



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

Registrar

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No. RI 10-1-03.011/2391

January 2, 2002

General Manager Project,
Sitara Energy Ltd.
5th Floor, Sitara Tower,
Bilal Chowk, New Civil Lines,
Faisalabad.
Tele: 041- 644069-70, 642543
Fax: 041- 618436, 629210

Subject: **Grant of Generation Licence**
Licence Application No. RI 10-1-03.011
M/s. Sitara Energy Ltd.

Please refer to your application dated May 30, 2000 to NEPRA for a Generation Licence.

2. Enclosed here is Generation Licence No. SGC/012/2002 granted by the Authority to M/s. Sitara Energy 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.



o/c
2.1.02
(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

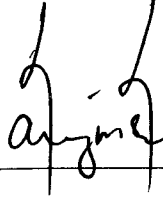
GENERATION LICENCE NO. SGC/ 012 /2002

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

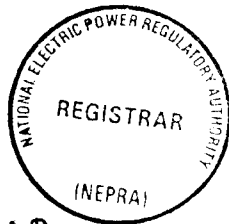
Sitara Energy Limited incorporated under the
Companies Ordinance, 1984
under Certificate of Incorporation No. K-03200 dated 07-11-91

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 2nd day of January two thousand and two.


2.1.02

Signed



Date: 02.01.2002

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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

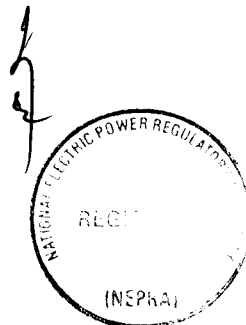
- 3.1 The location , size (capacity in MW) , technology, interconnection arrangements , technical limits, technical functional specifications and other details specific to the generation facilities of the licensee are set out in Schedule I of this Licence.
- 3.2 The net capacity of the licensee's generation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

Article 5
Term and Renewal of Licence

This Licence is granted for a term of fifteen (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**

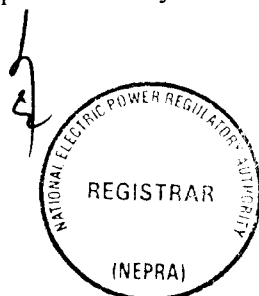
Sub-rule 10 of the Rules shall apply only to those SPPs whose generation facilities are connected directly or indirectly at voltage of 132 kV or above

**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.

**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

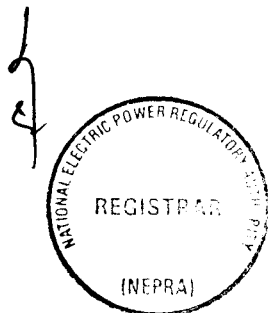
The licensee shall conform to the environmental standards as may be prescribed by the relevant competent authority.

Article 12
Maintenance of Record

- 12.1 The licensee shall keep complete and accurate record and 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 (5) 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.

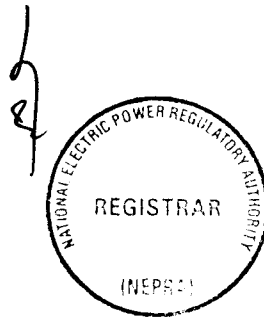
Article 13
Provision of Information

- 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.



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

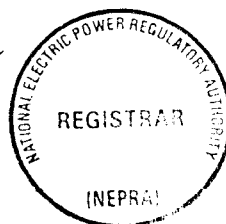
- | | | |
|----|-------------------|--------------------------------------------------------------|
| 1. | Name of Applicant | Sitara Energy Limited |
| 2. | Registered Office | 601-602 Business Centre, Mumtaz Hasan Road, Karachi-74000 |
| 3. | Plant Location | 33-Km Faisalabad-Sheikhupura Road, Faisalabad. |
| 4. | Type of Facility | Thermal Generation |

