

# GUL AHMED ELECTRIC LIMITED

7th Floor, Al-Tijarah Centre, 32-1-A, Block 6, P.E.C.H.S. Main Shakra-e-Faisal Road, Karachi-75400 – Pakistan  
Phone +92 21 34540270-73 Ext. 112 Fax +92 21 34540274 Email: [info@gulahmedelectric.com](mailto:info@gulahmedelectric.com)

L/NEPRA/L19/00009

September 25<sup>th</sup>, 2019

To,

THE REGISTRAR,  
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY,  
NEPRA Tower, Attaturk Avenue (East),  
Sector G-5/1,  
Islamabad,  
Pakistan.

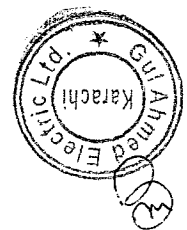
For information & reply.  
— DRO/DAI-I  
Cepi h:  
— SA (Tech) — SA7-I cc: Chairman  
— DG (M&E) — ADG (L&C) VC  
— LA (L&P) — MF m(T)  
m(CA)  
m(LC)

Re: 'MODIFICATION PETITION' IN RESPECT OF THE TARIFF DETERMINATION DATED NOVEMBER 19, 2018 BEARING REFERENCE NO. NEPRA/TRF-428/GEL-2017/18035-18037

Dear Sir:

- Pursuant to the applicable laws of Pakistan, including the 'Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997' (the **NEPRA Act**) and the rules and regulations made thereunder (including rule 3 of the 'NEPRA Tariff Standard and Procedure Rules, 1998', **GUL AHMED ELECTRIC LIMITED** (a company duly established and existing under the laws of Pakistan with its registered office located at 7<sup>th</sup> Floor, Al Tijarah Centre, 32-1-A, Block – 6, P.E.C.H.S, Main Shara-e-Faisal, Karachi, Pakistan) (the **Company**), submits to the **NATIONAL ELECTRIC POWER REGULATORY AUTHORITY** (the **Authority**), for the Authority's kind consideration and approval, the petition (together with the information and annexures attached thereto) to request modifications to the Authority's decision dated November 19, 2018 (Ref No. NEPRA/TRF-428/GEL -2017/18035-18037) issued to the Company, based on the grounds set out in the modification petition (the **Modification Petition**).
- The Modification Petition (including its annexures) are submitted in triplicate, together with:
  - a Bank Draft/Pay Order No. **22523707** dated September 20<sup>th</sup>, 2019 amounting to PKR 710,752.00/- (Pakistani Rupees Seven Hundred and Ten Thousand, Seven Hundred and Fifty-Two Rupees Only) drawn in favour of the Authority, as the application fee for the Modification Petition;
  - board resolution of the Company; and
  - affidavit.

Received at Registrar's Office  
Dated: 01-10-19  
By No: 9241  
REGISTRAR



# **GUL AHMED ELECTRIC LIMITED**

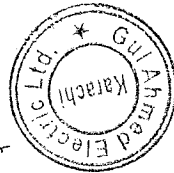
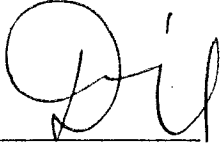
7th Floor, Al-Tijarah Centre, 32-1-A, Block 6, P.E.C.H.S. Main Shakra-e-Faisal Road, Karachi-75400 – Pakistan  
Phone +92 21 34540270-73 Ext. 112 Fax +92 21 34540274 Email: [info@gulahmedelectric.com](mailto:info@gulahmedelectric.com)

3. In light of the submissions set out in the Modification Petition and the information attached to the same, the Authority is kindly requested to process the Modification Petition at the earliest, thereby enabling the Company to proceed further with meeting the objectives, as set out in the Modification Petition, critically dependent on the submissions set out in the Modification Petition.

Respectfully submitted,

FOR AND ON BEHALF OF:

**GUL AHMED ELECTRIC LIMITED**



**DANISH IQBAL**

EXECUTIVE DIRECTOR & AUTHORIZED REPRESENTATIVE

Annex-1

TARIFF MODIFICATION PETITION

**BEFORE**  
**THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)**

**MODIFICATION PETITION**

PURSUANT TO SECTION 31 OF REGULATION OF GENERATION, TRANSMISSION AND  
DISTRIBUTION OF ELECTRIC POWER ACT, 1997

READ WITH RULE 3 OF  
NEPRA (TARIFF STANDARD AND PROCEDURE) RULES, 1998

BY

**GUL AHMED ELECTRIC LIMITED**

BEFORE NEPRA IN THE MATTER OF TARIFF DETERMINATION FOR  
**GUL AHMED ELECTRIC LIMITED**

A POWER PROJECT OF 50 MW

AT

JHIMPIR, SINDH, PAKISTAN

DATED: September 25<sup>th</sup>, 2019

**GUL AHMED ELECTRIC LIMITED**

ADDRESS: 7th Floor, Al-Tijarah Centre, 32-1-A, Block 6, P.E.C.H.S. Main Shahra-e-  
Faisal Road, Karachi-75400 – Pakistan

PHONE #: +92 21 34540270-73 Ext. 112

FAX #: +92 21 34540274

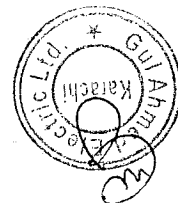
EMAIL: info@gulahmedelectric.com



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**COPY OF BANK DRAFT/PAY ORDER**

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FLA-1

Account Payee Only



**HBL** HABIB BANK  
HBL PLAZA BR, KARACHI 74800  
HBL PLAZA I.I. CHUNDRIGAR ROAD

B.C. No. 22523707

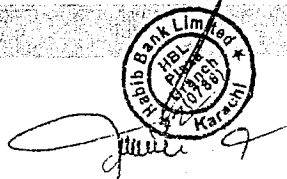
Stationary No: 22523707

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Pay to NATIONAL ELECTRIC POWER REGULATORY AUTHORITY ISLAMABAD A/C or Order  
GUL AHMED ELECTRIC LTD.  
Rupees Seven Hundred Ten Thousand Seven Hundred Fifty Two Only.

PKR \*\*\*\*\*710,752.00

Payable at any HBL Branch in Pakistan  
Centralised Cheque Payable Account  
30019903902586



Amir Ali

Manager - P.A. # 13093  
Signatory  
PA No.

Asim Javed  
Signatory  
P.A. # 12894

Please do not write below this line.

⑈ 22523707 ⑈ 054300 ⑈ 00300 ⑈ 19903902586 ⑈ 010 ⑈

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**COPY OF BOARD RESOLUTION**

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FLA-2

## **GUL AHMED ELECTRIC LIMITED**

7th Floor, Al-Tijarah Centre, 32-1-A, Block 6, P.E.C.H.S. Main Shakra-e-Faisal Road, Karachi-75400 – Pakistan  
Phone +92 21 34540270-73 Ext. 112 Fax +92 21 34540274 Email: [info@gulahmedelectric.com](mailto:info@gulahmedelectric.com)

**CERTIFIED EXTRACT OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF M/S. GUL AHMED ELECTRIC LIMITED HELD ON MONDAY SEPTEMBER 23, 2019 AT 10:30 A.M. AT 7<sup>TH</sup> FLOOR, AL-TIJARAH CENTRE, 32-1-A, BLOCK 6, P.E.C.H.S., MAIN SHARAE FAISAL, KARACHI.**

Resolved that M/S. GUL AHMED ELECTRIC LIMITED (the "Company") be and is hereby authorized to file an application/petition for modification before the **National Electric Power Regulatory Authority** (the "Authority") in relation to the Authority's determination dated November 19, 2018 bearing reference no. NEPRA/TRF-428/GEL-2017/18035-18037 in respect of the tariff petition filed by the Company dated December 13, 2017, bearing reference No. NEPRA/TRF-428/GEL-2017.

