

# GRID EDGE (PRIVATE) LIMITED

## Covering Letter

The Registrar  
National Electric Power Regulatory Authority

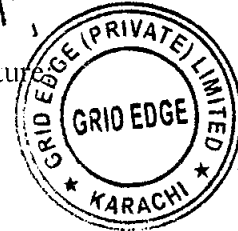
**Subject:** Application for Grant of **ELECTRIC POWER SUPPLY LICENSE**

I, **Mujtaba Haider Khan, CEO**, being the duly authorized representative of **Grid Edge Limited** by virtue of **Board Resolution** dated **19<sup>th</sup> June 2023**, hereby apply to the National Electric Power Regulatory Authority for the grant of a **Electric Power Supply License** to the NEPRA pursuant to section 47 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 are 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. Refer to the "Compiler Checklist" as a reference for submitted documents.

Date: 19<sup>th</sup> June 2023

Name, Designation: Mujtaba Haider Khan, CEO

Signature



**CHECK LIST FOR EXAMINATION OF LICENCE APPLICATION**  
**FOR ELECTRIC POWER SUPPLY**  
**(Regulation 3 read with 3(4)(a) of AMECPR-2021)**

Name of Company: Grid Edge Limited

Regulation #	Information/Documents Required	Information/ Documents Submitted
3(1)*	Application fee (including Indexation)	
3(3) *	Application submitted in triplicate	
3(4)(a)	applicable documents-in-support and information set out in Schedule III of these regulations;	
3(4)(b) *	a prospectus	Prospectus
3(4)(c)(i)(a) *	certified copies of certificate of incorporation	Certificate of Incorporation
3(4)(c)(i)(b) *	certified copies of memorandum and articles of association	memorandum and articles of association
3(4)(c)(i)(c) *	certified copies of annual reports of the company	Annual Return-2022
3(4)(c)(ii) *	the last annual return of the Company submitted in compliance of section 130 of the Companies Act or, in case of an applicant to whom section 130 of the Companies Act does not apply, a return comprising of all such information and particulars as required by the specified form under section 130 of the Companies Act, as the case may be;	Form A Form 29
3(4)(c)(iii)	the authorised, issued, subscribed and paid up share capital of the applicant	
3(4)(c)(iv)	the shareholding pattern of the applicant including list of shareholders holding 5% or more shares. number of shares held by each of them and percentage shares of the total paid-up capital	
3(4)(d)(i)	evidence of cash balances held in reserve by the applicant, along with bank certificates;	
3(4)(d)(ii)	details of charges or encumbrances attached to the applicant's assets, if any;	
3(4)(d)(iii)	latest audited financial statements of the applicant;	
3(4)(d)(iv)	expressions of interest to provide credit or financing along with sources and details thereof;	
3(4)(d)(v)	documents describing the net worth and the equity and debt ratios of the applicant, as on the date of the audited balance sheet accompanying the application;	
3(4)(d)(vi) *	a reasonably detailed profile of the applicant and the applicant's senior management, technical and professional staff;	Profile of experience of Applicant
3(4)(d)(vii)	employment records of engineering and technical staff of the applicant proposed to be employed;	

Regulation #	Information/Documents Required	Information/Documents Submitted
3(4)(d)(vii)	profile of sub-contractors, if any, along with expressions of interest of such sub-contractors;	
3(4)(d)(ix)	verifiable references in respect of the experience of the applicant and its proposed sub-contractors;	
3(e) *	technical and financial proposals in reasonable detail for the operation, maintenance, planning and development of the facility or system in respect of which the license is being sought;	Technical & Financial Proposal
3(f) *	Feasibility Study	Feasibility Study
3(g) *	an affidavit stating whether the applicant has been granted any other license under the Act;	Affidavit
3(h) *	a duly authorised statement stating whether the applicant has been refused grant of license under the Act and, if so, the particulars of the refused application, including date of making the application and decision on the application;	Authorized Statement
3(6) *	Authorization from Board Resolution / Power of Attorney	Authorization from Board Resolution
3(7) *	An affidavit as to the correctness, authenticity, and accuracy of the application.	Affidavit-Correctness
<b>Schedule III (Regulation 3(4)(a)(D))</b>		
1.*	Relevant feeder maps Number of consumers and expected load	Schedule III
2.*	Consumer class/category, sub-category on the basis of sanctioned load and voltage level	
3.	Tariff categories of consumer classes to be served	
4.*	Demand and consumption pattern on different time periods	
5.*	Procurement Plan for meeting expected loads (including own generation and/or long-term and short-term PPAs, as the case may be)	
6.*	12-month projections on expected load, number of consumers and expected sale of units for each consumer category	
7.	5-year Investment Plan indicating schemes/models/framework for undertaking supply of electric power (including frameworks for providing non-discriminatory services and acquisition/sale of assets in relevant service territories)	
8.	Training and development procedures and manuals	
9.	Consumer Service Manual	
10.	Information relating to:	
i. *	Proposed service territory	
ii. *	Billing and collection procedures (including provisions for remote metering)	
iii. *	Ability to access consumer metering systems and other services/equipment	

Regulation #	Information/Documents Required	Information/ Documents Submitted
iv. *	Emergency provisions and protocols	
v.	Basis of common services for commercial and residential consumers and their allocation thereof	

**1.**

# Prospectus

# PROSPECTUS

## A brief introduction of the applicant

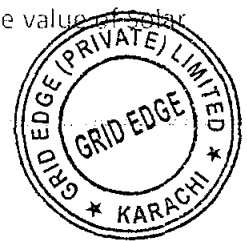
### Grid Edge Limited

The applicant Grid Edge Private Limited is power purchase agreement arm of Reon Energy Limited.

The electricity market is changing fast. Technology advancements, evolving consumer preferences, and new policies are leading to a surge of adoption of solar, energy storage, microgrids, electric vehicles, and other new energy technologies. These distributed energy resources are forcing new models to rethink how the energy market works, consequently, new models for customer energy management, grid infrastructure and electricity market design are arising to address these changes.

The Company, has been incorporated to bring innovation in the energy market by providing power purchase agreements via renewable technologies to private sector and public-sector customers in Pakistan by setting up Solar PV plants on the site of the customer by offering hybrid or grid tied solutions.

This allows savings on transmission infrastructures to the government of Pakistan and allows customers to take advantage of cheaper renewable power without having to undertake expensive capex on its own accord as asking clients to undertake expensive capex on technology, which has capacity risk, has inhibited the growth of this industry in Pakistan even with all the great effort of NEPRA and Ministry of Water and Power to unlock the value of solar in Pakistan.



# Salient Features

## Project Rationale:

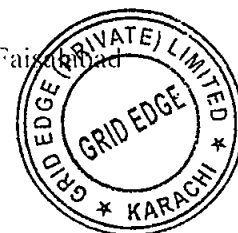
- On site affordable energy production from solar plant to partially meet energy needs
- Sustainable energy source in line with triple bottom line impact for client
- Capex free deployment under power purchase agreement for 15 years
- Reliance on localized energy sources and hedge for the term of the contract for 15 years

## Technology:

- Solar based Power Generation System, civil structures, and auxiliaries.
- Complete Solar Based Power Generating Panels with their protection, instrumentation, monitoring, control and synchronizing panels with existing power sources
- All technical parameters covered including but limited to Net Efficiency, Net Output, Power Plant Availability, Construction of Power Plant Building including all facilities as well as all related sub-systems such as:
  - o Plant Ventilation and air-conditioning in office and similar areas,
  - o Electrification and lighting systems
  - o Emergency Lighting System, etc.
  - o Fire Protection System
- The installed system shall meet applicable codes and standards. Safety signage and labelling should be mounted on the system as required
- All Solar Panels shall be made of Crystalline Silicon solar cells
- All the electrical installations and wiring for the PV system in accordance with codes and standards

## Project Location:

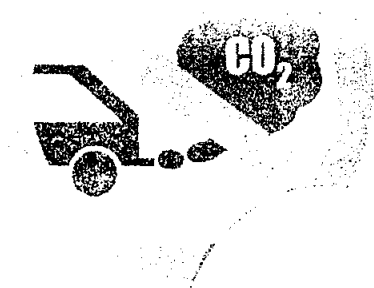
The Solar Plant will be located within the Crescent Textile factory in Faisalabad



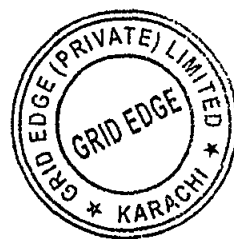
## Feasibility & Financing:

The Project will cost approximately cost PKR 240 Million funded through 25% equity and 75% debt through SBP Green Financing

## Environmental Benefits:



This system will help curtailing CO2 emissions by 2,500 tonnes a year. A life cycle assessment of the CO2 produced by solar PV is 40g per kWh as opposed to 700g CO<sub>2</sub> per kWh for diesel fuel/grid sources.





**2.**

# **Certificate of Incorporation**



A044063

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

COMPANY REGISTRATION OFFICE, KARACHI

CERTIFICATE OF INCORPORATION

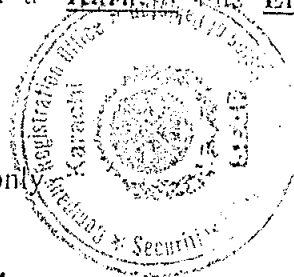
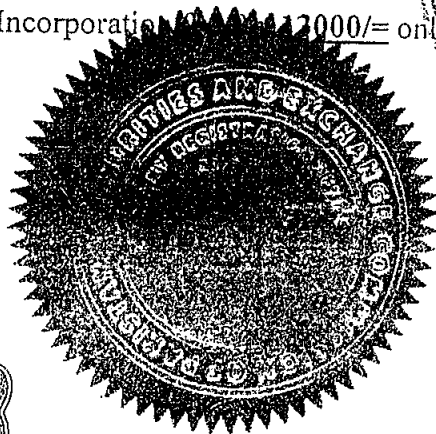
[Under section 16 of the Companies Act, 2017 (XIX of 2017)]

Corporate Universal Identification No. 0122474

I hereby certify that GRID EDGE (PRIVATE) LIMITED is this day incorporated under the Companies Act, 2017 (XIX of 2017) and that the company is limited by shares.

Given under my hand at Karachi this Eighth day of August, Two Thousand and Eighteen

Incorporation Fee 12000/= only



(Kashif Mahmood)  
Additional Joint Registrar

8/8/18

**3.**

**Memorandum  
and Articles of  
Association**

THE COMPANIES ACT, 2017 (XIX of 2017)

(COMPANY LIMITED BY SHARES)

MEMORANDUM

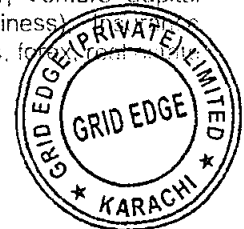
OF

ASSOCIATION

OF

GRID EDGE (PRIVATE) LIMITED

1. The name of the Company is Grid Edge (Private) Limited.
2. The registered office of the Company will be situated in the Province of Sindh.
3. (i) The principal line of business of the Company shall be to generate, accumulate, transmit, distribute, purchase, sell and supply electric power or any other energy and power generated by any source, from conventional or non-conventional energy by bio-mass, hydro, thermal, gas, air, diesel oil, or solar, hydrocarbon fuel or any other form, kind or description or through renewable energy sources, wind mill or another means/ source on a commercial basis and to construct, lay down, establish, operate and maintain power/energy generating stations, including buildings, structures, works, machineries, equipments, cables, wires, lines, accumulators, lamps, and works and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring power plants and plants based on conventional or non-conventional energy source, thermal power plants, solar energy plants, wind energy plants, mechanical, electrical, hydel, civil engineering works, boiler houses, steam turbines, switch yards, transformer yards, sub stations, transmission lines, accumulators, workshops and to do all such other things and acts as may appear to be incidental or conducive to the attainment of the above objects and to have full power to exercise all powers to achieve or to endeavour to achieve the above objects.
- (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company may engage in all the lawful businesses and shall be authorized to take all necessary steps to do all such other things and acts in connection therewith and ancillary thereto as may appear to be incidental or conducive to the attainment of the above objects.
- (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Business, Modaraba management company, Stock Brokerage business, foreign exchange



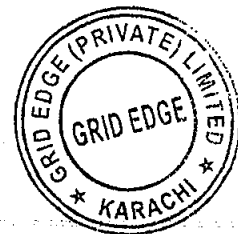
business, managing agency, business of providing the services of security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.

(iv) It is hereby undertaken that the company shall not:

- (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
- (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, commodity, future contract or share trading business locally or internationally or other related activities/businesses or any lottery business as restricted under the law or any unlawful operation;
- (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

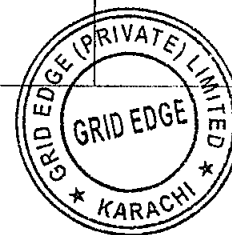
4. The liability of the members is limited.

5. The authorized capital of the company is Rs 1,200,000 (Rupees One Million and Two Hundred Thousand only) divided into 120,000 (One Hundred and Twenty thousand) ordinary shares of Rs. 10/- (Rupees Ten only) each. The Company shall have powers to increase, reduce or re-organize the capital of the Company or increase or reduce the nominal value of the shares and divide shares in the capital for the time being into several classes to the extent permissible by law in accordance with the provisions of the Companies Act, 2017 or any statutory modifications thereof



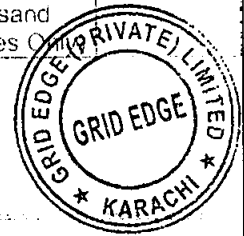
We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the Company as set opposite our respective names:

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's/ Husband's Name in full	Nationality (ies) with any former Nationality	Occupation	Usual residential address in full or the registered/ principal office address for a subscriber other than natural person	Number of Shares taken by each subscriber (in figures and words)	Signatures
ENI International B.V.  Through Nominee  Kamran Ajmal Mian	33264964  42101-3402641-3	Subscriber  Ajmal Mian	Netherlands  Pakistan	  Services	Strawinskylaan 1725, 1077 XX Amsterdam, the Netherlands.  House no 9-B, 1 East Street, Phase 1 DHA Clifton Cantt Karachi South	48,000(Forty Eight Thousand Shares Only)	
Mujtaba Haider Khan	42201-0492212-1	Ansar Haider Khan	Pakistan	Services	Bhayani Sunview, Gulshan-e-Iqbal, House no 124 Block 11, Karachi Central Pakistan	1 (One Share Only)	
Inam ur Rahman	35201-1378474-9	Fazal Rahmaan	Paksitan	Services	House no 3/300, Sarwar Road, Lahore Cantt	1 (One Share Only)	



Reon Energy Limited	0089881	Subscriber	Pakistan		Dawood Centre, M.T. Khan Road, Karachi	71,998 (Seventy One Thousand Nine Hundred and Ninety Eight Shares Only)	
Thorough Nominee							
Mujtaba Haider Khan	42201-0492212-1	Ansar Haider Khan	Pakistan	Services	Bhayani Sunview, Gulshan-e-Iqbal, House no 124 Block 11, Karachi Central Pakistan		
		Total number of shares taken (in figures and words)				120,000 (One Hundred and Twenty Thousand Shares Only)	

Dated the 7th day of August, 2018.



*[Handwritten signature]*  
8/8/18

THE COMPANIES ACT, 2017 (XIX of 2017)

(Company Limited by Shares)

ARTICLES OF ASSOCIATION

OF

GRID EDGE (PRIVATE) LIMITED

PRELIMINARY

1. (1) The Regulations in Table A in the First Schedule to the Companies Act 2017, shall not apply to the Company except in so far as they are repeated or contained in these Articles.

- (2) In these Articles-

"REON" means Reon Energy Limited, a company incorporated and existing under the laws of Pakistan, being the holder of 60% shareholding in the Company;

"ENI" means ENI International BV, a company incorporated and existing under the laws of the Netherlands, being the holder of 40% shareholding in the Company;

"section" means section of the Act;

"the Act" means the Companies Act, 2017; and

"the Company" means Grid Edge (Private) Limited;

"the seal" means the common seal or official seal of the Company as the case may be.

"these Articles" means these Articles of Association as originally framed or as from time to time altered by Special Resolution.

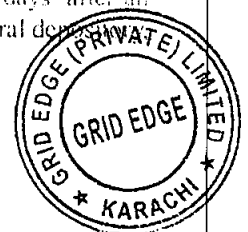
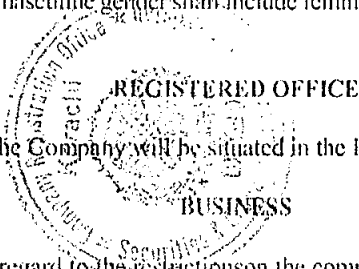
- (3) Unless the context otherwise requires, words or expressions contained in these Articles shall have the same meaning as in the Act; and words importing the singular shall include the plural, and *vice versa*, and words importing the masculine gender shall include feminine, and words importing persons shall include bodies corporate.

2. The registered office of the Company will be situated in the Province of Sindh.

3. The directors shall have regard to the restrictions on the commencement of business imposed by section 19 if, and so far as, those restrictions are binding upon the Company.

