



2002/01

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

Registrar

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Ph : 9207200 Ext : 330 — Fax : 9210215
E-mail : office@nepra.isb.sdnpk.org
Direct Phone : (051) 9206500

No. RI 10-1-03.007/2488

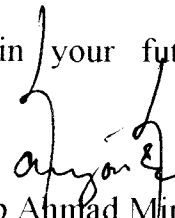
January 31, 2002

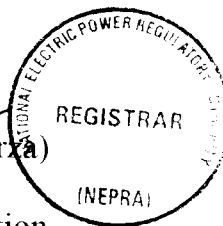
Director,
M/s. Quetta Textile Mills Ltd.
Nadir House, G/FI.
I.I. Chundrigar Road, Karachi
Fax: 021- 2419593, 5887600

**Subject: Grant of Generation Licence SGC/014/2002
Licence Application No. RI 10-1-03.007
M/s. Quetta Textile Mills Ltd.**

Please refer to your application No. nil, dated nil to NEPRA for a Generation Licence.

2. Enclosed here is Generation Licence No. SGC/014/2002 granted by the Authority to M/s. Quetta Textile Mills Ltd. The Licence is granted to you pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).
3. Also enclosed here is the 'Authorization' pursuant to Section 22 of the Act and Rule 7 of NEPRA Licensing (Generation) Rules - 2000 for sale to bulk power consumers.
4. Please quote above mentioned Generation Licence No. in your future correspondence with the Authority.


(Mahjoob Ahmad Mirza)



Copy for information to Director General, Pakistan Environmental Protection Agency, 44-E, Office Tower, Blue Area, Islamabad.

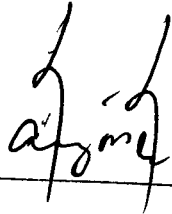
NATIONAL ELECTRICITY POWR REGULATORY AUTHORITY

GENERATION LICENCE NO. SGC/ 014/2002

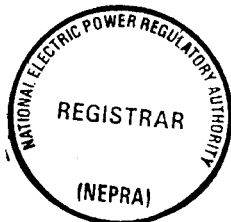
In exercise of the powers conferred on the National Electric Power Regulatory Authority under Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act , 1997 (XL of 1997), the Authority hereby grants a Licence to

Quetta Textile Mills Limited incorporated under the
Companies Ordinance, 1984
under Certificate of Incorporation No. KAR No.2811 -1969-70

to engage in the generation business for delivery and sale to the consumers mentioned in schedule I subject to and in accordance with the terms and conditions of the Licence.
Issued under my hand at Islamabad this 31st day of January two thousand and two.



Signed



Date: 31.01.2002



Article 1
Application of Rules

Save as expressly provided otherwise, the provisions of the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 as amended from time to time shall apply to this Licence.

Article 2
Definitions

Unless there is anything repugnant in the subject or context and save as expressly defined hereinafter, words and expressions used in this Licence bear the respective meanings given thereto in the Act or in the Rules.

Article 3
Grant of Licence

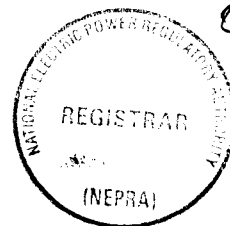
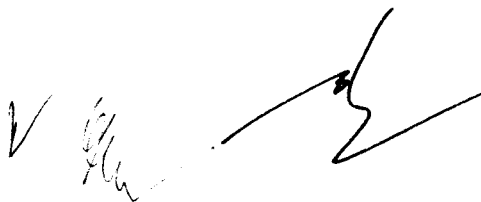
- 3.1 The location, size (capacity in MW), technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the generation facilities of the licensee are set out in Schedule 1 to this Licence.
- 3.2 The net capacity of the licensee's generation facilities is set out in Schedule II hereto.

Article 4
Licence fee

After the grant of the Generation Licence, the licensee shall pay to the Authority the Licence fee, in the amount and manner and at the time set out in Schedule III .

Article 5
Term and renewal of Licence

This Licence is granted for a term of 15 years.



**Article 6
Tariff**

The licensee shall charge from its consumers only such tariff which is either approved or specified by the Authority.

**Article 7
Distribution facilities of licensee.**

The licensee may hand over ownership and control of its distribution facilities to the DISCO in whose service territory the licensee is operating on terms and conditions as approved by NEPRA; in the event, it wishes to retain ownership and control of its distribution facilities, it shall apply for a distribution licence within one month from the grant of this generation Licence, in accordance with the relevant NEPRA rules.