Plant Configuration

- | | | |
|-----|---------------------------------------------|------------------------------------------------------------------------------|
| 5.a | Plant size | 47.68 MW |
| 5.b | Type of Technology | Thermal Diesel Electric |
| 5.c | Number of Units | Eight |
| 5.d | Unit Size | 5.96 MW |
| 5.e | Unit Make and Model, Date of Manufacture | Niigata 18 V 32 CLX (i) Unit # 3,4,5,6,7,8 1994 (ii) Unit # 1,2,4 1995 |
| 5.f | Date of Commissioning | 1995 |

Fuel Use

- | | | |
|-----|-----------------------------|---------------------------------|
| 6.a | Fuel Type | HFO |
| 6.b | Fuel (Imported/indigenous) | Both, depending on availability |
| 6.c | Fuel Supplier | PSO/Shell/Caltex |
| 6.d | Supply Agreement | Road /Tankers |
| 6.e | No. of Tanks | Four |



| | | |
|-----|------------------------|----------------|
| 6.f | Storage Capacity/ Tank | 2876/Tons/Tank |
| 6.g | Gross Storage | 11504 Tons |

Emission Values

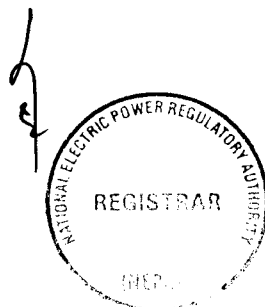
| | | |
|-----|-------------|----------------------------|
| 7.a | So2 | 818 ppm (14.23 Tonnes/day) |
| 7.b | Nox | 1200 ppm |
| 7.c | CO2 | Not Applicable |
| 7.d | Particulate | Not applicable |

| | | |
|-----|-----------------------------------------|---------------------------------------------------|
| 8. | Cooling Water Source | Tube Well |
| 9. | Installed Capacity | 47.68 MW |
| 10. | Derated Capacity | 47.68 MW |
| 11. | Expected Remaining Life of the Facility | Twenty-Five Years |
| 12. | Operational Record | Included in Section 16 of the Licence Application |

Project Cost

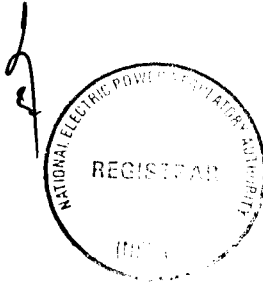
| | | |
|------|-----------------------------------------|------------|
| 13.a | Equity (Thousand Rupees) | 330,642.00 |
| 13.b | Debt (Thousand Rupees) | 557,708.00 |
| 13.c | Total project Cost (Thousand Rupees) | 888,350.00 |

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Plant Characteristics

| | | |
|------|-----------------------------------------|-----------------------------------------------------------------------|
| 14.a | Generation Voltage (Volts) | 11000 V |
| 14.b | Frequency | 50 Hz |
| 14.c | Power Factor | 0.80 lagging |
| 14.d | Automatic Generation Control | Provided |
| 14.e | Ramping Rate | 0.1 % Per second |
| 14.f | Alternative Fuel | HSD |
| 14.g | Auxiliary Consumption | 9,615,900 kWh during 1999 |
| 14.h | Time Required to Synchronize to Grid | Not Applicable since unit is not connected to LESCO or FESCO Grid. |



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SPP Licenses- Performa for information regarding Distribution Issues