SHARES

4. In case of shares in the physical form, every person whose name is entered as a member in the register of members shall, without payment, be entitled to receive, within thirty days after allotment or within fifteen days of the application for registration of transfer, a certificate under the seal specifying the share or shares held by him and the amount paid up there on. Provided that if the shares are in book entry form or in case of conversion of physical shares and other transferable securities into book entry form, the Company shall, within ten days after an application is made for the registration of the transfer of any shares or other securities to a central depository, register such transfer in the name of the central depository.





5. The Company shall not be bound to issue more than one certificate in respect of a share or shares in the physical form, held jointly by several persons and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

6. If a share certificate in physical form is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding one hundred rupees, and on such terms, if any, as to evidence and indemnity and payment of expenses incurred by the Company in investigating title as the directors think fit.

7. Except to the extent and in the manner allowed by section 86, no part of the funds of the Company shall be employed in the purchase of, or in loans upon the security of, the Company's shares.

### TRANSFER AND TRANSMISSION OF SHARES

8. The instrument of transfer of any share in physical form in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof. Shares in physical form in the Company shall be transferred in the form attached as Annexure A or in any usual or common form which the directors shall approve.

9. (1) Subject to the restrictions contained in Articles 10 and 11, the directors shall not refuse to transfer any share unless the transfer deed is defective or invalid. The directors may also suspend the registration of transfers during the ten days immediately preceding a General Meeting or prior to the determination of entitlement or rights of the shareholders by giving seven days' previous notice in the manner provided in the Act. The directors may, in case of shares in physical form, decline to recognise any instrument of transfer unless-

- a. a fee not exceeding fifty rupees as may be determined by the directors is paid to the Company in respect thereof; and
- b. the duly stamped instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

(2) If the directors refuse to register a transfer of shares, they shall within fifteen days after the date on which the transfer deed was lodged with the Company send to the transferee and the transferor notice of the refusal indicating the defect or invalidity of the transfer, who shall, after removal of such defect or invalidity be entitled to re-lodge the transfer deed with the Company.

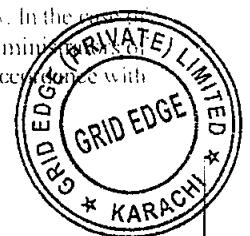
Provided that the Company shall, where the transferee is a central depository the refusal shall be conveyed within five days from the date on which the instrument of transfer was lodged with it notify the defect or invalidity to the transferee who shall, after the removal of such defect or invalidity, be entitled to re-lodge the transfer deed with the Company.

### TRANSMISSION OF SHARES

10. The certificates of title to shares shall be issued under the Seal of the Company and signed by two (2) directors. Every certificate of shares shall bear the following legend thereon:

"Any disposition, transfer, charge, sale, pledge, hypothecation, assignment or dealing in any other manner in the Shares represented by this certificate is restricted by a Shareholders Agreement to be signed between REON and ENI. Copies of such Agreements are available in the custody of the Company."

The executors, administrators, legal successors, nominees, as the case may be, of a deceased sole holder of a share shall be the only persons recognised by the Company to deal with the share in accordance with the law. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor, shall be the only persons recognised by the Company to deal with the share in accordance with the law.



11. The shares or other securities of a deceased member shall be transferred on application duly supported by succession certificate or by law ful award, as the case may be, in favour of the successors to the extent of their interests and their names shall be entered to the register of members.

#### ALTERATION OF CAPITAL

12. The Company may, by special resolution, passed at a shareholders meeting-

- (a) increase its authorised capital by such amount as it thinks expedient, provided that the nominal value of shares is PKR10/- each;
- (b) consolidate and divide the whole or any part of its share capital into shares of larger amount than its existing shares;
- (c) Any capital raised by the creation of new shares shall be considered part of the authorized capital and the new shares be subject to provisions herein contained with reference to transfer, transmission, voting an otherwise.

13. Subject to the provisions of the Companies Act, 2017 all new shares, before issue, shall at the first instance be offered to the Shareholders of the Company strictly in proportion to the number of existing shares held by such shareholder. The offer shall be made, following the unanimous approval of the issuance of new shares, by letter of offer specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will deem 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/she declines to accept the shares offered, the directors, under Section 83 of the Companies Act, 2017, may dispose of the same in such manner as they think most beneficial to the Company. The directors may like wise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this Article.

14. The new shares shall be subject to the same provisions with reference to transfer, transmission and otherwise as the shares in the original share capital.

15. The Company may, by special resolution, passed by the Shareholders of the Company reduce its share capital in any manner and with, and subject to any incidental authorisation and consent required, by law.

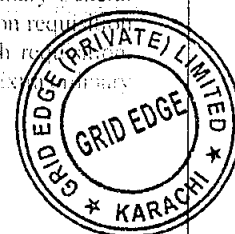
16. Subject to provisions of Section 85 of the Companies Act, 2017 the Company may, by special resolution, passed by the Shareholders of the Company at unanimity, alter the conditions of the Memorandum so as to cancel any shares which at the date of passing of the resolution in that respect have not been taken or agreed to be taken by any person, any diminish the amount of its authorized share capital by the amount of shares so cancelled.

#### GENERAL MEETINGS

17. The Statutory General Meeting of the Company shall be held within a period of one hundred and eighty days from the date on which the Company is entitled to commence business or nine months from the date of incorporation, which ever is earlier, as required by Section 131 of the Companies Act, 2017.

18. An Annual General Meeting, shall be held, in accordance with the provisions of section 132 of the Companies Act, 2017, within sixteen months from the date of incorporation of the Company and there after once atleast in every year within a period of one hundred and twenty days following the close of its financial year. All such General Meetings will be called 'Annual General Meetings' and all other General Meetings will be called 'Extraordinary General Meetings'.

19. Subject to provision of Section 133 the directors may, when ever they think fit, call an Extra ordinary General Meeting of the Company which require approval of the Shareholders in a General Meeting and shall, on request of Shareholders representing not less than 10% of the voting power on the date of deposit of such request, forthwith proceed to call an Extraordinary General meeting. Any director of the Company may call an Extraordinary



General Meeting as long as the quorum is complete.

20. Twenty one (21) day notice at the least specifying the agenda, place, the day and the hour of meeting and, in case of special business, the general nature of the business, shall be given in the manner provided by Section 134(4) of the Act to such persons as prescribed for under the Act and who are entitled to receive such notices. In the event of an emergency affecting the business of the Company, the Board may in accordance with Companies Act, 2017, make application to the Registrar for a shorter notice period, and, if the Registrar authorizes a shorter notice, then an Extraordinary General Meeting may be convened upon such shorter notice.

21. Chairman of Board will also be Chairman of Extraordinary General Meeting, but if there is no such Chairman, or the Chairman is not present within thirty (30) minutes after the meeting commences, the Shareholders present may choose one of the directors appointed by Reon and present at the meeting to be the Chairman.

22. The Company may provide video-link facility to its members for attending General Meetings at places other than the town in which General Meeting is taking place after considering the geographical dispersal of its members.

23. Minutes shall be made in books provided by the Board pursuant to Section 151 of the Act for the purposes of all resolutions and proceedings at General Meetings, and any such Minutes is signed by the Chairman of the General Meeting or of the next following General Meeting and approved by the Shareholders shall constitute sufficient evidence of the facts therein stated without further proof.

24. All the business transacted at a General Meeting shall be deemed special other than the business stated in sub-section (2) of section 134 namely; the consideration of financial statements and the reports of the board and auditors, the declaration of any dividend, the election and appointment of directors in place of those retiring, and the appointment of the auditors and fixing of their remuneration.

25. No business shall be transacted at any General Meeting unless a quorum of members is present at that time when the meeting proceeds to business. The quorum of the General Meeting of the Company shall be two members present personally, or through video-link who jointly represent not less than seventy-five percent of the total voting power, representatives or nominees from REON and ENI to be present, either of their own account or as proxies.

#### VOTES OF MEMBERS

26. Except as to voting for the election of directors under Section 159 of the Act, every Shareholder entitled to vote, either in person or by proxy, and upon a poll every Shareholder entitled to vote and present in person or by proxy shall have one (1) vote for every share conferring voting rights as aforesaid held by him.

27. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on show of hands or on a poll or through video link, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

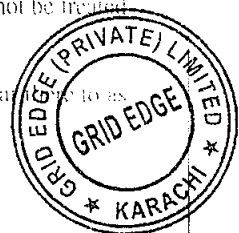
28. On a poll votes may be given either personally or through video-link, by proxy or through postal ballot.

Provided that no body corporate shall vote by proxy as long as a resolution of its directors in accordance with the provisions of section 138 is in force.

29. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing.

(2) The instrument appointing a proxy and the power-of-attorney or other authority (if any) under which it is signed, or an otially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

30. An instrument appointing a proxy may be in the form attached as Annexure B, or a form as near to as



may be.

31. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## DIRECTORS

32. Unless otherwise agreed by the Shareholders in General Meeting, the Company shall have at least three (3) directors the majority of which being resident in Pakistan, with REON appointing two (2) directors and ENI appointing one (1) director. The following shall be the first directors of the Company, so, however, that the number of directors shall not in any case be less than that specified in section 154 of the Act and they shall hold office until the election of directors in the first Annual General Meeting:

1. Mujtaba Haider Khan
2. Inam ur Rahman
3. Kamran Ajmal Mian

33. The Board shall fix the number of directors thirty-five (35) days before convening the General Meeting at which the directors are to be elected, and the number so fixed shall not be changed except with the prior approval by special resolution of the Company in a General Meeting. It is clarified that in no event shall the number of directors increase beyond three (3) until the same has been so approved by all the Shareholders in a General Meeting.

34. The directors shall appoint a nominee director from REON as the Chairman of the Company. The Board may remove Chairman at any time by unanimous vote (except the vote of the Chairman to be removed) and appoint a new Chairman and such Chairman shall be appointed from amongst the nominee directors of REON on the Board. The term of the Chairman shall be co-terminous with the term of the Board. A retiring Chairman shall be eligible for reappointment and shall preside over the General Meeting at which an election of directors shall be held.

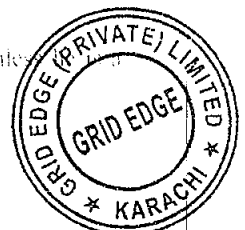
35. An elected director shall hold office for a period of three (3) years. Election of directors to be held every three years.

36. The Company may by resolution in a General Meeting remove a director in accordance with Companies Act, 2017.

37. If any director resigns or becomes disqualified or ceases for whatever reason prior to the expiry of the three year term, the Board shall appoint any person to be a director to fill such vacancy within ninety (90) days of the vacancy. Any director so appointed shall complete remainder of the term of the director in whose place he is appointed.

38. The remuneration of the directors shall from time to time be determined by the Board, provided that unless otherwise agreed the nominee directors of REON and ENI shall not be entitled to any remuneration, directors may be reimbursed all reasonable travelling, hotel and other expenses properly incurred by him/ her in attending and returning from meetings of directors or General Meetings of the Company or in connection with the discharge of their duties as directors of the Company.

39. Save as provided in section 153 of the Act, no person shall be appointed as a director unless he is a member of the Company or the only nominee of a corporate Shareholder.



## POWERS AND DUTIES OF DIRECTORS

40. The Board shall be responsible for the overall direction, supervision and management of the Company. The Board may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Act or by these articles or by the Shareholder Agreement or by a special resolution required to be exercised by the Company in General Meetings, subject nevertheless to the provisions of the Act or to any of the Articles, or to any such regulations as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the directors which would have been valid if such regulations had not been made.

41. The Board shall appoint a director nominated by REON as the chief executive in accordance with the provisions of sections 186 and 187 of the Act, or if he ceases to be a director for any cause, appoint another director as Chief Executive from REON.

42. Subject to approval by the Board, any director not permanently resident in Pakistan or any director so resident but intending to be absent from Pakistan for a period of not less than three (3) months may appoint any person acceptable to the Board to be an alternate director of the Company to act for him. Every such appointment shall be made by notice to the Board in writing under the hand of the director making the appointment (with a copy to the Shareholders). An alternate director will be an acting director, entitled to receive notice of all meetings, and to attend and vote as a director. An appointee director shall cease to be the director if his appointer for any reason is disqualified or ceases to be a Director or if his appointer returns to Pakistan or if the appointee is removed from office by notice in writing under the hand of the appointer.

43. The amount for the time being remaining undischarged of moneys borrowed or raised by the directors for the purposes of the Company (otherwise than by the issue of share capital) shall not at anytime, without the sanction of the Company in General Meeting, exceed the issued share capital of the Company.

44. The directors shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages, charges and pledge affecting the property of the Company or created by it, to the keeping of a register of the directors, and to the sending to the registrar of an annual list of members, and a summary of particulars relating thereto and notice of any consolidation or increase of share capital, or sub-division of shares, and copies of special resolutions and a copy of the register of directors and notifications of any changes therein.

### MINUTE BOOKS

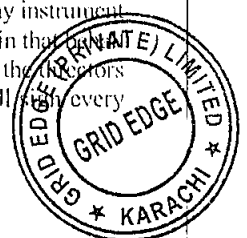
45. The directors shall cause records to be kept and minutes to be made in book or books with regard to

- (a) all resolutions and proceedings of General Meeting(s) and the meeting(s) of directors and Committee(s) of directors, and every member present at any General Meeting and every director present at any meeting of directors or Committee of directors shall put his signature in a book to be kept for that purpose;
- (b) recording the names of the persons present at each meeting of the directors and of any committee of the directors, and the General Meeting; and
- (c) all orders made by the directors and Committee(s) of directors.

Provided that all records related to proceedings through video-link shall be maintained in accordance with the relevant regulations specified by the Commission which shall be appropriately rendered into writing as part of the minute books according to the said regulations

### THE SEAL

46. The directors shall provide for the safe custody of the seal and the seal shall not be affixed to any instrument except by the authority of a resolution of the board of directors or by a committee of directors authorized in that behalf by the directors and in the presence of at least two directors and of the secretary or such other person as the directors may appoint for the purpose; and those two directors and secretary or other person as a fore said shall



instrument to which the seal of the Company is so affixed in their presence.

### DISQUALIFICATION OF DIRECTORS

47. No person shall become the director of a Company if he suffers from any of the disabilities or disqualifications mentioned in section 153 or disqualified or debarred from holding such office under any of the provisions of the Act as the case may be and, if already a director, shall cease to hold such office from the date he so becomes disqualified or disabled:

Provided, however, that no director shall vacate his office by reason only of his being a member of any company which has entered into contracts with, or done any work for, the Company of which he is director, but such director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted. In case of such conflict of interest, the resolution shall be adopted by the General Meeting.

### PROCEEDINGS OF DIRECTORS

48. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit; provided that the directors shall meet at least once in each quarter of a calendar year. A director may, and the secretary on the requisition of a director shall, at anytime, summon a meeting of directors. Notice sent to a director or through the mail whether such director is in Pakistan or outside Pakistan shall be a valid notice.

49. The directors shall from among the directors appointed by REON, elect a chairman of the Board of directors and determine the period for which he is to hold office. If at any meeting the chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the directors present may choose one of their number to be chairman of the meeting.

50. At least two (2) directors of whom at least one nominated by each Shareholder, for the time being of the Company, present personally or through video-link, shall constitute a quorum.

51. Save as otherwise expressly provided in the Act, ordinary questions at meetings of the board shall be determined by a majority of votes of the directors present in person or through video-link, each director having one vote. In case of an equality of votes or tie, the chairman shall have a casting vote in addition to his original vote as a director.

52. Other questions as listed in the Shareholder Agreement, at meetings of the Board shall be determined by unanimity of votes of the director from each Shareholder present.

53. The directors may delegate any of their powers not required to be exercised in their meeting to committees consisting of such member or members of their body as they think fit; any committees formed shall, in the exercise of the powers so delegated, conform to any restrictions that may be imposed on them by the directors.

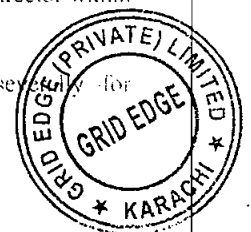
54. (1) A committee may elect a chairman of its meetings; but, if no such chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the members present may choose one of their number to be chairman of the meeting.

(2) A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present. In case of an equality of votes, the chairman shall have and exercise a second or casting vote.

55. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

56. A copy of the draft minutes of meeting of the board of directors shall be furnished to every director within seven working days of the date of meeting.

57. A resolution in writing signed by all the directors (signatures being in the same document or separately for



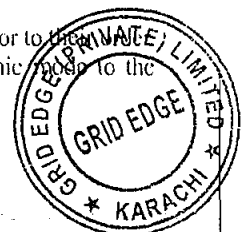
the time being entitled to receive notice of a meeting of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

#### FILLING OF VACANCIES

58. At the first Annual General Meeting of the Company, all the directors shall stand retired from office, and directors shall be elected in their place in accordance with section 159 for a term of three years.
59. A retiring director shall be eligible for re-election.
60. The directors shall comply with the provisions of sections 154 to 159 and sections 161, 162 and 167 relating to the election of directors and matters ancillary thereto.
61. Any casual vacancy occurring on the board of directors may be filled up by the directors, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is chosen was last elected as director.
62. The General Meeting may remove a director but only in accordance with the provisions of the Act.