**FURTHER RESOLVED** that MR. IQBAL ALIMOHAMED, CHIEF EXECUTIVE OFFICER of the Company, MR. UBAID AMANULLAH, EXECUTIVE DIRECTOR of the Company, MR. DANISH IQBAL, EXECUTIVE DIRECTOR of the Company, MR. MUHAMMED AMIN BHIMANI, CHIEF FINANCIAL OFFICER of the Company, MR. MUHAMMAD YOUSUF AZIZ, COMPANY SECRETARY of the Company, MR. SAAD IQBAL, ATTORNEY of the Company and MR. SULEMAN MODI, ATTORNEY of the Company, be and are hereby singly empowered and authorized to do all acts, matters, deeds, things and take any and all necessary steps and actions to complete all legal formalities and file all necessary documents as may be necessary or incidental for the purpose of implementing the aforesaid resolutions for and on behalf of the Company, including but not limited to appearing before the Authority, making further submissions to the Authority, etc..

Certified True Copy issued on September 23, 2019.

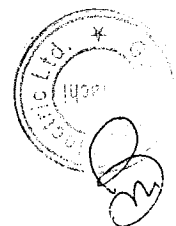


**Muhammad Yousuf Aziz**  
Company Secretary

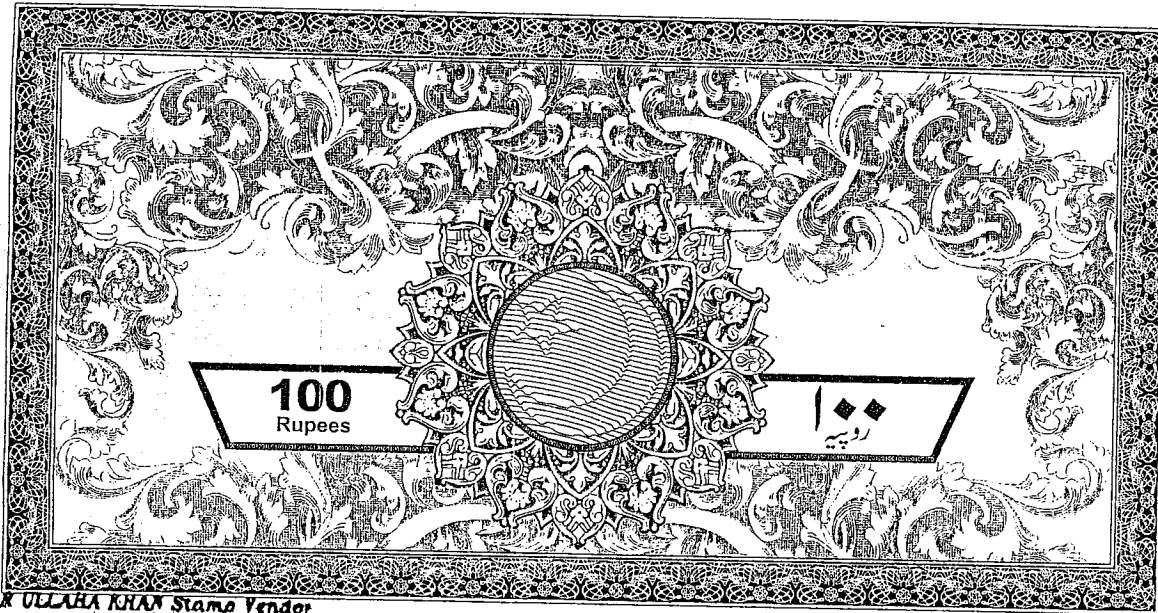
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**COPY OF AFFIDAVIT**

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ZAFAR ULLAH KHAN Stamp Vendor

Licence No 99 Shop No 412

4th Floor TARIQ Plaza Near City Court Karachi

24 SEP 2019

SNO 1376 DATE

ISSUED TO WITH ADDRESS

THROUGH WITH ADDRESS **Mohammad Ahmed**

PURPOSE

VALUE RS 1000

STAMP VENDOR SIGNATURE

NOT USE FOR FREE WILL &amp; DIVORCE PURPOSE

F1A-3

BEFORE

THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

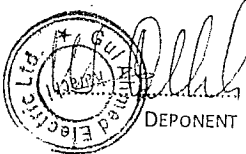
AFFIDAVIT

AFFIDAVIT of UBAID AMANULLAH S/O AMANULLAH CNIC No. 42301-8209569-7, EXECUTIVE DIRECTOR and authorized representative of M/s. GUL AHMED ELECTRIC LIMITED, 7<sup>TH</sup> FLOOR AL-TIJARAH CENTRE, 32-1-A, BLOCK-6, P.E.C.H.S., MAIN SHARA-E-FAISAL, KARACHI, PAKISTAN (the "Company").

I, the above-named Deponent, do hereby solemnly affirm and declare that:

1. I am the EXECUTIVE DIRECTOR of the Company.
2. The contents of the accompanying application/petition for modification, by the full strength of the Authority under Rule 3(1) of the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998, including all supporting documents are true and correct to the best of my knowledge and belief, and nothing material or relevant thereto has been concealed or withheld therefrom.
3. I also affirm that all further documentation and information to be provided by the Company in connection with the aforesaid application/petition for modification shall be true and correct to the best of my knowledge and belief.

VERIFICATION

  
DEPONENT

It is hereby verified on solemn affirmation at Karachi on September 24<sup>th</sup>, 2019, that the contents of the above Affidavit are true and correct to the best of my knowledge and belief, and that nothing material or relevant thereto has been concealed or withheld therefrom.

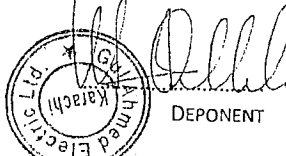
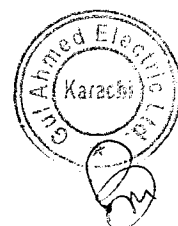
  
DEPONENT

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**1. DETAILS OF THE PETITIONER**

**NAME AND ADDRESS**

**GUL AHMED ELECTRIC LIMITED**

Address: 7th Floor, Al-Tijarah Centre, 32-1-A, Block 6, P.E.C.H.S. Main Shahra-e-Faisal Road, Karachi-75400 – Pakistan

Phone #: +92 21 34540270-73 Ext. 112

Fax #: +92 21 34540274

**REPRESENTATIVES OF GUL AHMED ELECTRIC LIMITED**



**DANISH IQBAL**  
**EXECUTIVE DIRECTOR**

**DETAILS OF THE PETITIONER**

GUL AHMED ELECTRIC LIMITED (THE "PETITIONER") HEREBY APPLIES UNDER SECTION 31 OF REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 READ WITH RULE 3 OF NEPRA TARIFF STANDARD AND PROCEDURE RULES, 1998 AND ALL APPLICABLE PROVISIONS OF OTHER NEPRA LAWS FOR THE MODIFICATION OF THE AUTHORITY'S DECISION DATED 19<sup>TH</sup> NOVEMBER 2018 (Ref No: NEPRA/TRF-428/GEL-2017/18035-18037) (THE "TARIFF DETERMINATION") IN RESPECT OF ITS 50 MW WIND POWER PROJECT LOCATED AT JHIMPIR, SINDH, PAKISTAN (THE "PROJECT").