**Article 8
Connection to transmission system,
Compliance with Grid code,
Pooling and settlement arrangement**

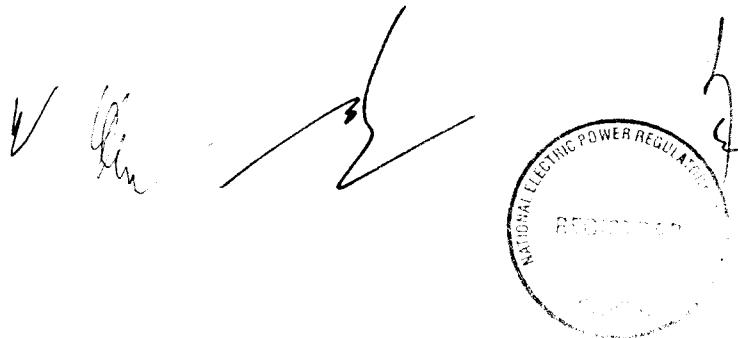
Rule 10 of the Rules shall apply only to those SPPs whose generation facilities are connected directly or indirectly at voltage of 132 kV or above

**Article 9
Generating Capacity Reserve Requirements**

The installed generating capacity of the licensee shall not fall below 85% of the connected load and generating capacity of the largest installed unit at the time of application for generation Licence. The licensee shall, within six months from the date of the grant of this licence, submit to the Authority, 'Due Diligence Report' from an independent consulting firm of repute registered with Pakistan Engineering Council, for those units manufactured in 1985/1989.

**Article 10
Compliance with Performance Standards**

The licensee shall conform to the relevant NEPRA rules on Performance Standards as may be prescribed by the Authority from time to time.



Article 11
Compliance with Environmental Standards

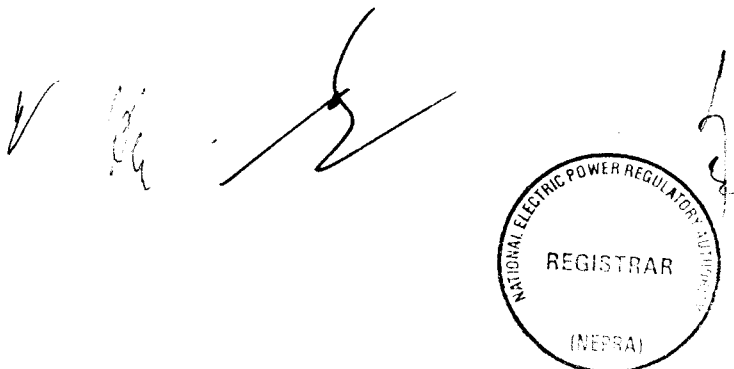
The licensee shall conform to the environmental standards as may be prescribed by the relevant competent authority.

Article 12
Maintenance of record

- 12.1 The licensee shall keep complete and accurate record and the data in respect of all aspects of the generation business and the second-tier supply business, in their original as well as in electronic form.
- 12.2 Without prejudice to the provisions of sub-rule 15(3) of the Rules, unless provided otherwise under the law or the applicable documents, all record and data shall be maintained for a period of five years after the creation of such record or data. The licensee shall not destroy or dispose off any such record or data after the aforesaid period without thirty days prior written notice to the Authority. The licensee shall also not dispose off or destroy any record or data which the Authority directs the licensee to preserve.
- 12.3 All record and data maintained in an electronic form shall, subject to just claims of confidentiality, be accessible to the staff authorized by the Authority.

Article 13
Provision of information

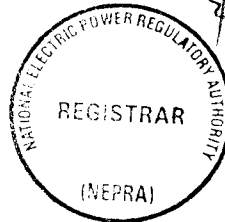
- 13.1 The obligation of the licensee to provide information to the Authority shall be in accordance with Section 44 of the Act .
- 13.2 The licensee shall be subject to such penalties as may be specified in the relevant rules made by the Authority for failure to furnish such information as may be required from time to time by the Authority and which is or ought to be or have been in the control or possession of the licensee.


The image shows three handwritten signatures in black ink. To the right of the signatures is a circular stamp. The stamp contains the text "NATIONAL ELECTRIC POWER REGULATORY AUTHORITY" around the top inner edge, "REGISTRAR" in the center, and "(NEPRA)" at the bottom. A vertical line is drawn through the stamp.

