

# DHADAR

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

## Subject: Application for Tariff Determination on Cost-Plus Basis


I, Sharoz Hameed, Project Manager, being the duly Authorized Representative of Dhadar Hydropower (Private) Limited by virtue of BOARD RESOLUTION dated 16<sup>th</sup> November 2018, hereby submit a feasibility stage tariff petition for 18.18 MW (Gross) Hydropower project being set-up at Dhadar Nullah, District Mansehra (the "Project") and request for NEPRA's approval.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provision of National Electric Power Regulatory Authority ("NEPRA") Tariff Standards and Procedure Rules 1998, and undertake to abide by the terms and provisions of above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and corrected to the best of my knowledge and belief.

A Bank Draft/Pay Order in the sum of Rupees PKR 489,408 being the non-refundable application processing fee calculated in accordance with NEPRA Tariff Standards and Procedures 2002, is also attached herewith.

I hereby further request the Authority to determine the feasibility stage tariff petition for the Project.

Date: 23<sup>rd</sup> November 2018

  
Sharoz Hameed  
Authorized Representative



For my information &  
— DRO I / DRO II M. A. M.  
Copy to:  
26 11 18  
— SA (Tech)  
— SAT - I  
— Chmn. (CHP) - ADG (CHP) M(T)/M(M&E)  
— LA (KEP) M(Ch),  
— MF

REGISTRAR  
Dy. No: 11653  
Dated: 26-11-18

# DHADAR

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## Details of Petitioner

### Name and Address

#### **Dhadar Hydropower (Private) Limited ("DHPL")**

35-A/2, Aziz Avenue,  
Gulberg 5, Lahore,  
Pakistan.

Representative of DHPL



Sharoz Hameed  
Authorized Representative



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Pt. Final enclosed herewith P.O No. 6477534 dated 22/11/2018  
amounting to Rs. 489,408/- For n. e

A.D.G (Fin)

RECEIVED  
REGISTRAR  
Dy. No: 11653  
Dated: 26-11-18

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

**FEASIBILITY STAGE TARIFF PETITION**

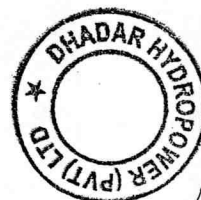
**ON BEHALF OF**

**DHADAR HYDROPOWER (PRIVATE) LIMITED**

**FOR 18.18 MW (GROSS) HYDROPOWER PROJECT  
AT**

**DHADAR NULLAH, DISTRICT MANSEHRA**

**Dated: 23<sup>rd</sup> November 2018**



A handwritten signature in black ink, appearing to be "SH".



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### List of Acronyms

BOT	Build, Own, Transfer
COD	Commercial Operations Date
CPI	Consumer Price Index
CPPA-G	Central Power Purchase Agency (Guarantee) Limited
DHPL	Dhadar Hydropower (Private) Limited
EPC	Engineering, Procurement and Construction
GoKPK	Government of Khyber Pakhtunkhwa
GoP	Government of Pakistan
Hrs	Hours
IDC	Interest during Construction
IEE	Initial Environmental Examination
IRR	Internal Rate of Return
Km	Kilometres
kV	Kilovolts
kWh	Kilowatt Hours
LIBOR	London Interbank Offered Rate
LOI	Letter of Intent
LOS	Letter of Support
MT	Metric Tons
MW	Megawatts
MWh	Megawatt Hours
NEPRA	National Electric Power Regulatory Authority
NEPRA Act	Regulation for Generation, Transmission and Distribution of Electric Power Act (XL of) 1997
NEPRA Rules	NEPRA Tariff Standards and Procedure Rules, 1998
NTDC	National Transmission and Despatch Company Limited
O&M	Operations and Maintenance
PEDO	Pakhtunkhwa Energy Development Organization
PKR	Pakistan Rupees
PPA	Power Purchase Agreement
ROE	Return on Equity
USD	United States Dollar



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# DHADAR

**Extracts of the Resolution passed by the Board of Directors of  
Dhadar Hydropower (Private) Limited at its meeting of the  
Board of Directors held on 16<sup>th</sup> November 2018**