PART A

| Network Facts* | | |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. | No. of Feeders | 7 Nos. (Feeder No. 1,2,3,4,5,6 & 7) |
| B. | Length of Each Feeder | Feeder No.1 14407 Meters Feeder No.2 805 Meters Feeder No.3 805 Meters Feeder No.4 805 Meters Feeder No.5 6165 Meters Feeder No.6 6285 Meters Feeder No.7 805 Meters See Annexure I** for further details |
| C | Length of Each Feeder to Each Consumer | Please see Annexure IV**** and the attached map of the area of supply of SEL (Annexure III)*** |
| D. | In respect of all the Feeders, describe the property (streets, farms, agri land, etc.) through, under or over which they pass right up to the customer premise's premises, and whether they cross-over or pass near the DISCO lines. | Please see the attached map of the Area of Supply of SEL (Annexure III)*** |
| 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 the feeders are owned by SEL. The responsibility for Operation & Maintenance of all Feeders is with SEL. |
| F. | Whether connection with DISCO's network exists (whether active or not)- If yes, provide details of connection arrangement (both technical and contractual) | All the SEL feeders are completely independent. No connection whatsoever (active or otherwise) exists with FESCO network. |
| Any other network information deemed relevant for disclosure to or consideration by NEPRA. | | A detailed map showing in detail the demographic and topographic lay out of the Area of Supply is attached as Annexure III****. |

* Includes all allied equipment (pylons, protective devices, transformers, etc.)

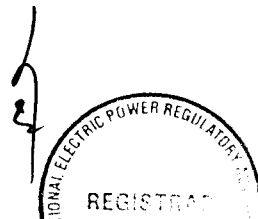
** Annexure I is Page 8 of 11 of Schedule-I

Annexure II is Page 9 of 11 of Schedule I

*** Annexure III is map Page 2 of 11 of Schedule-I

**** Annexure IV is Page 10 of 11 of Schedule-I

Annexure V is Page 11 of 11 of Schedule I



SPP Licenses- Performa for information regarding Distribution Issues

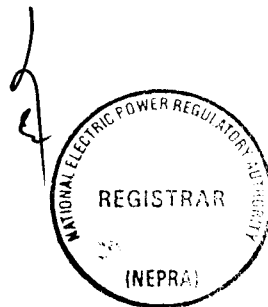
PART B

| Consumption Facts* | | |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| A. | No. of Consumers | 16 Nos. For details see Annexure II* (column C). |
| B. | Location of consumers (distance and/or identity of premises) | See Annexure IV** and the attached map of the area of supply of SEL (Annexure III, page 1 of 10 of Schedule-I) |
| C | Contracted Capacity and Load Factor for each consumer | See Annexure II (column D & E) |
| D. | Specify Whether I. the consumer is an associated undertaking of the SPP*- if yes, specify percentage ownership of equity; II. there are common directorship; III. either can exercise influence or control over the other. | See Annexure V*** (column D) |
| E. | - Specify nature of contractual relationship 1) b/w each consumer and the SPP; and 2) each consumer and host DISCO | See Annexure V*** (column E & F) |
| F. | Capacity originally sanctioned by provincial Government- If subsequently enhanced, evidence of permissions for enhancement | Original Capacity sanctioned by Government of Punjab is 48 MW. |
| G. | Tariff arrangement and particular with WAPDA/Provincial Government | As per WAPDA charges. |

* Annexure II is Page 9 of 11 of Schedule-I

** Annexure IV is Page 10 of 11 of Schedule-I

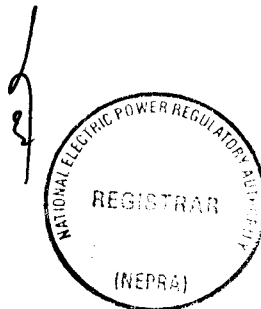
*** Annexure V is Page 11 of 11 of Schedule-I