## 2. GROUNDS FOR MODIFICATION PETITION

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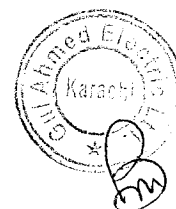
### *Background Information*

GUL AHMED ELECTRIC LIMITED ("GEL" or the "Project Company"), vide its letter dated December 13, 2017 filed a tariff petition for Cost Plus Tariff Determination before the National Electric Power Regulatory Authority (the "Authority").

The Tariff Determination was announced by the Authority on November 19, 2018 (Vide Letter Ref No: NEPRA/TRF-428/GEL/2017/18035-18037).

The Tariff Determination by the Authority is based on certain assumptions which the Petitioner requests the Authority to reconsider, modify and update in light of the prevailing circumstances, as detailed in the following paras.

This Modification Petition is being filed by **Danish Iqbal**, Executive Director of GEL, for and on behalf of GEL, who is well conversant with the facts of the case and is duly authorized by the Board of Directors of GEL (the "Board") to submit the same before the Authority. Certified true copy of the resolution of the Board, authorizing DANISH IQBAL, to *inter alia*, submit this application is attached hereto along with an affidavit.



## **GROUNDS FOR MODIFICATION PETITION**

### **(A) Debt Financing Mix and Repayment Term**

The Authority in the Tariff Determination determined the tariff based on 100% financing under the Revised SBP Financing Scheme for Renewable Energy (IH&SMEFD Circular No. 03 of 2016) dated June 20, 2016 (the "SBP Scheme 2016") at a fixed rate of 6%. The Authority also provided in its determination that in case the Petitioner is not able to secure financing under SBP Scheme 2016, then conventional debt with 13 years repayment term will be allowed at rate of 3 Month LIBOR plus 4.25% for foreign debt and 3 Month KIBOR plus 2.25% for local debt.

In the tariff petition, the Petitioner requested for a tariff determination based on mix of local and foreign debt. However, the reference tariff in the Tariff Determination is based on the assumption that the Project Company will avail 100% local financing under the concessionary rates offered in the SBP Scheme 2016. The Tariff Determination recognizes that there may be circumstances where the Project Company is unable to obtain 100% of its debt requirement under the SBP Scheme 2016 and in such case, provides for an adjustment of the reference tariff on conventional local/foreign financing at the time of Commercial Operations Date ("COD"), subject to submission of evidence to the Authority that the Project Company has exhausted the option of availing financing under the SBP Scheme 2016 before taking on partial or full conventional loans.

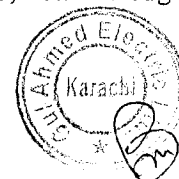
The SBP Scheme 2016 could be availed for 100% of the debt financing requirement of renewable energy projects, subject to a cap of PKR 6 Billion per project, achieving financial close on or before 30 June 2019. It is highlighted that the SBP Scheme 2016 expired on June 30, 2019, however the same has been renewed/extended by the SBP through IH&SMEFD Circular No. 10 of 2019 dated July 26, 2019 (the "SBP Scheme 2019"). However, under the SBP Scheme 2019, projects falling under Category I of the SBP Scheme 2019 are only permitted to refinance up to fifty percent (50%) of their debt. In this regard, relevant parts of the SBP Scheme 2019 (i.e., Section 7(a)(iii) of Annexure-I of SBP Scheme 2019) are reproduced below for your reference:

***"The refinance under this Scheme shall be up-to 100% of total financing (debt) of an eligible RE project of upto 20 MW and up-to 50% of financing (debt) of an eligible RE Project of more than 20 MW, subject to adherence of other rules & regulations. However, maximum refinance allowed under the Scheme cannot be more than Rs. 6 billion for a single renewable energy project."***

The above is confirmed by a letter received from local lenders confirming the financing arrangement under Revised SBP Scheme as attached at **Annexure A** to this petition.

In view of the above and as allowed under the Tariff Determination, since GEL is only permitted to avail 50% refinance under the SBP Scheme 2019, GEL has arranged the balance debt component of the Project in foreign currency from the International Finance Corporation ("IFC") (Terms Sheet attached at **Annexure B**).

Accordingly, since the remaining debt component of the Project is being financed by foreign lenders (i.e., IFC), IFC has requested GEL to seek adjustment of the Tariff Determination from the Authority before financial close, to the extent of the points above, acknowledging and



reflecting the financing structure based on a mix of foreign financing and concessionary financing SBP Scheme 2019 in the reference tariff determination. GEL requests the Authority to consider the same and issue a duly updated tariff determination with adjusted debt components and related changes to project costs to account for the aforesaid mix financing structure.

In this regard, IFC had also met the Authority on April 04, 2019 for the same request and submitted its formal request to the Authority vide IFC's letter dated April 25, 2019 (attached at Annexure C).

Furthermore, the SBP Scheme 2019 allows the repayment period of not more than 10 years, whereas for alternative financing (foreign or local), the Authority in its decision has directed that the repayment period should not be less than 13 years. The lenders require that the reference tariff table should reflect the repayment schedule and respective tariff components of both financing (i.e., local and foreign) separately with their applicable repayment term.

Based on the above, the Authority is requested to revise its Tariff Determination and reference tariff table to reflect the financing 50:50 mix of local and foreign financing being availed by GEL instead of 100% financing under the SBP Scheme 2019 in the following manner:

(a) Local Debt	(50% of the total debt requirement)
Financing Rate	6% Fixed under Revised SBP Scheme
Repayment Term	10 years after COD on quarterly basis
(b) Foreign Debt	(50% of the total debt requirement)
Financing Rate	3 Month LIBOR plus 4.25%
Repayment Term	13 years after COD on quarterly basis

**(B) Reference Exchange Rate**

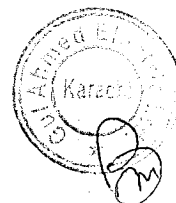
The Tariff Determination and the reference tariff table is based on the USD/PKR exchange rate of PKR 120. The Authority would appreciate that the current prevailing exchange rate is PKR 160 to USD 1 and is further expected to increase by the time the Project achieves COD.

We would like to emphasize that due to: (a) the unprecedented devaluation of the PKR, (b) the extremely competitive tariff awarded to the Project, (c) the high debt to equity ratio (only 20% equity which does not permit the equity component to bridge the funding gap caused by devaluation), and (d) payment delays from the power purchaser, GEL will face extreme hardship in payment of its USD financing obligations immediately upon achievement of COD, until the tariff true-up determination is issued by the Authority, which as per precedent is expected to take considerable time.

As the Authority would be aware the invoices are made in PKR as per the tariff determination, IFC as foreign lender to the Project, in its letter to the Authority (attached as Annexure C) and during its meeting with the Authority also requested the Authority to revise the reference exchange rate so that it is reflective of the prevailing market exchange rate.



The Authority is requested to modify the Tariff Determination and the tariff table based on most recent exchange rate of USD conversion to PKR (PKR 160 to USD 1).