SCHEDULE-I

- The location, size (capacity in MW) technology interconnection arrangements, technical limits technical functional specifications and other details specific to the generation facilities of the licensee

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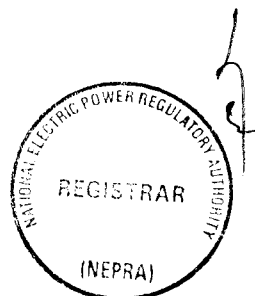
PLANT DETAILS

1.	Name of Applicant	Quetta Textile Mills Limited
2.	Registered Office	Quetta Textile Mills Ltd, I.I. Chundrigar Road, Karachi
3.	Plant Location	Plant.-1 Quetta Textile Mills Ltd B4 SITE Kotri Plant-2 47.5 Km Multan Road, Bhai Pheru
4.	Type of Facility	Thermal Generation

Plant Configuration

		Plant 1	Plant 2
5.	Plant size	11.65 MW	6.67 MW
6.	Type of Technology	Diesel Engines	Diesel Engines
7.a	Number of Units	Two	One
7.b	Unit Size	3.723 MW	3.91 MW
7.c	Unit Make, Model and date of Manufacturing	Stork Wartsilla 16SW – 1996	Stork Wartsilla 16SW - 1996
7.d	Date of Commissioning	1996	1996
8.a	Number of Units	Three	Three
8.b	Unit Size	1.4 MW	0.92 MW
8.c	Unit Make, Model And date of Manufacturing	Duetez MWM TBD441-v16 1985	SKL Germany 1989
8.d	Date of Commissioning	1998	1993

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Fuel Use



9.a.	Fuel Type	HFO	HFO
9.b	Fuel (imported/ indigenous)	Both, Depending on availability	Both, Depending on availability
9.c	Fuel Supplier	PSO/SHELL	PSO/SHELL
9.d	Supply Arrangement	Road Tankers	Road Tankers
9.e	No. of Tanks	(Two) 2	(One) 1
9.f	Storage Capacity/Tank	1250 Tons/Tank	2500 Tons/Tank
9.g	Gross Storage	2500 Tons	2500 Tons

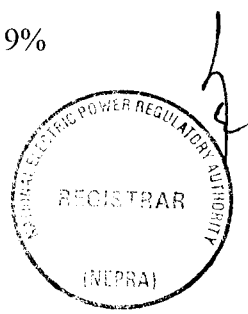
Emission Values

10.a	SOx	0.434 g/kWh	0.434 g/kWh
10.b	Nox	9.8 g/kWh	9.8 g/kWh
10.c	CO	1.2 g/kWh	1.2 g/kWh
11.	Cooling Water Source	Provided by SITE Kotri	Tubewell
12.	Installed Capacity	18.32 MW	
13.	Derated Capacity	18.32 MW	
14.	Expected Remaining Life of the Facility	Twenty three years	
15.	Operational Record	Given in Section 16 of the Licence	Application

Ancillary Services

16.a	Energy Imbalance Services	10%	10%
16.b	Spinning Reserve Service	19%	20%

✓  



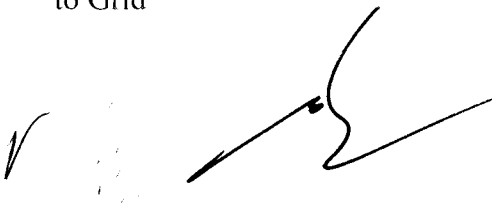
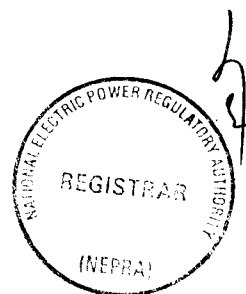
Thousand Rs.

