / (decrease) in current liabilities:			
Trade and other payables		39,906,023	(116,268,958)
		29,832,423	(114,884,978)
Finance cost paid		(532,022,266)	(47,817,146)
Payments against defined benefit liability		-	(7,156,783)
Tax paid		(16,112,623)	(2,832,711)
Retention money paid		(2,595,276)	-
Payments against contract liability		(215,439,716)	(85,157,758)
Net cash used in operating activities		(791,455,149)	(328,674,481)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of operating fixed assets		(10,360,659)	(75,371)
Payments for capital work in progress		(141,178,870)	(123,258,348)
Receipts against repayment of other receivable		-	28,050,851
Receipts against repayment of long term advances		(32,189,823)	74,124,942
Proceeds from disposal of investments		9,332,537	-
Proceeds from disposal of property, plant and equipment		-	505,114,990
Net cash (used) in/ generated from investing activities		(174,396,815)	483,957,064
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings from associated company		677,000,000	917,496,960
Repayments of short term borrowings from associated company		(1,239,862,375)	(1,229,098,746)
Proceeds from long term loan from sponsors		1,640,000,000	480,000,000
Repayments of long term loan from associated company		(184,733,608)	-
Repayments of share deposit money		-	(248,777,300)
Proceeds from long term financing		-	4,869,458
Repayment of long term financing		(6,905,104)	-
Net cash generated from/ (used in) financing activities		885,498,913	(75,509,628)
Net (decrease)/increase in cash and cash equivalents		(80,353,045)	79,772,955
Cash and cash equivalents at beginning of the year		81,313,701	1,540,746
Cash and cash equivalents at end of the year	12.2	960,656	81,313,701

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

ETIHAD POWER GENERATION LIMITED

Statement of Cash Flows

For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(67,111,245)	(330,486,623)
Adjustments for non cash items:			
Depreciation on operating fixed assets	6.1.1	609,078	1,907,481
Gratuity expense	16.15	1,558,564	2,343,076
Finance cost	29	5,781,293	343,594,234
Interest on unwinding of contract liability	29	-	20,859,389
Gain on disposal of property, plant and equipment	31	-	(26,083,389)
Dividend on investment in mutual funds	31	-	(560,953)
Amortization of deferred grant	31	(265,093)	(703,886)
Loss on disposal of long term investment	30	58,380	(2,049)
Impairment of advance income tax	28	4,251,338	-
Gain on extinguishment of financial liability	31	-	(81,692,365)
		11,993,560	259,661,518
Changes in working capital:			
(Increase)/ decrease in current assets:			
Other receivables		20,000	(20,000)
Advances, deposits and short term prepayments		(10,093,600)	(3,602,169)
Receivable against disposal		-	5,006,149
Increase / (decrease) in current liabilities:			
Trade and other payables		39,906,023	(116,268,958)
		29,832,423	(114,884,978)
Finance cost paid		(532,022,266)	(47,817,146)
Payments against defined benefit liability		-	(7,166,783)
Tax paid		(16,112,623)	(2,832,711)
Retention money paid		(2,595,276)	-
Payments against contract liability		(215,439,716)	(85,157,758)
Net cash used in operating activities		(791,455,143)	(328,674,481)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of operating fixed assets		(10,360,659)	(75,371)
Payments for capital work in progress		(141,178,870)	(123,258,348)
Receipts against repayment of other receivable		-	28,050,851
Receipts against repayment of long term advances		(32,189,823)	74,124,942
Proceeds from disposal of investments		9,332,537	-
Proceeds from disposal of property, plant and equipment		-	505,114,990
Net cash (used) in/ generated from investing activities		(174,396,815)	483,957,064
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings from associated company		677,000,000	917,496,960
Repayments of short term borrowings from associated company		(1,239,862,375)	(1,229,098,746)
Proceeds from long term loan from sponsors		1,640,000,000	480,000,000
Repayments of long term loan from associated company		(184,733,608)	-
Repayments of share deposit money		-	(248,777,300)
Proceeds from long term financing		-	4,869,458
Repayment of long term financing		(6,905,104)	-
Net cash generated from/ (used in) financing activities		885,498,913	(75,509,628)
Net (decrease)/increase in cash and cash equivalents		(80,353,045)	79,772,955
Cash and cash equivalents at beginning of the year		81,313,701	1,540,746
Cash and cash equivalents at end of the year	12.2	960,656	81,313,701

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

ETIHAD POWER GENERATION LIMITED

Statement of Changes in Equity For the Year Ended June 30, 2022

	Share capital		Share deposit money	Loan from Sponsor	Revenue reserve	Total Equity
	Ordinary shares	Preference shares			Unappropriated profit	
(Rupees)						
Balance as at July 01, 2020	1,234,300,000	-	289,073,300	-	(188,005,128)	1,335,368,172
<i>Transactions with owner:</i>						
Share deposit money refunded during the year	-	-	(248,777,300)	-	-	(248,777,300)
	-	-	(248,777,300)	-	-	(248,777,300)
<i>Comprehensive income for the year:</i>						
Net loss for the year	-	-	-	-	(331,142,243)	(331,142,243)
Other comprehensive income for the year	-	-	-	-		
Remeasurement gain on defined benefit plan	-	-	-	-	162,135	162,135
Total comprehensive loss for the year	-	-	-	-	(330,980,108)	(330,980,108)
Balance as at June 30, 2021	1,234,300,000	-	40,296,000	-	(518,985,236)	755,610,764
Balance as at July 01, 2021	1,234,300,000	-	40,296,000	-	(518,985,236)	755,610,764
<i>Transactions with owner:</i>						
Loan from sponsor received during the year	-	-	-	1,640,000,000	-	1,640,000,000
Issue of preference shares against:						
Loan from associate	-	3,436,715,148	-	-	-	3,436,715,148
Accrued mark-up	-	306,434,852	-	-	-	306,434,852
	-	3,743,150,000	-	1,640,000,000	-	5,383,150,000
<i>Comprehensive income for the year:</i>						
Net loss for the year	-	-	-	-	(67,111,245)	(67,111,245)
Other comprehensive loss for the year	-	-	-	-		
Remeasurement loss on defined benefit plan	-	-	-	-	(95,003)	(95,003)
Total comprehensive loss for the year	-	-	-	-	(67,206,248)	(67,206,248)
Balance as at June 30, 2022	1,234,300,000	3,743,150,000	40,296,000	1,640,000,000	(586,191,484)	6,071,554,516

The annexed notes 1 to 40 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

1 Status and nature of business

- 1.1 Etihad Power Generation Limited (‘the Company’) is a public company limited by shares incorporated in Pakistan on April 21, 2014 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 5, 2017). Registered Office of the Company is situated at 4 – Bawa Park, Upper Mall Scheme, Lahore in the province of Punjab. The production facility/site is located at Karamabad, District Rahim Yar Khan. Principal business of the Company is power generation.
- 1.2 On April 02, 2015, the National Electric Power Regulatory Authority (‘NEPRA’) has granted generation license to the Company to operate as Independent Power Producer (IPP). Subsequently, the Company applied to NEPRA for modification in its generation license so as to change its status from IPP to Bulk Power supplier. The said modification request was duly approved and NEPRA has issued modified generation license to the Company on November 22, 2021, which permits the Company to sell electricity to bulk power consumers. The modified license is valid until April 30, 2052. The requirements related to the old IPP structure are no longer applicable on the Company after this modification.

The Company is actively taking necessary measures towards development and completion of the power plant. Substantial erection works were executed and vendor selection was undertaken during the year. The Company is in advance stages of arranging the syndicate of the banks to meet its financing requirements for completion of the power plant. Management intends to achieve commissioning of power plant during the financial year 2023-24.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention unless stated otherwise.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs./ Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs./ Rupees, unless otherwise stated.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

3 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

3.1 New / Revised Standards, Interpretations and Amendments

Following are the new standards, interpretation and amendments to following standards as described below:

IFRS 3	Business Combinations - Definition of a Business (amendments)
IFRS 7 & IFRS 9	Financial instruments - Amendments regarding pre-replacement issues in the context of the interest rate benchmark reform (KIBOR)
IAS 1 & IAS 8	Presentation of Financial Statements & Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material, to clarify the definition of material and its alignment with the definition used in the Conceptual Framework (amendments)
IFRS 16	Covid-19-Related Rent Concessions (Amendment to IFRS 16)
IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the financial statements.

3.2 Standards, Interpretations and amendments to approved accounting standards that are not yet effective:

The following amendments to the approved accounting and reporting standards, applicable in Pakistan, would be effective from the dates mentioned below against the respective standards and interpretation have not been adopted early by the Company:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 3	Business Combinations - The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
IAS 16	Property, plant and equipment - Amendment to clarify the prohibition on an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

IAS 37	Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.	01 January 2022
IAS 1	Presentation of Financial Statements to clarify how to classify debt and other liabilities as current or non-current.	01 January 2023
IAS 1	Presentation of Financial Statements to require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.	01 January 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments) - Definition of Accounting Estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty"	01 January 2023
IFRS 10 & IAS 28	Consolidated Financial Statements & Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - (Amendment)	Not yet finalized

The above new amendments to standards and interpretations are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above new standards and amendments to standard and interpretations, The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

In addition to the above new standards and amendments to standard and interpretations, improvements to various accounting standards have also been issued by the IASB in May 2020. Such improvements are generally effective for accounting periods beginning on or after 01 January 2022. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

IFRS 1	First time adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

The Company expects that the adoption of the above revision, amendments and interpretation of the standards will not affect the Company's financial statements in the period of initial application.

3.3 The Securities and Exchange Commission of Pakistan hereby grants exemption from requirements of International Financial Reporting Standards ("IFRS") to all Power Sector Companies that have executed their power purchase agreements before January 1, 2019, as follows;

- (i) IFRS 16 (Leases) to the extent of the power purchase agreements executed before the effective date of IFRS 16 i.e. January 1, 2019;
- (ii) International Accounting Standard 21 (The Effects of Changes in Foreign Exchange Rates) to the extent of capitalization of exchange differences; and
- (iii) In case of capitalization of exchange differences under (b) above, recognition of embedded derivative under IFRS 9 (Financial Instruments) shall not be permitted.

4 Significant estimated and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgements were exercised in application of accounting policies are discussed below:

-Useful lives of property, residual value and depreciation method of property, plant and equipment - Note 5.1

-Impairment of property, plant and equipment - Note 5.3

-Provision for expected credit loss - Note 5.13

-Defined benefit plan - Note 5.6

-Estimation of provisions - Note 5.4

-Contingent liability - Note 5.5 and

-Current income tax expense, provision for current tax and recognition of deferred tax asset - Note 5.17

5 Summary of significant accounting policies

5.1 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Subsequently, property and equipment are measured using cost model at cost less subsequent accumulated depreciation and impairment, if any. Freehold land is stated at cost.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

Depreciation is charged on straight line method. Depreciable amount of assets are written off over their estimated useful lives at the rates given in Note 6.1. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the preceding month of disposal.

Gain / loss on disposal of property, plant and equipment is reflected in the profit or loss account during the period in which they are incurred. Normal repairs and maintenance are charged to income as and when incurred. Major renewals and improvements are capitalized. The asset's residual values and estimated useful lives are reviewed on annual basis.

5.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment. All expenditures connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

5.3 Impairment of non financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).


An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.4 Provisions

Provisions are made in the statement of financial position when the Company has present legal or constructive obligation as a result of past event, and it is probable that outflow of economic resources will be required to settle the obligation. However, provisions are provided at each reporting date and adjusted to reflect current best estimate.

5.5 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

5.6 Defined benefit plan

Defined benefit plan provides an amount of pension or gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligations are calculated annually by independent actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans.

The present values of the defined benefit obligations are determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bond. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Remeasurement gains / losses are recognized in other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Components of defined benefit cost are recognized as above except for to the extent included in the cost of an asset.

5.7 Loans, advances, trade deposits and other receivables

Loans, advances, trade deposits and other receivables are measured at fair value of consideration received or receivable less an estimate made for doubtful receivables, if any based on a review of all outstanding amounts at the year end.

Loans, advances, trade deposits and other receivables are assessed for indicators of impairment at each reporting date. Trade debts, loans, advances, trade deposits and other receivables are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the asset have been affected.

5.8 Foreign currency transactions

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

SECP vide its S.R.O. 24(1)/2012 dated January 16, 2012 and S.R.O. 986(1)/2019 dated September 2, 2019 has granted waiver to Power Sector Companies from the requirements of International Accounting Standard 21 to the extent of accounting principle of capitalization of exchange differences. Accordingly exchange differences directly attributable to the construction of power plant have been capitalized. Had these exchange differences not been capitalized, "Loss after taxation" for the year and "Accumulated Loss" would have been higher by Rs.Nil (2021: lower by Rs.67,425,057).

5.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

5.10 Trade deposits and short term prepayments

Trade deposits and short term prepayments are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts at period end. Balances considered bad and irrecoverable are written off when identified.

5.11 Trade and other payables

Liabilities for trade and other payables are carried at fair value of the consideration to be paid in the future for goods and services received whether billed to the Company or not. Subsequently, these are measured at amortized cost.

5.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of borrowings using the effective interest method.

Borrowing costs incurred that are directly attributable to the acquisition or construction of a qualifying asset upto the date of commencement of commercial operations are capitalized. All other borrowing costs are expensed when incurred. The Company suspends the capitalisation of the borrowing costs during periods in which active development of qualifying asset is suspended. Capitalisation of the borrowing cost ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use are complete.

Loan from directors are accounted for in accordance with the requirements of Technical Release 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan (ICAP). An interest free loan to the Company from directors that is due on-demand is a financial instrument. Upon initial recognition, the loan that is due on-demand is not discounted. It is recognized at the full amount receivable – its face value.

5.13 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

5.13.1 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a Significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15 as explained in relevant notes.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- i. The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the EIR method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Mark-up income on saving accounts are recognised as other income in the statement of profit or loss when the right to receive has been established

Financial assets at fair value through OCI (debt instruments)

The Company measures financial assets at fair value through OCI if both of the following conditions are met:

- i. The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment.

Based on business model of the Company, it elected to classify irrevocably its equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment of financial assets

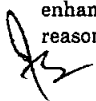
The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At each reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

5.13.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of comprehensive income. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method.

Gains and losses are recognized in statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of comprehensive income.