**PRAYER**

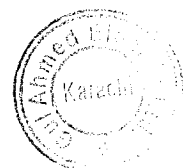
In light of the foregoing, it is respectfully prayed that the Tariff Determination and the Order provided therein may please be modified to reflect the changes in tariff assumptions pertaining to Revised SBP Scheme, foreign financing and exchange rate. The revised debt servicing schedules (SBP Facility and Foreign Debt) and tariff table are annexed at Annexure D, a statement of comparison under Rule 3(2)(d) of NEPRA (Tariff Standards and Procedure) Rules, 1998 is attached as Annexure E. It is respectfully prayed that the learned Authority may declare and notify the changes necessitated in the Tariff Determination upon acceptance of the proposals specified herein above.

GEL further reserves its right to adduce further and additional information.

For and on behalf of  
Gul Ahmed Electric Limited

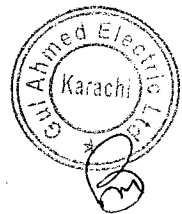
  
\_\_\_\_\_  
DANISH IQBAL  
Executive Director

Dated: 25<sup>th</sup> September 2019





ANNEXURE-A





**Meezan Bank**  
The Premier Islamic Bank



September 25, 2019

Gul Ahmed Electric Limited  
7th Floor, Al-Tijarah Centre,  
32-1-A, Block-6, P.E.C.H.S,  
Main Sharah-e-Faisal  
Karachi - 75400, Pakistan

SUBJECT: FINANCING PLAN OF COMPANY'S 50MW WIND POWER GENERATION PROJECT

Dear Sir,

This is with reference to our ongoing discussions regarding arrangement of financing for Gul Ahmed Electric Limited (the "Company") for its 50 MW wind power generation project at Jhimpir, District Thatta, Sindh (the "Project").

We understand that the Company has been awarded tariff determination under a "cost plus" mode with the following financing parameters:

Reference Project Cost	USD 62.952 M
Financing to Equity ratio	80:20
Equity	PKR equivalent of USD 12.590 M
Financing Amount	USD 50.362 M

The tariff determination has been provided on the basis, *inter alia*, that the Company will avail financing under the Revised SBP Financing Scheme for Renewable Energy IH&SMEFD Circular No. 03 of 2016 dated 20 June, 2016 (the "SBP Financing Scheme") issued by the State Bank of Pakistan ("SBP"). In addition, the tariff determination allows the Company to arrange financing from alternate sources (local or foreign) only after the Company exhausted the option of availing financing under the SBP Financing Scheme up to a maximum of PKR 6,000 Million.

We would like to advise you that SBP Islamic Financing Facility for Renewable Energy ("IFRE") IH&SMEFD Circular No. 12 of 2019 as announced on August 21, 2019 stipulates that maximum financing available under the scheme for projects more than 20 MW and upto 50 MW cannot exceed 50% of the total financing required for the project. Furthermore, while the overall financing rate under the SBP Financing Scheme remains at 6% for the end user, SBP's own rate has increased from the previous 2% to 3%, while the bank spread has reduced from 4% to 3%.

Therefore and given the stipulations under the SBP Financing Scheme, the maximum amount available to be arranged is capped at PKR equivalent of USD 25.181 Million which remains subject to compliance with all provisions of the SBP Financing Scheme and final approval of SBP. The remaining Financing Amount i.e USD 25.181 Million is being arranged through International Finance Corporation ("IFC" or the "Foreign Currency Lender") as USD denominated debt.

We remain available should the Company require any additional information or clarification.

Yours sincerely,

For and on behalf of the MLAA

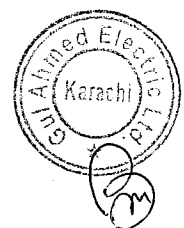
For and on behalf of  
Meezan Bank Limited



**Meezan Bank Ltd.**

Head Office: Meezan House, C-25, Estate Avenue, SITE, Karachi - Pakistan.  
PABX: (92-21) 38103500 UAN: 111-331-331 & 111-331-332 [www.meezanbank.com](http://www.meezanbank.com)

**ANNEXURE-B**



SHEARMAN & STERLING LLP

6 Battery Road, #25-03  
Singapore 049909  
+65.6230.3800

wmccormack@shearman.com  
(65) 6230 3877

16<sup>th</sup> Sep 2019

National Electric Power Regulatory Authority  
("NEPRA")

Dear Sirs

Gul Ahmed Electric Project - Tariff Petition - Financing Term Sheet

We are instructed to act for International Finance Corporation ("IFC"), for its own account, DEG - Deutsche Investitions - und Entwicklungsgesellschaft mbH ("DEG"), and consortium of local banks led by Meezan Bank Limited ("MEBL", and together with IFC, the "Financiers") in relation to the financing of the 50MW wind power project developed by Gul Ahmed Electric Limited (the "Company") to be located in Jhimpir, Sindh Province, Pakistan (the "Gul Ahmed Project").

We attach a term sheet reflecting the proposed terms of the financing for the Gul Ahmed Project. The Financiers confirm that they have obtained initial concept clearance to provide project financing to the Company for the Gul Ahmed Project on the basis of this term sheet. The term sheet and the provision of the financing remain subject to each of the Financiers obtaining board and management approval and completing their due diligence on the Gul Ahmed Project, including legal, technical, environmental and financial due diligence.

This letter is provided to you to assist the Company in obtaining approval of its revised Tariff Determination request. It is not legally binding and the Financiers make no representation regarding the Gul Ahmed Project or their participation therein. This letter does not indicate (and should not be construed as indicating) that the Financiers are committed to provide financing to the Company or the Gul Ahmed Project, nor the terms of any such financing.

Yours sincerely

Shearman & Sterling LLP

Shearman & Sterling LLP

Attachment

SHEARMAN.COM

Shearman & Sterling LLP is a limited liability partnership organized in the United States under the laws of the state of Delaware, which laws limit the personal liability of partners.

**GUL AHMED ELECTRIC PROJECT: INDICATIVE TERM SHEET  
FOR THE PROPOSED FINANCING OF THE 50 MW WIND POWER PROJECT  
TO BE LOCATED IN JHIMPIR, SINDH PROVINCE, PAKISTAN**

*This Term Sheet is a summary of the principal terms that may apply to the proposed financing of the Project. It is intended to serve as a basis for discussion only.*

*This Term Sheet does not constitute an offer or a commitment by the Financiers. Each Financier's decision to invest in the Project is contingent upon approval by its management, credit committee and/or Board of Directors, satisfactory completion of the Financiers' legal, technical, insurance, environmental financial and general appraisal and due diligence and execution of final documentation in form and substance satisfactory to all Financiers.*

- |    |                |   |
|----|----------------|---|
| 1. | Borrower       | Gul Ahmed Electric Limited (the "Borrower").  |
| 2. | Sponsors       | Gul Ahmed Energy Limited (the "Sponsor")  |
| 3. | Shareholders   | the Sponsor   |
| 4. | Guarantors     | Equity Guarantors: the Sponsor.<br>EPC Guarantor: Power Construction Corporation of China Limited.<br>O&M Guarantor: Power Construction Corporation of China Limited.   |
| 5. | EPC Contractor | Hangzhou Huachen Electric Power Control Co., Limited as Supplier and Hydrochina International Engineering Company Limited Pakistan as EPC Contractor  |
| 6. | Financiers     | International Finance Corporation ("IFC") for its own account, DEG - Deutsche Investitions - und Entwicklungsgesellschaft mbH ("DEG"), and consortium of local banks led by Meezan Bank Limited ("MEBL").   |
| 7. | O&M Operator   | Hydrochina International Engineering Company Limited Pakistan.  |
| 8. | Project        | The development, financing, design, engineering, procurement, manufacture, construction, permitting, completion, testing, commissioning, insurance, operation and maintenance of a 50 MW wind power project to be located in Jhimpir, Sindh Province, Pakistan (the "Project"). |

9.