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Annexure I

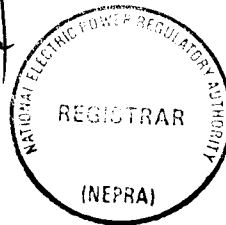
| Sr. # | Feeder # | Length of Feeder | Type of Feeder | Total Length of Feeder |
|-------|----------|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1 | 1 | 14257 Meters 150 Meters | O/H Line Osprey Conductor Under Ground Cable 1 C 300 mm ² XPLE | 14407 Meters |
| 2 | 2 | 805 Meters | Under Ground Cable 1 C 240 mm ² XPLE x 6 | 805 Meters |
| 3 | 3 | 805 Meters | Under Ground Cable 1 C 240 mm ² XPLE x 6 | 805 Meters |
| 4 | 4 | 805 Meters | Under Ground Cable 1 C 240 mm ² XPLE x 6 | 805 Meters |
| 5 | 5 | 5955 Meters 150 Meters 60 Meters | O/H Line Osprey/Panther Under Ground Cable 1 C 240 mm ² XPLE x 6 Under Ground Cable 1 C 400 mm ² XPLE x 6 | 6165 Meters |
| 6 | 6 | 6075 Meters 150 Meters 60 Meters | O.H line Osprey/Panther/Dog Under Ground Cable 1 C 240 mm ² XPLE x 3 Under Ground Cable 1 C 400 mm ² XPLE x 3 | 6285 Meters |
| 7 | 7 | 805 Meters | Under Ground Cable 1 C 240 mm ² XPLE x 6 | 805 Meters |



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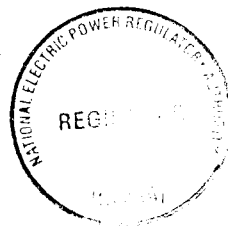
Annexure II

| Sr.# | Feeder # | Consumer | Contracted Capacity | Load Factor |
|------|------------------------|--------------------------------------------------------|---------------------|-------------|
| A | B | C | D | E |
| 1 | 1 | SCIL Textile Division No.2 | 2000 kW | 0.96 |
| 2 | | Choudhry Flour Mills | 225 kW | 0.94 |
| 3 | | Aslam Chemicals | 200 kW | 0.66 |
| 4 | | Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning) | 1600 kW | 0.6 |
| 5 | | Bismillah Processing Mills | 501 kW | 0.74 |
| 6 | | Amtex | 1700 kW | 0.99 |
| 7 | 2,3,4&7 | Sitara Chemical Industries Ltd. | 28000 kW | 0.96 |
| 8 | 5 | Isphan Weaving Mills | 154.5 kW | 0.61 |
| 9 | | Fine Weaving Mills | 125 kW | 0.74 |
| 10 | | Amir Shahzad | 150 kW | 0.95 |
| 11 | | Madni Ghee Mills | 400 kW | 0.94 |
| 12 | | Amjad Aslam Weaving Mills | 80 kW | 0.5 |
| 13 | | Bismillah Weaving Mills | 178 kW | 0.93 |
| 14 | | Habib Calico Weaving Mills | 150 kW | 0.96 |
| 15 | Mustafa Spinning Mills | 1600 kW | 0.96 | |
| 16 | 6 | SCIL Textile Division No.1 | 2000 kW | 0.97 |