#### DIVIDENDS AND RESERVE

63. The Company in General Meeting shall declare dividends by unanimous decision of the Shareholders.
64. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the Company, if approved by unanimous decision of the Shareholders.
65. Any dividend may be paid by the Company either in cash or in kind only out of its profits. The payment of dividend in kind shall only be in the shape of shares of listed company held by the distributing company.
66. Dividend shall not be paid out of unrealized gain on investment property credited to profit and loss account.
67. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares.
  - (1) The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the directors may, subject to the provisions of the Act, from time to time think fit.
  - (2) The directors may carry forward any profits which they may think prudent not to distribute, without setting them aside as a reserve.
68. If several persons are registered as joint-holders of any share, any one of them may give effectual receipt for any dividend payable on the share.
69. (1) Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share there in but, in the case of a public company, the company may give such notice by advertisement in a newspaper circulating in the Province in which the registered office of the company is situate.
  - (2) Any dividend declared by the company shall be paid to its registered shareholders or to the shareholder to whom the dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder sent in order to the payment of the dividend, as per their direction.
70. The dividend shall be paid within the period laid down under the Act.



## ACCOUNTS

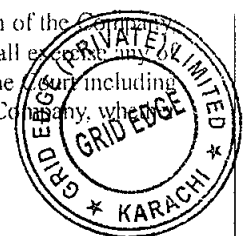
71. The directors shall cause to be kept proper books of account as required under section 220.
72. The books of account shall be kept at the registered office of the Company or at such other place as the directors shall think fit and shall be open to inspection by the directors during business hours.
73. The directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books or papers of the Company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account and book or papers of the Company except as conferred by law or authorised by the directors or by the Company in General Meeting.
74. The directors shall as required by sections 223 and 226 of the Act cause to be prepared and to be laid before the company in General Meeting the financial statements duly audited and reports as are referred to in those sections.
75. The financial statements and other reports referred to in Article 79 shall be made out in every year and laid before the Company in the annual General Meeting in accordance with sections 132 and 223.
76. A copy of the financial statements and reports of directors and auditors shall, at least twenty-one days preceding the meeting, be sent to the persons entitled to receive notices of General Meetings in the manner in which notices are to be given here under.
77. The directors shall in all respect comply with the provisions of sections 220 to 227.
78. Auditors shall be appointed and their duties regulated in accordance with sections 246 to 249.

## NOTICES

79. (1) A notice may be given by the Company to any member, to his registered address or if he has no registered address in Pakistan to the address, if any, supplied by him to the Company for the giving of notices to him against an acknowledgement or by post or courier service or through electronic means or in any other manner as may be specified by the Commission.
- (2) 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 will be delivered in the ordinary course of post.
80. 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.
81. A notice may be given by the company to the person entitled to a share in consequence of the death or insolvency of a member in the manner provided under Article 84 addressed to them by name, or by the title or representatives of the deceased, or assignees of the insolvent, or by any like description, at the address supplied for the purpose by the person claiming to be so entitled.
82. Notice of every General Meeting shall be given in the manner here in before authorised to (a) every member of the Company 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, and (c) to the auditors of the Company for the time being and every person who is entitled to receive notice of General Meetings.

## WINDING UP

83. (1) In the case of members' voluntary windingup, with the sanction of a special resolution of the Company, and, in the case of creditors' voluntary windingup, of a meeting of the creditors, the liquidator shall exercise the powers given by sub-section (1) of section 337 of the Act to a liquidator in a windingup by the Court including *inter-alia* divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, which





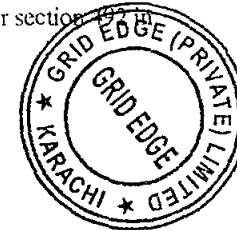
they consist of property of the same kind or not.

(2) For the purpose a fore said, the liquidator may set such value as he deems fair upon any property to be divided as a fore said and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction, vest the whole or any part of such as sets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities where upon there is any liability.

#### INDEMNITY

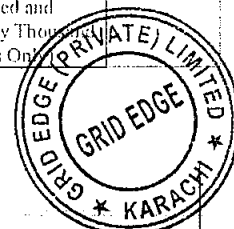
84. Every officer or agent for the time being of the Company may be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the affairs of the company, except those brought by the Company against him, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under section 492 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 these articles of association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's/ Husband's Name in full	Nationality (ies) with any former Nationality	Occupation	Usual residential address in full or the registered/ principal office address for a subscriber other than natural person	Number of Shares taken by each subscriber (in figures and words)	Signatures
ENI International B.V Through Nominee	33264964	Subscriber	Netherlands		Strawinskyaan 1725, 1077 XX Amsterdam, the Netherlands.	48,000 (Forty eight Thousand Shares Only)	
Kamran Ajmal Mian	42101-3402641-3	Ajmal Mian	Pakistan	Services	House no 9-B, 1 East Street, Phase I DHA Clifton Cantt Karachi South		
Mujtaba Haider Khan	42201-0492212-1	Ansar Haider Khan	Pakistan	Services	Bhayani Sunview, Gulshan-e-Iqbal, House no 124 Block 11, Karachi Central Pakistan	1 (One Share Only)	
Inam ur Rahman	35201-1378474-9	Fazal Rahmaan	Pakistan	Services	House no 3/300, Sarwar Road, Lahore Cantt.	1 (One Share Only)	
Reon Energy Limited Thorough Nominee	0089881	Subscriber	Pakistan		Dawood Centre, M.T. Khan Road, Karachi	71,998 (Seventy One Thousand Nine Hundred and Ninety Eight Shares Only)	
Mujtaba Haider Khan	42201-0492212-1	Ansar Haider Khan	Pakistan	Services	Bhayani Sunview, Gulshan-e-Iqbal, House no 124 Block 11, Karachi Central Pakistan		
		Total number of shares taken (in figures and words)				120,000 (One Hundred and Twenty Thousand Shares Only)	

Dated the 7th day of August, 2018



Annexure A

**Form for Transfer of Shares**  
(First Schedule to the Companies Act, 2017)

I, .....s/o..... r/o..... (hereinafter called "the transferor") in consideration of the sum of rupees..... paid to me by..... s/o..... r/o..... (here in after called "the transferee"), do here by transfer to the said transferee.....the share (or shares) with distinctive numbers from .....to.....inclusive.in the **GRID EDGE (PRIVATE) 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 the execution hereof, and I, the said transferee, do here by agree to take the said share (or shares) subject to the conditions afore said.

As witness our hands this.....day of..... 20.....

Signature.....

**Transferor**

Full Name, Father's/Husband'sName

CNIC Number(in case of foreigner,

Passport Number)

Nationality

Occupation and usual Residential Address

Signature.....

**Transferee**

Full Name, Father's/Husband'sName

CNIC Number(in case of foreigner,

Passport Number)

Nationality

Occupation and usual Residential Address

Cell number

Land line number, if any

Email address

**Witness 1:**

Signature.....date.....

Name, CNIC Number and Full Address

**Witness 2:**

Signature.....date.....

Name, CNIC Number and Full Address

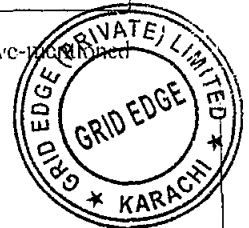
**Bank Account Details of Transferee for Payment of Cash Dividend**  
(Mandatory in case of a listed company or optional for any other company)

It is requested that all my cash dividend amounts declared by the Company, may be credited into the following bank account:

Title of Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	

I stated that the above mentioned information is correct and that I will intimate the changes in the above-mentioned information to the Company and the concerned Share Registrar as soon as these occur.

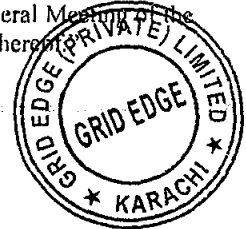
Signature of the Transferee(s)



Annexure B

INSTRUMENT OF PROXY  
XXXXXX (Private) Limited

"I, ..... s/o ..... r/o .....  
being a member of the GRID EDGE (PRIVATE) LIMITED, hereby  
appoint ..... s/o ..... r/o ..... as my proxy  
to attend and vote on my behalf at the (statutory, annual, extraordinary, as the case may be) General Meeting of the  
Company to be held on the ..... day of ..... 20..... and at any adjournment thereof.



*[Handwritten signature]*  
3/8/13

**4.**

# **Annual Return-2022**

**GRID EDGE (PRIVATE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**INDEPENDENT AUDITOR'S REPORT****To the members of Grid Edge (Private) Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of Grid Edge (Private) Limited (the Company), which comprise the statement of financial position as at December 31, 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, 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 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 December 31, 2022 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with 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**

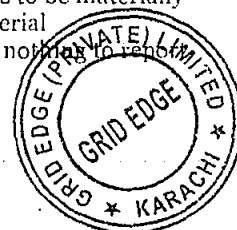
Management is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

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.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

KARACHI LAHORE ISLAMABAD



### **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 Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

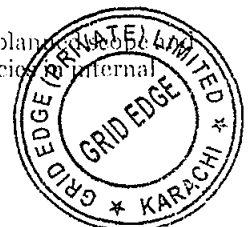
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 content 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 timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Atty.*





**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 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 Companies Act, 2017 (XIX of 2017) and are in agreement 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 *Omar Farooq*



**A. F. Ferguson & Co.  
Chartered Accountants  
Karachi**

**Date: May 5, 2023**

**UDIN: AR202210080VIEJCzluu**



GRID EDGE (PRIVATE) LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2022

		2022	2021 (Restated)
	Note	-----Rupees-----	
ASSETS			
Non-current asset			
Property, plant and equipment	3	152,488,711	163,912,226
Current assets			
Prepayments and other receivables	4	152,205	777,534
Trade debts	5	8,887,880	12,447,715
Sales tax refundable		6,306,007	10,496,921
Short-term investment	6	22,145,475	12,362,308
Cash and bank balances	7	9,654,722	6,685,834
Total current assets		47,146,289	42,770,312
TOTAL ASSETS		199,635,000	206,682,538
EQUITY AND LIABILITIES			
Equity			
Issued, subscribed and paid-up capital	8	37,200,000	37,200,000
Accumulated loss		(15,476,432)	(13,143,866)
Total equity		21,723,568	24,056,134
Non-current liability			
Long-term loan	9	104,844,709	118,854,141
Current liabilities			
Current portion of long-term loan	9	14,390,460	14,390,460
Trade and other payables	10	45,903,770	44,038,628
Accrued mark-up	11	12,361,356	5,212,722
Taxes payable		411,137	130,453
Total current liabilities		73,066,723	63,772,263
TOTAL LIABILITIES		177,911,432	182,626,404
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	12	199,635,000	206,682,538

The annexed notes 1 to 29 form an integral part of these financial statements.

Chief Executive

Director



**GRID EDGE (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

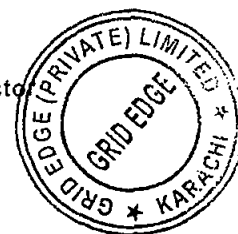
		2022	2021 (Restated)
	Note	Rupees	
Revenue	13	30,800,128	23,132,571
Cost of revenue	14	(15,316,669)	(18,820,054)
Gross profit		15,483,459	4,312,517
Administrative expenses	15	(4,009,366)	(3,985,618)
Allowance for expected credit loss	5	(544,250)	-
Other income	16	1,799,973	656,985
Operating profit		12,729,816	983,884
Finance cost	17	(14,540,390)	(8,183,606)
Loss before taxation		(1,810,574)	(7,199,722)
Taxation		(521,992)	(185,497)
Loss after taxation		(2,332,566)	(7,385,219)
Other comprehensive income:			
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(2,332,566)	(7,385,219)
Loss per share - basic and diluted	18	(0.63)	(2.11)

The annexed notes 1 to 29 form an integral part of these financial statements.

*Signature*

Chief Executive

Director



GRID EDGE (PRIVATE) LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2022

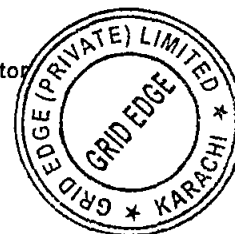
	Issued, subscribed and paid up capital	Advance against issue of shares	Revenue Reserve Accumulated loss	Total
	-----Rupees-----			
Balance as at January 1, 2021	1,200,000	36,000,000	(3,778,062)	33,421,938
Total comprehensive loss for the year - (Restated)	-	-	(7,385,219)	(7,385,219)
<b>Transaction with owners:</b>				
Issue of right shares	36,000,000	-	-	36,000,000
Transfer of advance against issue of shares		(36,000,000)	-	(36,000,000)
Issuance cost of shares	-	-	(1,980,585)	(1,980,585)
Balance as at December 31, 2021 (Restated)	37,200,000	-	(13,143,866)	24,056,134
Total comprehensive loss for the year	-	-	(2,332,566)	(2,332,566)
Balance as at December 31, 2022	37,200,000	-	(15,476,432)	21,723,568

The annexed notes 1 to 29 form an integral part of these financial statements.

*Signature*

Chief Executive

Director



GRID EDGE (PRIVATE) LIMITED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022

		2022	2021 (Restated)
	Note	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(1,810,574)	(7,199,722)
<b>Adjustment for non-cash charges and other items:</b>			
Finance cost	17	14,540,390	8,183,606
Interest income on short-term investment	16	(1,799,973)	(656,985)
Depreciation	14	11,423,515	7,354,866
		<u>22,353,358</u>	<u>7,681,765</u>
<b>Working capital changes:</b>			
Decrease / (increase) in current assets			
Prepayments and other receivables		625,329	36,938,400
Trade debts		3,559,835	(12,447,715)
Sales taxes refundable		4,190,914	(10,496,921)
		<u>8,376,078</u>	<u>13,993,630</u>
Increase / (decrease) in current liabilities			
Trade and other payables		1,865,142	(74,111,900)
<b>Cash generated from / (used in) operations</b>		<u>32,594,578</u>	<u>(52,436,305)</u>
Taxes paid		(241,308)	(55,044)
Finance cost paid		(7,010,728)	(4,540,426)
<b>Net cash generated from / (used in) operating activities</b>		<u>25,342,542</u>	<u>(57,031,775)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment including capital work-in-progress		-	(56,486,013)
Short-term investments made		(8,508,791)	(10,311,915)
Interest received		290,026	366,959
<b>Net cash used in investing activities</b>		<u>(8,218,765)</u>	<u>(66,430,969)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issuance cost of shares		-	(1,980,585)
Proceeds from long-term loan, net of transaction cost		-	132,899,066
Repayment of long-term loan	9.1	(14,390,460)	-
<b>Net cash (used in) / generated from financing activities</b>		<u>(14,390,460)</u>	<u>130,918,481</u>
<b>Net increase in cash and cash equivalents</b>		<u>2,733,317</u>	<u>7,455,737</u>
Cash and cash equivalents at beginning of the year		8,446,201	990,464
<b>Cash and cash equivalents at end of the year</b>	19	<u>11,179,518</u>	<u>8,446,201</u>

The annexed notes 1 to 29 form an integral part of these financial statements.

Chief Executive



Director

**GRID EDGE (PRIVATE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**1. LEGAL STATUS AND OPERATIONS**

1.1 Grid Edge (Private) Limited (the Company) is a private limited company, incorporated in Pakistan on August 8, 2018 under the Companies Act, 2017 (the Act). The Company is a wholly owned subsidiary of Reon Energy Limited (the Holding Company) which is a subsidiary of Dawood Lawrencepur Limited (the Ultimate Parent Company).

1.2 The principal business of the Company is to own and operate electric power generation project and to supply electricity as an independent power producer. The Company currently holds a generation license of upto 2MW for generation and sale of electricity to Procter & Gamble Pakistan (Private) Limited (P&G) as a bulk power consumer. The plant has been constructed at P&G's facility, Bin Qasim Town, Karachi. The Company's registered office (which is its sole business unit) is situated at 3rd Floor, Dawood Centre, M. T. Khan Road, Karachi.

1.3 The business units of the Company include the following:

Business unit	Geographical location
Head office	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi
Solar power plant	Procter & Gamble site, Port Qasim

1.4 The Company during the year has incurred a loss after tax of Rs. 2,332,566 and its accumulated losses as at December 31, 2022 amount to Rs. 15,476,432. Further, the Company's current liabilities exceed its current assets by Rs. 25,920,434. In addition, as at reporting date, the Company is in breach of specified financial ratios under the Re-Term Finance Agreement with Pak Oman Investment Company Limited (POICL) as explained in note 9.5 to the financial statements. The primary reason for loss for the year and adverse financial ratios is increase in finance cost on liabilities towards Holding Company. However, the Holding Company has committed financial support to the Company including its liabilities towards the Holding Company. Further, POICL has communicated waiver with respect to compliance with financial ratios. In view of the same, there is no material uncertainty relating to the aforementioned events with respect to Company's ability to continue as a going concern.

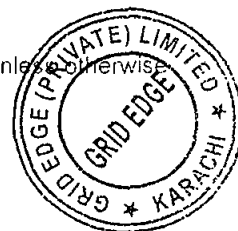
**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of preparation**

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

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## 2.2 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 (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

## 2.3 Functional and presentation currency

The financial statements are presented in Pakistani Rupees which is the Company's functional currency.

## 2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with the applicable accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

### 2.4.1 Property, plant and equipment

The Company reviews the appropriateness of the rates of depreciation, useful lives and residual values used in the calculation of depreciation. Further, where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis.