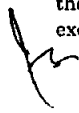
5.14 Off setting of financial assets and liabilities

A financial asset and financial liability is off-set and the net amount is reported in the statement of financial position when there is a legally enforceable right to set-off the transaction and also there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.15 Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate except for to the extent included in the cost of an asset.



ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

5.16 Revenue recognition

Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised goods or services to a customer, and control either transfers over time or point in time. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business. Income from bank profits is recognised on accrual basis.

5.17 Taxation

Current

Profits and gains derived by the Company from electric power generation project are exempt from tax under clause 132 of the Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the conditions and limitations provided therein. Under clause (11A) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, the Company is also exempt from levy of minimum tax on 'turnover' under section 113 of the Income Tax Ordinance, 2001. However, full provision is made in the statement of profit or loss and other comprehensive income on income from sources not covered under the above clauses at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred

Deferred tax is provided by applying balance sheet liability method for all temporary differences at the date of statement of financial position between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits, if any, to the extent that it is probable that taxable profits will be available against which such temporary differences and tax losses/credits can be utilized. Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the date of statement of financial position. Deferred tax is charged or credited to the statement of profit or loss for the period, except in the case of items credited or charged to equity in which case it is included in equity or statement of comprehensive income. Deferred tax has not been provided in these financial statements as the management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the Company remains exempt from taxation under Clause 132 of Part I and Clause 11A of Part IV of Second Schedule to the Income Tax Ordinance, 2001.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the year ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
6 Property, plant and equipment			
Operating fixed assets	6.1	105,368,281	98,048,014
Capital work in progress	6.2	6,245,593,599	5,742,245,086
Total		<u>6,350,958,880</u>	<u>5,840,293,100</u>

6.1 Operating fixed assets

Particulars	2022				Rate %	Accumulated depreciation				Written down value as on 30-06-2022
	Cost			As on 30-06-2022		As on 01-07-2021	For the year	Adjustments for disposals	As on 30-06-2022	
	As on 01-07-2021	Additions	Disposals							
	(Rupees)									
Land - Free hold	95,713,270	-	-	95,713,270	0%	-	-	-	95,713,270	
Computer equipment	4,034,075	2,412,286	-	6,446,361	33%	3,617,963	780,272	-	4,398,235	2,078,128
Office equipment	3,746,815	7,460,970	-	11,207,785	20%	2,693,192	1,545,109	-	4,238,301	6,969,484
Furniture and fixture	5,783,959	457,493	-	6,221,362	20%	4,898,950	720,011	-	5,618,961	602,401
Total	109,368,119	10,360,659	-	119,618,778		11,210,105	3,045,392	-	14,255,497	105,363,281

2021										
Particulars	Cost				Rate %	Accumulated depreciation				Written down value as on 30-06-2021
	As on 01-07-2020	Additions	Disposals	As on 30-06-2021		As on 01-07-2020	For the year	Adjustments for disposals	As on 30-06-2021	
	(Rupees)					(Rupees)				
Land - Free hold	200,840,960	-	(105,127,080)	95,713,270	0%	-	-	-	95,713,270	
Computer equipment	3,772,446	428,000	(166,371)	4,034,075	33%	3,728,073	56,261	(166,371)	416,112	
Office equipment	3,746,815	-	-	3,746,815	20%	1,943,829	749,363	-	2,693,192	
Furniture and fixture	5,783,959	-	-	5,783,959	20%	3,746,158	1,162,792	-	4,898,950	
Vehicles	5,839,536	-	(5,839,536)	-	25%	4,501,332	340,728	(4,842,060)	-	
Total	219,963,716	428,000	(111,133,597)	109,258,119		13,919,392	2,299,144	(5,008,431)	11,210,105	
									98,048,014	

	Note	2022 Rupees	2021 Rupees
6.1.1 The depreciation charge for the year has been allocated as follows:			
Capital work in progress	6.1.2	2,486,314	391,693
Administrative expenses	28	609,078	1,907,461
		<u>3,045,392</u>	<u>2,299,144</u>

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
6.2 Capital work in progress			
Opening balance		5,742,245,086	4,730,679,949
Additions during the year	6.2.1	503,348,513	1,386,794,282
Disposals during the year		-	(375,229,145)
		<u>6,245,593,599</u>	<u>5,742,245,086</u>
6.2.1 Additions during the year			
Engineering, procurement and construction - power plant		107,396,378	1,196,930,141
Development cost	6.2.2	395,952,135	122,439,084
Exchange loss		-	67,425,057
		<u>503,348,513</u>	<u>1,386,794,282</u>
6.2.2 Development cost			
Salaries and other benefits	6.2.2.1	30,558,938	5,395,032
Advertisement in Newspaper		-	-
Vehicle running expenses		1,536,945	229,805
Repair and maintenance		24,410	109,868
Insurance		2,092,643	2,022,329
Consultancy fee		6,777,591	3,300,740
Fee and subscription		6,802,306	42,710
Generator running and maintenance		4,340,631	-
Utilities		2,758,206	319,225
Finance cost	6.2.2.2	338,624,151	110,627,692
Depreciation on property, plant and equipment	6.1.1	2,436,314	391,683
		<u>395,952,135</u>	<u>122,439,084</u>
6.2.2.1 This includes gratuity amounting to Rs.1,391,486 (2021: Rs.410,097) (refer note 16.15).			
6.2.2.2 This includes interest on unwinding of contract liability amounting Rs.32,916,138 (2021: Rs.11,377,849) (refer note 21.1). This amount is net off government grants amortisation amounting Rs.236,675 (2021: Rs.167,215) (refer note 20.1) during the year.			
The rates used to determine the amount of borrowing costs eligible for capitalisation are disclosed in note (18.1.1, 19.1, 20.2, 21.1 and 25.2) which are the effective interest rate (EIR) of the specific borrowings.			
	Note	2022 Rupees	2021 Rupees
7 Long term advances			
Considered good			
Contractors - unsecured	7.1	-	15,282,514
Mobilization advance		<u>32,189,823</u>	<u>-</u>
		<u>32,189,823</u>	<u>15,282,514</u>

7.1 This represented advance extended against construction of building. This advance was extended to Technical Associates Pakistan (Private) Limited (a related party). The maximum amount of advance outstanding at the end of any month was Rs. Nil (2021: Rs.15,282,514/-).

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
8 Long term investment			
At fair value through profit or loss (FVTPL)			
Long term investment - mutual fund units	8.1	-	9,390,917
		<u>-</u>	<u>9,390,917</u>
8.1 This represented investment made in JS Islamic Hybrid Fund of Fund III Capital Preservation Allocation Plan VI (JSIFOF 3-JSICPAP 6). This investment was classified at fair value through profit or loss. Fair value of this investment was determined by reference to the published net assets value (NAV).			
9 Other receivables			
Considered good and secured			
Other receivable	9.1	-	801,250
		<u>-</u>	<u>801,250</u>
9.1 This included receivable from defined benefit plan of amounting to Rs. Nil (2021: Rs. 20,000)			
10 Trade deposits and short term prepayments			
Advances - considered good and secured			
Advances to employees against expenses		579,885	-
Prepayments			
Prepaid IT expense		-	34,661
Prepaid insurance		73,197	49,821
Prepaid transaction cost of financing arrangement	10.1	9,525,000	-
		<u>10,178,082</u>	<u>84,482</u>
10.1 This represents partial transaction costs paid against long term financing arrangements. The financing will be available to the company upon fulfilment of conditions precedent attached therewith.			
11 Tax refunds due from government			
Income tax refundable		8,460,691	8,440,708
Less: adjustment against taxation	26	(4,251,338)	(655,620)
		<u>4,209,353</u>	<u>7,785,088</u>
Sales tax adjustable		124,601,549	109,164,529
		<u>128,810,902</u>	<u>116,949,617</u>
12 Cash and bank balances			
Cash at bank:			
- Current accounts		960,656	81,239,358
- Saving accounts	12.1	-	74,343
		<u>960,656</u>	<u>81,313,701</u>
12.1 These carry mark up ranging from 5.65% to 8.25% (2021: 5.5% to 5.65%).			
12.2 Cash and cash equivalents included in the statement of cash flows comprise the following:			
Cash and bank balances		<u>960,656</u>	<u>81,313,701</u>

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

13 Share capital

13.1 Authorized share capital

2022 Numbers	2021 Numbers		2022 Rupees	2021 Rupees
		Ordinary shares		
400,000,000	200,000,000	Ordinary shares of Rs 10 each	4,000,000,000	2,000,000,000
		Preference shares		
		Non participatory - Non redeemable preference shares of Rs.10 each		
375,000,000	-		3,750,000,000	-
<u>775,000,000</u>	<u>200,000,000</u>		<u>7,750,000,000</u>	<u>2,000,000,000</u>

13.2 Issued, subscribed and paid-up capital

2022 Numbers	2021 Numbers		2022 Rupees	2021 Rupees
		Ordinary shares		
		Ordinary shares of Rs 10 each fully paid in cash		
123,430,000	123,430,000		1,234,300,000	1,234,300,000
		Non-voting preference shares of Rs.10 issued as fully paid on conversion of loan (note 13.3.1)		
374,315,000	-		3,743,150,000	-
<u>497,745,000</u>	<u>123,430,000</u>		<u>4,977,450,000</u>	<u>1,234,300,000</u>

13.3 Reconciliation of number of shares outstanding :-

Ordinary shares				
Number of shares at the start of year			123,430,000	123,430,000
Issued during the year			-	-
			<u>123,430,000</u>	<u>123,430,000</u>
Preference shares				
Non participatory - Non redeemable				
Number of shares at the start of year			-	-
Issued during the year	13.3.1		374,315,000	-
			<u>374,315,000</u>	<u>-</u>

13.3.1 During the year, the Company has allotted 374,315,000 non participatory non redeemable preference shares to Etihad Sugar Mills Limited (ESML), an associated undertaking, at par value against long term loan principal amounting to Rs.3,142,841,392 and short term loan principal amounting to Rs.293,873,757 together with accrued mark up thereon amounting to Rs.274,084,647 and Rs.32,350,204 respectively.

13.4 ESML owns 49% (2021: 49%), 60.481 million shares (2021: 60.481 million shares) of the Company's ordinary share capital.

13.5 ESML owns 100% (2021: Nil), 374.315 million shares (2021: Nil) of the Company's preference share capital.

13.6 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

13.7 Preference shares are non redeemable and have no voting rights. These shares carry preferential rights over ordinary shareholders, in case of return of capital, liquidation or winding up of the Company. In case an ordinary dividend is declared, the holders of preference shares are also entitled to receive 110% (per share) of the such ordinary dividend declared.

14	Share deposit money	Note	2022 Rupees	2021 Rupees
	Sponsors - related parties	14.1	40,296,000	40,296,000
			<u>40,296,000</u>	<u>40,296,000</u>

14.1 This represents share deposit money received from existing individual shareholder of the Company.

15 Loan from Sponsor

Long term loan from sponsor	15.1	1,640,000,000	
		<u>1,640,000,000</u>	

15.1

The Company has received interest free loan from Mr. Mohammad Munir- sponsor of the Company. The loan is repayable at the discretion of the Company. This is an un-secured loan and is obtained to meet project costs of the Company. In accordance with Technical Release-32 issued by Institute of Chartered Accountants of Pakistan, such loan has been classified as part of equity.

16 Defined benefit liability / asset

The Company offers a defined post-employment gratuity benefit to permanent employees. The gratuity fund is governed under the Trusts Act, 1882, Trust Deed and Rules of Fund, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002. Responsibility for governance of plan, including investment decisions and contribution schedule lies with Board of Trustees of the Fund.

16.1 Risks on account of defined benefit plans

The Company faces the following risks on account of defined benefit plan:

Salary risk - The present value of the defined benefit liability / asset is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Discount rate risk - The present value of the defined benefit liability / asset is calculated using a discount rate determined by reference to the market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Withdrawal rate risk - The present value of the defined benefit liability / asset is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase or decrease the liability / asset and vice versa depending on the age-service distribution of the exiting employees.

Mortality rate risk - The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rates of the participants may increase / decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

16.2 Funding

The gratuity plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on the actuarial valuation in determining defined benefit liability / asset. Employees are not required to contribute to the plan.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

16.3 Valuation results

The latest actuarial valuation of the defined benefit plan was carried out as at June 30, 2022, using the Projected Unit Credit Method. Details of the defined benefit plan are presented below:

	2022 Rupees	2021 Rupees
16.4 Statement of financial position - reconciliation		
Present value of the defined benefit obligation	3,047,590	2,111,645
Fair value of plan assets	(89,142)	(2,198,250)
Net liability / (asset) recognized in balance sheet	2,958,448	(86,605)
16.5 Movement in liability recognized in Statement of financial position		
Net liability at beginning of the year	(86,605)	5,485,860
Expense / (income) for the year	2,950,050	2,753,173
Remeasurement (gain) / loss to other comprehensive income	95,003	(162,135)
Benefits paid directly by Company	-	(1,006,720)
Contributions paid	-	(7,156,783)
Net liability / (asset) at end of the year	2,958,448	(86,605)
16.6 Movement in defined benefit obligation		
Balance at July 1	2,111,645	6,745,480
Charge for the year:		
Service cost	2,958,710	2,591,038
Interest cost	105,338	266,400
	3,064,048	2,857,438
Included in other comprehensive income:		
Actuarial (gain)/loss	(11,563)	(268,553)
	(11,563)	(268,553)
Benefits paid	(2,116,540)	(7,222,720)
	3,047,590	2,111,645
16.7 Movement in fair value of plan assets		
As at beginning of the year	2,198,250	1,259,620
Interest income	113,998	104,265
Contributions by the Company	-	7,156,783
Return on plan assets excluding interest income	(106,566)	(106,418)
Benefits paid during the year	(2,116,540)	(6,216,000)
As at end of the year	89,142	2,198,250
16.8 Charge for the year		
Current service cost	2,958,710	2,591,038
Past service cost	-	-
Net interest expense	(8,660)	162,135
	2,950,050	2,753,173

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	2022 Rupees	2021 Rupees
16.9 Remeasurement recognized in other comprehensive income		
Remeasurement gain due to experience adjustments	(11,563)	(268,553)
Remeasurement loss on plan assets	106,566	106,418
	<u>95,003</u>	<u>(162,135)</u>

16.10 Principal actuarial assumptions used	2022	2021
Discount rate used	13.25%	10%
Expected rate of salary increase	13.25%	10%
Average duration of liability	8 years	8 years
Average expected remaining working life	9 years	9 years
Mortality rates	SLIC (2001-05)	SLIC (2001-05)
Withdrawal factors	Based on industry / country experience	

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the year end.