**Facilities**

Financier	Indicative Commitment (assuming Project Cost of US\$63.0)	Margin <sup>1</sup>
IFC and DEG	Up to US\$25.8 million by way of international term loan facilities comprising of: <ul style="list-style-type: none"> <li>• IFC A Loan of up to US\$12.9 million (the “IFC Facility”); and</li> <li>• DEG Loan of up to US\$12.9 million (the “DEG Facility”)<sup>5</sup></li> </ul>	3-month LIBOR + 425 bps  3-month LIBOR + 425 bps
Consortium of local banks led by Meezan Bank Limited	Up to PKR 4,000 Million (equivalent of up to US\$25.8 million) by way of local financing facility (the “Local MEBL Facility”)	Fixed annual rate of 600 bps (based on availability of the SBP Scheme as defined below) or 3-month KIBOR + 225 bps (if the SBP Scheme is not available) <sup>2</sup>

10. Purpose of Facilities To finance up to 80%<sup>3</sup> (where [80:20]<sup>4</sup> shall be the “**Project Debt to Equity Ratio**”) of the Project Cost to develop and construct the Project in accordance with a budget and financial model (“**Financial Model**”), as approved by the Financiers and resulting from the due diligence process on, inter alia, investment costs, tariff, energy generation, operation costs, maintenance capex requirements showing the banking base case agreed by the Financiers (the “**Base Case**”) to finance up to 80% of the Project Costs (where 80:20 shall be the “**NEPRA Debt to Equity Ratio**”) that are recoverable through the tariff mechanism approved by NEPRA from time to time.
11. Working Capital Facility A revolving working capital facility of up to PKR equivalent of US\$4 million (assuming Project Cost of US\$63) shall be provided by Meezan Bank Limited as working capital lender in accordance with agreed terms (“**Working Capital Facility**”) where the provider of such Working Capital

<sup>1</sup> Financiers require that the NEPRA approval reflects the spread (and fees, if any) agreed with the Financiers prior to their first disbursement.

<sup>2</sup> The fixed interest rate of 600 bps assumes that the financing scheme for renewable energy issued by the State Bank of Pakistan (“**SBP**”) pursuant to circular no. 10 of 2019 dated 26 July 2019 (the “**SBP Scheme**”) is available with respect to the Local MEBL Facility. If the SBP Scheme is not available or only partly available prior to commitment/signing, a modified NEPRA tariff would need to be provided to reflect the terms of the Local MEBL Facility at KIBOR plus spread of 2.25% and the MEBL Repayment Schedule (currently included in Annex B) would need to be revised to be similar to that for the IFC and DEG Facilities (as enclosed in Annex A). Detailed terms to be reflected in documentation.

<sup>3</sup> Subject to Financiers’ financial model review.

<sup>4</sup> Subject to Financiers’ financial model review and overall due diligence.

Facility shall benefit from a second-ranking security over the Borrower's assets which is subordinated to the security of the Financiers.

12. Principal Repayment

Repayment of the Facilities will start on the Interest Payment Date falling on or immediately following the earlier of the date occurring: (i) 3 months after the Commercial Operation Date (as defined under the EPA), (ii) 27 months (grace period) after signing of the common terms agreement between the Borrower and the Financiers (the "**Common Terms Agreement**"), and (iii) 24 months (grace period) after the first disbursement under the Local MEBL Facility. Subsequent principal repayments will be made on each subsequently occurring Interest Payment Date thereafter.

Principal repayment shall be made: (i) with respect to IFC Facility and the DEG Facility, in accordance with a schedule of up to 52 quarterly repayments reflecting a mortgage-style repayment profile consistent with the IFC/DEG Repayment Schedule attached as Annex A, and (ii) with respect to the Local MEBL Facility, in accordance with a schedule of up to 40 quarterly repayments reflecting a mortgage-style repayment profile consistent with the MEBL Repayment Schedule attached as Annex B.

The door-to-door tenor shall not exceed: (i) for the IFC Facility and the DEG Facility, 15.25 years from the signing of the Common Terms Agreement until the final repayment (the "**Foreign Final Maturity Date**"), and (ii) for the Local MEBL Facility, 12 years from the date of the first disbursement until the final repayment (the "**Local Final Maturity Date**").

13. Fees

Front-end fee: 1% of the amount of the IFC Facility, the DEG Facility and the Local MEBL Facility, to be paid no later than the earlier of:

- (i) 30 days after signing of the Common Terms Agreement; and
- (ii) the date of issuance of the disbursement request for the first disbursement.

Commitment Fee: 0.5% per annum, computed on the basis of the actual number of days elapsed and a year of 360 days, on the undisbursed amount of the Facilities, to be paid quarterly in arrears on each interest payment date and commencing to accrue upon signing of the Common Terms Agreement.

Portfolio Supervision Fee: of US\$10,000 per annum for expenses which are incurred by IFC for its portfolio supervision activities.

Other fees as set out in any relevant fee letter(s).

14. Interest Payment Dates

Quarterly<sup>5</sup> in each year.

15. Default Rate

2% per annum above the applicable interest rate.<sup>6</sup>

16. Debt-to-Equity Ratio

No higher than 80:20 subject to results of financial model and approval by NEPRA of Project Costs to be financed.

<sup>5</sup> Dates to be discussed. Subject to confirmation of EPA base rate benchmark.

<sup>6</sup> Default interest rate for the local facility to be aligned accordingly in accordance with the SBP structure.

17. Debt Service Reserve Account ("DSRA") and Major Maintenance Reserve Account ("MMRA") An offshore (US\$) debt service reserve account shall be established by the Borrower with the relevant Account Bank with respect to the IFC Facility and the DEG Facility, and an onshore (PKR) debt service reserve account shall be established by the Borrower with the relevant Account Bank with respect to the Local MEBL Facility. The minimum required balance of each such account shall be sized to cover an amount equal to the highest amount of principal repayment and interest under the applicable facility indicated in the financial model for any consecutive 6-month period.
- Major maintenance reserve account to be established in accordance with Financiers' (and EPA) requirements.<sup>7</sup>
18. Sponsor Support The portion of the Project Cost which is not funded by the Facilities shall be funded by the Sponsors in the form of common equity ("**Base Equity**").
- In addition to the Base Equity and the obligation to fill up the DSRA, the Sponsors will undertake to provide to the Borrower additional funds / Standby Letter of Credit ("**Contingent Equity**") in a maximum aggregate amount to be agreed for the purpose of funding any Deficiency (defined below).
- The indicative amount of Sponsors' equity commitments is as follows:
- US\$[14.6] million of Base Equity to be funded by Gul Ahmed Energy Limited.
  - US\$[4.2] million of Contingent Equity to be funded by Gul Ahmed Energy Limited.
- Deficiency:** Following full utilisation of the Base Equity, any shortfall of funds needed by the Borrower (as determined by the Borrower or the Financiers) for purposes of the Project achieving the applicable project completion date (other than the requirement to fund the initial minimum DSRA required balance), as further detailed in documentation.
- Excess Debt:** Following the determination or "true-up" by NEPRA of the final tariff for the Project, the Financiers may require the Sponsors to prepay any amounts outstanding under the Facilities in excess of the debt amount that is ultimately approved by NEPRA in determining the trued-up tariff after the Commercial Operation Date (as defined under the EPA) as such debt amount may be reduced by payments made or invoiced on account of the reference debt service component of the tariff ("**Excess Debt**") to the extent the Borrower fails to fully prepay the Excess Debt as allowed under the Financing Documents.
19. Share Retention For so long as any part of the Facilities is outstanding or any amount is available for disbursement under the Financing Documents, the Sponsors shall be subject to share retention undertakings in respect of the shares the Borrower.