Project Cost

		<u>Plant 1</u>	<u>Plant 2</u>	<u>Total</u>
17.a	Equity	32,784.00	17,216.00	50,000.00
17.b	Debt	124,592.00	65,425.00	190,017.00
17.c	Total Project Cost	157,376.00	82,641.00	240,017.00

Plant Characteristics

18.a	Generation Voltage	11 kV	11 kV
18.b	Frequency	50 Hz	50 Hz
18.c	Power Factor	0.80 lagging	0.80 lagging
18.d	Automatic Generation Control	Provided	Provided
18.e	Ramping Rate	0.15% per Second	0.15% per Second
18.f	Alternative Fuel	LDO/HSD	LDO/HSD
18.g	Auxiliary Consumption	2,100,000 kWh during 1999	576,000 kWh during 1999
19.	Time Required to Synchronize to Grid	Not applicable since not connected to LESCO, HESCO Grid	

QUETTA TEXTILE MILLS LIMITED

PART A

General Licence
Quetta Textile Mills Limited
Kotri and Bhai Pheru

(A) No. of Feeders:

Plant # 1 B4, S.I.T.E., KOTRI, DISTT. DADU.	Plant # 2 47.5 KM, LAHORE MULTAN ROAD, BHAI PHERU.
04	01

(B) Length of Each Feeder:

PLANT # 1:

FEEDER NO.	LENGTH (METERS)
01	1761
02	547
03	1280
04	391

PLANT # 2:

FEEDER NO.	LENGTH (METERS)
01	750

(C) Length of Each Feeders to Each Consumer:

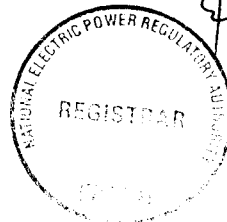
PLANT # 1

FEEDER NO.	CONSUMER	LENGTH (M)
01	NEW DELITE SAPPHIRE	1761
02	AMIN SURRIYA	547
03	H.M. ISMAIL BHENERO	1280
04	SELF. P-3 SITE	391

PLANT # 2

FEEDER NO.	CONSUMER	LENGTH (M)
01	PIONEER SPINNING	750

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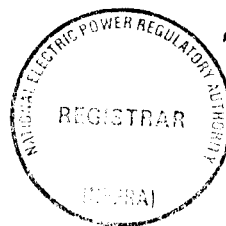


(D) IN RESPECT OF ALL THE FEEDERS, DESCRIBE THE PROPERTY (STREETS, FARMS, AGRILAND, ETC.) THROUGH, UNDER OR OVER WHICH THEY PASS RIGHT UP TO THE CUSTOMER'S PREMISES, AND WHETHER THEY CROSS-OVER OR PASS NEAR THE DISCO LINES	<u>PLANT # 1</u> All feeders are on road side belonging to Sindh Industrial Estate Ltd. Any crossing of DISCO lines done thru U/G insulated cables.	<u>PLANT # 2</u> NO
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(E) WHETHER OWNED BY SPP, CONSUMER OR DISCO (DEAL WITH EACH FEEDER SEPARATELY) - IF OWNED BY DISCO, PLEASE FURNISH PARTICULARS OF CONTRACTUAL ARRANGEMENT, OPERATION AND MAINTENANCE RESPONSIBILITY FOR EACH FEEDER	ALL FEEDERS CONSUMERED OWNED NA By SPP	ALL FEEDERS: CONSUMERED OWNED NA By SPP
---	--	---

(F) WHETHER CONNECTION WITH DISCO'S NETWORK EXISTS (WHETHER ACTIVE OR NOT) - IF YES, PROVIDE DETAILS OF CONNECTION ARRANGEMENTS (BOTH TECHNICAL AND CONTRACTUAL)	NO	NO
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PART B

(A) No. of consumers:

Plant # 1 B-1, S.I.T.E., KOTRI, DISTT. DADU.	Plant # 2 47.5 KM, LAHORE MULTAN ROAD, BHAI PHERU.
06	01

(B) Location of consumers (distance and/ or identity of premises) of PLANT # 1:

S.NO.	NAME	LOCATION / IDENTITY	DISTANCE (METERS)
01	AMIN TEXTILE MILLS LTD.	G-1, S.I.T.E., KOTRI, DISTT. DADU.	1332
02	SURRIYA TEXTILE MILLS LTD.	E-1, S.I.T.E., KOTRI, DISTT. DADU.	1300
03	NEW DELITE INDUSTRIES.	E-7/A&B, S.I.T.E., KOTRI, DISTT. DADU.	1891
04	SAPPHIRE TEXTILE MILLS LTD.	D-15, S.I.T.E., KOTRI, DISTT. DADU.	1870
05	BHANERO TEXTILE MILLS LTD.	E-2, S.I.T.E., KOTRI, DISTT. DADU.	1895
06	I.L.M. ESMAIL & COMPANY.	F1-B, S.I.T.E., KOTRI, DISTT. DADU.	1880
	SELF**	P-3, S.I.T.E., KOTRI, DISTT. DADU.	600
	SELF**	B-1, S.I.T.E., KOTRI, DISTT. DADU.	WITHIN SAME BOUNDRY

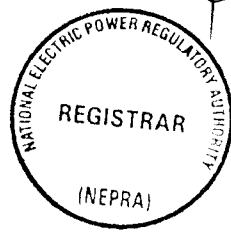
** SELF USE, SAME COMPANY.