16.11 Expected costs for next year 2022-23	
	Rupees
Service cost	3,685,813
Net interest on net defined benefit liability / (asset)	391,994
	<u>4,077,807</u>
	<u>4,077,807</u>

16.12 Break up of plan assets		
<i>Not having quoted market price:</i>		
Saving bank account	89,142	2,198,250
	<u>89,142</u>	<u>2,198,250</u>

16.13 The sensitivity analysis is prepared using same computation model and assumptions as used to determine defined benefit obligation based on Projected Credit Unit Method. There is no change from prior year in respect of methods and assumptions used to prepare sensitivity analysis. The impact of 1% change in following variables on defined benefit obligation is as follows:

	2022 Rupees	2021 Rupees
Sensitivity analysis		
<u>Discount rate variation</u>	<u>PV of defined benefit obligation</u>	
+ 1%	2,786,567	1,950,045
- 1%	3,333,137	2,286,581
<u>Salary increase variation</u>	<u>PV of defined benefit obligation</u>	
+ 1%	3,333,063	2,286,637
- 1%	2,786,533	1,950,069

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

16.14 Historical information
present value of defined benefit obligation / (asset):

Year	Present Value (Rupees)
2021	(88,605)
2020	5,485,860
2019	12,484,100
2018	7,919,690
2017	3,659,750

Note	2022 Rupees	2021 Rupees
16.15		
Gratuity expense for the year is allocated as under:		
Capital work in progress	6.2.2 1,391,486	410,097
Administrative expenses	28 1,558,564	2,343,076
	<u>2,950,050</u>	<u>2,753,173</u>

17 Retention money payable

Retention money payable against construction of residential colony	17.1	<u>4,435,178</u>	<u>2,595,276</u>
		<u>4,435,178</u>	<u>2,595,276</u>

17.1 This included Rs. Nil (2021: Rs.2,595,276) retained against the construction bill raised by the Technical Associates Pakistan (Private) Limited (a related party).

Note	2022 Rupees	2021 Rupees
18		
Long term loan from associates		
Long term loan from associate	18.1	<u>3,327,575,000</u>
		<u>3,327,575,000</u>

18.1 Long term loan from associates

Balance as at July 01	3,327,575,000	2,847,575,000
Loan obtained during the year	-	480,000,000
Loan repaid during the year	(184,733,608)	-
Converted into preference shares	13.3.1 (3,142,841,392)	-
Balance as at June 30	<u>-</u>	<u>3,327,575,000</u>

18.1.1 This loan was obtained from Etihad Sugar Mills Limited. The purpose of the loan was to finance the project. The loan carries an initial moratorium period of five years from the date of agreement i.e. October 1, 2019. It carried markup ranging from 9.61% to 12.44% p.a. (2021: 9.61% to 13.47% p.a.) which is based on the annual average borrowing cost of Etihad Sugar Mills Limited. Interest rate, at any time during the year, remained higher than the KIBOR for the relevant year.

Markup is charged and recorded on annual basis from the date of disbursement of loan by lender.

As stated in note 13.3.1, the loan has been converted into preference shares.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
19 Long term financing			
<i>Loans from banking company - secured</i>			
Refinance for salaries and wages (SBP Scheme)	19.1	4,004,473	10,707,389
Less: Current portion shown under current liabilities	24	(4,004,473)	(9,238,993)
		<u>-</u>	<u>1,468,396</u>

19.1 Mark-up on such loans is in range of SBP rate plus 3% p.a (June 2021: SBP rate plus 3% p.a). This facility is obtained from Bank Alfalah Limited (subsidized loan from State Bank of Pakistan).

The facility is secured over charge on assets:

- i) Coverage through cushion existing 1st exclusive charge over fixed assets (land only) with 25% margin of Technical Associates Pakistan (Private) Limited - utilization of Rs. 24 million (with 25% margin) from existing cushion in charge over fixed assets of Technical Associates Pakistan (Private) Limited.
- ii) Corporate guarantee of Technical Associates Pakistan (Private) Limited (a related party) to secure exposure of the Company.
- iii) Personal guarantee of all the directors.
- iv) Personal guarantee of Mr. Mohammad Munir for all obligors.

	Note	2022 Rupees	2021 Rupees
20 Deferred grants			
<i>Government grants</i>			
Opening balance		543,180	329,583
Addition during the year	20.2	-	1,084,698
Amortised during the year	20.1	(501,767)	(871,101)
		<u>41,413</u>	<u>543,180</u>
Less: Current portion shown under current liabilities	24	(41,413)	(501,767)
		<u>-</u>	<u>41,413</u>
20.1 Deferred grant for the year is allocated as under:			
Capital work in progress	6.2.2	236,675	167,215
Other income	31	265,093	703,886
		<u>501,767</u>	<u>871,101</u>

20.2 During year ended June 30, 2020, State Bank of Pakistan introduced a temporary Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns to support payment of salaries and wages under economic challenges due to COVID-19.

The Company availed this facility for payment of three months' salaries from Bank Alfalah Limited. The loan carried mark-up at SBP base rate plus 3%. However, the effective interest rate was calculated as 11.67 % and the loan was recognised at the present value. The differential markup was recognised as government grants which is amortised to interest income over the period of facility.

The grant was conditional upon the fact that the Company would not terminate any employee, due / owing to cash flow limitations and follow the TOR of State Bank Refinance Scheme for Salaries and Wages over the period of loan.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

During year ended June 30, 2020, Company had availed the facility for further three months (July, August and September). The loan carries markup at SBP base rate plus 3%. The effective interest rate is calculated as 9.36% and the loan has been recognised at the present value. The differential markup has been recognised as government grants which will be amortised to interest income over the period of facility.

	Note	2022 Rupees	2021 Rupees
21 Contract liability			
Present value of payable to contractor	21.1	434,570,872	487,491,392
Interest expense on unwinding	21.2	32,916,139	32,237,238
Payment made during the year		(215,439,716)	(85,157,758)
Adjustment against receivable	9	(781,250)	-
		<u>251,266,045</u>	<u>434,570,872</u>
Less: Current portion transferred to non-current liabilities	24	<u>(201,439,713)</u>	<u>(215,439,716)</u>
		<u>49,826,332</u>	<u>219,131,156</u>

21.1 An amount of Rs. 569,183,758 payable to the Contractor (the 'Descon Engineering Limited') was previously included in trade and other payables. On October 18, 2020, the Company signed a settlement agreement with respect to this payable. As per the agreement, settlement amount will be paid in nine instalments. The first instalment becoming due on October 25, 2020 and last instalment falling due on October 10, 2023.

Consequent to this settlement agreement, the liability was remeasured and classified into non-current and current portions. The present value of cash flows under the new terms discounted at an effective interest rate of 10.48% p.a. is substantially different from the present value of original financial liability. This substantially modification of the terms was accounted for as an extinguishment of original financial liability and the resulting gain on extinguishment of financial liability is recognised in Profit or loss (refer note 31).

	Note	2022 Rupees	2021 Rupees
21.2 Allocation of interest expense on unwinding:			
Finance cost	29	-	20,859,389
Capital work in progress	6.2.2	<u>32,916,138</u>	<u>11,377,849</u>
		<u>32,916,138</u>	<u>32,237,238</u>
22 Trade and other payables			
Creditors	22.1	36,139,997	12,281,384
Accrued expenses	22.2	20,220,115	11,124,611
Withholding tax payable		4,042,938	148,686
Other payables		<u>3,069,971</u>	<u>12,317</u>
		<u>63,473,021</u>	<u>23,566,998</u>

22.1 This includes amount payable to Technical Associates Pakistan (Private) Limited (a related party) amounting Rs. 1,544,908 (2021: Rs. 1,015,469).

22.2 This include office rent payable to Mr. Mohammad Munir (Sponsor) (a related party) amounting to Rs.3,000,000 (2021: Rs. Nil).

22.3 This include payable to Mr. Mohammad Munir (Sponsor) (a related party) amounting to Rs.3,000,000 on behalf of Ettihad Alloys (Private) Limited (2021: Rs. Nil).

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
23 Mark up accrued			
Accrued markup on long term loan from associate		-	504,122,090
Accrued markup on short term loan from associate		2,934,850	26,274,485
Accrued markup on salary refinance		528,399	-
		<u>3,463,249</u>	<u>530,396,575</u>
24 Current portion of non-current liabilities			
Refinance for salaries and wages (SBP Scheme)	19	4,004,473	9,238,993
Deferred grants – Government grants	20	41,413	501,767
Contract liability	21	201,439,713	215,439,716
		<u>205,485,599</u>	<u>225,180,477</u>
25 Short term loan from associate			
<i>From related parties - unsecured</i>			
Short term loan from associate	25.1	121,900,000	978,636,132
25.1 Balance as at July 01		978,636,132	61,139,172
Loan obtained during the year		677,000,000	1,049,906,132
Loan repaid during the year		(1,239,862,374)	(132,409,172)
Converted into preference shares	13.3.1	(293,873,758)	-
Balance as at June 30		<u>121,900,000</u>	<u>978,636,132</u>
25.2	This represents un-secured loan obtained from Etihad Sugar Mills Limited. It carries mark up ranging from 9.88% to 13.73% p.a. (2021: 9.36% to 9.7% p.a.). This short-term loan has been availed to meet project costs. The tenure of the loan is 12 months or on demand and is further renewable.		
26 Provision for taxation			
Opening provision for taxation		-	-
Current year	32	-	655,620
Less: Adjusted against income tax refundable	11	-	(655,620)
Closing provision for taxation		<u>-</u>	<u>-</u>
27 Contingencies and Commitments			
27.1 Contingencies			
27.1.1	Contingencies in respect of letter of bank guarantee amounting to USD 186,000 equivalent to Rs.38,316,000 (2021: USD 186,000 equivalent to Rs.29,303,128).		

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ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

27.1.2 Contingencies in respect of legal proceedings:

Name of the court, agency or authority	Description of the factual basis of the proceeding and relief sought	Principal parties	Date instituted
The Honorable Islamabad High Court, Islamabad	<p>The company wide its letter dated 18 April 2019, addressed to Secretary Ministry of Energy (Power Division) / Chairman of CPPA-G wherein it was claimed that COD could not be achieved within said time i.e. 19 February 2019, due to the delays caused by the government. The Chairman CPPA-G / Secretary Power Division acknowledged the delay of approximately 15.66 months on account of delay in issuance of the Letter of Support and execution of Implementation Agreement.</p> <p>The Chairman CPPA-G / Secretary Power Division submitted its favorable recommendation to the NEPRA, inter alia, to extend the COD. The Company lodged review petition with NEPRA on June 26, 2019 seeking extension in COD based on the findings of the aforesaid Chairman CPPA-G / Secretary Power Division, however, NEPRA in its decision dated 1st January 2020 did not allow the said extension.</p> <p>The decision of the NEPRA was challenged through the instant writ petition by the Company in The Honorable Islamabad High Court, Islamabad (the "IHC"). It was prayed that NEPRA had already approved the tariff on 20.02.2017 and the delay in achieving the time lines under the LOS was not for the reasons attributable to the petitioner. Therefore, NEPRA shall not pose an obstacle before AEDB in deciding the petitioner's application for the extension of timelines under the LOS. The IHC has granted specific relief by issuing Stay Order under this case in favor of the Company. However, the Company's generation license is modified and the Company is no longer an IPP, consequently the Company intends to withdraw the case.</p>	<p>Etihad Power Generation Limited</p> <p>Vs</p> <p>National Electric Power Regulatory Authority (NEPRA), Federation of Pakistan, Alternative Energy Development Board (AEDB)</p>	January 29, 2020
The Honorable Islamabad High Court, Islamabad	<p>NEPRA had also made certain unilateral changes in bagasse upfront tariff 2013 which was challenged by the Company in the "IHC". It was prayed that the NEPRA could not fix the price of bagasse retrospectively and this decision by NEPRA to change the tariff has no jurisdiction to initiate suo moto proceedings or to modify the tariff and that NEPRA had no power to review the tariff which had been notified by the Federal Government. The IHC has granted specific relief by issuing Stay Order under this case in favor of the Company. However, the Company's generation license is modified and the Company is no longer an IPP, consequently the Company intends to withdraw this case.</p>	<p>Etihad Power Generation Limited and Mr. Faizal Muneer</p> <p>Vs</p> <p>National Electric Power Regulatory Authority (NEPRA), Federation of Pakistan, Cabinet Division through its Secretary, Ministry of Law and Justice through its Secretary</p>	March 9, 2020

AT

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
27.2 Commitments			
27.2.1 Commitments in respect of capital expenditures			
Construction of residential colony		-	50,000,000
		<u>-</u>	<u>50,000,000</u>
27.2.2 Company has issued multiple post dated cheques amounting Rs. 268,586,284/- (2021:484,026,000/-) against amounts payable to contractor.			
28 Administrative expenses			
Salaries and other benefits	28.1	34,228,196	30,824,330
Rent, rates and taxes		3,100,000	14,649,047
Telecommunication and postage		774,872	521,561
Advertisement in newspaper		-	428,685
Legal and professional charges		1,309,440	6,289,408
Security fee		980,400	2,808,000
Printing and stationary		503,786	225,386
Vehicle running expenses		3,302,621	1,632,656
Generator running and maintenance expenses		88,485	22,995
Repair and maintenance		526,039	499,639
Insurance		736,680	2,587,279
Auditors' remuneration	28.2	476,384	466,659
Entertainment		1,848,592	1,783,225
Fee and subscription		3,263,582	1,454,507
Office supplies		50,806	89,133
Miscellaneous office expenses		1,430,411	119,339
Travelling expenses		1,070,003	60,666
Utilities		2,985,952	2,587,913
Impairment of advance income tax	11	4,251,338	-
Depreciation on property, plant and equipment	6.1.1	609,078	1,907,461
		<u>61,536,665</u>	<u>68,957,889</u>
28.1 This includes gratuity amounting to Rs.1,558,564 (2021: Rs.2,343,076) refer note 16.15.			
28.2 Auditors' remuneration			
Audit fee		440,384	440,384
Out of pocket expenses		36,000	26,275
		<u>476,384</u>	<u>466,659</u>
29 Finance cost			
Bank charges		525,608	80,583
Markup on long term financing refinance for salaries and wages (SBP Scheme)	19	385,982	1,025,422
Mark up on short term borrowings - From banking company		-	77,329,695
Markup on long term loan from associate	18.1.2	4,314,291	250,390,607
Markup on short term loan from associate	25	555,412	14,767,927
Interest on unwinding of contract liability	21.2	-	20,859,389
		<u>5,781,293</u>	<u>364,453,623</u>