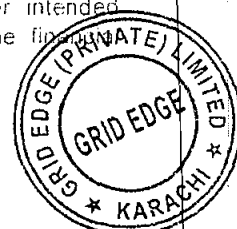
## 2.5 Initial application of standard, amendment or interpretation to existing standard

### 2.5.1 a) Amendments to accounting and reporting standards that became effective during the year

There are certain amendments to the accounting and reporting standards that became effective during the year ended December 31, 2022, however, these are considered not to have a significant impact on the Company's financial reporting and therefore have not been presented here, except for:

#### - Amendment to IAS 16 'Property, Plant and Equipment' - Proceeds before the intended use

In 2020, the International Accounting Standard Board (IASB) published an amendment - Proceeds before intended use to IAS 16 - "Property, Plant and Equipment" (IAS 16). As a result, the net proceeds received from selling the output produced before the asset is ready for its intended use are to be recognised in the statement of profit or loss. Previously, such proceeds were deducted from the cost of the asset. This amendment is to be applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after beginning of the earliest period presented in the financial statements, in which the entity first applies the amendment, i.e. January 1, 2021.



The impact of changes introduced by this amendment has been disclosed in note 2.5.2

- b) **Standards, amendments and interpretation to published standards that are not yet effective and have not been early adopted by the Company**

There are standards and certain amendments to the accounting and reporting standards that are not yet effective and are also not expected to have a significant impact on the Company's financial reporting and therefore, have not been presented in these financial statements.

## 2.5.2 Adoption of Amendment of IAS 16 - Proceeds before intended use

As per the amendment, any net proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management shall be recognized in the statement of profit or loss and other comprehensive income. During the year, the Company has retrospectively adopted the amendment in IAS 16 - "Proceeds before intended use" as per the transitional provision of the amendment. The impact of adoption on the opening balances as at January 1, 2022 are as follows:

### Effect on statement of financial position as of December 31, 2021

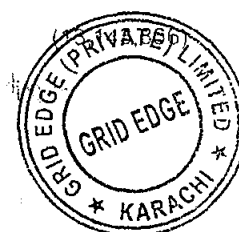
	Amount previously reported	Effect of adoption of amendment	Amount as restated
	-----Rupees-----		
<b>ASSETS</b>			
Property, plant and equipment	160,787,900	3,124,326	163,912,226
<b>EQUITY</b>			
Accumulated losses	(16,268,192)	3,124,326	(13,143,866)

### Effect on statement of profit or loss for the year ended December 31, 2021

	Amount previously reported	Effect of adoption of amendment	Amount as restated
	-----Rupees-----		
Revenue	18,376,923	4,755,648	23,132,571
Cost of revenue	(17,188,732)	(1,631,322)	(18,820,054)

### Effect on statement of changes in equity for the year ended December 31, 2021

	Amount previously reported	Effect of adoption of amendment	Amount as restated
	-----Rupees-----		
Accumulated losses	(16,268,192)	3,124,326	





## Effect on statement of cash flows for the year ended December 31, 2021

	Amount previously reported	Effect of adoption of amendment	Amount as restated
	-----Rupees-----		
<b>Cash flows from operating activities</b>			
Loss before taxation	(10,324,048)	3,124,326	(7,199,722)
Depreciation	7,214,675	140,191	7,354,866
<b>Net cash flows from operating activities</b>	<b>(60,296,292)</b>	<b>3,264,517</b>	<b>(57,031,775)</b>

There is no impact of the amendment on the opening balances of 2021.

## 2.6 Property, plant and equipment

### 2.6.1 Recognition and measurement

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. Capital work-in-progress is stated at cost less impairment, if any.

Disposal of asset is recognized when significant risks and rewards incidental to ownership have been transferred to the buyer. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized in the statement of profit or loss and other comprehensive income.

### 2.6.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized at the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day to day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income as they are incurred.

### 2.6.3 Depreciation

Depreciation is charged to the statement of profit or loss and other comprehensive income on straight line method basis whereby the cost of an asset is written off over its estimated useful life. Depreciation on additions is charged from the date on which the asset is available for use and on disposals up to the date of disposal. The residual value, depreciation method and the useful lives of each item of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

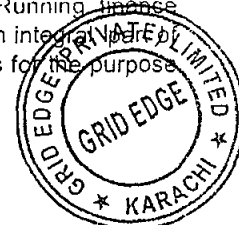
### 2.6.4 Impairment

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

## 2.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, deposits held with banks and highly liquid investments with less than three months maturity from the date of acquisition. Running finance facilities availed by the Company, if any, which are repayable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of the statement of cash flows.

As at



## 2.8 Financial instruments

### 2.8.1 Financial assets

#### Classification

The Company classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### Measurement

At initial recognition, the Company 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss and other comprehensive income.

#### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

##### (a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest method.

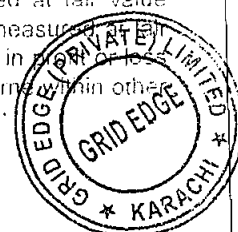
##### (b) Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows that are solely repayments of principal and interest on principal amount outstanding and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

##### (c) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit or loss and other comprehensive income within other gains / (losses) in the period in which it arises.

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## Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain / (losses) in the statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

### 2.8.2 Financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

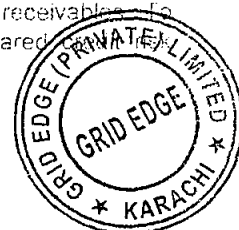
### 2.8.3 Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or realize the asset and settle the liability simultaneously.

### 2.8.4 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments (other than trade receivables) carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Lifetime Expected Credit Losses (ECL) are recognized when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL under IFRS 9.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables are grouped based on shared characteristics and the days past due.



## 2.9 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 loss is recognized as an expense in the statement of profit or loss and other comprehensive income. 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.

## 2.10 Trade debts and other receivables

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional unless they contain a significant financing component, in which case these are recognized at fair value. The Company holds the trade debts and other receivables with the objective to collect contractual cash flows and, therefore, measures them subsequently at amortized cost using effective interest method.

## 2.11 Trade and other payables

These are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. These are classified as current liabilities if payment is due within twelve months or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Exchange gains and losses arising from translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

## 2.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

## 2.13 Borrowings

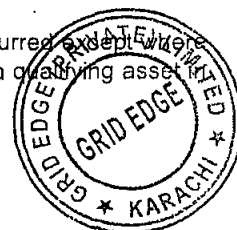
Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is amortized over the period of the borrowings.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## 2.14 Borrowing costs

Borrowing costs are recognised as an expense in the period in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset.

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## 2.15 Share capital

Ordinary shares are classified as equity and are recorded at face value. Incremental costs, if any, directly attributable to the issue of shares, are recognized in equity as a deduction, net of tax, from the proceeds.

## 2.16 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pakistan Rupees using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees at the rates of exchange which approximate those prevailing at the financial position date. Exchange differences are included in the statement of profit or loss and other comprehensive income.

## 2.17 Revenue recognition on supply of electricity

The Company recognizes revenue when the performance obligation is satisfied i.e. delivery of energy output at the Energy Delivery Point to P&G. Revenue is recognized based on the rates determined under the mechanism laid down in the Power Purchase Agreement (PPA).

The Company has assessed that the performance obligation in its contract with the customer is discharged over time. The normal payment terms of the Company is 30 days from the date of invoice.

## 2.18 Other income

Other income is recognized on accrual basis.

## 2.19 Taxation

### 2.19.1 Current

The current income tax charge is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

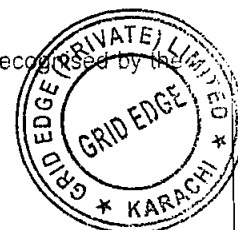
The Company's income from energy sale is exempt from tax under clause 132, Part I, Second Schedule of the Income Tax Ordinance (ITO) 2001. The income is also exempt from minimum tax on turnover under clause 11A, Part IV, Second Schedule of the ITO.

### 2.19.2 Deferred

Deferred tax is recognized using the balance sheet method, providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which taxable temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

As majority of the Company's income is exempt from tax, no deferred tax has been recognised by the Company.



	2022	2021 (Restated)
	-----Rupees-----	
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets (note 3.1)	152,488,711	163,912,226
Capital work-in-progress (note 3.3)	-	-
	<u>152,488,711</u>	<u>163,912,226</u>

### 3.1 Operating assets

#### Plant and machinery

#### Year ended December 31

Opening net book value	163,912,226	-
Transfer from CWIP (notes 3.3 and 3.4)	-	171,267,092
Depreciation expense (note 14)	(11,423,515)	(7,354,866)
Net book value	<u>152,488,711</u>	<u>163,912,226</u>

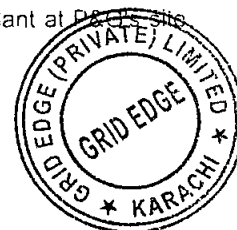
#### As at December 31

Cost	171,267,092	171,267,092
Accumulated depreciation	(18,778,381)	(7,354,866)
Net book value	<u>152,488,711</u>	<u>163,912,226</u>
Annual rate of depreciation (%)	<u>6.67</u>	<u>6.67</u>

3.2 There were no additions or disposals during the year.

	2021 (Restated)	Additions during the year	2022
	-----Rupees-----		
<b>3.3 Capital work-in-progress</b>			
- Plant and machinery			
Procurement of equipment and			
Engineering and construction services	169,395,512	-	-
Borrowing cost capitalized	1,770,321	-	-
Amortization of transaction cost			
on long-term loan	101,259	-	-
	<u>171,267,092</u>	<u>-</u>	<u>-</u>
Transfer to operating assets (note 3.4)	<u>(171,267,092)</u>	<u>-</u>	<u>-</u>

3.4 During the prior year, the Company completed the construction of the solar power plant at Pafos site and commenced commercial operations on May 11, 2021.



	2022	2021
	-----Rupees-----	
<b>4. PREPAYMENTS AND OTHER RECEIVABLES</b>		
Prepayments	80,566	110,843
Other receivable (note 4.1)	59,139	654,191
Security deposits	12,500	12,500
	<u>152,205</u>	<u>777,534</u>

4.1 Other receivables amounting to Rs. 396,000 (2021: Nil) have been written off during the year.

	2022	2021
	-----Rupees-----	
<b>5. TRADE DEBTS - considered good and secured</b>		
In respect of:		
- Billed revenue	6,609,875	10,090,470
- Un-billed revenue	2,822,255	2,357,245
	9,432,130	12,447,715
Less: Allowance for expected credit loss (note 5.2)	(544,250)	-
	<u>8,887,880</u>	<u>12,447,715</u>

5.1 These include receivables in respect of sale of electricity. The analysis of trade debts is as follows:

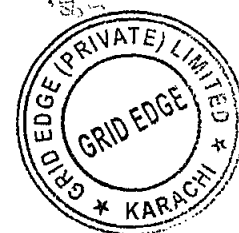
	2022	2021
	-----Rupees-----	
Neither past due nor impaired	5,850,081	5,338,653
Past due but not impaired (note 5.1.1)	3,037,799	7,109,062
Past due and impaired (note 5.2)	544,250	-
	<u>9,432,130</u>	<u>12,447,715</u>

5.1.1 The aging analysis of trade debts which are past due but not impaired is as follows:

	2022	2021
	-----Rupees-----	
Upto 1 month	-	3,527,012
More than 1 month	3,037,799	3,582,050
	<u>3,037,799</u>	<u>7,109,062</u>

5.2 As at December 31, 2022, trade debts aggregating to Rs. 544,250 (2021: nil) were deemed to have been impaired and provided for. These have been outstanding for more than one year. The movement in provision during the year is as follows:

	2022	2021
	-----Rupees-----	
Balance as at the beginning of the year	-	-
Add: Expected credit loss for the year	544,250	-
Balance as at the end of the year	<u>544,250</u>	<u>-</u>

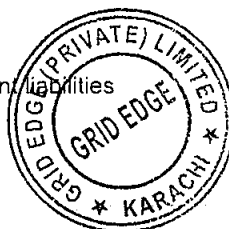


## 6. SHORT-TERM INVESTMENT

This represents certificates of investment placed with Pak Oman Investment Company Limited (POICL) at rates ranging from 7.60% to 16.35% (2021: 7.60% to 8.75%) and maturing on various dates between 2 to 6 months. This also includes Rs. 11,725,716 (2021: Rs. 10,588,896) placed under the long-term loan agreement from POICL under State Bank of Pakistan (SBP) Renewable Energy Scheme on roll-over basis for the tenure of the loan.

	2022	2021
	-----Rupees-----	
7. CASH AND BANK BALANCES		
Balance with bank in current account	9,654,722	6,685,834
8. SHARE CAPITAL		
Authorized capital		
50,000,000 (2021: 50,000,000) ordinary shares of Rs. 10 each	500,000,000	500,000,000
Issued, subscribed and paid-up capital		
3,720,000 (2021: 3,720,000) ordinary shares of Rs. 10 each fully paid in cash (note 8.1)	37,200,000	37,200,000
8.1 Movement in issued, subscribed and paid up capital		
Balance at the beginning of the year	37,200,000	1,200,000
Nil (2021: 3,600,000) ordinary shares of Rs.10 each issued at par as fully paid right shares	-	36,000,000
Balance at the end of the year	37,200,000	37,200,000
8.2 The Company has a single class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the Company. All shares rank equally with regard to the Company's residual assets.		
8.3 Under the Re-Term Finance Agreement with POICL, the Company is restricted from declaring or making payment of any dividend if any of the following occurs:		
- the Company is in non-compliance / breach of any of the financial covenants required to be met;		
- there is any Event of Default or Potential Event of Default;		
- the Company suffers net loss;		
- the Power Purchase Agreement stands terminated; or		
- the occurrence of a force majeure event.		

	2022	2021
	-----Rupees-----	
9. LONG-TERM LOAN - SECURED		
Long-term loan	122,318,886	136,709,346
Transaction cost:		
Transaction cost to date	(3,810,280)	(3,810,280)
Accumulated amortization	726,563	345,535
	(3,083,717)	(3,464,745)
	119,235,169	133,244,601
	(14,390,460)	(14,390,460)
	104,844,709	118,854,141
Less: Current portion shown under current liabilities		





	2022	2021
	-----Rupees-----	
9.1 Balance as at January 1	133,244,601	-
Loan disbursed during the year	-	136,709,346
Transaction cost incurred during the year	-	(3,810,280)
Amortization of transaction cost during the year	381,028	345,535
Loan repaid during the year	(14,390,460)	-
Balance as at December 31	<u>119,235,169</u>	<u>133,244,601</u>

9.2 The Company has obtained long-term loan from POICL under State Bank of Pakistan (SBP) Renewable Energy Scheme dated July 22, 2020, amounting to Rs. 136,709,346 to finance 80% of the project. The tenure of the loan is 10 years, carrying mark-up at the rate of 5% payable on quarterly basis. The principal amount is repayable in nineteen (19) semi-annual instalments commencing from February 1, 2021.

9.3 The loan is secured through hypothecation charge over the present and future fixed assets (excluding land and building) and assignment of receivables of the Company in favor of POICL. Transaction cost is amortized over the tenure of the loan.

9.4 The Holding Company has provided a corporate guarantee amounting to Rs. 144,000,000 in favour of POICL to secure the financing facility of the Company.

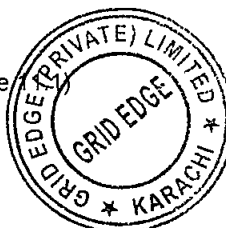
9.5 As at year end, the Company has breached financial ratios (covenants) as specified in clause 8.1 of the Re-Term Finance Agreement (the Agreement) with POICL. Such breach falls under clause 9.1.1 (ii) of the Agreement where the Company has a period of 21 days to rectify the breach from the earlier of the date the Company receives notice from the lender or the Company becoming aware of the default. However, POICL has communicated waiver in respect of non-compliance with the financial ratios for the financial year 2022 upon undertaking by the Company to comply with them by June 30, 2023.

	2022	2021
	-----Rupees-----	
10. TRADE AND OTHER PAYABLES		
Creditors (note 10.1)	43,977,567	43,527,631
Accrued liabilities (note 10.2)	592,187	303,243
Other payable	1,334,016	207,754
	<u>45,903,770</u>	<u>44,038,628</u>

10.1 Represents amount payable to Reon Energy Limited, the Holding Company, as at reporting date, under the procurement contract and engineering and construction services contract for setting up solar power project and Operation & Maintenance contract for maintenance of solar power plant. It also includes amount payable to the Holding Company in respect of shared services provided to the Company.

10.2 Includes an amount of Rs. 179,000 (2021:Nil) in respect of shared office space by the holding company.

	2022	2021
	-----Rupees-----	
11. ACCRUED MARK-UP		
Accrued mark-up on:		
- long-term loan	1,524,796	1,760,367
- payable to the Holding Company (note 10.1)	10,836,560	3,452,355
	<u>12,361,356</u>	<u>5,212,722</u>



- 11.1 This represents mark-up accrued at the rate of 3 months KIBOR + 3% in respect of delayed payment of amount payable to the Holding Company under the Procurement Contract and Engineering and Construction Services contract and Operation & Maintenance contract and at 1% above the average borrowing rate of the Holding Company in respect of delayed payment of shared service cost payable.