Annexure IV

| Sr.# | Feeder # | Consumer | Length from SEL to Consumer | Length of Consumers service cable from SEL Feeder | Type of Consumers service cable |
|------|----------|--------------------------------------------------------|-----------------------------|----------------------------------------------------|-----------------------------------------------------------------------------|
| A | B | C | D | E | F |
| 1 | 1 | SCIL Textile Division No.2 | 6816 Mtrs | 30 Mtrs Cable | 3 C 120 mm ² XPLE |
| 2 | | Choudhry Flour Mills | 3940 Mtrs | 200 Mtrs O/H Line 20 Mtrs Cable | Dog Conductor 3 c 95 mm ² XPLE |
| 3 | | Aslam Chemicals | 950 Mtrs | 720 Mtrs O/H Line 40 Mtrs Cable | Dog Conductor 3 c 95 mm ² XPLE |
| 4 | | Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning) | 7740 Mtrs | 45 Mtrs Cable | 3 C 120 mm ² XPLE |
| 5 | | Bismillah Processing Mills | 14407 Mtrs | 60 Mtrs Cable | 3 C 70 mm ² XPLE |
| 6 | | Amtex | 14417 Mtrs | 200 Mtrs O/H Line 400+150_30 Mtrs Cable | Dog Conductor 3 c 95 mm ² XPLE |
| 7 | 2,3,4&7 | Sitara Chemical Industries Ltd. | 805 Mtrs Each | 805 Mtrs Cable Each Feeder | 1 C 240 mm ² XPLE x 6 Cables |
| 8 | 5 | Isphan Weaving Mills | 1550 Mtrs | 15 Mtrs Cable | 3 C 70 mm ² PVC |
| 9 | | Fine Weaving Mills | 1450 Mtrs | 18 Mtrs Cable | 3 C 70 mm ² XPLE |
| 10 | | Amir Shahzad | 682 Mtrs | 50.7 Mtrs O/H Line 10 Mtrs Cable | Dog Conductor 4 C 70 mm ² PVC |
| 11 | | Madni Ghee Mills | 1629 Mtrs | 15 Mtrs O/H Line 75 Mtrs Cable 20 Mtrs Cable | Dog Conductor 3 C 95 mm ² XPLE 3 C 70 mm ² XPLE |
| 12 | | Amjad Aslam Weaving Mills | 1724 Mtrs | 20 Mtrs Cable | 4 C 50 mm ² PVC |
| 13 | | Bismillah Weaving Mills | 3221 Mtrs | 30 Mtrs Cable 30 Mtrs Cable | 1 C 120 mm ² x 3 PVC 1 C 70 mm ² PVC |
| 14 | | Habib Calico Weaving Mills | 3325 Mtrs | 125 Mtrs Cable 10 Mtrs Cable | 3 C 35 mm ² XPLE 3 ^{1/2} C 95 mm ² PVC |
| 15 | | Mustafa Spinning Mills | 4055 Mtrs | 64+97 Mtrs O/H Line 20+30 Mtrs Cable | Panther Conductor 3 C 120 mm ² XPLE |
| 16 | 6 | SCIL Textile Division No.1 | 5965 Mtrs | 30 Mtrs Cable | 3 C 120 mm ² XPLE |



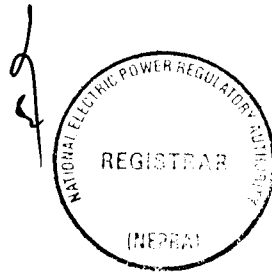
Annexure V

| Sr.# | Feeder # | Consumer | Consumer Relationship with SEL | Contractual Relationship | |
|------|------------------------|-----------------------------------------------------|------------------------------------------|--------------------------|------------------------------------|
| | | | | Consumer & SPP | Consumer & FESCO |
| A | B | C | D | E | F |
| 1 | 1 | SCIL Textile Division No.2 | Associated Company, Common Director Ship | Agreement | None |
| 2 | | Choudhry Flour Mills | No association with SEL | Agreement | None |
| 3 | | Aslam Chemicals | No association with SEL | Agreement | None |
| 4 | | Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning) | No association with SEL | Agreement | None |
| 5 | | Bismillah Processing Mills | No association with SEL | Agreement | None |
| 6 | | Amtex | No association with SEL | Agreement | 996 kW load sanctioned from FESCO |
| 7 | 2,3,4&7 | Sitara Chemical Industries Ltd. | Associated Company Common Director Ship | Agreement | 8000 kW load sanctioned from FESCO |
| 8 | 5 | Isphan Weaving Mills | No association with SEL | Agreement | None |
| 9 | | Fine Weaving Mills | No association with SEL | Agreement | None |
| 10 | | Amir Shahzad | No association with SEL | Agreement | None |
| 11 | | Madni Ghee Mills | No association with SEL | Agreement | None |
| 12 | | Amjad Aslam Weaving Mills | No association with SEL | Agreement | None |
| 13 | | Bismillah Weaving Mills | No association with SEL | Agreement | None |
| 14 | | Habib Calico Weaving Mills | No association with SEL | Agreement | None |
| 15 | Mustafa Spinning Mills | No association with SEL | Agreement | None | |
| 16 | 6 | SCIL Textile Division No.1 | Associated Company Common Directorship | Agreement | None |