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

	Note	2022 Rupees	2021 Rupees
30 Other expenses			
Loss on disposal of long term investment		58,380	-
Exchange loss		-	6,155,665
		<u>58,380</u>	<u>6,155,665</u>
31 Other income			
Gain on disposal of fixed assets		-	26,083,389
Profit on bank deposits		-	37,912
Fair value gain on investment in mutual funds		-	2,049
Dividend on investment in mutual funds		-	560,953
Amortization of deferred grant	20	265,093	703,886
Gain on extinguishment of financial liability	21.1	-	81,692,365
		<u>265,093</u>	<u>109,080,554</u>
32 Taxation			
Current			
Expense for the year	32.1	-	655,620
Prior year adjustment		-	-
		<u>-</u>	<u>655,620</u>
32.1 Reconciliation between tax expense and accounting profit			
Loss before tax (Rupees)		-	(330,486,623)
Tax at the applicable tax rate of 29%		-	(95,841,121)
Tax effect of non-deductible expenses		-	127,474,481
Tax effect of income that is exempt		-	(30,325,477)
Effect of amounts subject to fixed		-	(78,533)
Tax effect of income that is taxable at reduced rates		-	(86,563)
Prior year income tax charge		-	-
Tax effect of gain that is not taxable		-	(487,167)
		<u>-</u>	<u>655,620</u>
32.2	The numerical reconciliation between tax expense / (income) and the product of accounting profit multiplied by the applicable tax rate IS not presented in the financial statements being impracticable.		
33 Related parties transactions			
Related parties includes associated companies, chief executive officer, directors and their close family members, executives and major shareholders of the Company. Outstanding balances at the reporting date are disclosed in relevant notes. Transactions with related parties during the year, other than those disclosed elsewhere in the financial statements, are as follows:			

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

Name of related party	Nature of relationship	Nature of transaction	2022 Rupees	2021 Rupees		
<u>Associated Undertakings</u>						
Etihad Sugar Mills Limited	Shareholding and common directorship	Long term loan received	-	480,000,000		
		Long term loan repaid	184,733,608	-		
		Amount due at year end	-	3,327,575,000		
		Short term loan received	677,000,000	917,496,960		
		Short term loan repaid	1,239,862,374	-		
		Amount due at year end	121,900,000	978,636,132		
		Markup charged on long term loan	274,084,646	250,390,607		
		Markup paid on long term loan	504,122,090	-		
		Amount due at year end	-	504,122,090		
		Markup charged on short term loan	35,285,054	14,767,927		
		Markup paid on short term loan	26,274,485	-		
		Amount due at year end	2,934,850	26,274,485		
		Preference shares issued against Long term loan (Principal portion)	3,142,841,392	-		
		Preference shares issued against short term loan (Principal portion)	293,873,758	-		
		Preference shares issued against Outstanding loan (Interest)	306,434,851	-		
		Technical Associates Pakistan (Private) Limited	Common directorship	Development cost - Residential Colony	2,595,276	-
				Reimbursable expenses incurred by Etihad Power Generation Limited	1,360,852	-
Amount reimbursed by Technical Associates Pakistan (Private) Limited	2,905,760			-		
Amount payable against civil work services	1,544,908			-		
Etihad Alloys (Private) Limited	Common directorship	Proceed against sale of property	-	501,551,787		
		Amount due at year end	-	-		
		Reimbursable expenses incurred by Etihad Power Generation Limited	25,557,860	5,987,426		
		Amount reimbursed by Etihad Alloys (Private) Limited	25,557,860	5,987,426		

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

Name of related party	Nature of relationship	Nature of transaction	2022 Rupees	2021 Rupees
Key management personnel Etihad Town (Private) Limited Mian Amir Mehmood	Common directorship Director (Cesed to be director during the year)	Sale of vehicle Share deposit money paid back	- -	1,850,000 248,777,300
Other related parties Mr. Mohammad Munir	Shareholder	Long term loan received Amount due at year end Office rent charged Office rent paid Amount due at year end	1,640,000,000 1,640,000,000 3,000,000 - 6,000,000	- - 3,000,000 23,280,000 -
Defined benefit plan	Post-employment benefit plan	Audit fee paid on behalf of defined benefit plan Audit fee reimbursement Amount due at year end Contributions by the Company Amount due at year end	- 20,000 - - 2,958,448	20,000 - 20,000 7,156,783 -

34 Remuneration of Chief Executive Officer, Directors and Executives

The aggregate amounts charged in the financial statements for the year in respect of remuneration, including benefits, to the Chief executive, director and executives of the Company are as follows:

	Chief Executive Officer		Directors		Executives	
	2022 Rupees	2021 Rupees	2022 Rupees	2021 Rupees	2022 Rupees	2021 Rupees
Managerial remuneration	-	-	-	-	13,194,386	18,523,609
Reimbursable expenses	-	-	-	-	2,275,713	910,231
Retirement benefits (Defined benefit plan)	-	-	-	-	2,767,900	2,459,720
					18,237,999	21,893,560
Number	1	1	3	7	3	7

No remuneration is being taken by Chief Executive Officer and directors as the commercial operations of the Company has not been started.

35 Financial risks management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders. Risk management is carried out by the Company's Finance and Planning Department under policies approved by the Senior Management.

35.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest / markup rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans, borrowings, deposits and investments.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

35.1.1 Price risk

Price risk is the risk of changes in the fair value of investment in mutual funds as a result of changes in the levels of net asset value of units held by the Company. A change in net asset value by 1%, with all other variables held constant, the profit before tax for the year would have been higher / lower by Rs Nil (2021: Rs 93,909).

35.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

A foreign exchange risk management policy has been developed and approved by the management. The policy allows the Company to take currency exposure for limited periods within pre-defined limits while open exposures are rigorously monitored. The Company ensures to the extent possible that it has options available to manage exposure, either through forward contracts, options or prepayments, etc. subject to the prevailing foreign exchange regulations.

Company was not exposed to any foreign currency risk on the date of statement of financial position.

35.1.3 Interest / markup rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from short and long-term borrowings. These are benchmarked to variable rates which expose the Company to cash flow interest rate risk.

The Company analyses its interest rate exposure on a regular basis by monitoring interest rate trends to determine whether it should enter into hedging alternatives.

The Company manages its interest rate exposure through floating to fixed rate interest swaps on its foreign currency borrowings.

At reporting date, interest / markup rate profile of the Company's significant markup/profit bearing financial instruments was as follows:

Particulars	2022	2021	2022	2021
	Effective markup rate %		Carrying value in Rupees	

Fixed rate instruments

Financial assets

Bank balances-saving account	0%	5.5% to 5.65%	-	74,343
Net Exposure			-	74,343

Floating rate instruments

Financial liabilities

Long term financing	3%	3%	4,004,473	10,707,389
Long term loan from associates	9.61% to 12.44%	9.61% to 13.47%	-	-
Short term loan from associate	9.88% to 13.73%	9.36% to 9.7%	121,900,000	-
Contract liability	10.42%	10.42%	251,266,045	434,570,872
			377,170,518	445,278,261

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements

For the Year Ended June 30, 2022

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the statement of financial position date would not affect profit or loss of the company.

Cash flow sensitivity analysis for variable rate instruments

In case of increase / decrease in KIBOR by 100 basis points on June 30, 2022, with all other variables held constant, loss before taxation for the year would have been lower / higher by Rs 0.665 million (2021: Rs 40.44 million). To the extent of bank balances in saving accounts, a change of interest rate by 100 basis points higher / lower with all other variables held constant, loss before taxation for the year would have been lower / higher by Rs. Nil (2021: Rs. 743).

35.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liabilities when due.

The following are contractual maturities of financial liabilities as on 30 June 2022:

	Carrying amount	Less than one year	Between 1 to 5 years	Between 5 to 10 years
2021-22				
Retention money payable	4,435,178	4,435,178	-	-
	4,004,473	4,004,473	-	-
Contract liability	251,266,045	201,439,713	49,826,332	-
Trade and other payables	56,360,112	56,360,112	-	-
Mark up accrued	3,463,249	3,463,249	-	-
Short term loan from associate	323,381,126	323,381,126	-	-
Other payables	3,069,971	3,069,971	-	-
Total	645,980,155	596,153,823	49,826,332	-
2020-21				
Retention money payable	2,595,276	2,595,276	-	-
Long term loan from associate	3,327,575,000	-	3,327,575,000	-
Long term financing - refinance for salaries and wages (SRP Scheme)	10,707,389	9,238,993	1,468,396	-
Contract liability	494,570,872	215,439,716	219,131,156	-
Trade and other payables	23,405,995	23,405,995	-	-
Mark up accrued	530,396,575	530,396,575	-	-
Short term loan from associate	978,636,132	978,636,132	-	-
Total	5,307,887,239	1,759,712,687	3,548,174,552	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

35.3 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates relative sensitivity of the Company's performance to developments affecting a particular industry.

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

The Company is exposed to credit risk from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

The Company monitors the credit quality of the financial assets with reference to the historical performance of such assets and available external credit ratings.

35.3.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	2022 Rupees	2021 Rupees
Long term investment	8	-	-
Bank balances	12	960,656	81,313,701
		<u>960,656</u>	<u>81,313,701</u>

Credit quality of financial assets

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The credit quality of cash at bank (in current and deposit accounts) and long term investment as per credit rating agencies are as follows:

Banks	Rating		Agency	2022	2021
	Short term	Long term		(Rupees)	(Rupees)
Askari Bank Limited	A1+	AA+	PACRA		6,600
JS Bank Limited	A1+	AA-	PACRA		8,764
Sindh Bank Limited	A-1	A+	JCR-VIS		74,343
Albaraka Bank Limited	A-1	A+	JCR-VIS		200
Sonari Bank Limited	A1+	AA-	PACRA		26
United Bank Limited	A1+	AAA	JCR-VIS	43,122	-
Paysal Bank Limited	A1+	AA	PACRA		74,139,674
Bank Alfalah Limited	A1+	AA+	PACRA	917,534	7,087,094
				<u>960,656</u>	<u>81,313,701</u>
Long term investments					
JS Bank Limited - Mutual fund units	A1+	N/A	PACRA	-	9,390,917
				-	<u>9,390,917</u>

36 Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business, sustain future development of the business and maximize shareholders value. The Company closely monitors the return on capital along with the level of distributions to shareholders. No changes were made in the objectives, policies or processes during the year ended June 30, 2022.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The Company monitors capital using a debt equity ratio, which is debt divided by total equity debt. Equity comprises of share capital and revenue reserves.

The debt to equity ratio is as follows:

	2022 Rupees	2021 Rupees
Debt	125,904,473	4,316,918,521
Less: Cash and cash equivalents	(960,656)	(81,313,701)
Net debt	<u>124,943,817</u>	<u>4,235,604,820</u>
Total equity	<u>6,071,554,516</u>	<u>755,610,764</u>
Debt equity ratio	<u>2%</u>	<u>84%</u>

ETIHAD POWER GENERATION LIMITED

Notes to the Financial Statements For the Year Ended June 30, 2022

37 Financial instruments by categories

		Amortised cost	FVTP&L	Total
	Note	2022		
		Rupees		
Financial assets				
Long term investment	8	-	-	-
Other receivables	9	-	-	-
Cash and bank balances	12	960,656	-	960,656
		960,656	-	960,656
2021				
Financial assets				
Long term investment	8	-	9,390,917	9,390,917
Other receivables	10	801,250	-	801,250
Cash and bank balances	12	81,313,701	-	81,313,701
Total		82,114,951	9,390,917	91,505,868

		Amortised cost	
		2022	2021
		Rupees	Rupees
Financial liabilities at amortised cost			
Current portion - Long term financing	24	205,485,599	225,180,477
Short term loan from associate	25	121,900,000	978,636,132
Creditors	22	38,139,997	12,281,384
Accrued expenses	22	20,220,115	11,124,611
Other payables	22	3,069,971	12,317
Retention money payable	17	4,435,178	2,595,276
Mark-up accrued	23	3,463,249	530,396,575
Contract liability	21	251,265,045	434,570,872
Long term loan from associates	18	-	3,327,575,000
Long term financing	19	-	1,488,396
		<u>645,980,155</u>	<u>5,523,641,040</u>

37.1 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The management assessed that the fair values of cash and bank balances, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Company held the long term investment (refer note 8) at fair value through profit or loss amounting Rs. Nil (2021: 9,390,917). Fair value of this investment has been determined under level 1.

The carrying values of all financial assets (except long term investment) and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

38 Number of employees

Number of employees at year end
Average number of employees during the year

	2022 Numbers	2021 Numbers
Number of employees at year end	<u>47</u>	<u>14</u>
Average number of employees during the year	<u>31</u>	<u>17</u>

ANNEX – II (F)

LATEST ANNUAL RETURN OF ETIHAD POWER GENERATION LIMITED

The Latest Annual Return of Etihad Power Generation Limited has been provided hereinafter. Along with this, see attached the latest Form-A submitted to the SECP and certified by the Company Secretary of the Petitioner (2023 Returns). This Form is currently under process before the SECP.

Form A
THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 130(1) and Regulation 4]
ANNUAL RETURN OF COMPANY HAVING SHARE CAPITAL

PART - I

(Please complete in typescript or in bold block capitals)

1.1 CUN (Registration Number) 0087957

1.2 Name of the Company ETIHAD POWER GENERATION LIMITED

1.3 Fee payment details

1.3.1 Chetan No	E-2021-874631	1.3.2 Amount	1320.0
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dd mm yyyy

1.4 Form A made upto 28/10/2021

1.5 Date of AGM 28/10/2021

PART - II

Section A

2.1 Registered Office Address 4-BAWA PARK, UPPER MALL SCHEME LAHORE PUNJAB 54000

2.2 Email Address m.ah@etihadpower.com.pk

2.3 Office Tel. No.

2.4 Office Fax No.

2.5 Principle line of business POWER GENERATION - ALLIED (OTHER)

2.6 Mobile No. of Authorized officer (Chief Executive/Director/ Company Secretary/ Chief Financial Officer) 03349988296

2.7 Authorized Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		2,000,000,000.00	

2.8 Paid up Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		1,234,300,000.00	

2.9 Particulars of the holding /subsidiary company, if any

Name of Company	Holding/Subsidiary	% Shares Held

2.10 Chief Executive

Name MUHAMMAD SHAKIL

Address 4 - Bawa Park, Upper Mall, Lahore.

