



GADOON TEXTILE MILLS LIMITED

Head Office : 6 A Muhammad Ali Housing Society, Abdul Aziz Hap Hashim Tabba Street, Karachi-75350, Pakistan.
Tel: (92-21) 35205479-80 Fax: (92-21) 34382436, 34546229 E-mail: secretary@gadoontextile.com Web: www.gadoontextile.com

10 October 2014

GTML/NEPRA/LPM/0001-2013

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

Subject: Application for Modification in Generation License No. SGC/91/2013 of 46.57 MW to 56.47 MW of Gadoon Textile Mills Limited

I, Abdul Sattar Abdullah, Executive Director Finance & Company Secretary, being the duly authorized representative of Gadoon Textile Mills Limited by virtue of Board Resolution dated 1 October 2014 (the "Petitioner"), hereby apply to the National Electric Power Regulatory Authority (the "Authority") for the modification of our Generation License from 46.57 MW to 56.47 MW pursuant, to Section 10 (2) of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999 (this "Petition").

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

A Bank Draft # [1824330] dated [10 October 2014] in the sum of Rs: 137,952/- (Rupees One Hundred Thirty Seven Thousand Nine Hundred Fifty Two Only), being the non-refundable license application fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations 1999, for the modification of the license, is also attached herewith.

Yours truly,
Gadoon Textile Mills Limited

Abdul Sattar Abdullah
Executive Director Finance
& Company Secretary





GADOON TEXTILE MILLS LIMITED

Registered


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EXTRACT OF RESOLUTION BY CIRCULATION
PASSED BY THE BOARD OF DIRECTORS OF
GADOON TEXTILE MILLS LIMITED (THE COMPANY)
DATED : OCTOBER 01, 2014

"RESOLVED THAT Mr. Abdul Sattar Abdullah (Executive Director Finance & Company Secretary) be and is hereby authorized to file in person or through a duly appointed legal council, an application for Proposed Modification in Generation License No.SGC/91/2013 on behalf of Gadoon Textile Mills Limited (GTML), before the National Electric Power Regulatory Authority (NEPRA) and to engage a legal counsel to represent the Company before the NEPRA, to pay necessary fee and to undertake all relevant matter(s) necessary or incidental thereto for processing, completion and finalization of the Proposed Modification."

Certified that the above resolution has been circulated on October 01, 2014 in Karachi and this is a true copy of the said resolution.

CERTIFIED TO BE TRUE COPY


Abdul Sattar Abdullah
Company Secretary



Ahsan Zahir Rizvi
Hasnain Naqvee
Yousaf Khosa
Bilal Shaukat
Nadir Altaf
Omer Soomro
Mazhar Bangash
Arshad Ali
Haroon Dugal
Mustafa Munir Ahmed
Mayhar Kazi

RIAALAW
ADVOCATES & CORPORATE COUNSELLORS
68, NAZIMUDDIN ROAD
SECTOR F-8/4, ISLAMABAD - 44000
PAKISTAN
Tel: (92 51) 2852427-30, 2851337
UAN: (92 51) 111-LAWYER
Fax: (92 51) 2850444
E-Mail: islamabad@riaalaw.com
www.riaalaw.com

Associated Offices:

RIAALAW China
RIAALAW Kabul
RIAALAW U.K.
A LexMundi Member

15 October 2014

Syed Safeer Hussain
Registrar

National Electric Power Regulatory Authority (NEPRA)
NEPRA House, G-5
Islamabad

Dear Sir,

Subject: COVER LETTER – Application for Modification in Generation License No. SGC/91/2013 FOR 45.57 MW TO 56.47 MW of Gadoon Textile Mills Limited

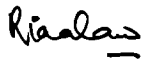
We write for and on behalf of our clients, the Gadoon Textile Mills Limited (the “Company”) and hereby submit the necessary documents for filling the Modification Petition pertaining to the Generation License SGC/91/2013, pursuant to Section 10 (2) of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999.

Please find enclosed hereto the necessary documents for filling the Modification Petition:

- i) Requisite Bank Draft in favor of NEPRA;
- ii) Cover Letter on part of the Company;
- iii) Extract of Board Resolution;
- iv) Modification Petition.

It is humbly requested that NEPRA would permit the following modification to be made and allow an increase in gross installed Capacity from 45.57 MW to 56.47 MW.