## 12. CONTINGENCIES AND COMMITMENTS

The Company has committed to generate and transmit 34,353,607 KWh of energy (2021: 36,111,010 KWh of energy) and pay its O&M contractor, Reon Energy Limited Rs. 73,364,047 (2021: Rs. 76,495,607) over the span of next thirteen years.

	2022	2021 (Restated)
	-----Rupees-----	
<b>13. REVENUE</b>		
Revenue (notes 13.1 and 13.2)	38,068,222	28,563,270
Less: Advance income tax	(1,672,078)	(1,227,510)
Less: Sales tax	(5,288,382)	(3,971,863)
Less: Electricity duty	(307,634)	(231,326)
	<u>30,800,128</u>	<u>23,132,571</u>

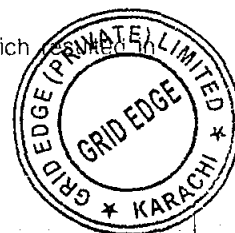
- 13.1 This denotes revenue in respect of energy sales to P&G.

- 13.2 Includes un-billed revenue amounting to Rs. 2,822,256 (2021: 2,357,245) for December 2022 invoice.

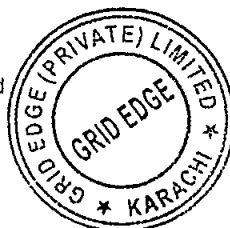
	2022	2021 (Restated)
	-----Rupees-----	
<b>14. COST OF REVENUE</b>		
Operation and maintenance expense (note 14.1)	3,404,719	2,200,239
Penalty on short delivery (note 14.2)	-	7,450,374
Cost of units produced during testing phase	-	1,491,131
Salaries and allowances	293,706	212,599
Depreciation (note 3.1)	11,423,515	7,354,866
Insurance	194,729	110,845
	<u>15,316,669</u>	<u>18,820,054</u>

- 14.1 This represents charges in respect of O&M agreement with the Holding Company.

- 14.2 This represents penalty imposed by P&G in 2021 for late commissioning of plant which resulted in short production of committed units.



	2022	2021
	-----Rupees-----	
<b>15. ADMINISTRATIVE EXPENSES</b>		
Salaries and allowances	1,682,784	1,678,495
Rent	745,045	820,743
Electricity, gas & water	62,892	34,812
Printing & stationary	168	2,398
Communication	11,500	18,929
Auditor's remuneration (note 15.1)	383,584	247,670
Fees and subscription	440,080	246,164
Legal and professional expenses	442,500	350,250
Others	240,813	586,157
	<u>4,009,366</u>	<u>3,985,618</u>
<b>15.1 Auditor's remuneration</b>		
Fee for:		
- audit of statutory financial statements	207,008	149,800
- special certifications and other assurance services	150,000	73,710
	<u>357,008</u>	<u>223,510</u>
Reimbursement of expenses and taxes	26,576	24,160
	<u>383,584</u>	<u>247,670</u>
<b>16. OTHER INCOME</b>		
Interest income on short-term investment	<u>1,799,973</u>	<u>656,985</u>
<b>17. FINANCE COST</b>		
Mark-up on:		
- payable to the Holding Company	7,427,702	3,408,858
- long-term loan	6,334,756	4,435,856
Amortization of transaction cost	381,028	244,276
Bank charges (note 17.1)	396,904	94,616
	<u>14,540,390</u>	<u>8,183,606</u>
<b>17.1</b> It includes Rs. 396,000 (2021: Nil) written off during the year.		
	<b>2022</b>	<b>2021</b>
		(Restated)
	-----Rupees-----	
<b>18. LOSS PER SHARE - BASIC AND DILUTED</b>		
There is no dilutive impact on the basic loss per share of the Company, which is based on:		
Loss for the year	<u>(2,332,566)</u>	<u>(7,385,219)</u>
	-----Number of shares-----	
Weighted average number of ordinary shares	<u>3,720,000</u>	<u>3,503,014</u>
	-----Rupees-----	
Loss per share - basic and diluted	<u>(0.63)</u>	<u>(2.11)</u>



	2022	2021
	-----Rupees-----	
19. CASH AND CASH EQUIVALENTS		
Cash and bank balances (note 7)	9,654,722	6,685,834
Short-term investment (note 6)	1,524,796	1,760,367
	<u>11,179,518</u>	<u>8,446,201</u>

20. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged during the year in respect of remuneration, including all benefits, to the chief executive, directors and executives of the Company are as follows:

	-----2022-----		-----2021-----	
	Chief Executive	Executives	Chief Executive	Executives
	-----Rupees-----			
Managerial remuneration	<u>799,183</u>	<u>293,641</u>	<u>754,365</u>	<u>464,809</u>
Number of persons	<u>1</u>	<u>4</u>	<u>1</u>	<u>2</u>

20.1 This denotes amount charged by the Holding Company in respect of shared remuneration of Chief Executive Officer and Executives.

20.2 No amount has been paid or charged in respect of any directors of the Company. The number of directors are two (2) [2021: two (2)].

	2022	2021
	-----Rupees-----	

21. FINANCIAL INSTRUMENTS BY CATEGORY

21.1 Financial instruments as per the statement of financial position

- At amortized cost

Cash and bank balances	9,654,722	6,685,834
Trade debts	8,887,880	12,447,715
Short-term investment	22,145,475	12,362,308
Security deposits	12,500	12,500
Other receivables	59,139	-
	<u>40,759,716</u>	<u>31,508,357</u>

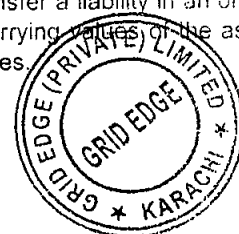
21.2 Financial liabilities as per the statement of financial position

- At amortized cost

Long-term loan	119,235,169	133,244,601
Trade and other payables	45,903,770	44,038,628
Accrued mark-up	12,361,356	5,212,722
	<u>177,500,295</u>	<u>182,495,951</u>

22. FAIR VALUE MEASUREMENT

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. The carrying values of the assets and liabilities reflected in the financial statements approximate their fair values.



Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

## 23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 effective 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 management under policies approved by the Board of Directors

### a) Market Risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

#### (i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant currency risk on obligations therefore, the Company's income and operating cash flows are substantially independent of changes in foreign exchange rates.

#### (ii) Interest 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 has a long-term loan (note 9) at fixed rate of 5% which exposes the Company to fair value interest rate risk. However, changes in rates do not affect the Company's performance as the loan is carried at amortized cost.

#### (iii) Other price risk

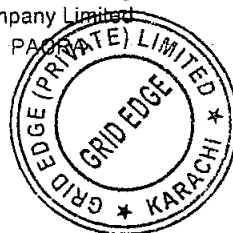
Other price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not currently exposed to price risk as it has no financial instruments which are sensitive to price.

### b) Credit Risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge their obligations.

Credit risk arises from deposits with banks and financial institutions and trade debts. The maximum exposure to credit risk is equal to the carrying amount of financial assets. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings as follows:

Name of bank	Rating agency	Ratings	
		Short term	Long Term
Pak Oman Investment Company Limited	VIS Credit Rating	A-1+	AA+
US Bank Limited	Company Limited	A-1+	AA-



## c) Liquidity Risk

Liquidity risk represents the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's liquidity management involves projecting cashflows and considering the level of liquid assets necessary to meet these by maintaining sufficient cash and marketable securities, and availability of funding through an adequate amount of credit facilities. Further, the Company monitors balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	2022		Total
	Maturity upto one year	Maturity after one year	
	Rupees		
Long-term loan	20,189,025	128,620,456	148,809,481
Trade and other payables	45,903,770	-	45,903,770
Accrued mark-up	12,361,356	-	12,361,356
	<u>78,454,151</u>	<u>128,620,456</u>	<u>207,074,607</u>

Particulars	2021		Total
	Maturity upto one year	Maturity after one year	
	Rupees		
Long-term loan	20,866,163	144,867,360	165,733,523
Trade and other payables	44,038,628	-	44,038,628
Accrued mark-up	5,212,722	-	5,212,722
	<u>70,117,513</u>	<u>144,867,360</u>	<u>214,984,873</u>

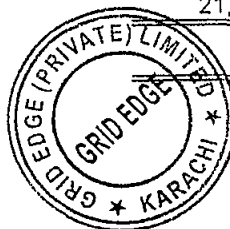
## 24. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and to maintain an optimal capital structure to minimize the cost of capital. The Company manages its capital structure and may make adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the dividend payouts to shareholders.

Under the Re-Term Finance Agreement with Pak Oman Investment Company Limited, the Company is required to comply with certain financial ratios.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

	2022	2021
	Rupees	
Total borrowings	<u>119,235,169</u>	<u>133,244,601</u>
Total equity	<u>21,723,568</u>	<u>24,056,134</u>
Gearing ratio	0.85	0.85



2022

2021

-----KwH-----

## 27. AVERAGE ENERGY OUTPUT AND ACTUAL PRODUCTION

Average Energy Output (annual)	2,909,049	2,922,371
Actual Production	3,045,904	1,854,607

27.1 Output produced by the plant is dependent on the plant's efficiency and higher solar irradiation fall.

## 28. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison the effects of which are not material.

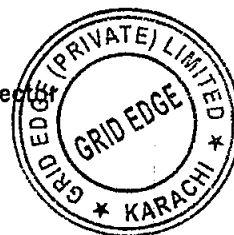
## 29. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

M. J. Khan

Chief Executive

Director



**5.**

**Form A**

**&**

**Form 29**



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 CUILV. Registration Number) 0122474

1.2 Name of the Company GRID EDGE (PRIVATE) LIMITED

1.3 Fee payment details  
1.3.1 Chetan No E-2023-1508503 1.3.2. Amount 1000.0

1.4 Form A made upto dd mm yyyy 05/06/2023

1.5 Date of AGM 17/05/2023

## PART-II

## Section A

2.1 Registered Office Address Dawood Centre M.T. Khan Road Karachi Karachi south Sindh 75630

2.2 Email Address company.secretary@dawoodhercules.com

2.3 Office Tel. No 021-35686001

2.4 Office Fax No 021-35633970

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) 03008495892

2.7 Authorized Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		500,000,000.00	

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		37,200,000.00	

## 2.9 Particulars of the holding /subsidiary company, if any

Name of Company	Holding/Subsidiary	% Shares Held
Reon Energy Limited	0089881	99.99

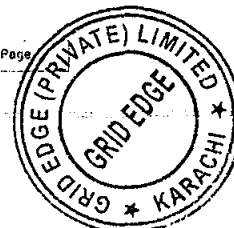
## 2.10 Chief Executive

Name Mujibza Heider Khan

Address Bhayani Sunview, Gulshan-e-Iqbal, House No. 124, Block 11, Karachi Central Pakistan Karachi

NIC No 4220104922121

Next Page



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**2.11 Chief Financial Officer**

Name

Address

NIC No

**2.12 Secretary**

Name

Address

NIC No

**2.13 Legal Advisor**

Name

Address

NIC No

**2.14 Particulars of Auditors**

Name

Address

**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**

S#	Name of Director	Residential Address	Nationality	NIC (Passport No. if foreigner)	Date of appointment /election	Name of Member/Creditors nominating/appointing
1	Mujtaba Haider Khan	Bhayani Sunview, Gulshan-e-Iqbal, House No. 124, Block 11, Karachi Central-Pakistan-Karachi-Sindh-Pakistan	Pakistan	4220104922121	30/04/2022	
2	Zamin Zaidi	House No 56/2, Street No 3, Khayaban-e-Momin Phase 5 DHA, Karachi	Pakistan	4230160200579	30/04/2022	



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

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S#	Folio#	Name *	Address	Nationality	No of shares	Per	Part of foreigner
<b>Members</b>							
03		Mujtaba Haider Khan	Bhayani Sunview, Gulshan-e-Iqbal, House H	Pakistan		1	
04		Reon Energy Limited	Dawood Centre, M. T. Khan Road, Karachi	Pakistan	3719998		
05		Zakir Z. J.	House No. 56/2, Street No. 3, Khayaban-e-N	Pakistan		1	
<b>Debenture Holders</b>							

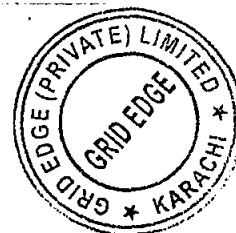


42307c0200079

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 along with the name of the member or debenture holder.

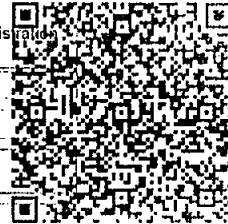
Previous Page

Next Page



## 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				



## PART-3

## 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

Imran Chagani

Secretary

## 3.3 Signatures

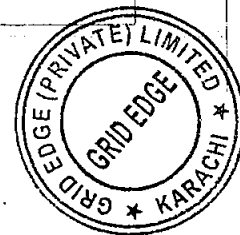
Electronically signed by Imran Chagani

## 3.4 Registration No of Authorized Intermediary, if applicable

Day Month Year

## 3.5 Date

19/06/2023



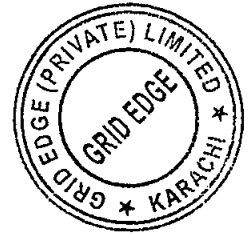
Previous Page

Next Page



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Previous Page



**THE COMPANIES ACT, 2017**  
**THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018**  
 [Section 197 and Regulations 4 and 20]  
**PARTICULARS OF DIRECTORS AND OFFICERS, INCLUDING THE CHIEF EXECUTIVE,  
 SECRETARY, CHIEF FINANCIAL OFFICER, AUDITORS AND LEGAL ADVISER OR OF  
 ANY CHANGE THEREIN**

**PART-I**

CUIN (Incorporation Number) **0122474**

Name of Company **GRID EDGE (PRIVATE) LIMITED**

Fee Payment Details

1. Challan Number **F-2023-1504625** 1.3.2 Amount **2000.0**

**Particulars\*****1. New Appointment/Election**

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation** * (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointment or change / any other remarks (i)	Nature of directorship (nominee/indepen- dent/additional/ other) (j)
A. F. Ferguson and Co., Chartered Accountants	N/A	N/A	State Life Building Plot 1-C, I.I. Chundrigar Road, Karachi	Auditor	Pakistan	None	27/05/2023	Re- Appointment /	

**2. Ceasing of Officer/Retirement/Resignation**

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation** * (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointment or change / any other remarks (i)	Nature of directorship (nominee/indepen- dent/additional/ other) (j)

**3. Any other change in particulars relating to columns (a) to (g) above**

Present Name in Full (a)	NIC No. or Passport No. in case of Foreign National (b)	Father / Husband Name (c)	Usual Residential Address (d)	Designation (e)	Nationality** (f)	Business Occupation** * (if any) (g)	Date of Present Appointment or Change (h)	Mode of Appointment or change / any other remarks (i)	Nature of directorship (nominee/indepen- dent/additional/ other) (j)

\* In the case of a firm, the full name, address and above mentioned particulars of each partner, and the date on which each became a partner.

\*\* In case the nationality is not the nationality of origin, provide the nationality of origin as well.

\*\*\* Also provide particulars of other directorships or offices held, if any.

\*\*\*\* In case of resignation of a director, the resignation letter and in case of removal of a director, member's resolution be attached

\*\*\*\*\* In case of a director nominated by a member or creditor the name of such nominating or appointing body shall also be mentioned in column (j). and a copy of resolution from the nominating or appointing body be attached

**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, wherever applicable

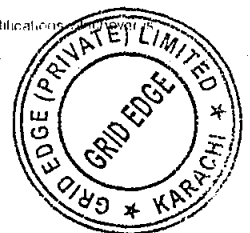
3.2 Name of Authorized Officer with designation/ Authorized Intermediary **Imran Chagani** Secretary

3.3 Signature

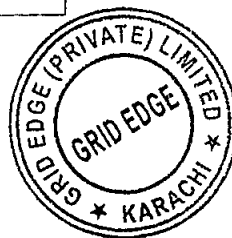
Electronically signed by Imran Chagani

3.4 Date (DD/MM/YYYY)

14/06/2023



3.5 Registration No of Authorized Intermediary, if applicable



# **6.**

# **Profile of**

# **Experience of**

# **Applicant**



## Applicant profile

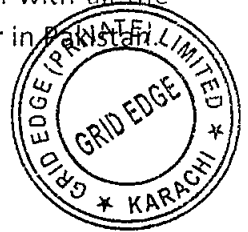
### Grid Edge Private Limited

The applicant Grid Edge Private Limited is power purchase agreement arm of Reon Energy Limited.

The electricity market is changing fast. Technology advancements, evolving consumer preferences, and new policies are leading to a surge of adoption of solar, energy storage, microgrids, electric vehicles, and other new energy technologies. These distributed energy resources are forcing new models to rethink how the energy market works, consequently, new models for customer energy management, grid infrastructure and electricity market design are arising to address these changes.

The Company, has been incorporated to bring innovation in the energy market by providing power purchase agreements via renewable technologies to private sector and public-sector customers in Pakistan by setting up Solar PV plants on the site of the customer by offering hybrid or grid tied solutions.