(B) Location of consumers (distance and/ or identity of premises) of PLANT # 2:

S.NO.	NAME	LOCATION (ADDRESS)	DISTANCE (METERS)
01	PIONEER SPINNING MILLS LTD.	47.5 KM LAHORE, MULTAN ROAD.	ADJACENT (COMMON WALL)
	SELF**	47.5 KM LAHORE, MULTAN ROAD.	WITHIN SAME BOUNDRY

**SELF USE, SAME COMPANY.

(Handwritten signatures and stamps)



(C) Contracted capacity and load factor for each consumer: PLANT # 1:

CONSUMERS	CONTRACTED CAPACITY (MW)	LOAD FACTOR (%)
AMIN TEXTILE MILLS LTD.	2.0	85
SURRIYA TEXTILE MILLS LTD.	1.1	90
NEW DELITE INDUSTRIES.	1.0	70
SAPPHIRE TEXTILE MILLS LTD.	2.0	90
BHANI RO TEXTILE MILLS LTD.	0.15	94
H.M. ESMAIL & COMPANY.	0.5	60
SELF	2.65	90
SELF	1.8	90

(C) Contracted capacity and load factor for each consumer: PLANT # 2:

CONSUMERS	CONTRACTED CAPACITY (MW)	LOAD FACTOR (%)
PIONEER SPINNING MILLS LTD.	1.8	94
SELF	1.8	90

(D) PLANT # 1:

CONSUMERS	i) THE CONSUMER IS AN ASSOCIATED UNDERTAKING OF THE SPP IF YES, SPECIFY PERCENTAGE OWNERSHIP OF EQUITY	ii) THERE ARE COMMON DIRECTORSHIPS	iii) EITHER CAN EXERCISE INFLUENCE OR CONTROL OVER THE OTHER THE OTHER
AMIN TEXTILE MILLS LTD.	NO	NO	NO
SURRIYA TEXTILE MILLS LTD.	NO	NO	NO
NEW DELITE INDUSTRIES.	NO	NO	NO
SAPPHIRE TEXTILE MILLS LTD.	NO	NO	NO
BHANI RO TEXTILE MILLS LTD.	NO	NO	NO
H.M. ESMAIL & COMPANY.	NO	NO	NO
SELF, P-3, S.L.T.E.	YES, SAME COMPANY	YES, SAME COMPANY	YES, SAME COMPANY
SELF, B-1, S.L.T.E.	YES, SAME COMPANY	YES, SAME COMPANY	YES, SAME COMPANY

D) PLANT # 2:			
CONSUMERS	i) THE CONSUMER IS AN ASSOCIATED UNDERTAKING OF THE SPP. IF YES, SPECIFY PERCENTAGE OWNERSHIP OF EQUITY	ii) THERE ARE COMMON DIRECTORSHIPS	iii) EITHER CAN EXERCISE INFLUENCE OR CONTROL OVER THE OTHER THE OTHER
PIONEER SPINNING MILLS LTD.	NO	NO	NO
SELF	YES, SAME COMPANY	YES, SAME COMPANY	YES, SAME COMPANY

E)	PLANT # 1	PLANT # 2
SPECIFY NATURE OF CONTRACTUAL RELATIONSHIP (I) B/W EACH CONSUMER AND THE SPP; AND (II) EACH CONSUMER AND HOST DISCO	PRODUCER AND CONSUMER RELATIONSHIP	PRODUCER AND CONSUMER RELATIONSHIP

F) CAPACITY ORIGINALLY SANCTIONED BY PROVINCIAL GOVERNMENT – IF SUBSEQUENTLY ENHANCED, EVIDENCE OF PERMISSIONS FOR ENHANCEMENT.