<sup>7</sup> Requirement for major maintenance reserve account subject to due diligence, including Financiers' Technical Advisor input. If required, minimum required balance to be agreed.



The Financiers' share pledge shall at all times be in respect of 100% of the shares in the Borrower, and any permitted transfer of the pledged shares shall be subject to the share pledge.

20. Other Payments

Borrower to pay or reimburse the Financiers in respect of:

- (i) increased costs resulting from a change of law or regulations;
- (ii) unwinding/breakage costs, i.e., any cost or loss in unwinding funding arrangements resulting from prepaying the Facilities or from failing to borrow or prepay in accordance with a request for disbursement or notice of prepayment;
- (iii) withholding taxes, if any (tax gross-up);
- (iv) all taxes (including stamp taxes) or other charges payable on any of the Financing Documents;
- (v) legal fees and expenses relating to (A) the preparation, execution, implementation, administration and enforcement of the Transaction Documents, (B) the protection of Financiers' interests under the Financing Documents and (C) the release of the Security after repayment of the Facilities;
- (vi) the fees described in item 12 above;
- (vii) amounts (to be agreed with the Borrower at the time) to compensate the Financiers for additional work required in connection with any restructuring; and
- (viii) any other expenses/fees incurred for the processing of waivers and amendments and/or fees for technical, environmental, social and other consultants, the scope of work for whom shall (in the absence of an event of default or potential event of default or an event likely to result in a material adverse effect) be agreed with the Borrower, such agreement not to be unreasonably withheld.

In addition to the above, the Borrower shall pay and reimburse to each of the Financiers the fees and expenses payable by the Borrower in accordance with the respective mandate letters signed between the Borrower and each Financier.

21. Voluntary Prepayment

The Facilities are prepayable upon 30 days' notice, subject to terms and conditions to be agreed.

22. Mandatory Prepayment

The Financing Documents will include customary mandatory prepayment provisions.

23. Representations and warranties;  
Conditions of Disbursement;  
Covenants; Events of Default

Customary and appropriate for the Borrower and the Sponsors, reflecting the Financiers' respective policies and requirements and subject to certain customary exceptions (relating to materiality and actual knowledge) and legal qualifications to be agreed in the documentation.

24. Security

The obligations of the Borrower under the Financing Documents will be secured by a first ranking security interest in favour of the Financiers over, inter alia: (i) all tangible and intangible assets of the Borrower (other than any distribution and/or restricted payment accounts, receivables, inventories, etc.); (ii) all Project documents and concessions, including the Project site lease and, to the extent permitted under the relevant laws, all licences, consents, permits, etc. associated with the Project and any related performance/warranty bonds; (iii) any letters of credit provided by the Sponsors; (iv) all shares in the Borrower and its subordinated loans; (v) insurance and reinsurance policies; (vi) direct agreements or acknowledgments and consents with the counterparties to the Project documents; and (vii) other forms of security permitted by applicable country laws and appropriate for the Project.

25. Governing Law

English Law (e.g. Common Terms Agreement, IFC Facility Agreement, and DEG Facility Agreement, Accounts Agreement, Sponsor Support Agreement and Intercreditor Agreement) and/or Pakistan Law (e.g. certain Security Documents and the Local MEBL Facility documentation), as appropriate.

[Please note that Annex A and Annex B reflect mortgage repayment schedules that the repayments should be based on. The second and final repayment % for each of the IFC Facility, the DEG Facility and the Local MEBL Facility may be adjusted depending on which date the first repayment falls on (see section 11 (*Principal Repayment*) above).]

**ANNEX A: IFC/DEG REPAYMENT SCHEDULE**

First Repayment Date	1.21%
Second Repayment Date	1.23%
Third Repayment Date	1.26%
Fourth Repayment Date	1.28%
Fifth Repayment Date	1.30%
Sixth Repayment Date	1.32%
Seventh Repayment Date	1.34%
Eighth Repayment Date	1.37%
Ninth Repayment Date	1.39%
Tenth Repayment Date	1.41%
Eleventh Repayment Date	1.44%
Twelfth Repayment Date	1.46%
Thirteenth Repayment Date	1.48%
Fourteenth Repayment Date	1.51%
Fifteenth Repayment Date	1.54%
Sixteenth Repayment Date	1.56%
Seventeenth Repayment Date	1.59%
Eighteenth Repayment Date	1.62%
Nineteenth Repayment Date	1.64%
Twentieth Repayment Date	1.67%
Twenty-first Repayment Date	1.70%
Twenty-second Repayment Date	1.73%
Twenty-third Repayment Date	1.76%
Twenty-fourth Repayment Date	1.79%
Twenty-fifth Repayment Date	1.82%
Twenty-sixth Repayment Date	1.85%
Twenty-seventh Repayment Date	1.88%
Twenty-eighth Repayment Date	1.91%
Twenty-ninth Repayment Date	1.94%
Thirtieth Repayment Date	1.98%
Thirty-first Repayment Date	2.01%
Thirty-second Repayment Date	2.04%
Thirty-third Repayment Date	2.08%
Thirty-fourth Repayment Date	2.11%
Thirty-fifth Repayment Date	2.15%
Thirty-sixth Repayment Date	2.19%
Thirty-seventh Repayment Date	2.22%
Thirty-eighth Repayment Date	2.26%

Thirty-ninth Repayment Date	2.30%
Fortieth Repayment Date	2.34%
Forty-first Repayment Date	2.38%
Forty-second Repayment Date	2.42%
Forty-third Repayment Date	2.46%
Forty-fourth Repayment Date	2.50%
Forty-fifth Repayment Date	2.54%
Forty-sixth Repayment Date	2.59%
Forty-seventh Repayment Date	2.63%
Forty-eighth Repayment Date	2.67%
Forty-ninth Repayment Date	2.72%
Fiftieth Repayment Date	2.77%
Fifty-first Repayment Date	2.81%
Fifty-second Repayment Date	2.83%