SCHEDULE - II

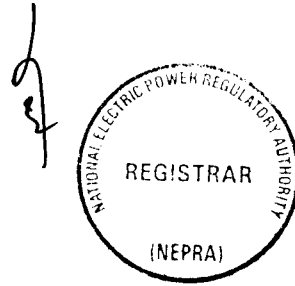
- The net capacity of the licensee's generation facilities



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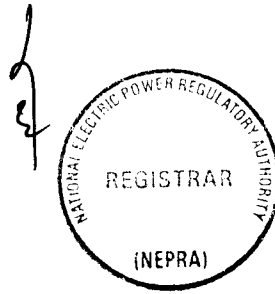
SCHEDULE II

| | |
|---------------------------------------|------------------------------------|
| GROSS INSTALLED CAPACITY (MW) | 8 x 5.96=47.68 MW (Eight Units) |
| DERATED CAPACITY (MW) | =47.68 MW |
| AUXILIARY CONSUMPTION (MW) | = 1.54 MW |
| NET CAPACITY OF THE PLANT (MW) | = 46.14 MW |



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 licenced 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
-

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

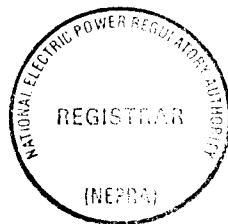
F_t = The respective fee set out in Part I of this schedule.

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.

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**Authorization by National Electric Power Regulatory Authority
To**

M/s Sitara Energy Limited

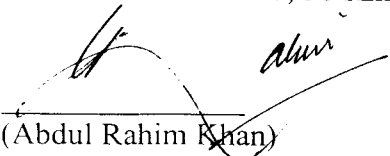
incorporated under the Companies Ordinance, 1984
under Certificate of Incorporation No.K-03200 Dated 01-11-91
NEPRA GENERATION LICENCE NO.SGC/012/2002

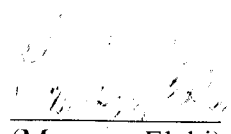
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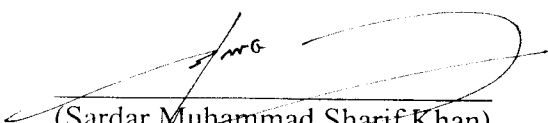
Sale to Bulk Power Consumers

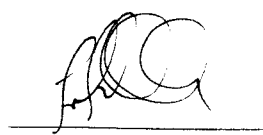
Pursuant to Section 22 of the Act and Rule 7 of the NEPRA Licensing (Generation) Rules – 2000, the Authority hereby authorizes M/s Sitara Energy Limited (Licensee) to engage in second-tier supply business, limited to the following consumers also mentioned in Schedule I of Generation Licence No.SGC/ 012 /2002.