Sincerely,



RIAALAW

D-67, Block 4,
Clifton, Karachi
E-Mail: karachi@riaalaw.com
UAN: (92 21) 111-LAWYER

191-A, Shami Road
Cavalry Ground, Lahore Cantt.
E-Mail: lahore@riaalaw.com
UAN: (92 42) 111-LAWYER

Suite Nos. 2 & 4, 2nd Floor Cantonment Plaza
Fakhar-E-Alam Road Peshawar Cantt.
Email: peshawar@riaalaw.com
UAN: (92 91) 111-LAWYER

**BEFORE
THE NATIONAL ELECTRIC POWER
REGULATORY AUTHORITY**

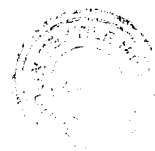
**PETITION FOR LICENSEE PROPOSED MODIFICATION OF
LICENSE No SGC/91/2013**

**ON BEHALF OF
GADOON TEXTILE MILLS LIMITED**

Dated: 10 October 2014

Submitted by:

Gadoon Textile Mills Ltd.	Legal Consultants
7-A, Muhammad Ali Society, Abdul Aziz Haji Hashim Tabba Street, Karachi-75350, Pakistan	RIAALAW Advocates & Corporate Counselors 68, Nazimuddin Road, F-8/4, Islamabad Tel: 051-111-LAWYER, Fax: 051-2850444 www.riaalaw.com



PETITION FOR LICENSEE PROPOSED MODIFICATION OF LICENSE No
SGC/91/2013

ON BEHALF OF
GADOON TEXTILE MILLS LIMITED

1. Petition:

Gadoon Textile Mills Limited in pursuance of *inter alia*, Regulation 10(2) of the (Application and Modification Procedure) Regulations, 1999 (the "AMPR") and other applicable provisions of the Regulation of Generation Transmission and Distribution of Electric Power Act, 1997 (the "Act"), Rules, Regulations and applicable documents submits this Licensee Proposed Modification Application (the "LPM") in respect of its Generation License # No. SGC/91/2013 (the "License").

Under Section 15 of the Act, NEPRA awarded a Generation License to Gadoon Textile Mills Limited for its Heavy Furnace Oil and Natural Gas based Thermal Generation Facility.

2. Gadoon Textile Mills Limited ("GTML" or the "Company")

- 2.1 GTML was established in 1988 and came into commercial production in 1990. GTML started production by producing Poly/Cotton yarn with 14,400 Spindles but later the Management expanded its production capacity by making huge investments. Over a period of 12 years the GTML capacity has increased to around 250,000 Spindles which are producing various types of yarns. Initially GTML was using raw cotton of Pakistani origin but now it is producing different varieties of yarn with Pakistani, Chinese, West African, Australian, Egyptian as well as Pima Cotton in Normal and Extra Long Staple in the count range from Ne 6/1 to Ne 170/1 and double of the same counts. GTML was sanctioned electricity connection of 05 MW in 1990 by then WAPDA (now PESCO) and a connection of 4.9MW in 2005.

3. About Yunus Group of Companies

- 3.1 GTML operates under the flagship of Yunus Brothers Group of Companies ("Group"), which is among the prestigious and progressive business houses of Pakistan, having diversified business interest including international commodities trading, manufacturing and exports of a wide variety and range of textile goods, cement production, export and power generation with a net worth in excess of USD \$900 Million and Turnover in excess of \$1,500 Million. Details if required can be furnished to the Authority.

- 3.2 The group is represented by various entities including:



- i. Lucky Cement Limited;
- ii. ICI Pakistan Limited;
- iii. Gadoon Textile Mills Limited;
- iv. Yunus Textile Mills Limited;
- v. Fazal Textile Mills Limited;
- vi. Lucky Textile Mills Limited;
- vii. Lucky Energy (Private) Limited;
- viii. Lucky Knits (Private) Limited;
- ix. YB Pakistan Limited;
- x. YB Holdings (Private) Limited;
- xi. Lucky Holdings (Private) Limited; and
- xii. Yunus Energy Limited.

4. Petitioner as Licensee of NEPRA

- 4.1 GTML obtained a generation license on 26th September 2013 to engage in generation business subject to and in accordance with the Articles of the License. Initially, the total gross installed capacity for which the license was issued was 46.57 MW. The generation is being carried out at Gadoon Amazai Industrial Estate, District Swabi, in the Province of Khyber Pakhtunkhwa. The term of the License is valid up to 25 September 2036.

In pursuance to the terms of the Generation License, the current Plant Configuration was:

(i).	Plant Size Installed Capacity (Gross ISO)	46.57					
(ii).	Type of Technology	Reciprocating Engines					
(iii)	Number of Units/Size (MW)	Unit No. 1-2	Unit No. 3-5	Unit No. 6-9	Unit No. 10	Unit No. 11-16	Unit No. 17
		2 x 3.75 MW each	3 x 4.10 MW each	4 x 3.65 MW each	1x 3.04 MW	6 x 0.965 MW	1x 3.34 MW
(iv).	Unit Make /Model/Year of Manufacture	Ssang Yong 18V28/3 2H	MAN B&W 18V28/ 32S	CATE-RPILL-AR CAT 3616G	GE-JENB-ACH-ER 620E01	CATERPILLER CAT-3516	GE-JENBACH-ER 620F101
		1998	2003	2002-2004	2005	1993-94	2011