NIC No 3520115376981

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2.11 Chief Financial Officer

Name: SAQIB RIAZ
 Address: H-472-A/1, GULBERG III, LAHORE
 NIC No: 384C291222015

2.12 Secretary

Name: SYED ZAFAR ABBAS KAZMI
 Address: H-618 SECTOR A/1, QUAID-E-AZAM TOWN, TOWNSHIP, LAHORE
 NIC No: 352022690231

2.13 Legal Advisor

Name: Humayun Sabir Mirza
 Address: House # 10-B, Str# 35, Mustafabad, Lahore Cantt.
 NIC No:

2.14 Particulars of Auditors

Name: Aamir Salman Rizwan CA
 Address: 414 Block F, M A Jchar Town, Lahore

2.15 Particulars of Shares Registrar (if applicable)

Name:
 Address:
 Email:

**Section-B****2.16 List of Directors on the date Annual return is made**

Sr	Name of Director	Residential Address	Nationality	NIC (Passport No. if foreigner)	Date of appointment / election	Name of Member/Creditors nominating/appointing
1	FAISAL MUNIR CHAUDHRY	6-BAWA PARK UPPER MALL SCHEME LAHORE Punjab Pakistan 54600	Pakistan	3520226902163	28/10/2021	
2	MUHAMMAD SHAKIL	4 - Bawa Park Upper Mall, Lahore.	Pakistan	3520115378991	28/10/2021	
3	Zahid Jamil	4 Bawa Park Upper Mall Lahore	Pakistan	4230156136775	28/10/2021	

2.17 List of members & debenture holders on the date upto which this Form is made

Sr.	Sl. No.	Name	Address	Nationality	No of shares	Percentage	NIC No(Passport if foreigner)
Members							
1	4	Makhdum Omar Shehryar	# 38 Sham Road, Lahore Cantt	Pakistan	5010390		4230197257327
2	5	Ebnad Sugar Mills Limited	4-Bawa Park, Upper Mall, Lahore	Pakistan	60480703		0053832
3	6	Mian Amir Mahmood	No. 36-E Model Town Lahore	Pakistan	24886000		3520219677083
4	1	Muhammad Munir	5-Bawa Park, Upper Mall, Lahore	Pakistan	24886000		3520227247801
5	2	Faisal Munger	5-Bawa Park, Upper Mall, Lahore	Pakistan	24886000		3520226902153
6	3	Muhammad Shabb	# 122, Sarwar Colony, Sarwar Road, Lahore	Pakistan	2098310		3520115376931
Debenture Holders							

* In case the member or debenture holder is holding shares or debentures on behalf of other person(s), the name of such other person(s) shall be mentioned in parentheses alongwith the name of the member or debenture holder.

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2.18 Transfer of shares (debentures) since last Form A was made

S#	Name of Transferor	Name of Transferee	No of Shares Transferred	Date of Registration of transfer
Members				
Debenture Holders				

CERTIFIED TO BE TRUE COPY

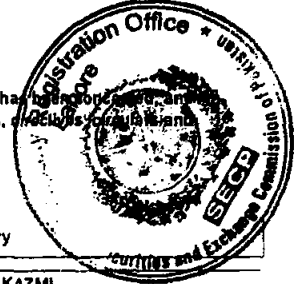
PART-3

ADDITIONAL REGISTRAR OF COMPANIES
COMPANY REGISTRATION OFFICE

3.1 Declaration

I do hereby solemnly, and sincerely declare that the information provided in the form is:

- (i) true and correct to the best of my knowledge in consonance with the record as maintained by the Company and nothing has been concealed, and
(ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, orders, bye-laws and notifications whichever is applicable.



3.2 Name of Authorized Officer with designation/ Authorized Intermediary SYED ZAFAR ABBAS KAZMI

Secretary

3.3 Signatures

Electronically signed by SYED ZAFAR ABBAS KAZMI

3.4 Registration No of Authorized Intermediary, if applicable

Day Month Year

3.5 Date

05/01/2022



100-100

THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 130(1) and Regulation 4]

ANNUAL RETURN OF COMPANY HAVING SHARE CAPITAL

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 CUIIN (Registration Number)

0	0	8	7	9	5	7
---	---	---	---	---	---	---

1.2 Name of the Company

ETIHAD POWER GENERATION LIMITED

1.3 Fee Payment Details 1.3.1 Challan No

-

 1.3.2 Amount

-

1.4 Form A made up to

dd	mm	yyyy
2	6	1 0 2 2

1.5 Date of AGM

2	6	1 0 2 2
---	---	---------

PART-II

Section-A

2.1 Registered office address

4-BAWA PARK, UPPER MALL SCHEME LAHORE PUNJAB 54000

2.2 Email Address:

saqib.riaz@etihadpower.com.pk

2.3 Office Tel. No.:

--

2.4 Office Fax No.:

--

2.5 Principal line of business

--POWER GENERATION - ALLIED (OTHER)

2.6 Mobile No. of Authorized officer
(Chief Executive/ Director/ Company Secretary/Chief Financial Officer)

03219663896

2.7 Authorized Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		4,000,000,000.00	
Preference Shares		3,750,000,000.00	
		7,750,000,000.00	

2.8 Paid up Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		1,234,300,000.00	
Preference Shares		3,743,150,000.00	
		4,977,450,000.00	

2.9	Particulars of the holding /subsidiary company, if any		
	Name of company	Holding/Subsidiary	% of shares held
	ETIHAD ALLOYS (PRIVATE) LIMITED	HOLDING	100

2.10 **Chief Executive Officer**

Name	MUHAMMAD SHAKIL												
Address	4 - Bawa Park, Upper Mall, Lahore.												
NIC No	3	5	2	0	1	1	5	3	7	6	9	9	1

2.11 **Chief Financial Officer**

Name	SAQIB RIAZ												
Address	H # 472-A/1, GULBERG III, LAHORE												
NIC No	3	6	4	0	2	9	1	2	2	2	0	1	5

2.12 **Secretary**

Name	SYED ZAFAR ABBAS KAZMI												
Address	SYED ZAFAR ABBAS KAZMI												
NIC No	3	5	2	0	2	2	8	8	0	6	2	3	1

2.13 **Legal Advisor**

Name	Burhan Sabir Mirza												
Address	House # 10-B, St# 35, Mustafabad, Lahore Cantt.												
NIC No													

2.14 **Particulars of Auditor(s)**

Name	Address												
Aamir Salman Rizwan Chartered Accountants	359, Block G-3, M.A Johar Town, Lahore												

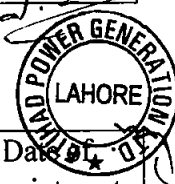
2.15 **Particulars of Share Registrar (if applicable)**

Name													
Address													
e-mail													

Section-B

2.16 List of Directors as on the date annual return is made

S#	Name	Residential Address	Nationality	NIC No. (Passport No. if foreigner)	Date of appointment or election
1	FAISAL MUNEER	6-BAWA PARK, UPPER MALL SCHEME LAHORE	Pakistan	3520226902163	28/10/2021



2	MUHAMMAD SHAKIL	4-BAWA PARK, UPPER MALL SCHEME LAHORE	Pakistan	3520115376991	28/10/2021
3	ZAHID JAMIL	4-BAWA PARK, UPPER MALL SCHEME LAHORE	Pakistan	4230156126775	24/10/2022

Use separate sheet, if necessary

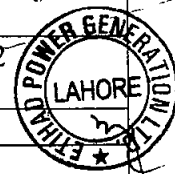
2.17 List of members & debenture holders on the date upto which this Form is made

S#	Folio #	Name	Address	Nationality	No. of shares held/Debtenture	NIC No. (Passport No. if foreigner)
Members						
1	2	Faisal Muneer	6-Bawa Park, Upper Mall, Lahore	Pakistan	5	3520226902163
2	3	Muhammad Shakil	H# 122, Sarwar Colony, Sarwar Road, Lahore Cantt.	Pakistan	5	3520115376991
3	13	Etihad Alloys (Private) Limited	4-Bawa Park, Upper Mall, Lahore	Pakistan	12349990	0171223
Debtenture holders						

Use separate sheet, if necessary

2.18 Transfer of shares (debentures) since last Form A was made				
S#	Name of Transferor	Name of Transferee	Number of shares transferred	Date of registration of transfer
Members				
1.	Muhammad Shakil	Mrs. Shahana Munir	2098305	17/12/2021
2.	Faisal Muneer	Mohammad Munir	2468595	17/12/2021
3.	Mrs. Shahana Munir	Mohammad Munir	2098305	17/01/2022
4.	Mohammad Munir	Etihad Alloys (Private) Limited	123429990	24/10/2022
5.	Makhdum Omer Shehryar	Mohammad Munir	9010390	01/09/2022
6.	Mian Amer Mahmood	Mohammad Munir	24686000	01/09/2022
7.	Etihad Sugar Mills Limited	Mohammad Munir	60480700	05/10/2022
Debtenture holders				

Use separate sheet, if necessary



PART-III

3.1 Declaration:

I do hereby solemnly, and sincerely declare that the information provided in the form is:

- (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
- (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.

3.2 Name of Authorized Officer with designation/ Authorized Intermediary

SYED ZAFAR ABBAS
KAZMI

Secretary



3.3 Signatures

[Signature line]

3.4 Registration No of Authorized Intermediary, if applicable

[Registration number line]

3.5 Date

Day
0 8

Month
0 4

Year
2 0 2 3

ANNEX – II (G)

THE AUTHORIZED, ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

The Authorized, Issued, Subscribed and Paid-up Share Capital of Etihad Power Generation Limited is appended as the 2023 Returns and Annex – II (F).

ANNEX – II (H)

THE SHAREHOLDING PATTERN OF ETIHAD POWER GENERATION LIMITED

Please see the EPGL's 2023 Returns appended herewith as Annex – II (F).

III.

**FINANCIAL AND TECHNICAL
RESOURCES**

ANNEX – III (A)

CASH BALANCES HELD IN RESERVE ALONG WITH THE BANK CERTIFICATES

Please see the EPGL's audited financial statements appended herewith as **Annex – II (E)**.

ANNEX – III (B)

DETAILS OF ANY CHARGES OR ENCUMBRANCES

Details of all the Charges and Encumbrances is appended below in the latest Registered Charges Search Report.

SEARCH REPORT

FROM THE COMPANY'S RECORDS AT SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

NOW AVAILABLE ONLINE
www.icil.ddns.net:85/lsr

DATE PRINTED January 3, 2023

NAME OF COMPANY: **ETIHAD POWER GENERATION LIMITED**

REGISTERED OFFICE

4-Bawa Park Upper Mall Scheme Lahore

Province: Punjab
Date of Incorporation: 21-04-14
Registration Number: 0087957
Date of Last Form A: 28-10-21

Form 29 05-01-22

Line of Business

Power Generation

AUTHORIZE CAPITAL Rs. 2,000,000,000/- DIVIDED INTO 200,000,000 SHARES @ Rs. 10/-

PAID UP CAPITAL Rs. 1,234,300,000/- DIVIDED INTO 123,430,000 SHARES @ Rs. 10/-

CHIEF EXECUTIVE: Mr. Muhammad Shakil

AUDITOR(s) Aamir Salman Rizwan (C.A.)

LEGAL ADVISOR: Burhan Sabir Mirza

SECRETARY: Syed Zafar Abbas Kazmi

DIRECTORS

Name	Appointment Date	Shares	NIC No	Address
Mr. Muhammad Shakil	28 OCT 2021	2,098,310	35201-1537699-1	H. # 69/9 Sher Khan Road Lahore Cantt
Mr. Faisal Muneeb	28 OCT 2021	2,468,600	35202-2690216-3	6-Bawa Park Upper Mall Lahore
Mr. Zahid Jamil	28 OCT 2021		42301-5812677-5	H. # 26 Sarwar Road Lahore

OTHER SHARE HOLDERS

Name	Shares
Etihad Sugar Mills Limited	60,480,700
Makhdoom Omar Shehryar	9,010,390
Mian Amer Mehmood	24,686,000
Mr. Muhammad Munir	24,686,000

CONTENT OF THE REPORT

Summary of Charge Date Wise

Search conducted on charges from: 21-04-14 to 03-01-23

Note: File No. E-14692-14

The Public record Items reported may have been paid, terminated, vacated or released prior to today's date.

The search report is based on the documents and information available in the records of the subject company at the SECP, at the time of compilation of report, cases in which report any part-file is missing will not be part of the report. Discrepancies / short comings in the report if any, must be reported in writing to ICIL within 7 days from date of acknowledgement/receipt else it will be considered as correct.