**ANNEX B: MEBL REPAYMENT SCHEDULE**

First Repayment Date	1.84%
Second Repayment Date	1.87%
Third Repayment Date	1.90%
Fourth Repayment Date	1.93%
Fifth Repayment Date	1.96%
Sixth Repayment Date	1.99%
Seventh Repayment Date	2.01%
Eighth Repayment Date	2.05%
Ninth Repayment Date	2.08%
Tenth Repayment Date	2.11%
Eleventh Repayment Date	2.14%
Twelfth Repayment Date	2.17%
Thirteenth Repayment Date	2.20%
Fourteenth Repayment Date	2.24%
Fifteenth Repayment Date	2.27%
Sixteenth Repayment Date	2.30%
Seventeenth Repayment Date	2.34%
Eighteenth Repayment Date	2.37%
Nineteenth Repayment Date	2.41%
Twentieth Repayment Date	2.45%
Twenty-first Repayment Date	2.48%
Twenty-second Repayment Date	2.52%
Twenty-third Repayment Date	2.56%
Twenty-fourth Repayment Date	2.60%
Twenty-fifth Repayment Date	2.63%
Twenty-sixth Repayment Date	2.67%
Twenty-seventh Repayment Date	2.71%
Twenty-eighth Repayment Date	2.75%
Twenty-ninth Repayment Date	2.80%
Thirtieth Repayment Date	2.84%
Thirty-first Repayment Date	2.88%
Thirty-second Repayment Date	2.92%
Thirty-third Repayment Date	2.97%
Thirty-fourth Repayment Date	3.01%
Thirty-fifth Repayment Date	3.06%
Thirty-sixth Repayment Date	3.10%
Thirty-seventh Repayment Date	3.15%
Thirty-eighth Repayment Date	3.20%
Thirty-ninth Repayment Date	3.24%
Fortieth Repayment Date	3.28%

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ANNEXURE-C

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**IFC****International  
Finance Corporation**  
WORLD BANK GROUPApril 25<sup>th</sup>, 2019

Mr. Saif Ullah Chattha  
Member, National Electric Power Regulatory Authority

Mr. Syed Insaf Ahmed  
Senior Advisor

Mr. Ali Feroz Khan  
Dy Director

NEPRA Tower Attaturk Avenue (East)  
Sector G-5/1, Islamabad  
Islamabad, Pakistan

Dear Sirs,

**Subject: Clarifications in respect of the Wind Power Projects**

Thank you for meeting with us on 4 April 2019 at the offices of the National Electric Power Regulatory Authority ("NEPRA").

As discussed, International Finance Corporation ("IFC") are considering investments in six wind power projects (the "Projects") to be constructed by various independent power producers, and for which tariff determinations have been issued (the "Tariff Determinations").

The Tariff Determinations however raise a number of concerns in the context of the IFC proposed financing. Amongst others, the Tariff Determinations:

- Assume that all financing of the Projects will be denominated in PKR, subject to a 6% interest rate with a repayment period of ten (10) years.
- Assume an initial PKR/US\$ exchange rate of 120 until true-up.
- Provide for the actual financing mix to be reflected only upon true-up after COD.

The Projects will have a mix of US\$ and PKR financing in each case. If the tariff is not adjusted to reflect this and the terms of the US\$ financing to be provided by IFC until post-COD, it is a material divergence from precedents. Importantly, such assumptions will result in foreign lenders assuming risks typically not allocated to lenders pre-COD, the nature of which raise fundamental bankability issues for IFC.

We discussed these concerns during our meeting. We are extremely encouraged by our discussions with you that NEPRA recognizes these concerns and have proposed that the Projects file a tariff modification petition on the following basis:

- (i) To be submitted once the term sheet is finalized and before Financial Close.



- (ii) Each petition to be accompanied by supporting documents evidencing the inapplicability of the SBP Scheme or the inability of the Project to obtain financing thereunder, along with the term sheet(s); and
- (iii) A request for an updated PKR/US\$ exchange rate that reflects the prevailing exchange rate.

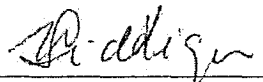
A determination issued by NEPRA upon a modification petition would indicate the reference tariff table based on the foreign debt financing as outlined in the term sheet submitted with the petition, reflecting the actual tenor agreed by the Project with the foreign financiers and the standard indexations as awarded to the Project based on foreign debt, including adjustments on account of exchange rate fluctuations and LIBOR. Such reference tariff table would form part of the EPA at Financial Close.

On a separate but related point, we ask for NEPRA's support and assistance in facilitating certain changes that CPPA-G need to initiate to the Commercial Code, 2015 (the "Code") to extend the benefits of the "savings provision" of the Code to the Projects<sup>1</sup>. In view of NEPRA's role as regulator of the country's power sector, your support and approval to the amendments that need to be effected to the Code by CPPA-G will be key in ensuring that fundamental mismatches between the Code and the bilateral EPA to be entered into by the Projects are addressed, so as to ensure the financeability of these Projects.

We extend our sincere gratitude to NEPRA for understanding our concerns and giving us the platform to present our case in person. We would welcome your acknowledgement of the above.

We look forward to working with NEPRA and the relevant stakeholders to develop a bankable set of documents which takes into account the evolving nature of the power sector and balances the interest of all participants for the success of these Projects.

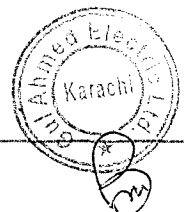
Yours sincerely,



Nadeem Siddiqui  
Senior Manager  
International Finance Corporation  
Islamabad, Pakistan

CC:  
CEO, Central Power Purchasing Agency (Guarantee) Limited  
CEO, Alternative Energy Development Board

<sup>1</sup> Certain changes to the Code effected by NEPRA pursuant to its order dated 16 November 2018 provide, inter alia, that all payment(s) to be made by CPPA-G to the relevant Projects shall be contingent upon payments being received from the relevant distribution companies and therefore any delay or failure in payment by the relevant distribution company would adversely affect the payments to be made by CPPA-G under the energy purchase agreement to be entered into with the Projects.





ANNEXURE-D



F/A-5

## Annexure - D

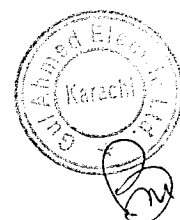
Gul Ahmed Electric Limited

Revised Tariff Table

Year	O&M Local	O&M foreign	Insurance	ROE	ROEDC	Foreign Debt Repayment	Local Debt Repayment	Tariff PKR/kWh	Tariff US Cents/kWh
1	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
2	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
3	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
4	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
5	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
6	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
7	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
8	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
9	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
10	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	3.2398	9.1692	5.7307
11	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	-	5.9294	3.7059
12	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	-	5.9294	3.7059
13	0.5528	0.5528	0.2193	1.6961	0.1529	2.7556	-	5.9294	3.7059
14	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
15	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
16	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9835
17	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
18	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
19	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
20	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
21	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
22	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
23	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
24	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
25	0.5528	0.5528	0.2193	1.6961	0.1529	-	-	3.1738	1.9836
Levelized Tariff								7.5233	4.7021

Note:

For computation of Interest During Construction (IDC) and Return of Equity During Construction (ROEDC), we have used the same disbursement percentages and computation mechanism as used in the original Tariff Determination. However, IDC and ROEDC shall be adjusted at the time of COD tariff adjustment on the basis of actual disbursements of debt and equity.