(v).	Commissioning / Commercial Operation date (of each unit)	1999	2003	2003-05	2005	Re-commissioned in 2006	2012
(vi).	Minimum expected life of each unit of the Generation facility from its commercial operation/ Commissioning date	25 years	25 years	25 years	25 years	25 years	25 years
(vii).	Remaining Minimum expected life of each unit of the Generation facility from its commercial operation/ Commissioning date	10 Years	14 Years	14-16 Years	16 Years	05 Years	23 Years

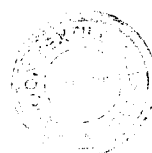
5. Modifications to be carried out:

- 5.1 Addition of 02 x GE Jenbacher JGS620E (3.04 MW each).
- 5.2 Addition of 01 x N3-19 Steam Turbine (2.66MW).
- 5.3 Addition of 02 x GE Jenbacher JGS320 (1.06MW each).
- 5.4 Removal of 01 x CAT3516 (0.965MW).



6. Reflection on Plant Configuration

(i).	Plant Size Installed Capacity (Gross ISO)	56.47 MW								
(ii).	Type of Technology	Reciprocating Engines and Steam Turbines								
(iii).	Number of Units/Size (MW)	Unit No. 1-2	Unit No. 4-6	Unit No. 3, 7, 8, 9	Unit No. 10	Unit No. 11, 12, 14, 15, 16	Unit No. 17	Unit No. 18-19	Unit No. 20, 21	STEAM TURBINE
		2 x 3.75 MW each	3 x 4.10 MW each	4 x 3.65 MW each	1x 3.04 MW	5 x 0.965 MW	1x 3.34 MW	2x 3.04 MW	2x 1.067 MW	1x 2.66 MW
(iv).	Unit Make /Model/Year of Manufacture	Ssang Yong 18V28 /32H	MAN B&W 18V2 8/32S	CATERPILLAR CAT 3616G	GE-JENBACH-ER 620E01	CATERPILLER CAT-3516	GE-JENBACH-ER 620F1 01	GE-JENBACH-ER 620E01	GE-JENBACH-ER 320	HTC N3-19
		1998	2003	2002-2004	2005	1993-94	2011	2013	2014	2014
(v).	Commissioning / Commercial Operation date (of each unit)	1999	2003	2003-05	2005	Re-commissioned in 2006	2012	Nov-2014 (expected)	Nov-2014 (expected)	Jan- 2015 (expected)
(vi).	Minimum expected life of each unit of the Generation facility from its commercial operation/ Commissioning date	25 years	25 years	25 years	25 years	25 years	25 years	25 years	25 years	20 years
(vii).	Remaining Minimum expected life of each unit of the Generation facility from its commercial operation/ Commissioning date	10 Years	14 Years	14-16 Years	16 Years	05 Years	23 Years	25 Years	25 years	20 years



7. **Rationale for Proposed Modifications:**

- 7.1 With the expansion at Gadoon Textile Mills the power requirement increased. To fulfill this deficit of power requirement 02 x JGS620E will be installed to utilize the quota of gas going unconsumed.
- 7.2 In order to bring in to useful purpose & to enhance the overall efficiency of the power plant Waste Heat Recovery Boilers are being installed. Steam from these Boilers will be directed to Steam Turbine which will produce cheap & neat additional power.
- 7.3 Genset which has almost reached its maximum life and is not economical in use will be gradually replaced with latest generation gensets. 01 x CAT3516 replacements with 02xJGS320 is part of the improvement plan.

8. **Impact of the Proposed Modification:**

8.1 **Impact on Tariff**

There will be no impact on tariff as only idle Furnace Based gensets are dedicated for power export to national grid while gas based power is utilized for manufacturing of export oriented products.

8.2 **Impact on Quality of Service**

Quality of Services and Performance of the power plant will increase overall due to induction of latest technology.

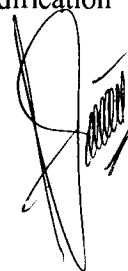
8.3 **Impact on the obligations of the Company under the License**

The proposed modification would facilitate the Company in fulfilling its obligations under the License.

PRAYER:

In light of the aforesaid, it is respectfully prayed that NEPRA would permit the following modification to be made and allow an increase in gross installed capacity from 46.57 MW to 56.47 MW.

The Company would like to incorporate by reference the contents of the documents attached to the Generation License No SGC/91/2013 and request the same may be read as integral part of this Petition. The Board of the Company has empowered the filing of the Modification Petition, as can be seen in the Annex-1.



We hope the information/explanation provided above meets your requirements, and we remain available to assist you if you have any further queries.

Yours Sincerely,



Abdul Sattar Abdullah
Executive Director Finance
& Company Secretary