This allows savings on transmission infrastructures to the government of Pakistan and allows customers to take advantage of cheaper renewable power without having to undertake expensive capex on its own accord as asking clients to undertake expensive capex on technology, which has capacity risk, has inhibited the growth of this industry in Pakistan even with all the great effort of NEPRA and Ministry of Water and Power to unlock the value of Solar in Pakistan.



## Profile of Experience of Applicant

### **Mujtaba Haider Khan**

#### **Chief Executive Officer**

Mujtaba is CEO of Reon Energy Limited and Grid Edge since 2016 and has also served as the Head of Strategy for Dawood Hercules Corporation Limited. Before that, he worked as the Head of Strategy and Transformation for BT Fleet, a wholly owned subsidiary of British Telecom in London. Mujtaba has led BT in a range of commercial and transformation roles including as Project Director in Global Services Division and as the Head of Procurement for the UK wide fiber rollout program. Mujtaba holds his BS in Computer Systems Engineering and an MBA from Cranfield School of Management. His area of expertise includes Growth Strategy, Start-up, and Cost Transformation.

### **Inam-ur Rehman**

#### **Director**

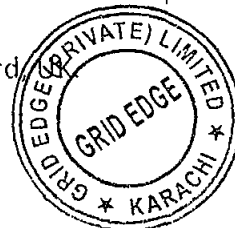
Inam ur Rahman is currently the Chief Executive Officer of Dawood Hercules Corporation. In the recent past, he has led the renewable businesses of the group as CEO of Reon Energy Limited and has set up a 50MW wind power plant Tenaga Generasi Limited. With more than 25 years of professional experience Mr. Rahman has expertise across a spectrum of industries including renewable energy, foods, textiles, fashion & apparel, lifestyle, and business consulting. His present portfolio of directorships includes Engro Corporation Limited and Cyan Limited. He has earlier also served as a director on the Boards of Sui Northern Gas Pipelines Limited, Dawood Lawrencepur Limited, Sind Engro Coal Mining Company, Laraib Energy Limited, SACH International Limited, and Pebbles Private Limited.

### **Shahid Hamid Pracha**

#### **Chairman of Reon**

Shahid previously served as Chief Executive Officer of the Dawood Hercules Corporation Limited, and Dawood Foundation. Prior to joining the Dawood Group, he spent a major part of his career with ICI Plc's Pakistan operations in a variety of senior roles including a period of international secondment with the parent company in UK. He is also a founding member of the Pakistan Society for Human Resource Managers and previously served as the first CEO of the Karachi Education Initiative, the sponsoring entity of the Karachi School of Business & Leadership.

Shahid holds a degree in electrical engineering from the University of Salford.



**Abdul Samad Dawood**  
**Director**

Samad is a graduate in Economics from University College London, UK and a Certified Director of Corporate Governance from the Pakistan Institute of Corporate Governance. He is Chairman of Engro Foods Limited and Director on the Boards of Dawood Hercules Corporation Limited, Dawood Lawrencepur Limited, The Hub Power Company Limited, Engro Corporation Limited and Engro Fertilizers Limited.

Samad is a member of Young Presidents' Organization, Pakistan Chapter.

**Syed Dayab Hussain**  
**Project Manager**

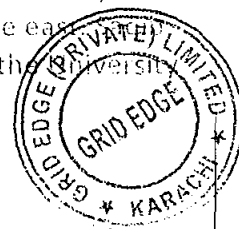
Dayab has been working at company for 8 years. He started his career as application Engineer and managed different scale of projects as project manager. His core areas of expertise are integration of solar with different sources and study its impacts on practical load profiles at different industrial sectors. His current responsibilities are evaluating large scale Solar projects up to 10MW from technical point of view and compile complete technical work packages for submitting applications for GL and PPAs. Dayab is has also led the design and engineering for SECMC 5MW Solar PV plant and will also be heading the same project.

**Salman Saeed Khalili**  
**Vice President Banking and Telecom**

Salman has over a decade of experience in the global telecom industry. His last role was with LCC MENA as Regional Manager – Strategic Initiatives. Salman's area of expertise involves plan, design, and execution of customized engineering solutions, products and services for telecom towers. Salman's on-going work in energy transformation has created extensive savings in operational expenditure and carbon for multiple networks. He is the first to introduce Energy as a Service Model in Pakistan. Salman holds a bachelor's in computer engineering from Bahria University, Karachi, Pakistan.

**Saqib Zaidi**  
**Head of Operations**

Saqib has over a decade of experience in digital transformation & operations strategy, change management, and customer-centric process design & implementation. He has previously worked with Siemens for 6 years and other renowned organizations in the middle east. He holds a bachelor's degree from NED University and a postgraduate degree from the University of Liverpool.



**Sana Rizwan**

**Quality, Health, Safety and Environment Specialist**

Sana is one of the pioneer female advocates of renewable energy in Pakistan and has been associated with the renewable energy industry since 2010. She started her career as an Energy Auditor and later went onto becoming Pakistan's first female solar engineer. Her milestone projects at Reon include leading the delivery for solar at 180 plus telecom towers across region and for one of Pakistan's largest distributed captive power project at Fauji Cement.

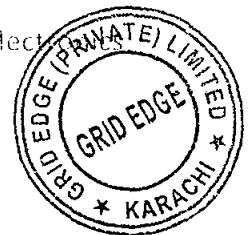
Sana holds a bachelor's and master's from NED University of Engineering and Technology, Karachi.

**Zohaib Naeem**

**Product Manager**

Zohaib holds over decade of experience in Research & Development. He has worked on diversified products ranging from power electronics, SCADA, Automation, renewable systems & software platforms and has successfully launched products in multiple domains including telecom, and energy. His expertise includes new product development, IoT and current solutions optimization.

Zohaib holds a master's degree in Engineering Management and a Bachelor's in Elect from NED University, Karachi.



# **7.**

# **Technical & Financial Proposal**

# PROSPECTUS

## A brief introduction of the applicant

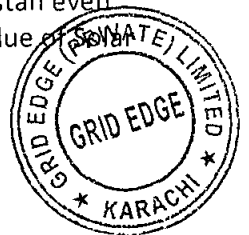
### Grid Edge Limited

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# Salient Features

## Project Rationale:

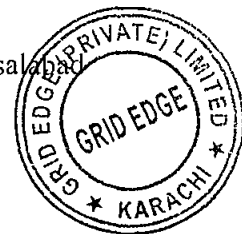
- On site affordable energy production from solar plant to partially meet energy needs
- Sustainable energy source in line with triple bottom line impact for client
- Capex free deployment under power purchase agreement for 15 years
- Reliance on localized energy sources and hedge for the term of the contract for 15 years

## Technology:

- Solar based Power Generation System, civil structures, and auxiliaries.
- Complete Solar Based Power Generating Panels with their protection, instrumentation, monitoring, control and synchronizing panels with existing power sources
- All technical parameters covered including but limited to Net Efficiency, Net Output, Power Plant Availability, Construction of Power Plant Building including all facilities as well as all related sub-systems such as:
  - o Plant Ventilation and air-conditioning in office and similar areas,
  - o Electrification and lighting systems
  - o Emergency Lighting System, etc.
  - o Fire Protection System
- The installed system shall meet applicable codes and standards. Safety signage and labelling should be mounted on the system as required
- All Solar Panels shall be made of Crystalline Silicon solar cells
- All the electrical installations and wiring for the PV system in accordance with codes and standards

## Project Location:

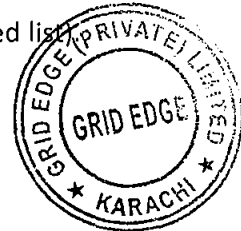
The Solar Plant will be located within the Crescent Textile factory in Faisalabad



## Operations and Maintenance:

The project also includes 24/7 O&M of the complete Power Plant including all its related systems and equipment. The O&M services shall be carried out for a period of 15 years (180 Months) and shall include but not be limited to the following items and their related costs, inclusive of all importation and local charges, duties, taxes, etc.

- Provision of all manpower as duly approved by the Company.
- Provision of all consumable material and parts.
- Provision of all routine and preventive maintenance parts. (Bidders are required to provide a priced list).
- Full costs relating to any repairs and replacements due to defects in the or break down of the equipment and systems strictly in accordance with OEMs requirements. The cost shall also include all dismantling, handling, shipment, etc.
- Provision of all emergency spare parts as per the recommendations of the OEMs or as directed by the Company. (Bidders are required to provide a priced list).

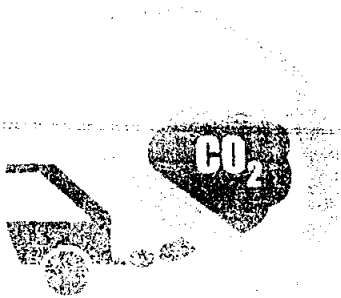




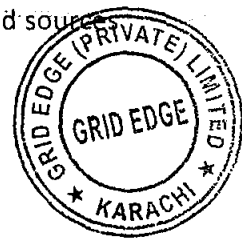
## Feasibility & Financing:

The Project will cost approximately cost PKR 240 Million funded through 25% equity and 75% debt through SBP Green Financing

## Environmental Benefits:



This system will help curtailing CO<sub>2</sub> emissions by 2,500 tonnes a year. A life cycle assessment of the CO<sub>2</sub> produced by solar PV is 40g per kWh as opposed to 700g CO<sub>2</sub> per kWh for diesel fuel/grid source.



# **8.**

# **Feasibility**

# **Study**

# FEASIBILITY STUDY

## A brief introduction of the applicant

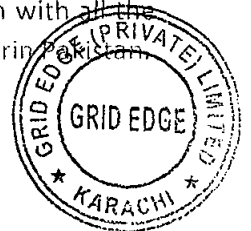
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## Introduction to Solar:

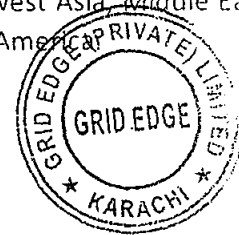
Solar power is the conversion of energy from sunlight into electricity, either directly using photovoltaics (PV), indirectly using concentrated solar power, or a combination. Concentrated solar power systems use lenses or mirrors and tracking systems to focus a large area of sunlight into a small beam. Photovoltaic cells convert light into an electric current using the photovoltaic effect.

Photovoltaics were initially solely used as a source of electricity for small and medium-sized applications, from the calculator powered by a single solar cell to remote homes powered by an off-grid rooftop PV system.

As the cost of solar electricity has fallen, the number of grid-connected solar PV systems has grown into the millions and utility-scale solar power stations with hundreds of megawatts are being built. Solar PV is rapidly becoming an inexpensive, low-carbon technology to harness renewable energy from the Sun.

The productivity of solar power in a region depends on solar irradiance, which varies through the day and is influenced by latitude and climate.

The locations with highest annual solar irradiance lie in the arid tropics and subtropics. Deserts lying in low latitudes usually have few clouds and can receive sunshine for more than ten hours a day. These hot deserts form the Global Sun Belt circling the world. This belt consists of extensive swathes of land in Northern Africa, Southern Africa, Southwest Asia, Middle East, and Australia, as well as the much smaller deserts of North and South America.

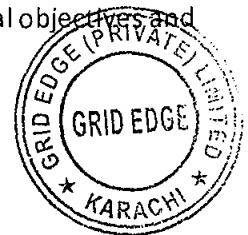


## Solar Potential in Pakistan:

There is an increasing demand for power in the domestic, commercial, and industrial sectors as Pakistan's population and its economy continue to expand. Currently, electricity consumption is severely suppressed by increasing tariffs, supply shortfalls and infrequent load shedding, and there also exist significant levels of latent demand in the country as rising income levels allow more people to switch to electricity from using traditional fuels or captive power.

Pakistan's per capita electricity consumption is currently significantly lower in comparison to other countries in a similar development stage, and much below that of OECD countries. Per capita electricity consumption is strongly correlated with the human development index (HDI), and the current trends of rising incomes and energy supplies, falling poverty levels, and increasing economic activity are predicted to lead to rapid increases in per capita consumption rates in Pakistan, creating a healthy demand for additional power generation.

Even with the projected surplus in power generation capacity by 2025, there will still be sufficient economic feasibility for small and medium-sized (1-50 MW) renewable energy-based power projects in the Pakistan, especially those located near remote and isolated load centers and extremities of the grid network or based on bilateral bulk contracts or for augmenting peak supplies on the grid. The viability of such projects will be further enhanced by the continued decline in technology prices and the emphasis by the government on indigenous energy resources that also help the country meet its environmental objectives and reduce carbon emissions.



# The type and details of the services proposed

## Project Rationale:

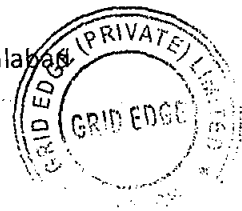
- On site affordable energy production from solar plant to partially meet energy needs
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- Reliance on localized energy sources and hedge for the term of the contract for 15 years

## Technology:

- Solar based Power Generation System, civil structures, and auxiliaries.
- Complete Solar Based Power Generating Panels with their protection, instrumentation, monitoring, control and synchronizing panels with existing power sources
- All technical parameters covered including but limited to Net Efficiency, Net Output, Power Plant Availability, Construction of Power Plant Building including all facilities as well as all related sub-systems such as:
  - o Plant Ventilation and air-conditioning in office and similar areas,
  - o Electrification and lighting systems
  - o Emergency Lighting System, etc.
  - o Fire Protection System
- The installed system shall meet applicable codes and standards. Safety signage and labelling should be mounted on the system as required
- All Solar Panels shall be made of Crystalline Silicon solar cells
- All the electrical installations and wiring for the PV system in accordance with codes and standards

## Project Location:

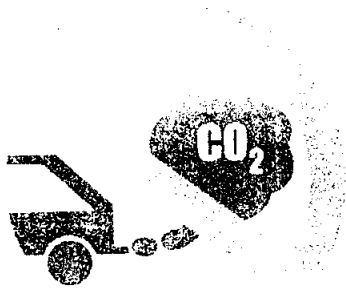
The Solar Plant will be located within the Crescent Textile factory in Faisalabad



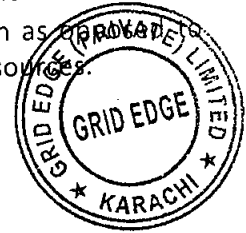
## Feasibility & Financing:

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## Environmental Benefits:



This system will help curtailing CO2 emissions by 2,500 tonnes a year. A life cycle assessment of the CO2 produced by solar PV is 40g per kWh as compared to 700g CO2 per kWh for diesel fuel/grid sources.



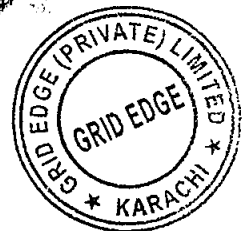
# LOCATION MAPS, SITE MAPS, LAND

## Location Map:

The Solar Plant will be located at Crescent Textile Mills, Sargodha Road, District Faisalabad, Punjab, Pakistan

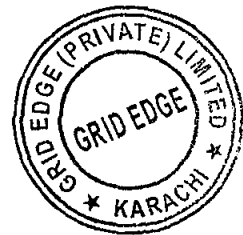
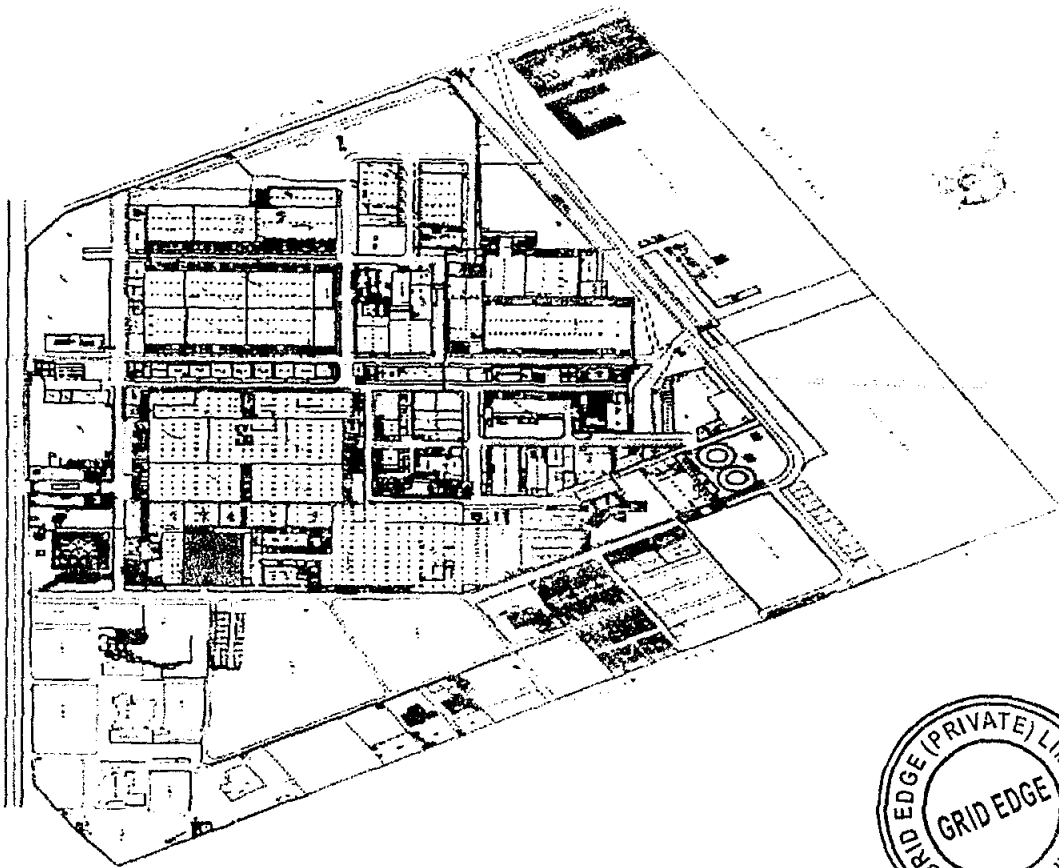