**Resolutions:**

1. **RESOLVED THAT**, "the Board of Directors of Dhadar Hydropower (Private) Limited ("DHPL") have hereby approved and permitted to file the tariff petition with National Electric Power Regulatory Authority ("NEPRA") in respect of 18.18 MW (Gross) hydro power project at Dhadar Nullah, District Mansehra (the "Project") and in relation thereto enter into and execute any and all required documents, make all filings, do any act and pay all applicable fees, whatever it may be in each case, of any nature whatsoever as may be required."
2. **FURTHER RESOLVED THAT**, "in respect of tariff petition and applications etc. to be submitted to NEPRA, **Mr. Sharoz Hameed**, is the duly authorized representative on behalf of the Company for the purpose of filing the tariff petition and is hereby empowered and authorized for and on behalf of the Company to:
  - a. Review, execute, submit and deliver the tariff petition or applications (including modifications thereto) and related documentation required by NEPRA, inter alia, any consents, contract, document, power of attorney, affidavits, statements, letters, forms, applications, deeds, undertakings, approvals, memoranda, amendments, communications, notices, certificates, request and any other instruments of any nature whatsoever;
  - b. Sign and execute necessary documentation, pay necessary fees, appear before NEPRA as needed and do all necessary things for the issuance of tariff for the Project;
  - c. Represent and respond on behalf of the Company, in the public hearings, to all of NEPRA's queries, case officers, stakeholders and to attend pre and post hearing meetings;
  - d. Do all such acts, matters and things as may be necessary for carrying out the purposes aforesaid and give full effect to the above-said; and
  - e. Delegate all or any of the above powers in respect of the foregoing to any other officials of the Company as deemed appropriate.

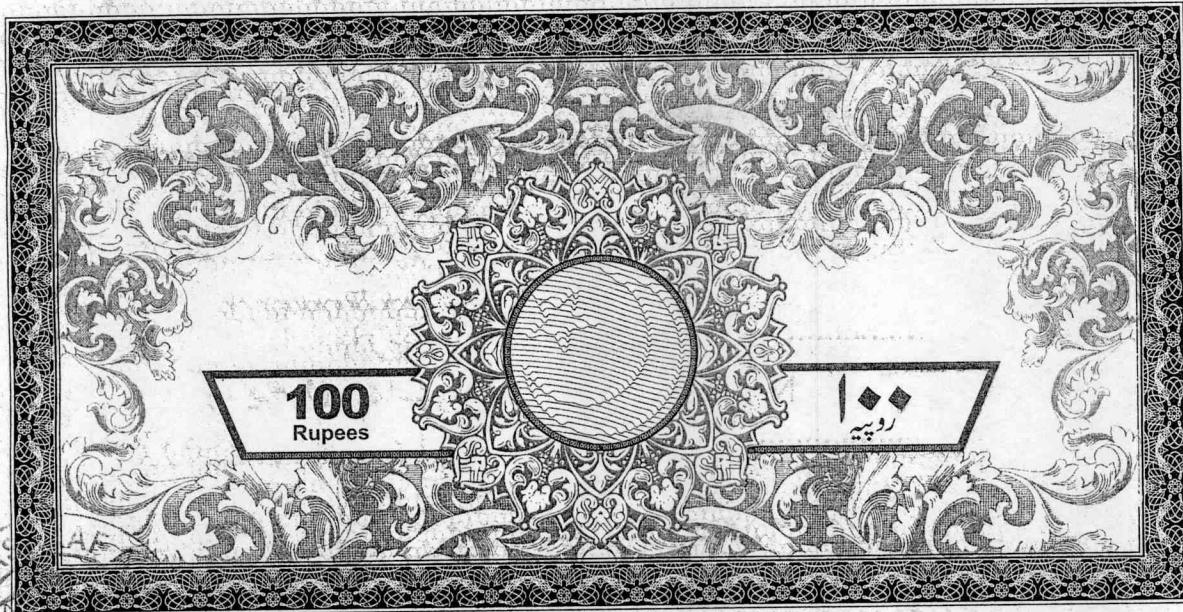
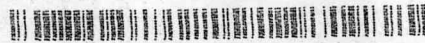
**CERTIFIED TO BE TRUE COPY**

*Usman Haider*



Usman Haider  
**Director**

Dated: 16<sup>th</sup> November, 2018

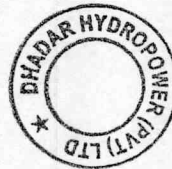


**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)**

**AFFIDAVIT** of Sharoz Hameed CNIC No. 35202-7815223-9, the Authorized Representative of Dhadar Hydropower (Private) Limited having its registered office at 35-A/2, Aziz Avenue, Gulberg 5, Lahore.

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

1. I am the Authorized Representative of the Company.
2. That I have filed accompanying Tariff Petition together with supporting documents before the NEPRA and the contents of the same may kindly be read as an integral part of this affidavit.
3. That the content of the accompanying Tariff Petition, and all further documentation and/or information to be provided by me in connection with the accompanying Tariff Petition shall, are true to the best of my knowledge and belief.



**DEPONENT  
SHARAZ HAMEED  
AUTHORIZED REPRESENTATIVE**

**VERIFICATION**

Verified on oath on this 23<sup>rd</sup> November, 2018 that the contents of this affidavit are true to the best of my knowledge and belief.



**DEPONENT  
SHARAZ HAMEED  
AUTHORIZED REPRESENTATIVE**

Account Payee Only  
Not Over

faysabank



PKR

\*\*\*\*\*489,408.00\*\*\*\*

0457-GULBERG INDUSTRIAL AREA LAHORE

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY.