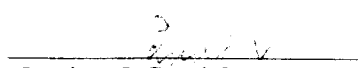
1. Isphan Textile Mills (Pvt). Limited, Chak # 61-RB, 35th Km Main Faisalabad Road, Tehsil Jaranwala, District Faisalabad.
2. Fine Weaving Mills (Pvt) Limited, 61-Chak Sheikhpura Road, Faisalabad.
3. Mustafa Spinning Mills (Pvt) Limited, 32 Km Faisalabad-Sheikhpura Road, Faisalabad.
4. Sitara Chemical Industries Limited, 1091/2 Sitara Towers, New Civil Lines, Faisalabad.
5. SCIL Textile Division No.1, 1091/2 Sitara Towers, New Civil Lines, Faisalabad.
6. SCIL Textile Division No.2, 1091/2 Sitara Towers, New Civil Lines, Faisalabad.
7. Madni Ghee Mills (Pvt) Limited, 32 Km Sheikhpura Road, Faisalabad.
8. Bismillah Processing Mills (Pvt) Limited, 1 Km Jaranwala Road, Khurrianwala, Faisalabad.
9. Bismillah Weaving Mills Limited, 1 Km Jaranwala Road, Khurrianwala, Faisalabad.
10. Amtex (Pvt) Limited, 1 Km Khurrianwala, Jaranwala Road, Faisalabad.
11. Choudhry Flour Mills, Adda Johal, 32 Km Sheikhpura Road, Faisalabad.
12. Aslam Chemicals, 97 RB Johal 36 Km Sheikhpura Road, Faisalabad.
13. Habib Calico, Street No.8 Abdullahpur, Faisalabad.
14. Shahbaz Garments Limited, 27 Km Sheikhpura Road, Faisalabad.
15. Amjad Aslam Weaving Mills, 32 Km Sheikhpura Road, Faisalabad
16. Amir Shahzad, 36 Km Sheikhpura Road, Faisalabad.

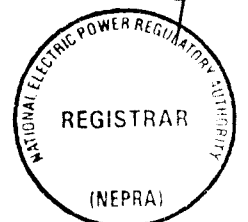

(Abdul Rahim Khan)
Member


(Mansoor Elahi)
Member


(Sardar Muhammad Sharif Khan)
Member


(Fazlullah Qureshi)
Vice Chairman


(Justice ® Saad Saood Jan)
Chairman



**Term of the Licence
(Article 5 of the Licence)
Sitara Energy 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.

Sitara Energy Limited, has shown in its application No.NIL dated 30.05.2000 to NEPRA for a generation licence, remaining life of its facility as 25 years.

The Licensing Group considers that the Diesel Electric Generators normally have useful life of around 20 years. Since the plants of Sitara Energy Limited , were manufactured in 1994/1995 and commissioned in 1995, therefore the Group recommends that the Licence be issued to Sitara Energy Limited, by the Authority for fifteen (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 fifteen (15) years.

Authority


Justice ® Saad Saood Jan, Chairman


Mr. Fazlullah Qureshi, Vice Chairman

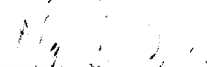
Mr. Mansoor Elahi, Member

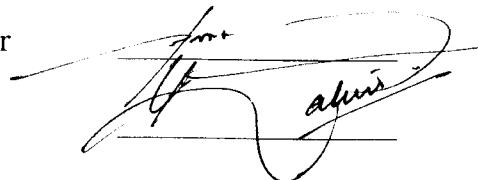
Sardar Muhammad Sharif Khan T. St., Member

Mr. Abdul Rahim Khan, Member









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Sitara Energy Limited**

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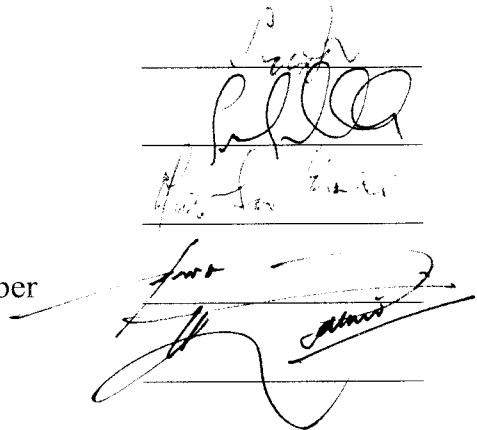
Justice ® Saad Saood Jan, Chairman

Mr. Fazlullah Qureshi, Vice Chairman

Mr. Mansoor Elahi, Member

Sardar Muhammad Sharif Khan T. St., Member

Mr. Abdul Rahim Khan, Member



The image shows four handwritten signatures, each written over a horizontal line. The signatures are in black ink and appear to be cursive or semi-cursive. The first signature is at the top, followed by the second, third, and fourth signatures below it. The lines are evenly spaced and extend across the width of the text area.