PLANT # 1:	
CONSUMERS	SANCTIONED CAPACITY (MW)
AMIN TEXTILE MILLS LTD.	2.0
SURRYA TEXTILE MILLS LTD.	1.1
NEW DELITE INDUSTRIES.	1.0
SAPPHIRE TEXTILE MILLS LTD.	2.0
BHANERO TEXTILE MILLS LTD.	0.15
H.M. USMAIL & COMPANY.	0.5
SELF	2.65
SELF	1.8

PLANT # 2:	
CONSUMERS	SANCTIONED CAPACITY (MW)
PIONEER SPINNING MILLS LTD.	1.8
SELF	1.8

G)	PLANT # 1	PLANT # 2
TARIFF ARRANGEMENT AND PARTICULARS WITH WAPDA PROVINCIAL GOVERNMENT	NA	NA

SCHEDULE –II

- The net capacity of the licensee's generation facilities

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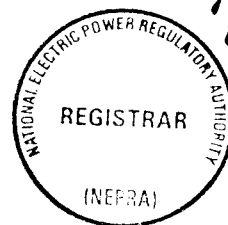


SCHEDULE-II

	Plant 1	Plant 2
1. Gross Capacity	11.65 MW	6.67 MW
		Total: 18.32 MW
2. Derated Capacity		18.32 MW
3. Auxiliary Consumption	0.42 MW	0.17 MW
4. Net Capacity	11.23 MW	6.5 MW
		Total: 17.73 MW

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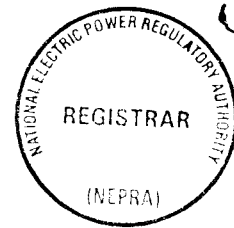
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SCHEDULE - III

- LICENCE FEE (Annual)

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SCHEDULE-III

PART I

Licence Fees (Annual)

1. Generation Licence

Fee will be calculated at the rate of Rs.6200 per MW on the basis of gross (ISO) MW capacity of the licensed generation facility.

PART II

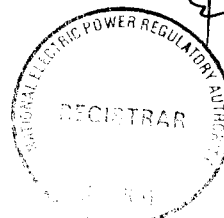
**Terms of payment of fee by the Generation,
Transmission and Distribution Licensees**

- I) The fee for the generation licences specified in this schedule shall be paid on a recurring basis in respect of each financial year by the licensee for the term of the licence (hereinafter referred to as the "annual licence fee")
- II) The annual licence fee in respect of any financial year shall be paid in advance within thirty days of the expiry of the preceding financial year, provided that, the annual licence fee for the first financial year shall be paid within thirty days of the date of grant of the licence and shall be prorated for the number of months remaining before the expiry of the financial year in which the licence is granted.
- III) In case of generation licences, the Gross (ISO) MW capacity for which the generation licence is granted shall form the basis for the calculation of the annual licence fee.









PART III

Indexation of Fees

- I) Any and all fees payable pursuant to the relevant rules shall be indexed to the Consumer Price Index ("CPI") published from time to time by the Federal Bureau of Statistics.
- II) The indexation shall be done on the basis of the most recent CPI prevailing on the date of payment of the fees and shall be increased or decreased, as the case may be, in accordance with the following formula:

$$F_{pd} = F_t [CPI_{pd} / CPI_{rd}]$$

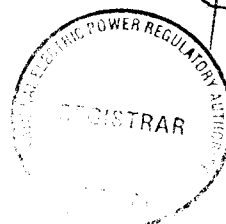
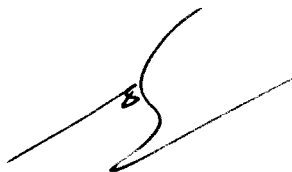
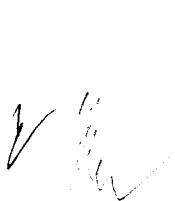
Where

F_{pd} = The actual fee payable on the date of payment

F_t = The respective fee set out in Part I of this schedule.

CPI_{pd} = The most recent CPI prevalent on the last day of the month immediately preceding the month in which the payment is due.

CPI_{rd} = The reference or base CPI, prevalent on the last day of the month in which these rules are notified in the official gazette.



**Authorization by National Electric Power Regulatory Authority
To
M/s Quetta Textile Mills Limited**

incorporated under the Companies Ordinance, 1984
under Certificate of Incorporation No. KAR No.2811 -1969-70

NEPRA GENERATION LICENCE NO.SGC/014/2002.