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
1	AL BARAKA BANK (PAKISTAN) LIMITED 61-A Main Boulevard Gulberg Lahore	Form-10, Memorandum of Deposit of Title Deeds Dated :24-APR-17	RS 621,000,000.00	All that piece and parcel of land with its present and future construction and fixture thereon Measuring 104-Kanals having Khata No. 2/2 and 3/3 Khatooni No. 3 to 213 and Qitat 785 and 1403 Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan	Amount fully satisfied	27-04-17	22/11/18
2	AL BARAKA BANK (PAKISTAN) LIMITED 61-A Main Boulevard Gulberg Lahore	Form-16, First Supplemental Memorandum of Deposit of Title Deeds Dated :16-MAY-17	RS 621,000,000.00	Additional Property Added:- All that piece and parcel of Land with its present and future construction and fixture thereon Measuring 168-Kanals having share 168/4369 out of Total Area 4,369-Kanals Bearing Khata No. 212 Khatooni No. 3 to 106 and Qitat 785 Situated at Mouza Karamabad outside Hadood Committee Tehsil and District Rahim Yar Khan	No Variation in Amount Related Form-10, Dt: 24-04-17 (Sr. # 01) Amount fully satisfied	25-05-17	22/11/18
3	AL BARAKA BANK (PAKISTAN) LIMITED 61-A Main Boulevard Gulberg Lahore	Form-16, 2nd Supplemental Memorandum of Deposit of Title Deeds Letter of Hypothecation for Plant & Machinery Dated :13-JUN-17	RS 621,000,000.00	Additional Property Added:- All that piece and parcel of land with its present and future construction, fixture, fitting, appliances, machines, installed or to be installed thereon, 240-Kanals of land being 120/1189 share in salam Khata of 2378-Kanals of Land Khewat No. 7/7 Khatooni No. 228 to 233 Situated on Mouza Karamabad Tehsil and District Rahim Yar Khan First Charge on all my/our present and future Plant and Machinery, Equipment installed or to be installed at the factory premises located at Etihad Power Generation Ltd at Land Measuring 512-Kanals Mouza Karamabad outside Hadood Committee District Rahim Yar Khan or any other work premises of the Company or owned or possessed or occupied by the Company including all parts and ancillary equipment attached/ associated with the above machinery etc	No Variation in Amount Related Form-16 Dt: 16-05-17 (Sr # 02) Amount fully satisfied	16-06-17	22/11/18

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
4	SINDH BANK LIMITED Gulberg Branch, Lahore	Form-10. Letter of Hypothecation on Fixed Assets i.e. (Plant & Machinery) Letter of Hypothecation on Fixed Assets Memorandum Confirming Constructive Deposit of Title Deeds Dated :17-JUL-17	RS 1,272,000,000.00	Exclusive/ Specific Charge over the plant, machinery, material, spare or parts supplied with such machinery for the generation of power through renewable energy with accessories and essential parts for 2x37.2MW power plant imported from UAE (Letter of Credit established by Sindh Bank Ltd) wherever supplier is Descon Engineering FZE (UAE). The plant installed at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan or anywhere in Pakistan Charge over all the present and future Movable Fixed Assets of the Company i.e. plant, machinery situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan or anywhere in Pakistan All that piece and parcel of land with its present and future construction and fixture thereon Measuring 104-Kanals having Khata No. 2/2 and 3/3 Khatooni No. 3 to 213 and Qitat 785 and 1403 Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan All that piece and parcel of Land with its present and future construction and fixture thereon Measuring 168-Kanals having share 168/4369 out of Total Area 4,369-Kanals Bearing Khata No. 212 Khatooni No. 3 to 106 and Qitat 785 Situated at Mouza Karamabad outside Hadood Committee Tehsil and District Rahim Yar Khan All that piece and parcel of land with its present and future construction, fixture, fitting, appliances, machines, installed or to be installed thereon, 240-Kanals of land being 120/1189 share in salarn Khata of 2378-Kanals of Land Khewat No. 7/7 Khatooni No. 228 to 233 Situated on Mouza Karamabad Tehsil and District Rahim Yar Khan	Al-Baraka Bank (Pak) Ltd Noc Dt: 14/06/17 for Exclusive Charge and Noc Dt: 12/07/17 for Confirming Holding Title Documents Amount fully satisfied	18-07-17	23/06/21

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
5	JS BANK LIMITED 201-A Upper Mall, Lahore	Form-10, Memorandum of Constructive Deposit of Title Deeds Letter of Hypothecation on Fixed Assets Letter of Hypothecation on Current Assets Holding of original Title documents Letter ref #. ABPL/EPGL/JSBL/07/2017 Issued by AlBaraka Bank Pakistan Limited Dt: 12-07- 2017 Dated :01-AUG-17	RS 667,000,000.00	All that piece and parcel of land with its present and future construction thereon 1- Measuring 104-Kanal Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan 2- Measuring 168-Kanal Situated at Mouza Karamabad (Rural), outside Hadood Committee District Rahim Yar Khan 3- Measuring 240-Kanal Situated at Mouza Karamabad Tehsil and District Rahim Yar Khan Own by M/s. Etihad Power Generation Limited together with all present and future superstructure building of all types and construction on the above mentioned land and all assets nature and fixed assets of the company comprising of plant and machinery, equipment and appliances etc installed and/or to be installed together with benefits of all rights relating thereto at company premises at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan or erected on all or any part of the above All our present and future movable comprising of goods merchandise, products, stocks, stock in trade, raw material, work in progress, finished and unfinished goods, now or hereafter stored or located or lying at our premises Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan, Pakistan and/or any other place of storage/ godown elsewhere in Pakistan and all such aforesaid goods in the course of transit including goods released under trust receipts and all future goods/ stocks that may be brought into the above place of storage/ godown All the Company's present and future Book Debts & Receivable whether actual, accruing contingent or otherwise, whether currently due or to become due to the customer at any time and from time to time in future whether recorded in the books of the Company or not and whether disputed or under litigation whether acknowledged evidenced by any documents, agreement instruments or otherwise including any right title or interest	Holding of original Title documents Letter ref #. ABPL/EPGL/JSBL/07/2017 Issued by AlBaraka Bank Pakistan Limited Dt: 12-07-2017 Current Assets vacated on SR # 7 Amount fully satisfied	04-08-17	20/08/21

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
				thereto and any documents, instruments, agreements pertaining thereto without limitation, all securities pertaining thereto negotiable instruments, certificate of investment/deposit, receipts & other chooses in action, contractual benefits and claims All that present and future fixed assets of the company comprising of plant, machinery, equipment and appliances etc installed and/or to be installed together with benefits of all rights relating thereto at company premises at Mouza Karamabad District Rahim yar Khan or elsewhere in Pakistan			
6	SONERI BANK LIMITED Upper Mall Branch, Lahore	Form-10, Memorandum Constructive Deposit of Title Deeds Letter of Hypothecation of Movable & Receivables Letter of Hypothecation of Plant and Machinery Dated: 20-MAR-18	RS 355,000,000.00	All that piece and parcel of land with its present and future construction and fixture thereon, Measuring 104-Kanals Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan All that piece and parcel of land with its present and future construction and fixture thereon, Measuring 168-Kanals Situated at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan All that piece and parcel of land with its present and future construction and fixture, fitting, appliances, machines, installed or to be thereon, Measuring 240-Kanals Situated at Mouza Karamabad Tehsil & District Rahim Yar Khan All the Company present and future goods/ stocks including but not limited to the stocks of raw material, packing material, finished goods, comprising of finished and semi-finished products etc whether in transit and/or lying/ stored at Customer premises/ godown at mill premises and/or elsewhere in Pakistan including any right, title or interest thereto and any documents, instruments, agreement pertaining thereto All the Customer present and future receivables/ book debts whether actual, accruing contingent or otherwise, whether currently due or to become due to the	Amount fully satisfied	29-03-18	21/12/21

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
				Customer at any time and from time to time in future whether record in the books of the customer or not and whether disputed or under litigation whether acknowledged evidenced by any documents, agreement instruments or otherwise including any right title or interest thereto and any documents, instruments, agreements pertaining thereto without limitation, all securities pertaining thereto negotiable instruments, certificate of investment/deposit, receipts & other chooses in action, contractual benefits & claims All present and future plant, machinery and equipment of the Customer where so ever located whether local made or imported whether now owned or at any time in future owned by the Customer including any rights title or interest in the same wherever situated including all documents of title thereto and sale proceeds thereof together with the benefit of all rights relating thereto			
7	JS BANK LIMITED 201-A Upper Mall, Lahore	Form-16, Supplemental Letter of Hypothecation of Fixed Assets Supplemental Memorandum Constructive Deposit of Title Deeds Dated :25-MAY-18	RS 667,000,000.00		No Variation in Amount Related Form-10, Dt: 01-08-17 (Sr. # 05) Amount fully satisfied	28-03-18	20/08/21
8	SONERI BANK LIMITED Upper Mall Branch, Lahore	Form-16, Supplemental Letter of Hypothecation of Movable & Receivables Dated :29-MAY-18	RS 355,000,000.00		No Variation in Amount Related Form-10, Dt: 20-03-18 (Sr. # 06) Amount fully satisfied	04-06-18	21/12/21
9	FAYSAL BANK LIMITED Registered office at Faysal House St 02 Shahr-e-Faisal, Karachi	Form-10, Project Assignment Deed Dated :29-MAY-18	RS 11,333,333,333.00	Assignment Project Receivables" means all and each of the Company's rights, titles and interests, present and future, actual and contingent under and in connection with the Assigned Project Documents and all rights of the Company to make recovery under the Assigned Project Documents and all proceeds of whatsoever nature receivable by the	Amount fully satisfied	14-06-18	08/09/21

SUMMARY OF CHARGES (DATE WISE)

ETIHAD POWER GENERATION LIMITED

S No	Bank / Financial Institution	Date & Description of Instruments	Amount	Short Particulars of property charged	Remarks	Date Of Certificate	Date of Satisfaction
				Company under the Assigned Project Documents.			
10	SINDH BANK LIMITED Gulberg Branch, Lahore	Form-10. Letter of Hypothecation of Fixed Assets Dated :17-OCT-18	RS 750,666,667.00	All the present & future Plant, Machinery or Parts supplied with such machinery for the generation of power through renewable energy with accessories and essential parts for Power Plant imported (Letter of credit established by Sindh Bank Limited) the plant installed at Mouza Karamabad outside Hadood Committee District Rahim Yar Khan or anywhere in Pakistan	Amount fully satisfied	22-10-18	23/06/21

THIS REPORT MAY NOT BE REPRODUCED IN WHOLE OR IN PART IN ANY FORM OR MANNER WHA

The Public record items reported may have been paid, terminated, vacated or released prior to today's date.

"This report is forwarded to the subscriber in strict confidence for the use by the subscriber as one factor to consider in connection with credit and other business decisions. This report contains information compiled from information which International Credit Information Limited does not control and which has not been verified unless otherwise indicated in this report. International Credit Information Limited therefore cannot accept responsibility for the accuracy, completeness or timeliness of the report. International Credit Information Limited disclaims all liability for any loss or damage arising out of or in anyway related to the contents of this report. This material is confidential and proprietary to International Credit Information Limited and / or third parties and may not be reproduced, published or disclosed to others without the express authorization of International Credit Information Limited or the General Counsel of International Credit Information Limited. Discrepancies / short comings in the report if any, must be reported in writing to ICIL within 07 days from date of acknowledgment / receipt, else it will be considered as correct."

The search report is based on the documents and information available in the records of the subject company at the SECP, at the time of compilation of report, cases in which report any part-file is missing will not be part of the report.

End of Report

ANNEX – III (C)

LATEST AUDITED FINANCIAL STATEMENTS

Please see Annex – II (E).

ANNEX – III (D)

DOCUMENTS DESCRIBING THE NET WORTH AND THE EQUITY AND DEBT RATIOS

Please refer to EPGL's audited financial statements appended herewith as **Annex - II (E)**.

ANNEX- III (E)

PROFILE OF THE COMPANY'S EXPERIENCE, ITS STAFF AND MEMBERS

Etihad Power Generation Limited is a public limited company by shares engaged in the business of power generation, incorporated and existing under the laws of Pakistan. A bagasse fired power plant having gross capacity of 37.2 MW under EPGL to provide power to Etihad Alloys Limited and Etihad Sugar Mills Limited. The plant is located at Karma Abad, District Rahim Yar Khan, which is considered as the most suitable location due to the availability of sugar cane.

Etihad Power Generation Limited maintaining its operations since 2014. The Electric department is being handled by BSE- Electrical Engineers having an experience of approximately 30 years or above and their CVs are available in the next Annexure.

ANNEX – III (F)

EMPLOYMENT RECORDS (CVS) OF ENGINEERING AND TECHNICAL STAFF

CVs of the technical staff has been appended below and include the CVs of:

1. Muhammad Khan – General Manager Technical
2. Asadullah khan – Project Director

Name: Muhammad Khan

Professional qualifications:

- 1985, B.E Electrical (Power) Mehran University of Engineering & Technology, Jasmshore, Pakistan.
- Member of Pakistan Engineering Council, Elect-6177
- Age :62 years

Years of Professional Experience: 34

Professional Experience:

Working as consultant power generation with local engineering consultant and Services Company.

Dates: 2019 to date.

- Responsible for all electrical maintenance of equipment including generators, transformers, 220KV GIS, 6.6 KV switchgears.
- Plan major overhauling of generators with the help of OEM, Hitachi and GE.
- Ensure the availability of spares for reliable operation of system
- Coordinate with other departments
- Support plant manager for day-to-day activities
- Ensure the implementation of safety at work

Dates: 2016 To 2018

General Manager Maintenance.

Project Name. 1260 MW (6x210) steam power station, K-Electric Ltd, Karachi

- Preparation of bid document for 660 MW coal fired power plant at Mehmood Kot, Distt: Muzafargarh, will supply power to National grid by using imported coal.
 - Co-ordination with consultants for feasibility study.
 - Attend feasibility study review meetings.
 - Liaise with consultants for preparation of bid documents.
 - Preparation of bid document.
 - To review EPC contractor technical bids.
 - Team member for technical evaluation of technical bids.
-

Dates: June, 2015 to 2016

Manager Technical

Project Name: 660 MW coal fired power plant, Mehmood kot Distt: Muzafargarh, Punjab Pakistan.

Key functions and responsibilities:

- Lead Electrical maintenance team and manage all Electrical maintenance activities on maintenance Block-1 having four Gas turbines and two steam turbines
- Supervise the team in identifying relevant faults and make decisions for remedial actions
- Provide specialist knowledge and expertise to my team for Electrical maintenance and trouble shooting
- Ensure awareness and implementation of KAPCO safety rules in maintenance activities on part of my Electrical sectional team
- Preparation of quality objective and targets and devising plans to achieve those.
- Develop, coach and train Electrical staff of my section to their full potential to maximize contribution of my team in achieving the sectional and company's objectives and targets
- Plan, design and implementation of plant modifications relating to Electrical
- Ensure preparation of Sectional maintenance/Overhauling plans, identify the resources and implement the plans for enhancing plant availability, reliability and efficiency
- Make decisions and giving appropriate technical directions and vision to my staff.
- Prepare, control and manage the sectional budget and preparation of technical specifications for the procurement of spares locally and from foreign.
- Electrical activities during Combustion inspection, Hot gas path inspections (HGPI), Major overhauling (MOH) and commissioning of plant after each overhauling/ inspection
- On line Electrical trouble shooting
- To prepare a highly committed and motivated team of Engineers and staff
- To manage upgrading / replacement of obsolete Electrical Control Systems
- Worked as team member with the team of Engineers working for certification of IMS Accreditation
- Working as Internal Auditor for ISO 9001:2000 implementation.
- Working as certified thermograph.
- Maintenance and supervision of SCADA system is an additional responsibility

Responsible for the maintenance of Block-I :

- 2 Gas turbines Model V92.4 of Siemens make along with generators of 118 MW capacity and their auxiliaries
- 2 Gas turbines Fiat make (TG-50) along with Generators of 85 MW capacity and their auxiliaries
- 2 Steam Turbines, Generators of 112 MW capacity and auxiliaries of ABB Germany make.
- 18 no 132 KV, 1600 Amps capacity circuit breakers of Nouva Magrini Galileo Italy make.