BRIEF FOR THE AUTHORITY

Sitara Energy Limited

1. Type & Plant Location Thermal Diesel Engines
Sitara Energy Limited
33-Km Faisalabad-Sheikhupura Road, Faisalabad

2. Plant Capacity Plant #1 Manufactured and
Commissioned

No. of Units Eight 1994/1995 and 1995 respectively (see Plant
Details in Schedule-I of the Licence)

Size of each unit 5.96 MW

Installed Capacity 47.68 MW

3. Emission Values Provided

4. Consumer Statistics Sixteen Consumers
a. No of Feeders Seven
b. Length of Feeder, Feeder # 1 (14417 Meter long) to Amtex (**1.7 MW**), Bismillah
Name of Consumer, Processing Mills (**14407 Meters away**) (**0.50 MW**), Shahbaz
Contracted Load Garments Ltd, (7740 Meters away) (**1.60 MW**), SCIL Textile
Division No.2 (6816 Meters away) (**2.0 MW**), Choudhry Flour
Mills (3940 Meters away) (**0.225 MW**), Aslam Chemicals (950
Meters away) (**0.20 MW**).
Feeder # 2,3,4&7 (805 Meters long) Sitara Chemical Industries
Ltd. (**28 MW**)
Feeder # 5 (6165 Meter long) Mustafa Spinning Mills (4055
Meters away) (**1.60 MW**), Habib Calico Weaving Mills (3325
Meters away) (**0.15 MW**), Bismillah Weaving Mills (3221 Meters
away) (**0.178 MW**), Amjad Aslam Weaving Mills (1724 Meters
away) (**0.08 MW**), Madni Ghee Mills (1629 Meters away)
(**0.40MW**), Amir Shahzad (682 Meters away) (**0.15 MW**), Fine
Weaving Mills (1450 Meters away) (**0.125 MW**), Isphan Weaving
Mills (1550 Meters away) (**0.155 MW**)
Feeder # 6 (6285 Meters long) , SCIL Textile Division No.1
(5965 Meters away) (**2.0 MW**)

5. Capacity Requirements Meets the Criteria of Article 9 of the Licence.
6. Whether Distribution Licence required
Distribution Licence is required (several Highway, Public Road, and DISCO line crossing involved),
Second tier-supply authorization required by the Supplier.
7. Licence Period Group recommends fifteen (15) years period.

| | | | | |
|------|------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| (1). | Gross Installed Capacity | Plant # 1 | $8 \times 5.96 =$ | 47.68 MW |
| | | Total | | 47.68 MW |
| (2). | Derated Capacity | | | 47.68 MW |
| (3). | Auxiliary Consumption | | | 1.54 MW |
| (4). | Net Capacity | | | 46.14 MW |
| (5). | (i) | Total Consumer Contracted Load | | 39.06MW |
| | (ii) | Diversified Load | $0.85 \times 39.06 =$ | 33.20 MW |
| (6). | Least Possible Available Generation [(4)- Largest Unit] | | $[46.14-5.96] =$ | 40.18 MW |
| (7). | Capacity Reserve Surplus [(6) - (5)ii] | | | 6.98 MW |
| (8). | Consumer Back-up Generation Or FESCO Connection | | <u>(i) Back-up FESCO Connection</u> Amtex and Sitara Chemicals Industries Limited have FESCO back-up connection.(1 MW and 8 MW respectively) <u>(ii) Back-up Generation</u> a. Sitara Chemical Industries Limited =1.825 MW b. Sitara Textile Division 1 & 2 = 3.0 MW c. Aamir Shahzad Industries = 0.05 MW d. Bismillah Textile Weaving Mills = 0.1 MW e. Madni Ghee Mills = 0.2 MW | |
| (9). | Meets the Criteria Under Article 9 of Licence | | | Yes |