



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/LAG-134/15878-81

December 02, 2014

Director
First Tri-Star Modaraba
F/498, S.I.T.E, Box-3683
Karachi

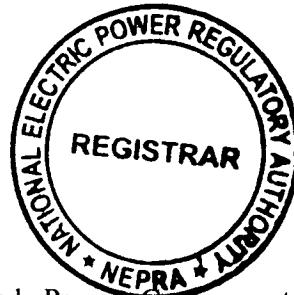
Subject: - **Revocation of Generation Licence.**

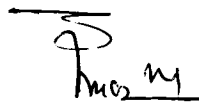
You are hereby informed that an amount of Rs.3,501,029/- had been pending against you on account of payment of Annual Licence Fee for the FY 2009-10 to FY 2012-13.

2. In view of your persistent failure in depositing the above mentioned amount, the Authority has decided to impose a fine of Rs.100,000/-. Further, the Authority has also decided to revoke your Generation Licence No. IGSP/L/23/2009 dated December 08, 2009 in terms of Section 28 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("the NEPRA Act"), and Rule 8 of NEPRA Licensing (Generation) Rules, 2000. In view of the above, you are no more authorized to carry out generation business/activity under the above mentioned Generation Licence.

3. The detailed decision/determination of the Authority pertaining to Revocation of Generation Licence and imposition of fine is being forwarded for your information and record.

Encl:/As above




02.12.14
(Syed Safer Hussain)

CC:-

1. Ministry of Water and Power Government of Pakistan, 'A' Block, Pak. Secretariat, Islamabad.
2. Private Power Infrastructure Board (PPIB), 50-Nazimuddin Road, F-7/4 Islamabad
3. Director General, Pakistan Environmental Protection Agency, Plot No. 41, Street No. 6, H-8/2, Islamabad.

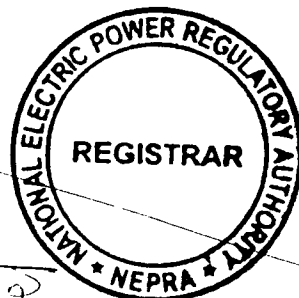
Decision of the Authority
Pertaining to Revocation of Generation Licence of First Tri-Star
Modaraba

The Authority granted a Generation Licence No.IGSPL/23/2009 dated December 08, 2009 to First Tri-Star Modaraba (FTSM) for its 110 MW Thermal Power Plant Located at Naclass 255, Deh Lal Bakhar, Tapo Gabopat Hawksbay, Karachi in the Province of Sindh.

(2). In terms of Article-5 of the above mentioned Generation Licence, FTSM was made obligatory to pay Annual Licence Fee as stipulated in National Electric Power Regulatory Authority (Fee) Rules, 2002 ("the Fee Rules"). In view of the said, FTSM was directed to deposit the Annual Licence Fee for the FY 2009-10, but FTSM did not deposit the same despite a series of reminders. Later on, further invoices pertaining to payment of Annual Licence Fee for FY 2010-11, FY 2011-12 and FY 2012-13 were raised. However, FTSM did not deposit the required pending amount which had accommodated to Rs.3,501,029/-.

(3). In view of the persistent failure of FTSM in clearing its dues, the Authority in its Regulatory Meeting (RM-12-633) held on November 13, 2012 decided to initiate proceedings against FTSM for recovery of required amount pending on account of Annual Licence Fee as stipulated in the National Electric Power Regulatory Authority (Fines) Rules, 2002 ("the Fine Rules"). Accordingly, an explanation was issued to FTSM under Rule 4(2) of the Fine Rules. However, FTSM did not respond to the said explanation despite publication of a public notice in the leading Newspapers ("The News" and "Nawai-e-Waqt") dated March 07, 2013.

(4). The Authority in its Regulatory Meeting (RM-13-191) dated May 23, 2013 considered the matter and decided to issue a Show Cause Notice (SCN) in terms of Rule 4(8) of the Fine Rules to FTSM. Accordingly, the SCN was served on July 19, 2013 but FTSM did not respond to the same. The Authority in its Regulatory Meeting (RM-13-528) dated September 25, 2013 considered the issue and decided to impose a fine of Rs.100,000/- on FTSM on account of default of payment of Annual Licence Fee in addition to outstanding Annual Licence Fee of Rs.3,501,029/-.




(5). In view of the above, the Authority also decided to initiate proceedings under Section 28 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("the NEPRA Act") for revocation of Generation Licence of FTSM. Accordingly, an SCN was issued to FTSM on January 27, 2014 as to why its Generation Licence should not be revoked. However, the said SCN returned undelivered.

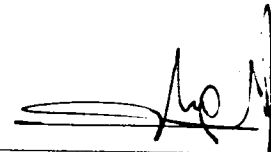
(6). The Authority considered the matter in its Regulatory Meeting (RM-14-352) dated June 10, 2014 and decided to revoke the Generation Licence of FTSM. Further, the Authority has also decided to initiate proceedings for recovery of outstanding Licence Fee for the Financial Year 2013-14, under the Fine Rules.

Authority

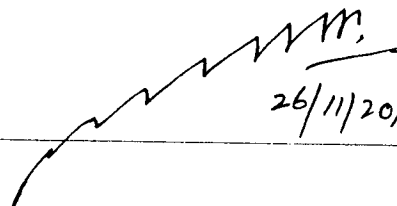
Maj. Retd. Haroon Rashid
Member




Khawaja Muhammad Naeem
Member


_____ 02 24 2014

Habibullah Khilji
Member/Vice Chairman


_____ 26/11/2014




_____ 02.12.14