- 6 nos 132 KV out going feeders, testing/calibration of line protection relays of different manufacturers.
- 50 no Power transformers having capacity from 630 KVA to 135 MVA.

KAPCO is the largest CCGT power plant in Pakistan equipped with modern European technology **having Ten Gas turbines and five steam turbines in combined cycle mode with name plate capacity** of 1600 MW. KAPCO is producing 10% of total Generation of Pakistan. KAPCO is the first Power Generation Company which has achieved certification in three segments of IMS (Integrated Management System) in one go of a record time of one year.

Dates: 2012 to 2015 Manager Electrical Maintenance

Project Name: 1600 MW Combined Cycle Power station, Kot Addu Power Co. Ltd

Worked with KEMA Netherland as Electrical consultant to witness the all tests performed according to PPA clause 8.2 and 8.3 of following projects in Pakistan.

- 225 MW Atlas Power Ltd
- 225 MW Nishat Power
- 225 MW Nishat Chunian Power Ltd.
- 225 MW Halmore Power
- 225 MW Sapphire Power
- 225 MW Libertytech Power company
- 225 MW Orient power Ltd.
- Technical audit of following power plants.
- 150 MW Habibullah Coastal Power
- 225 MW Hubco Narowal Power Plant.

Dates: 2009 to 2011

Responsible to review the bid document for electrical system

Reviewed electrical system drawings as per contract requirement

Preparation of test procedure for protection testing and commissioning of 2x135 MVA step up transformers

2x112MW generators of ABB (Now GE) make, including excitation system.

06 nos 132KV circuit breakers

132KV bus bar protection system

11KV switchgear

0.4 KV switchgear

DC system, 24V and 220 V and battery chargers

HV motors

LV motors

UPS 20 KVA

Dates: 1992-1999

Project Name: Installation of 2x 112 MW Steam Turbines at Kot Addu Power Complex.

Responsibility:

- Worked as shift lead Engineer to run the plant as per PPA requirement.
 - Liaise with National Dispatch and Transmission company
 - Co-ordinate with fuel and gas supply companies for allocation of quota on daily basis
 - Reports the problem on running plant to maintenance team
 - Co-ordinate with maintenance team to avoid forced outage on machines
 - To shut down the plant in case of problem on machine to avoid failure.
-
- **Dates: 1989-1991**
 - **Project Name: 1600 MW Kot Addu Combined cycle power station.**

Specific role:

Worked with commissioning team for the commissioning of
4x100 MW Generators, including excitation system
4x125 MVA step up transformers
12 No 220KV circuit breakers
6.6 KV switchgear system
0.4 KV switchgear system
110 V DC system and battery chargers
HV motors
LV motors
Attended field trainings arranged by GE.

Dates: 1986- 1988.

Project Name: 400 MW Combined cycle power station, Guddu.

Project size: Project was consisting of 4 no GE Frame 9E machines.

Contact:

Cell +92 300 8689322 & +92 341 8689333

Email.badani45@yahoo.com

Address: Apartment No.117/9B, Askari-5, Malir Cantt: Karachi.



Family name : Khan.
First name(s) : Asad Ullah.
Present function : Consultant Power Generation
Date of Birth : 01 August 1966
Nationality : Pakistani.
Qualification : Graduate Mechanical Engineer
PEC membership# :
Address : House#E-123, DHA Phase-XII, E.M.E society ,
Multan Road Lahore.

Email: asad.kema@yahoo.com

Cell# 0300-3112173.

Profile

Mr. Asad Ullah Khan is a Graduate Mechanical Engineer, and Serving Power Industry for more than 30 years in Pakistan and overseas in various positions, roles and responsibilities ranging from Project Management, Construction and commissioning, Plant O&M, Testing and inspection. Currently he is working as consultant with LUMMUS CONSULTANTS INTERNATIONAL of USA (Former SHAW group and Stone Webster INC USA) for providing consultancy services in Asia Pacific region and also providing services as Power Plant Expert to USAID in Pakistan for their energy and power policy programs in Pakistan.

He has been working with KEMA BV Netherlands, G.E, SIEMENS AG Germany, KAPCO Pakistan, SKODA POWER Czech Republic, NESPAK Pakistan, Fatima Group of Companies, JDW power, and Etihad Power Generation Co Ltd Previously Mr. Asad Ullah Khan has also played a pivotal role in preparation and review of Pre-feasibility and Feasibility study reports for 4 power Projects of various technologies including Solar, Biomass Co Generation, Coal fired Power plants etc.

His core competency is Power project Management, Project development, Contracts Management, Construction, commissioning & testing & certification, operation and maintenance of power plants, Power Plant Performance, Power Augmentation and rehabilitation of power plants, with fuel variety, with a range of capacity from Micro to Mega in Pakistan and overseas. Based on his versatile expertise of power Industry Mr. Asad Ullah Khan's services were also utilized in Energy sector contractual dispute resolution, arbitration and litigation proceedings with one of the global lead legal solicitors RAJJA H TANN of Singapore and Local Pakistani and UK based Legal chambers. In addition to that he has already worked as Project Director/ Manager for various IPPs combined cycle power Projects in Pakistan & overseas on Behalf of various EPC firms. Mr. Khan has served on behalf of KEMA BV Netherlands (one of the global leader consulting firm) as Lead technical consultant in Pakistan and overseas, he has been working with KEMA to provide consultancy and Independent Engineers' services for testing, inspection, and certification assignments for more than 20 IPPS and RPPS in Asia Pacific region, Middle east, and Southeast Asian region.

Experience.

As Lenders Technical Advisor (LUMMUS consultants International USA)

1. Chinot Power Generation Company Ltd. CHP. Pakistan.
2. Chanar Energy Ltd. CHP. Pakistan
3. QATPL CCPP Pakistan Bhikki Pakistan
4. FPCL CHP Karachi Pakistan
5. Al Hussain-II ZARQA CCPP Jordon
6. Summit Power CCPP Dhaka Bangladesh
7. Orient Power LTD CCPP Ghorashel Bangladesh.
8. UMPLCCPP Meghnaghat Bangladesh
9. PTPL CCPP Haveli Bahadur shah Jhang Pakistan
10. BQPS-iii CCPP Port Qasim Karachi Pakistan.

As Technical Attorney/Advisor

1. Privatization of KAPCO Power Company. (Privatization commission of Pakistan (GOP) and Bank Dubai Al Islami UAE).
2. Privatization of National Power Parks Management Company. (Privatization commission of Pakistan (GOP) and Credit Swiss of Singapore).
3. Etihad Group of companies as Technical Advisor for CO-Gen Power Project, Steel Mills and Sugar refinery Projects.

As technical Attorney for dispute resolution, arbitration and litigation.

1. DHA Co GEN Power company @ International arbitration Court Singapore .Ashmore energy USA V/S DHA power Gen company Karachi Pakistan management through RAJJAH TANN law firm of Singapore
2. SPEC/PPL GAMBAT SOUTH 60MMCFD GPF-III Gas Field Project @ Sindh High court special assignee for litigation at Karachi Pakistan. SPEC of UAE v/s PPL Pakistan through Mazhar Law associate Lahore Pakistan.

<p style="text-align: center;">As Independent Engineer and third party Auditor (KEMA BVI Netherlands).</p>

1. Attock Gen Ltd. 156 MW diesel engine combined cycle power plant Independent Engineer for PPA tests.
2. 300MW CCGT WCP kerawalapitya Colombo Sri Lanka.
3. Assistance in O&M supervision of the Plant
4. Atlas Power Ltd. 213 MW diesel engine combined cycle power plant; Independent Engineer for PPA tests.
5. Nishat Power Ltd. 196 MW diesel engine combined cycle power Plant; Independent Engineer for PPA tests.
6. Nishat Chunian Power Ltd. 196 MW diesel engine combined cycle
7. Power plant; Independent Engineer for PPA tests.
8. Orient Power Co. Ltd. 213 MW Gas Turbine combined cycle power plant; Independent Engineer for PPA tests.
9. Sapphire Electric Co. Ltd. 209 MW Gas Turbine combined cycle power plant; Independent Engineer for PPA tests.
10. Foundation Power Co. Daharki Ltd. 177 MW Gas Turbine Combined cycle power plant; Independent Engineer.
11. Foundation Power Co. Daharki Ltd. 177 MW Gas Turbine
12. Combined cycle power plant Independent Engineer for performance test.
13. Liberty Power Tech Ltd. 196 MW diesel engine combined cycle power plant; Independent Engineer.
14. Halmore Power Co. Ltd. 209 MW Gas Turbine combined cycle power plant; Independent Engineer for PPA tests.
15. Techno Engineering 150 MW diesel engine power plant;
16. Independent Engineer for RA (Rental Agreement) tests.
17. Saif Power Ltd. 209 MW Gas Turbine combined cycle power plant; Independent Observer for Performance Test.
18. Habibullah Coastal Power 129 MW Gas Turbine combined cycle power plant; technical audit.
19. Habibullah Coastal Power 129 MW Gas Turbine combined cycle power plant Technical due diligence.
20. Reshma Rental 90 MW DG Power Plant. Technical assessment of the Plant as an Independent Engineer.
21. UCH-II CCGT UCH Baluchistan. Independent Engineer for PPA tests.

Project Management and Project Development.
--

1. 600MW CCPP Guddu Kashmore Pakistan. (G.E Power International USA).
2. 450MW CCPP Guddu Kashmore Pakistan. (SIEMENS KWU Germany).
3. 450MW CCPP KAPCO Kot Addu Pakistan. (SIEMENS KWU Germany).
4. 412MW CCPP Rouch Head sidhnai Pakistan. (SIEMENS KWU Germany). 212MW CCPP Liberty Power Daharki Pakistan. (SIEMENS Pakistan).
5. 225MWCCPP Orient Power Baloki Pakistan. (SKODA Power Czech Republic).
6. 80MW CHP JDW power Rahimyar Khan Pakistan. (JDW group).
7. 74.2MW CHP Ettihad Power Rahim Yar Khan Pakistan. (Ettehad Group).
8. 400MW CCPP KerwalaPitya Colombo Sri Lanka (KEMA BVI Netherlands).
9. 450MW CCPP Binghazi Lebabnon. (KEMA BVI Netherlands).
10. 500KV transmission Line –Guddu Jamshoro Circuit. (NESPAK).
11. 500KV Transmission line Jamshoro-HUB double circuit. (NESPAK).
12. KAPCO 1600MW CCPP Kot Addu Pakistan Plant operation and maintenance. (National Power UK&KAPCO Pakistan).
13. 120MW Alshoiba-II thermal power project Basra Iraq (relocation and rehabilitation) of plant. (Dao Al-jumaiyah Group KSA).
14. Fatima fertilizer complex (Multiple plants dismantling, refurbishment, and installation of production units)). Sadiqabad Pakistan. (Fatima group Pakistan and KAMIRA GROW HAW Netherlands).
15. Etihad Power Generation Ltd. Co-Gen Power Plant Rahim Yar Khan Pakistan as Project Director.(contracting, construction, and project Management)

Courses:

1. 1. Project Management.
LUMS (Lahore University of management sciences)
2. .Capacity Building Professional Management course. LUMS (Lahore University of management sciences)
3. Professional Manager Course. University of York London.(arranged by NP at KAPCO plant)
4. Plant safety controller (KAPCO).
5. Combined cycle Power Plant O&M (KAPCO).
6. Chemical Safety at plant. (SIEMENS AG OF GERMANY)
7. Fire Fighting.(SIEMENS AG OF GERMANY)
8. Tank Gauging system (SABB of SWEEDON)
9. ISO Auditor/Lead Auditor for ISO 18001,ISO 14001 and ISO 9001(SGS &UKAS of UK).
10. API 650 course by SGS of UK.
11. CAMM (Computer added Maintenance Management)
12. Win CC (Measuring and monitoring).

IV.

**TECHNICAL AND FINANCIAL
PROPOSALS**

ANNEX – IV (A)

TECHNICAL AND FINANCIAL PROPOSALS FOR THE OPERATION, MAINTENANCE, PLANNING AND DEVELOPMENT OF THE PROJECT

Etihad Power Generation Limited has been incorporated in April 21, 2014 and has set up its supply facility to provide power to its Associated Concerns. The maintenance, planning and development of the project will be carried out as per NEPRA regulatory requirements and best industry practices.

V.

DETAILED FEASIBILITY STUDY

ANNEX – V (A)

TYPE OF TECHNOLOGY, MODEL, TECHNICAL DETAILS, OPERATIONAL CHARACTERISTICS, SYSTEM INTERCONNECTION AND DESIGN OF THE FACILITIES OR SYSTEMS

The set-up of the supply infrastructure includes cables that will be purchased from either Pakistan Cables or Fast Cables or New Age Cable and the energy meter to be used may be purchased from the vendor namely Vertex Electronics.

The equipment to be purchased will be as per NEPRA approved standards and best industry practices.

The electric power generated from the facility of the Petitioner will be supplied to the Associated Concerns only who are Bulk Power Consumers [BPC(s)].