Crescent Textile mills





## Site Location and Layout:



# TECHNOLOGY, SIZE OF PLANT, NUMBER OF UNITS

## Technical Summary:

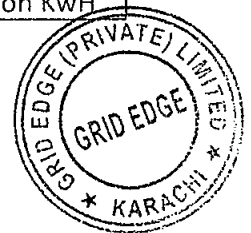
Monocrystalline 530W Solar Modules with efficiency 20.75% are used in the design  
110 KW grid connected solar inverters, 480V three phase, 98.7% have been considered  
System will be connected to the auxiliary load of the Existing factory  
Maximum AC output of the system is assumed to be 2600 KW.  
10 Acre Rooftop space required for Solar installation  
Output of the system is based on instantaneous Irradiation values of Solar Energy

## Bill of Materials:

S. No.	Components	Qty (No.)
1	Monocrystalline Solar Modules 530W	6512
2	Grid Connected Solar Inverters 110KW 3 Phase	26
	LV Panel IP42 MCCB	5

## Energy Generation:

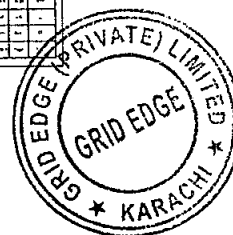
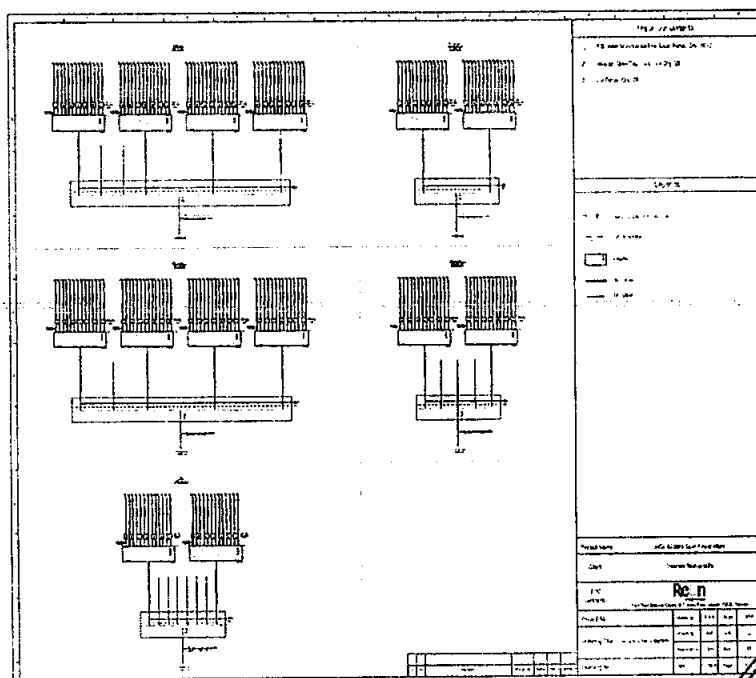
S. No.	Efficiency Parameters	
1	Performance Ratio of the System	82.3%
2	Capacity Utilization Factor	15.9%
3	Energy Generation Units	4.2 Million Kwh



## Technology & Number of Units:

S.No.	Parameters	
1	Technology	Solar Photovoltaic (SPV)
2	Size of Plant	3.00 MW
3	Solar Modules	Monocrystalline Solar Modules 530W Tier 1
4	Inverter	110kW Grid Connected Inverter
5	LV Panel	IP42- 400,1000,1200,1600A MCCB
6		

## Single Line Diagram:



## Fuel Type

- Solar Energy based Plant, no fossil fuel will be used for the generation.

## Emission Values

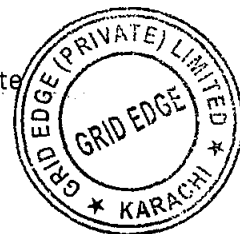
- There will be "NO" carbon emission by the generation of Solar Energy.
- This system will help curtailing CO<sub>2</sub> emissions by 2,500 tons a year. A life cycle assessment of the CO<sub>2</sub> produced by solar PV is minimal at 40g per kWh as opposed to 700g CO<sub>2</sub> per kWh for diesel fuel/grid sources

## Cooling Water Source

- Not Applicable for Solar Energy Plant.

## Interconnection with National Grid

- Not Applicable: Power generated is to be consumed on site



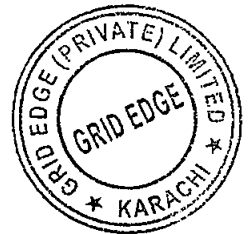
# Infrastructure

- The location is within the premises of existing unit of Crescent Textile Mills, Faisalabad to produce green energy by using solar panels and is easily accessible by all traffic. All utilities (electricity, water, boarding lodging and fuel) is readily available on site.

## Project cost, information regarding sources and amounts of equity, debt.

### Feasibility & Financing:

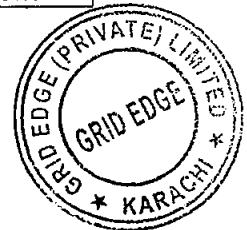
The Project will cost approximately PKR 240 Million funded through 25% equity and 75% debt through SBP Green Financing



# Project Commencement & Completion

This project will be completed in a period of 6 months after issuance of Generation License. Major activities of project involve Detailed Engineering Design, Procurement of Local and Imported Equipment, and Construction involving Civil, Electrical, and mechanical works. Major Milestones are:

S. No.	Major Milestone	Timeline
1	Detailed Engineering Design	1.0 month
2	Procurement	1.5 months
3	Construction	2.5 months
4	Commissioning and Testing	1.0 month



# System Studies, load flow, short circuit, stability, reliability



- System Studies:
- Not Applicable (MV scope excluded)

# Plant Characteristics

## Generation Voltage:

Solar Power plant will be generating AC power at Low voltage levels of 400V 4W+PE system and to be synced with existing generator/FESCO at Low voltage level.

## Power Factor & Frequency

CTL solar power plant is using solar grid connected string Inverters of 110KW each to covert DC power of solar panels to Alternating Power. Grid connected inverters have the functionality to adapt the power factor of existing diesel genset and grid. The range of Power Factor can be set from 0 – 1 leading /lagging, making it suitable for absorbing or delivering reactive power. The nominal power factor for Inverters is 0.995. Nominal Frequency of generation is 50Hz.

## Automatic Generation Control & Ramp Rate:

The Automatic Sustainable Controller (DEIF ASC-4) is a controller designed to serve as a link between sustainable power plant (Solar) and genset plants, combining them so they work as one common hybrid system. The concept of the ASC-4 is to maximize sustainable power penetration, depending on the total load demand to the hybrid without compromising constraints such as minimum genset load demand.

The ASC-4 Solar is the variant designed for PV control, and it enables integration of PV power and genset power. The PV plant is handled as a base loading power- and reactive power provider, not as a voltage- and frequency provider. Therefore, the ASC-4 only operates the PV in case either utility or a genset constitutes a grid to which the PV can dispatch power.

Ramp rate of inverters is the function of MPPT algorithm. Normally solar power is set to ramp up or ramp down the generation within the period of 5-10 seconds from 0 – 100 percent. Ramp rate can be adjusted according to the behavior of gensets over loading and unloading due to Solar power variations.





# Control, metering, instrumentation, and protection

## Automatic Generation Control & Ramp Rate:

The Automatic Sustainable Controller (DEIF ASC-4) is a controller designed to serve as a link between sustainable power plant (Solar) and genset plants, combining them so they work as one common hybrid system. The concept of the ASC-4 is to maximize sustainable power penetration, depending on the total load demand to the hybrid without compromising constraints such as minimum genset load demand.

The ASC-4 Solar is the variant designed for PV control, and it enables integration of PV power and genset power. The PV plant is handled as a base loading power- and reactive power provider, not as a voltage- and frequency provider. Therefore, the ASC-4 only operates the PV in case either utility or a genset constitutes a grid to which the PV can dispatch power.

Ramp rate of inverters is the function of MPPT algorithm. Normally solar power is set to ramp up or ramp down the generation within the period of 5-10 seconds from 0 – 100 percent. Ramp rate can be adjusted according to the behavior of gensets over loading and unloading due to Solar power variations.

## Metering and Protection:

The solar will be terminated at LT against each respective building. The Solar Panels are installed on the roof of factory building and are terminated at the 415V busbar.

Sensitivity Class for meter is 0.5s with bidirectional 4 quadrant calculations algorithm. Features including, total import and export units can be extracted over the period, TOD calculations, MDI, active and reactive power calculations, Et al.

The following Over and Under voltage protections are present in the system

- Short Circuit protections
- Earth Fault detection
- Over current protection



# Efficiency Parameters

PV power plant efficiency can be judged per its performance ratio, expressed as a percentage. This ratio compares a plant's actual energy production to its theoretical energy-generating potential and describes how efficient a PV power plant is in converting sunlight incident on the PV array into AC energy delivered to the utility grid. AS per IEC definition, Performance Ratio defines as.

$$\text{Performance Ratio} = \frac{Z1}{Z2} \div \frac{Z3}{Z4}$$

Where,

Z1 = Accumulated electricity generated during testing period (kWh)

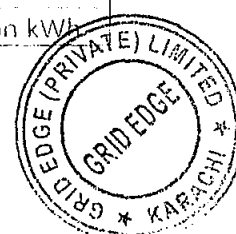
Z2 = Total system installed capacity (kWp)

Z3 = Accumulated irradiation during testing period (Wh/m2)

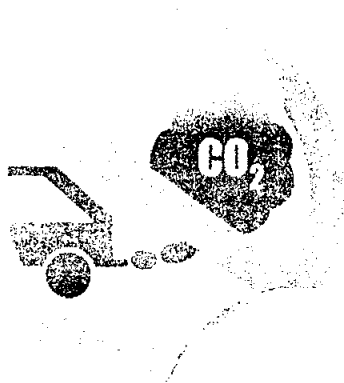
Z4 = Intensity of irradiance under STC condition = 1,000W/m2

## Energy Generation:

S. No.	Efficiency Parameters	
1	Performance Ratio of the System	82.3%
2	Capacity Utilization Factor	15.9%
3	Energy Generation Units	4.2 Million kWh



## The environmental impact of the facility, system or project:

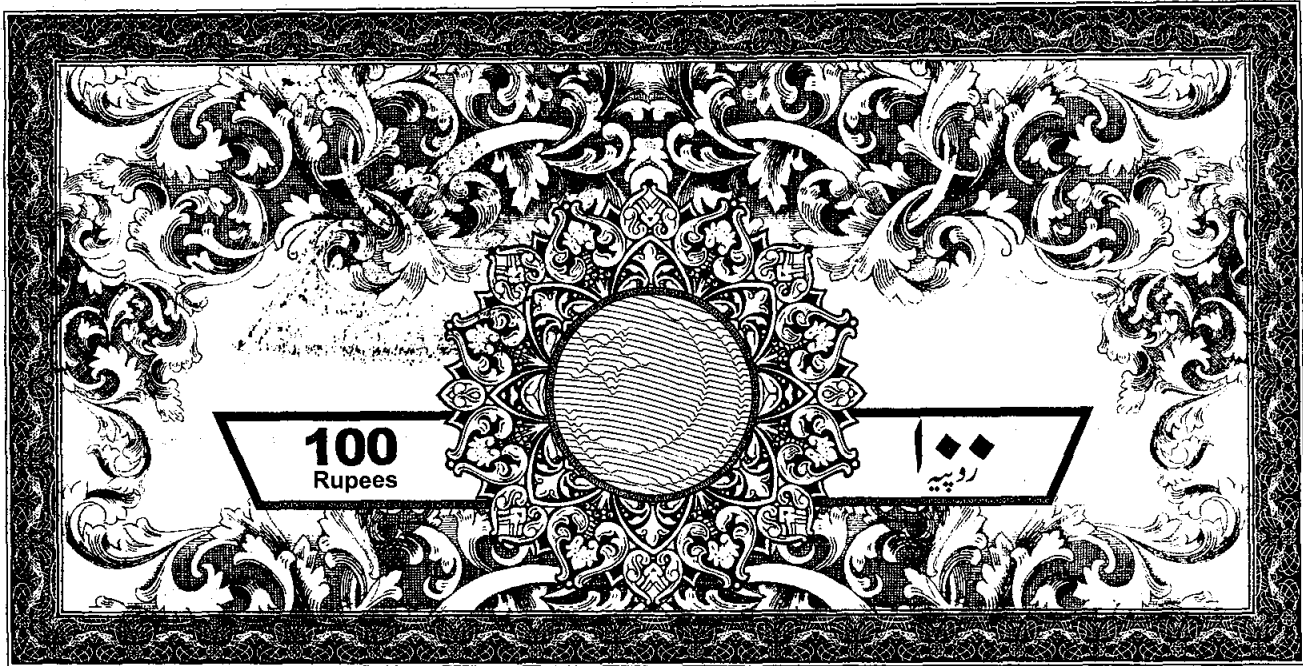


This system will help curtailing CO<sub>2</sub> emissions by 2,500 tonnes a year. A life cycle assessment of the CO<sub>2</sub> produced by solar PV is 40g per kWh as opposed to 700g CO<sub>2</sub> per kWh for diesel fuel/grid sources.

## ECONOMIC ANALYSIS:

- IEE and NOC from Environment Agency (Already submitted)





S. ABBAS ALI ZAIDI STAMP VENDOR  
Lic No. 17, C/O Seat # 34, Shed "A"  
City Court, Karachi Pakistan

RUPEES ONE HUNDRED ONLY

S. NO. 88587 DATE

28 FEB 2023

ISSUED TO WITH ADDRESS

THROUGH WITH ADDRESS

PURPOSE

IRFAN ALI SHAIKH  
Advocate

VALUE RS.

ATTESTED

STAMP VENDOR SIGNATURES

Leg # 445 KBA

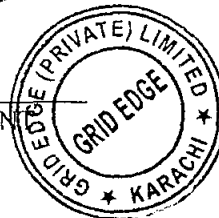
BEFORE THE NATIONAL ELECTRIC  
POWER REGULATORY AUTHORITY

AFFIDAVIT

I, Mujtaba Haider Khan, Chief Executive Officer of Grid Edge Limited, being the duly authorized representative of the Company, hereby solemnly affirm and declare that Grid Edge Private Limited GEPL has been granted generation license under the NEPRA Act for Crescent Textile Limited (CTL). The license number assigned is SGC/162/2022. This Generation License is the only active license GEPL holds in FESCO territory.

Grid Edge affirms that all the information provided in this affidavit is true and accurate and is willing to provide any additional documentation or answer any queries related to this affidavit upon request.

DEPONENT



Verification

Verified on oath at Karachi on 19<sup>th</sup> June 2023 that the contents of the above affidavit are true and correct to the best of my knowledge and belief.

**10.**

# **Authorized Statement**

# GRID EDGE (PRIVATE) LIMITED

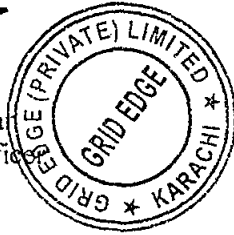
## Authorized Statement

Date: 20<sup>th</sup> June 2023

### BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

I, Mujtaba Haider Khan, Chief Executive Officer Grid Edge Limited (the Company), being the duly authorized representative of the Company, hereby solemnly affirm and declare that GEPL has not been refused any Generation License nor any is pending with NEPRA, to date.

Mujtaba Haider Khan  
Chief Executive Officer



---

Dawood Centre, M.T. Khan Road, Karachi-75950, Pakistan  
Telephone No.: 021-35632200 Fax No.: 021-35633970

# GRID EDGE (PRIVATE) LIMITED

## Extract of the Board of Directors Resolution Held on September 3, 2018

I, Mujtaba Haider Khan, Chief Executive of Grid Edge (Private) Limited, hereby certify that the following Resolution was passed by the Board of Directors on September 3, 2018.

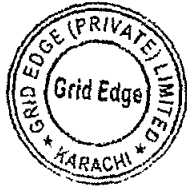
**"RESOLVED** that the Company shall proceed with all acts necessary to comply with the legal and regulatory requirements in relation to its business objects and activities.

**FURTHER RESOLVED** that Mr. Mujtaba Haider Khan, Chief Executive Officer has been duly authorized in file; (i) an application for grant of Generation License; (ii) any other clarification submission application petition or document in support thereof; (iii) to make any oral or written representations on behalf of the Company before the National Electric Power Regulatory Authority and any other body, organization, department judicial and quasi-judicial body in relation to the aforesaid filings and to do all other acts, deeds, things and matters as may be deemed expedient in giving effect to the aforesaid resolution.