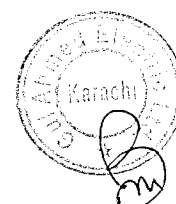
Gul Ahmed Electric Limited  
Foreign Debt Servicing Schedule

Year	Base Amount (USD)	Principal Repayment	Interest	Balance Principal	Principal Repayment PKR/kWh	Interest Reayment PKR/kWh
1	25,205,560	314,957	401,659	24,890,603	1.2403	1.5152
1	24,890,603	319,976	396,640	24,570,627		
1	24,570,627	325,075	391,541	24,245,552		
1	24,245,552	330,255	386,361	23,915,297		
2	23,915,297	335,518	381,098	23,579,780	1.3213	1.4342
2	23,579,780	340,864	375,751	23,238,916		
2	23,238,916	346,296	370,320	22,892,620		
2	22,892,620	351,814	364,801	22,540,805		
3	22,540,805	357,421	359,195	22,183,385	1.4076	1.3480
3	22,183,385	363,116	353,499	21,820,268		
3	21,820,268	368,903	347,713	21,451,366		
3	21,451,366	374,781	341,834	21,076,585		
4	21,076,585	380,753	335,862	20,695,831	1.4995	1.2561
4	20,695,831	386,821	329,795	20,309,010		
4	20,309,010	392,985	323,631	19,916,025		
4	19,916,025	399,247	317,368	19,516,778		
5	19,516,778	405,609	311,006	19,111,168	1.5973	1.1
5	19,111,168	412,073	304,543	18,699,095		
5	18,699,095	418,640	297,976	18,280,456		
5	18,280,456	425,311	291,305	17,855,145		
6	17,855,145	432,088	284,528	17,423,057	1.7016	1.053
6	17,423,057	438,974	277,642	16,984,084		
6	16,984,084	445,969	270,647	16,538,115		
6	16,538,115	453,075	263,540	16,085,039		
7	16,085,039	460,295	256,320	15,624,744	1.8127	0.9429
7	15,624,744	467,630	248,985	15,157,114		
7	15,157,114	475,082	241,534	14,682,032		
7	14,682,032	482,653	233,963	14,199,379		
8	14,199,379	490,344	226,272	13,709,035	1.9310	0.8245
8	13,709,035	498,158	218,458	13,210,877		
8	13,210,877	506,096	210,520	12,704,781		
8	12,704,781	514,161	202,455	12,190,620		
9	12,190,620	522,354	194,261	11,668,266	2.0571	0.6985
9	11,668,266	530,678	185,938	11,137,588		
9	11,137,588	539,135	177,481	10,598,453		
9	10,598,453	547,726	168,890	10,050,727		
10	10,050,727	556,454	160,162	9,494,273	2.1914	0.5642
10	9,494,273	565,321	151,294	8,928,952		
10	8,928,952	574,330	142,286	8,354,622		
10	8,354,622	583,482	133,134	7,771,140		
11	7,771,140	592,780	123,836	7,178,360	2.3344	0.4211
11	7,178,360	602,226	114,389	6,576,134		
11	6,576,134	611,823	104,793	5,964,311		
11	5,964,311	621,572	95,043	5,342,739		
12	5,342,739	631,477	85,138	4,711,261	2.4868	0.2687
12	4,711,261	641,540	75,075	4,069,721		
12	4,069,721	651,763	64,852	3,417,958		
12	3,417,958	662,149	54,466	2,755,808		
13	2,755,808	672,701	43,915	2,083,107	2.6492	0.1064
13	2,083,107	683,421	33,195	1,399,687		
13	1,399,687	694,311	22,304	705,375		
13	705,375	705,375	11,240	-		



**Gul Ahmed Electric Limited**  
**SBP Debt Servicing Schedule**

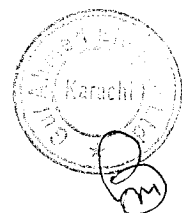
Year	Base Amount (PKR)	Principal Repayment	Interest	Balance Principal	Principal Repayment PKR/kWh	Interest Repayment PKR/kWh
1	4,032,889,571	74,314,466	60,493,344	3,958,575,104	1.8266	1.4132
1	3,958,575,104	75,429,183	59,378,627	3,883,145,921		
1	3,883,145,921	76,560,621	58,247,189	3,806,585,300		
1	3,806,585,300	77,709,030	57,098,780	3,728,876,270		
2	3,728,876,270	78,874,666	55,933,144	3,650,001,604	1.9386	1.3011
2	3,650,001,604	80,057,786	54,750,024	3,569,943,818		
2	3,569,943,818	81,258,653	53,549,157	3,488,685,166		
2	3,488,685,166	82,477,532	52,330,277	3,406,207,634		
3	3,406,207,634	83,714,695	51,093,115	3,322,492,938	2.0576	1.1822
3	3,322,492,938	84,970,416	49,837,394	3,237,522,522		
3	3,237,522,522	86,244,972	48,562,838	3,151,277,551		
3	3,151,277,551	87,538,647	47,269,163	3,063,738,904		
4	3,063,738,904	88,851,726	45,956,084	2,974,887,178	2.1839	1.0559
4	2,974,887,178	90,184,502	44,623,308	2,884,702,676		
4	2,884,702,676	91,537,270	43,270,540	2,793,165,406		
4	2,793,165,406	92,910,329	41,897,481	2,700,255,077		
5	2,700,255,077	94,303,984	40,503,826	2,605,951,093	2.3179	0.9219
5	2,605,951,093	95,718,543	39,089,266	2,510,232,550		
5	2,510,232,550	97,154,322	37,653,488	2,413,078,229		
5	2,413,078,229	98,611,636	36,196,173	2,314,466,592		
6	2,314,466,592	100,090,811	34,716,999	2,214,375,781	2.4601	0.7797
6	2,214,375,781	101,592,173	33,215,637	2,112,783,608		
6	2,112,783,608	103,116,056	31,691,754	2,009,667,552		
6	2,009,667,552	104,662,797	30,145,013	1,905,004,756		
7	1,905,004,756	106,232,738	28,575,071	1,798,772,017	2.6111	0.6287
7	1,798,772,017	107,826,230	26,981,580	1,690,945,788		
7	1,690,945,788	109,443,623	25,364,187	1,581,502,165		
7	1,581,502,165	111,085,277	23,722,532	1,470,416,887		
8	1,470,416,887	112,751,557	22,056,253	1,357,665,331	2.7713	0.4685
8	1,357,665,331	114,442,830	20,364,980	1,243,222,501		
8	1,243,222,501	116,159,472	18,648,338	1,127,063,029		
8	1,127,063,029	117,901,864	16,905,945	1,009,161,164		
9	1,009,161,164	119,670,392	15,137,417	889,490,772	2.9414	0.2984
9	889,490,772	121,465,448	13,342,362	768,025,324		
9	768,025,324	123,287,430	11,520,380	644,737,894		
9	644,737,894	125,136,741	9,671,068	519,601,153		
10	519,601,153	127,013,793	7,794,017	392,587,360	3.1219	0.1179
10	392,587,360	128,918,999	5,888,810	263,668,361		
10	263,668,361	130,852,784	3,955,025	132,815,576		
10	132,815,576	132,815,576	1,992,234	-		



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**ANNEXURE-E**

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## Annexure – E

Gul Ahmed Electric Limited

Tariff Comparison Schedule (under Rule 3(2)(d) of NEPRA (Tariff Standards and Procedure) Rules, 1998)

	Original Tariff Determination	Modification Petition
i) Levelized Tariff (US cents/kWh)	4.7212	4.7021
ii) Project Cost (in US \$ Million)		
Project Cost other than IDC	61.02	61.02
IDC	1.932	1.9932
Total Project Cost	62.952	63.013
iii) Debt:Equity	80:20	80:20
iii) Project Debt Mix (for reference tariff calculation)		
SBP financing	100%	50%
Foreign debt	0%	50%
iv) Reference exchange rate (PKR to US\$)	120	160
v) Debt Repayment Period (years)		
SBP financing	10	10
Foreign debt	N/A	13