ANNEX- V (B)

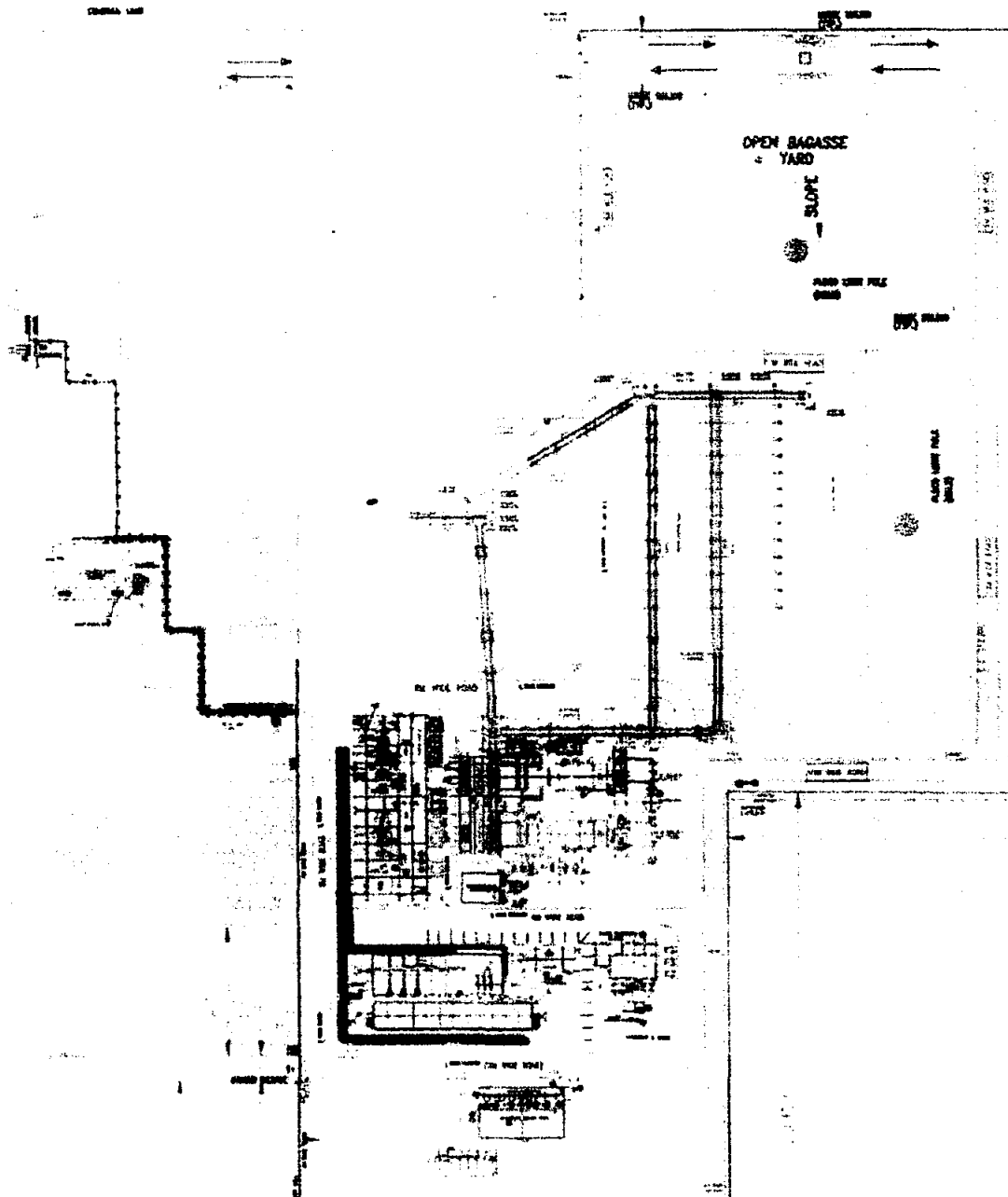
EXPECTED LIFE OF THE FACILITY

The expected life of the system is 25 years.

ANNEX- V (C)

LOCATION OF THE FACILITY (MAPS AND PLANS)

The location of the project along with the site maps and plans of the proposed project has been provided below:



ANNEX- V (D)

INFRASTRUCTURE, FINANCING TERMS, TARIFF CALCULATIONS AND ASSUMPTIONS OF FINANCIAL CALCULATIONS

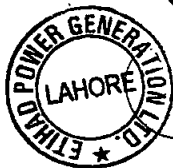
Financing has already been arranged through equity sources. Sale of power will be as under the Term Sheets appended below.

Term Sheet for the Sale and Purchase of Electricity between:

ETIHAD POWER GENERATION LIMITED

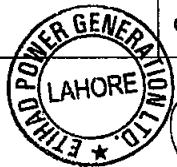
and

ETIHAD ALLOYS (PRIVATE) LTD.



Term Sheet

1.	Parties	Seller: Etihad Power Generation Limited ('Seller') Purchaser: Etihad Alloys (Private) Ltd. ('Purchaser') (Together, the 'Parties')
2.	Projects	The Seller is developing a bagasse-based power generation facility ('Complex') and intends to sell (subject to fulfilment of any and all applicable regulatory requirements) and deliver electricity ('Energy') to the Purchaser as per the requirement of the Purchaser, at the Purchaser's factory ('Factory'). The Purchaser intends to purchase the Energy generated by the Complex.
3.	Locations	The Complex is located at Mouza Karamabad, District Rahim Yar Khan in the province of Punjab. The Factory is located at adjacent to the Complex at Mouza Karamabad, District Rahim Yar Khan in the province of Punjab.
4.	Price	The Parties agree that the Seller shall sell (subject to fulfilment of any and all required regulatory requirements) and the Purchaser shall purchase the Energy at current price of Rs.25 per unit, excluding Sales Tax, subject to periodic indexation ('Energy Price').
5.	Billing and Payment Mechanism	The Seller Shall, within ten (10) days from the start of each calendar month prepare and issue an invoice for the despatched and delivered net Energy of the preceding calendar month. The invoice shall be prepared for the preceding month in accordance with the meter readings at the interconnection point. The Purchaser shall pay all amounts shown in the invoice within ten (10) days of the date of the invoice.
6.	Term and Termination	The Term Sheet shall become effective upon the signing date and shall remain in effect until such time as the Parties may mutually agree.
7.	Metering System	The Seller shall install the metering system for billing purposes which shall be calibrated to the satisfaction of the Purchaser.
8.	Other Terms	The Parties may agree on operational, administrative and other terms with mutual consensus.



IN WITNESS WHEREOF, the Parties have caused this Term Sheet to be executed by their duly authorized representatives as of the date first above written.

For and on behalf of
ETIHAD POWER GENERATION LTD.



Name: Muhammad Shakil
CNIC: 35201-1537699-1

Witness:

Hamid

Name: MUHAMMAD HAMID
CNIC: 35202-2144520-3

For and on behalf of
ETIHAD ALLOYS (PVT.) LTD.



Name: Zahid Jamil
CNIC: 42301-5812677-5

Witness:

Hafiz Danish

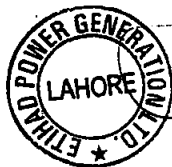
Name: Hafiz Danish
CNIC: 35201-2013895-9

Term Sheet for the Sale and Purchase of Electricity between:

ETIHAD POWER GENERATION LIMITED

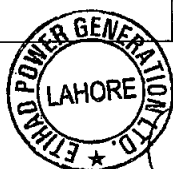
and

ETIHAD SUGAR MILLS LIMITED



Term Sheet

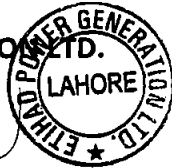
1.	Parties	<p>Seller: Etihad Power Generation Limited ('Seller') Purchaser: Etihad Sugar Mills Ltd. ('Purchaser') (Together, the 'Parties')</p>
2.	Projects	<p>The Seller is developing a bagasse-based power generation facility ('Complex') and intends to sell (subject to fulfilment of any and all applicable regulatory requirements) and deliver electricity ('Energy') to the Purchaser as per the requirement of the Purchaser, at the Purchaser's factory ('Factory').</p> <p>The Purchaser intends to purchase the Energy generated by the Complex.</p>
3.	Locations	<p>The Complex is located at Mouza Karamabad, District Rahim Yar Khan in the province of Punjab.</p> <p>The Factory is located at adjacent to the Complex at Mouza Karamabad, District Rahim Yar Khan in the province of Punjab.</p>
4.	Price	<p>The Parties agree that the Seller shall sell (subject to fulfilment of any and all required regulatory requirements) and the Purchaser shall purchase the Energy at current price of Rs.25 per unit, excluding Sales Tax, subject to periodic indexation ('Energy Price').</p>
5.	Billing and Payment Mechanism	<p>The Seller Shall, within ten (10) days from the start of each calendar month prepare and issue an invoice for the despatched and delivered net Energy of the preceding calendar month.</p> <p>The invoice shall be prepared for the preceding month in accordance with the meter readings at the interconnection point.</p> <p>The Purchaser shall pay all amounts shown in the invoice within ten (10) days of the date of the invoice.</p>
6.	Term and Termination	<p>The Term Sheet shall become effective upon the signing date and shall remain in effect until such time as the Parties may mutually agree.</p>
7.	Metering System	<p>The Seller shall install the metering system for billing purposes which shall be calibrated to the satisfaction of the Purchaser.</p>
8.	Other Terms	<p>The Parties may agree on operational, administrative and other terms with mutual consensus.</p>



IN WITNESS WHEREOF, the Parties have caused this Term Sheet to be executed by their duly authorized representatives as of the date first above written.

For and on behalf of

ETIHAD POWER GENERATION LTD.



Name: Muhammad Shakil

CNIC: 35201-1537699-1

For and on behalf of

ETIHAD SUGAR MILLS LTD.



Name: Zahid Jamil

CNIC: 42301-5812677-5

Witness:

Hamid

Name: MUHAMMAD HAMID

CNIC: 35202-2144520-3

Witness:

Name:

CNIC:

ANNEX- V (E)

TYPES AND DETAILS OF THE SERVICES PROPOSED TO BE PROVIDED

The services proposed to be provided by Etihad Power Generation Limited shall be supply of electric power.

ANNEX- V (F)

ENVIRONMENTAL IMPACT OF THE FACILITY

The Supply Facility has been constructed within the compound of the Petitioner hence there is no harmful environmental impact to be considered.

VI.

**INFORMATION REQUIRED UNDER
REGULATION 3(4) (a) READ WITH
SCHEDULE III OF NEPRA (AMEC)
REGULATIONS, 2021**

ANNEX- VI (A)

FEEDER MAPS, NUMBER OF CONSUMERS AND EXPECTED LOAD

The Petitioner shall supply power to its Associated Concerns Etihad Alloys (Pvt.) Ltd. And Etihad Sugar Mills Limited. Hence, there shall be only two consumers.

Please refer to the Term Sheets appended as **Annex-V(D)**.

ANNEX- VI (B)

CONSUMER CLASS/CATEGORY, SUB-CATEGORY

There are two consumers; Etihad Alloys Private Limited and Etihad Sugar Mills Limited.

Please see the copy of the Term Sheets appended as **Annex- V(D)**.

ANNEX- VI (C)

TARIFF CATEGORIES OF CONSUMER CLASSES

Payment will be as per the bilateral rates agreed to between the Petitioner and the consumers.
Please refer to Term Sheets appended as **Annex-V(D)**.

ANNEX- VI (D)

DEMAND AND CONSUMPTION PATTERN ON DIFFERENT TIME PERIODS

The power will be supplied to the consumers as bilaterally agreed.

Please refer to the Term Sheets appended as **Annex- V(D)**.

ANNEX- VI (E)

PROCUREMENT PLAN FOR MEETING EXPECTED LOADS

The applicant owns a 37.2MW Generation facility and will supply power to the consumers as generated by their facility. The applicant has already been granted a Generation License by NEPRA in 2015 and the Generation Facility has been operational ever since.

ANNEX- VI (F)

**12-MONTH PROJECTION ON EXPECTED LOAD, NUMBER OF CONSUMERS AND
EXPECTED SALE OF UNITS FOR EACH CONSUMER CATEGORY**

Please refer to the Term Sheets appended as **Annex- V(D)**.

ANNEX- VI (G)

5-YEAR INVESTMENT PLAN INDICATING SCHEMES/MODELS/Framework FOR UNDERTAKING SUPPLY OF ELECTRIC POWER

The supply of electric power shall be as per the Term Sheets appended as **Annex- V(D)**. As there are only two consumers and no further consumers are to be added, there is no 5-term investment plan.

TRAINING AND DEVELOPMENT PROCEDURES AND MANUALS

The operational staff follows proper standard operations procedures (SOPs) for the successful uninterrupted operations of the supply system as per best industry practices.

To ensure optimum operation and maintenance, we have a dedicated team of trained staff. The focus of our training programs includes:

- in-house training facilities will be available to train manual labor, technical staff, employees and managers;
- in-depth plant knowledge;
- safety training will be conducted as a matter of routine;
- specialized training for equipment will be given by manufacturers; and
- theoretical and practical sessions at the engine site to make sure our staff are well prepared to meet the challenges of everyday operations.

CONSUMER SERVICE MANUAL

The applicant will adopt and implement the Consumer Service Manual published by NEPRA, as amended from time to time, in letter and spirit.

ANNEX- VI (J)

PROPOSED SERVICE TERRITORY

Both of the consumers are located adjacent to the Petitioner's complex at Karamabad, District Rahim Yar Khan in the province of Punjab.

Please refer to the Term Sheets appended as **Annex- V(D)**.

BILLING AND COLLECTION PROCEDURES

Please refer to the Term Sheets appended as **Annex- V(D)**. Billing and collection will take place as bilaterally agreed between the Petitioner and the consumers.

ANNEX- VI (L)

**ABILITY TO ACCESS CONSUMER METERING SYSTEMS AND OTHER
SERVICES/EQUIPMENT**

Please refer to the Term Sheets appended as Annex- V(D).

ANNEX- VI (M)

EMERGENCY PROVISIONS AND PROTOCOLS

Etihad Power Generation Limited has been implementing proper emergency provisions and protocols. The plant and all systems forming part of it, shall be constructed and operated with safety as a prime consideration.

Automatic alarms will be initiated in any emergency situation. Fire tenders with at least state of art equipment will be available. Ambulances with medical aid will be readily available in case of any medical emergency.

The health and safety of all personnel, whether constructors, operators, maintenance workers or others, shall be of foremost consideration during the operations to ensure that the safety of all is guaranteed during operations.

ANNEX- VI (N)

**BASIS OF COMMON SERVICES FOR COMMERCIAL AND RESIDENTIAL
CONSUMERS AND THEIR ALLOCATION THEREOF**

Please refer to the Term Sheets appended as Annex- V(D).