**FURTHER RESOLVED** that Mr. Mujtaba Haider Khan, Chief Executive Officer may further delegate the aforesaid powers, in writing, to one or more persons, as deemed expedient from time to time."

Certified True Copy

Mujtaba Haider Khan  
Chief Executive

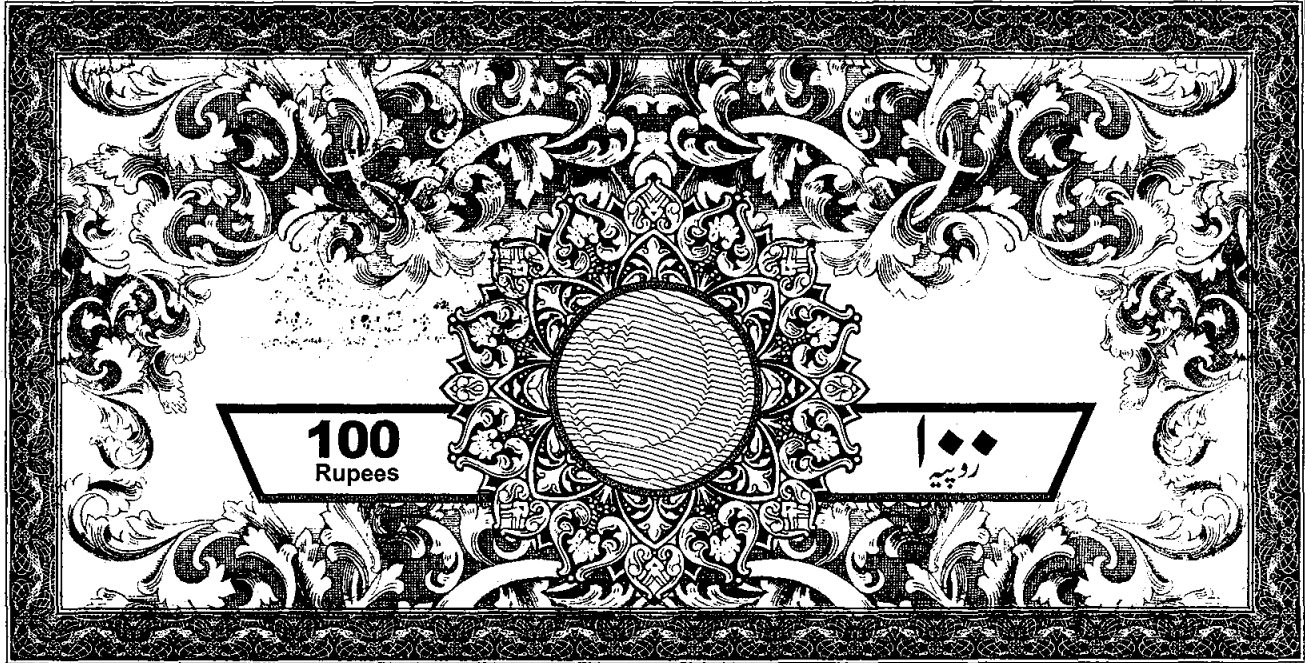


Dated: September 7, 2018

**12.**

**Affidavit-  
Correctness**





ABBAS ALI ZAIDI STAMP VENDOR  
Lic No. 17 C/O Seat # 34, Shed "A"  
Korangi, Karachi Pakistan

28 FEB 2023

RUPEES ONE HUNDRED ONLY

88588  
DATE \_\_\_\_\_  
MOVED TO WITH ADDRESS \_\_\_\_\_  
THROUGH WITH ADDRESS \_\_\_\_\_  
PURPOSE \_\_\_\_\_  
VENDOR SIGNATURES \_\_\_\_\_  
IRFAN ALI SHAIKH  
Advocate  
ATTESTED  
Leg # 445 KBA

BEFORE THE NATIONAL ELECTRIC  
POWER REGULATORY AUTHORITY

AFFIDAVIT

I, Mujtaba Haider Khan, Chief Executive Officer of Grid Edge Limited, being the duly authorized representative of the Company, hereby solemnly affirm and declare that the contents of the accompanying petition/application dated 19<sup>th</sup> June, 2023 including all supporting documents are true and correct to the best of my knowledge and belief and that nothing has been concealed.

I also affirm that all further documentation and information to be provided by me in connection with the accompanying petition shall be true to the best of my knowledge and belief.

DEPONENT

Verification

Verified on oath at Karachi on 19<sup>th</sup> June 2023 that the contents of the above affidavit are true and correct to the best of my knowledge and belief.

**13.**

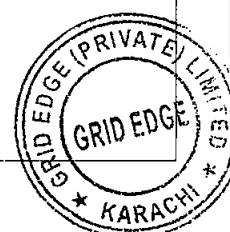
# **Schedule – III**

### SCHEDULE-III

The Location, Size (i.e. Capacity in MW), Type of Technology, Interconnection Arrangements, Technical Limits, Technical/Functional Specifications and other details specific to the Generation Facilities of the Licensee are described in this Schedule.

#### Relevant feeder maps Number of consumers and expected load

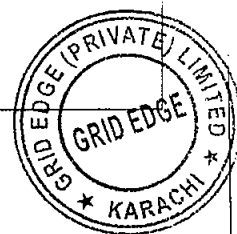
(i).	No. of Feeders	Two (02)
(ii).	Length of Each Feeder (Meter)	500-650 meter
(iii).	Length of Each Feeder to each Consumer	-do-
(iv).	In respect of all the Feeders, describe the property (streets, farms, Agri land, etc.) through, under or over which they pass right up to the premises of customer, whether they cross-over.	The underground cable supplying to BPC from the generation facility will be located on private property owned by BPC
(v).	Whether owned by GE, Consumer or DISCO-(deal with each Feeder Separately)	
	(a).	If owned by SEPCO, particulars of contractual arrangement
	(b).	Operation and maintenance responsibility for each feeder
(vi).	Whether connection with network of KE exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	Yes- B3(14)T consumers of FESCO



(vii).	Any other network information deemed relevant for disclosure to or consideration of the Authority.	NA
--------	--	----

**Consumer class/category, sub-category on the basis of sanctioned load and voltage level**

(i).	No. of Consumers	Two (02)
(ii).	Location of consumers (distance and/or identity of premises)	Crescent Textile Mills Limited Unit No-I & Unit No.-II, Sargodha Road, Noorpur, District Faisalabad, in the Province of Punjab
(iii).	Contracted Capacity and Load Factor for consumer	
		3.451 MW 10-15%
(iv).	Specify Whether	
	(a).	The consumer is an Associate undertaking of the GE -If yes, specify percentage ownership of equity;
	(b).	There are common directorships:
	(c).	Either can exercise influence or control over the other.
(v).	Specify nature of contractual Relationship	
	(a).	Between each consumer and GE.
	(b).	Consumer and KE.
(vi)	Any other network information deemed relevant for disclosure to or consideration of the Authority.	NA



**Procurement Plan for meeting expected loads (including own generation and/or long term and short-term PPAs, as the case may be)**

Grid Edge has signed a contract with Crescent Textile limited to Supply Electricity for its ownconsumption under 15 years contract. The procurement plan is agreed under the contractual agreement (attached).

**Tariff categories of consumer classes to be served**

	Consumer Tariff Category	Yes Existing Consumer of FESCO with Sanctioned Load of 4.75 MW & 4.90 MW
--	--------------------------	--

**Demand and consumption pattern on different time periods**

The monthly energy charge will be charged at a rate of Solar Tariff on fixed installment method  
System Size – 3,000 KW

Degradation Allowed per year = 0.7% (maximum) / annum. Prior to the commencement of each Operating Year, the Supplier, shall provide the actual degradation for the System in the previous Operating Year and which would be applicable in the coming Operating Year. Other than the second Operating Year specified above, the Supplier shall not be entitled to a year-to-year degradation of more than 0.7% from the previous Operating Year.

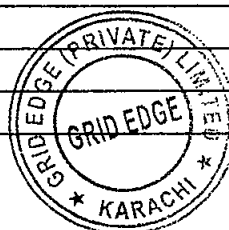
The cumulative Degradation over a period of the Term of the Agreement shall not be more than 0.7% on a cumulative basis.

The values of the Guaranteed Energy Output shall be adjusted and reduced according to the degradation factor notified by the Supplier in terms of the above paragraph.

Supplier shall provide forecast at the start of each Operating Year; on similar monthly variation as above

Estimated Production during the term:

Period	Annual Committed Generation & Annual Committed Consumption (Gwh)
Year 1	4.250
Year 2	4.220
Year 3	4.191
Year 4	4.161
Year 5	4.132
Year 6	4.103
Year 7	4.075
Year 8	4.046
Year 9	4.018
Year 10	3.990
Year 11	3.962



Year 12	3.934
Year 13	3.906
Year 14	3.879
Year 15	3.852

**Procurement Plan for meeting expected loads (including own generation and/or long term and short-term PPAs, as the case may be)**

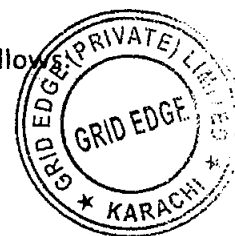
N/A

**12-month projections on expected load, number of consumers and expected sale of units for each consumer category**

Total number of consumers are 2,  
Crescent Textile Mills Limited Unit No-I & Unit No.-II, Sargodha Road, Noorpur, District Faisalabad, in the Province of Punjab.  
The COD of plant was achieved on 1st January 2023.

The total generation units that have been supplied to CTL are as follows:

Months	Units Sold MWH
January	160.1
February	194.32
March	355.54
April	422.11
May	437.09



**Projection for next months:**

Projection for next 12 months	Units to be Sold MWH
May	397
June	413
July	393
August	390
September	386
October	367
November	348
December	331

**5-year Investment Plan indicating schemes/models/framework for undertaking supply of electric power (including frameworks for providing non-discriminatory services and acquisition/sale of assets in relevant service territories)**

N/A

**Consumer Service Manual**

**Proposed service territory:**

The location is within the premises of existing unit of Crescent Textile Mills, Faisalabad to produce green energy by using solar panels and is easily accessible by all traffic. All utilities (electricity, water, boarding lodging and fuel) is readily available on site.

**Billing and collection procedures (including provisions for remote metering):**

GRID EDGE raises Invoices by end of each month to the client. The client can verify the generation units against which the invoices are raised by checking through energy meters or online portal. The rate against which the units are being charged has been agreed with the client through contract. Once the invoice is sent to the client; they deposit the amount in the bank account shared by GRID EDGE withing the next

**Ability to access consumer metering systems and other services/equipment:**

Grid Edge has installed 4 energy meters at the site. The energy produced can be verified by both parties through online portal as well where the total generated units are being displayed.

**Emergency provisions and protocols**

**Emergency response plan (ERP)**

**Purpose**

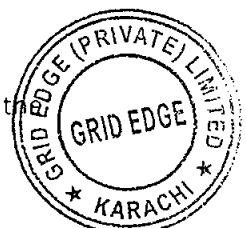
To describe responsibilities in preparation for, response to and recovery from any reasonably foreseeable incident.

**Priorities**

Secure the Health and Safety of all personnel involved Minimize any impact on the environment Minimize any impact on property and assets.

**Roles and Responsibilities**

(For events deemed to be major, CUSTOMER may be obliged, by its responsibilities under its Agreements with the Government, to assume control of emergency response activities. In



These circumstances the CUSTOMER Representative shall clearly advise GRID EDGE that CUSTOMER is assuming control and the GRID EDGE Project Manager will work under CUSTOMER Instruction).

For emergency response activities managed by GRID EDGE, key roles and responsibilities are Detailed below.

#### Emergency Response Team Leader (Project Manager)

The ERT Leader shall carry overall responsibility for GRID EDGE emergency response execution.

Key responsibilities shall include:

- Providing leadership and direction in the event of an emergency.
- Ensuring that emergency response planning, preparedness and execution is consistent With the requirements of CUSTOMER.
- Ensuring that appropriate emergency response teams are defined and prepared for the Various emergency response scenarios identified in this plan.
- Notification to CUSTOMER Project Manager of any emergency incident. This is a Mandatory requirement for all emergencies. Notification of an emergency incident should Be made via radio, telephone or messenger to CUSTOMER Operations CCR as soon as Practicable upon receiving advice of same.
- Following initial notification, liaison with CUSTOMER Project Manager during the Execution of any emergency response.

Mobilization of additional resources, third party assistance etc. Liaison with management.

#### Site Engineer HSE

Reporting to the ERT Leader, the Site Engineer HSE and/or his substitute is responsible for Ensuring at site that provisions are in place for emergency response, including:

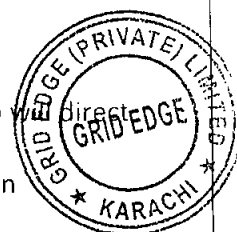
- Muster points.
- Arrangements for conducting head counts.
- Identification and Mobilization of the Fire Team.
- Setting up drills and exercises.
- Procurement of firefighting equipment.

In the event of any emergency the Site Engineer HSE or a member of the HSE team shall take the following actions:

- Shall attend the site of the incident, assess the situation and issue direction to the concerned parties and to the Fire Team.
- Ensure that messages have been communicated to The Emergency Response Team Leader.
- Evaluate the scale of the incident and decide whether additional resources are required to adequately deal with it.
- Liaise with site supervision for withdrawing any permits.
- Liaise with site supervision for the mobilization of any plant and equipment necessary for dealing with the emergency.
- Limit access to the area with barriers or other means to prevent unauthorized access.
- Co-ordinate the reinstatement measures following stabilization of incident.
- Prepare a full report.

#### Fire Team

- The fire team will be selected and trained appropriately.
- The Site Engineer HSE shall appoint a Fire Team Leader (and his substitute) who will be responsible for the Fire Team personnel under his control.
- The fire team leader will have had training and preferably previous experience in





emergency response actions.

- All the members of the fire team shall report to the Fire Team Leader.
- Appropriate training shall be provided to members of the fire team.
- An electrician or instrument specialist will be included in the fire team. His responsibility the electrical isolation of areas as necessary.

Firefighting appliances shall be maintained in accordance with their specifications. Sufficient redundancy shall be incorporated into the facilities to allow for periodic unavailability during maintenance. A designated member of the HSE Team shall regularly confirm that fire extinguisher and other appliances are recharged and maintained as appropriate.

#### General Considerations

Emergency response drills shall be conducted at least quarterly for each principal area i.e. camp and the work site, the observations and debrief notes shall be recorded. The Site Engineer HSE shall analyze the findings and identify any remedial actions required.

The emergency procedure shall be updated from time to time to reflect observations made.

- Training shall be conducted on regular basis for emergency response teams.
- The location of emergency facilities e.g., firefighting appliances shall be clearly identified on plans displayed at conspicuous locations.

Raising the alarm and plan activation

Activate the alarm and notify the ERT Leader.

Provide the following details:

- Location of the Incident.
- Natures of incident e.g., fire, number of injuries, etc.
- If it is a fire, state type - oil, gas, electric or other and state wind direction and strength.
- Identify yourself giving your name and telephone number or radio channel.

#### Alarm and Communication

Communication is a critical factor in handling an emergency. To control the situation by the earliest possible action, any employee must be able to act and raise an emergency alarm.

The assembly points shall be clearly indicated.

- On hearing an alarm all personnel shall vacate the workplace. Before leaving, each person shall ensure that the area is as safe as possible by switching off all power tools, running machines etc.
- All personnel shall muster at the assembly point as per the plan. The designated members of the HSE team shall provide guidance and assistance for mustering at the correct assembly point.
- The subcontractor's HSE team members shall take directions from the Site HSE coordinator.

#### Emergency Contacts List

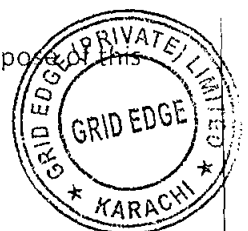
List of all emergency services contacts will be displayed at site, including contact numbers of ERT and key persons (Project Manager GRID EDGE, subcontractor Manager, Site HSE Engineer)

#### Incident response

Emergency situations occurring at the work site have the potential to cause serious injury, loss of life and property damage.

The following is a list of incidents that may be classed as emergencies for the purpose of this procedure:

- Scaffold collapse
- Fire involving fuels, gases and other materials
- Medical emergency / Serious Injury
- Failure of lifting equipment



- Pressure test failure
- Collapse of an excavation involving personnel
- Vehicle accidents
- Collapse of structures/steelwork
- Snake Bite

In an emergency, or on hearing the "Stop Work Alarm", every supervisor shall ensure the following:

- All work is stopped at once.
- All equipment is shut down and put in a safe place.
- All men are evacuated to a pre-determined assembly point in an orderly manner.
- Arrange best possible interim medical arrangements for patient or injured person during transfer to hospital or while attendance by doctor is being arranged.
- Ensure the presence of ambulance 24 hours with driver.
- Anti-Snake Venom must be present at site.
- A roll call is taken, and every man is accounted for, awaiting further instructions
- Keep the zone affected by the emergency clear and remove any vehicles that could cause a restriction to the emergency team

#### Evacuation

Activate the emergency alarm to evacuate the area safely and ensure that unnecessary personnel leave the site by a safe route. Assign someone to advise security to open the main gate for emergency vehicles.