**For
Sale to Bulk Power Consumers**

Pursuant to Section 22 of the Act and Rule 7 of the NEPRA Licensing (Generation) Rules – 2000, the Authority hereby authorizes M/s Quetta Textile Mills Limited (Licensee) to engage in second-tier supply business, limited to the following consumers also mentioned in Schedule I of Generation Licence No.SGC/014/2002

Plant 1

B-4, SITE Kotri Distt Dadu

01. Amin Textile Mills Ltd G-1, SITE Kotri, Distt., Dadu
02. Surriya Textile Mills Ltd E-1 SITE Kotri, Distt., Dadu
03. New Delite Industries, E-7/A&B, SITE Kotri, Distt., Dadu
04. Sapphire Textile Mills Ltd D-15, SITE Kotri, Distt., Dadu
05. Bhanero Textile Mills Ltd E-2, SITE Kotri, Distt., Dadu
06. H.M. Esmail & Company E-1-B, SITE Kotri, Distt., Dadu

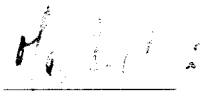
Plant 2

47.5 Km, Lahore Multan Road Bhai Pheru

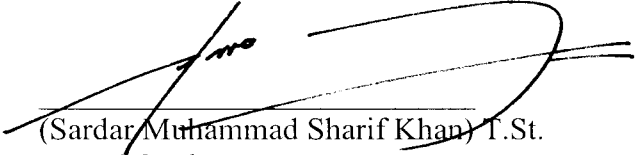
- 01 Pioneer Spinning Mills Ltd, 47.5 Km Lahore Multan Road,




(Abdul Rahim Khan)
Member



(Mansoor Elahi)
Member



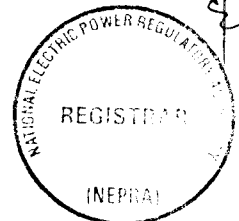
(Sardar Muhammad Sharif Khan) T.St.
Member



(Fazlullah Qureshi)
Vice Chairman



(Justice ® Saad Saood Jan)
Chairman



**Term of the Licence
(Article 5 of the Licence)
Quetta Textile Mills Limited**

The rule 5 of the Licensing (Generation) Rules - 2000 stipulates that the term of Licence shall be commensurate with the maximum expected useful life of the units comprised in a generation facility demonstrated to the satisfaction of the Authority unless the applicant consents to a shorter period.

Quetta Textile Mills Limited has shown in its application No. Nil dated Nil to NEPRA for a Generation Licence, remaining life of its facility as 23 years.

The Licensing Group considers that the Diesel Electric Generators normally have useful life of around 20 years. Since the plants of Quetta Textile Mills Limited were manufactured in 1985/1989/1996 and commissioned in 1993/1996/1998 therefore the Group recommends that the Licence be issued to Quetta Textile Mills Limited by the Authority for 15 years from the date of grant of Licence by the Authority.

AUTHORITY DECISION

The Authority agrees with the Licensing Group recommendations about the term of Licence. The Licence is granted for a term of 15 years.

Authority

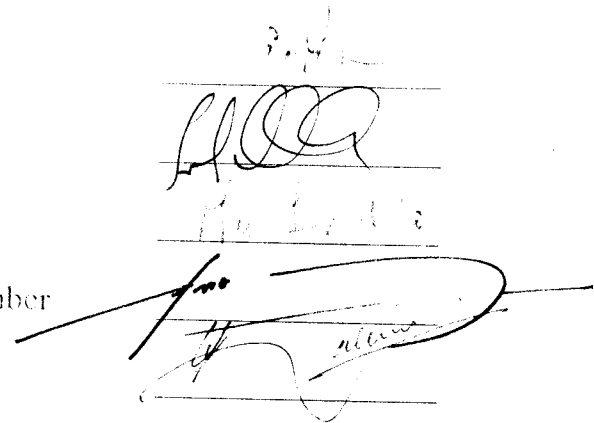
Justice (R) Saad Saood Jan, Chairman

Mr. Fazlullah Qureshi, Vice Chairman

Mr. Mansoor Elahi, Member

Sardar Muhammad Sharif Khan T. St., Member

Mr. Abdul Rahim Khan, Member


The Authority members have signed their names on the right side of the page, corresponding to the list of names on the left. The signatures are handwritten and appear to be in ink.

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