Pay to \_\_\_\_\_ or Order

Rupees FOUR HUNDRED EIGHTY-NINE THOUSAND FOUR HUNDRED EIGHT AND 0/100 ONLY

Payable at any FBL branch in Pakistan



Please do not write below this line.

PO No. 6477534

Stationery/Ref No: 04805645

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PKR \*\*\*\*\*489,408.00

Authorized Signatory  
PA#B-07

Authorized Signatory  
PA#B-01

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## **I. Background & Regulatory Framework**

### **a. Project Background**

Dhadar Hydropower (Private) Limited (the "Company"), incorporated in 2015 as a private limited company under the Companies Ordinance, 1984, envisages to set up an 18.18 MW run-of-the-river, high head hydro power project, the Project, at Dhadar Nullah, near Batakundi, District Mansehra.

Dhadar Nullah, is one of the left tributaries of River Kunhar with its confluence near Batakundi in the Kaghan Valley. Kaghan Valley is rich in power generation potential where a number of small, medium to large hydro power project potential sites have been identified.

The Project is envisaged to be constructed on the lower 4 km of Dhadar Nullah and powerhouse is designed to be located near Batakundi. The Project is expected to produce 80,172 MWh of electricity annually. The implementation of the Project will help energize indigenous power resources to meet the current shortfall and future increase in demand of electricity in the region through economical and sustainable means. Batakundi currently has no electricity resource as it is not connected to the grid.

### **b. NEPRA Act & NEPRA Rules**

Under the Regulation for Generation, Transmission and Distribution of Electric Power Act (XL of) 1997 (the "NEPRA Act"), the National Electric Power Regulatory Authority ("NEPRA") is responsible, inter alia, for determining tariffs and other terms and conditions for the supply of electricity through generation, transmission and distribution. NEPRA is also responsible for determining the process and procedures for reviewing tariffs and recommending tariff adjustments. Further, pursuant to the enabling provisions of the NEPRA Act, the procedure for tariff determination has been prescribed in the NEPRA Tariff Standards and Procedure Rules, 1998 (the "Tariff Rules").

### **c. Applicable Policy**

The Letter of Intent ("LOI") to the Project has been issued under the provisions of the amended Government of Khyber Pakhtunkhwa Power Policy, 2006, (the "Power Policy"). The Power Policy was developed by Government of Khyber Pakhtunkhwa ("GoKPK") and extends all fiscal benefits under the Federal Power Policy of 2002 to projects awarded by GoKPK.

### **d. Letter of Intent**

The Project was awarded an LOI by PEDO on 29<sup>th</sup> October 2015. The tariff to be determined by the Authority will be incorporated in the Power Purchase Agreement ("PPA") to be entered between the Company and Central Power Purchasing Authority (Guarantee) Limited ("CPPA-G" or "Power Purchaser").

### **e. Project Chronology**



- i. LOI issued to the Project by PEDO on 29<sup>th</sup> October 2015
- ii. Feasibility Study submitted to PEDO for approval on 2<sup>nd</sup> February 2016
- iii. Initial Environmental Examination ("IEE") report submitted to Environment Protection Agency ("EPA"), KPK on 18<sup>th</sup> February 2016
- iv. IEE approval received from EPA, KPK on 27<sup>th</sup> August 2016
- v. Approval of Project Feasibility by PEDO Panel of Experts on 4<sup>th</sup> October 2016

#### f. Submission

Pursuant to the relevant provisions of the NEPRA Act, Tariff Rules, and in accordance with the Khyber Pakhtunkhwa Power Policy 2006; read with the LOI, the Company, submits herewith to NEPRA, for its determination, a feasibility stage tariff petition (the Tariff Petition) for determination of the reference generation tariff for a hydropower project (the Reference Generation Tariff) for an 18.18 MW (Gross) power generation facility to be located at Dhadar Nullah, District Mansehra for a term of 30 years on Build, Operate, Transfer ("BOT") basis.

## II. Key Features of the Project

<b>Main Sponsor</b>	Aequitas Private Limited
<b>Power Purchaser</b>	Central Power Purchasing Agency (Guarantee) Limited ("CPPA-G")
<b>EPC Contractor</b>	To be determined through a competitive bidding process
<b>Project Size</b>	18.18 MW (Gross)
<b>Project Configuration</b>	3 x 6.06 MW (Gross at Mean Site Conditions)
<b>Project Site</b>	Dhadar Nullah, District Mansehra
<b>Interconnection</b>	132 kV
<b>Construction Period</b>	36 months from Financial Close
<b>Auxiliary Consumption</b>	1%
<b>Plant Factor</b>	50.85%
<b>Annual Generation</b>	80,172 MWh
<b>Feasibility-level Project Cost</b>	USD 52.54 million (subject to finalization of EPC Contract Price)
<b>Capital Structure</b>	80% Debt and 20% Equity
<b>Levelized Reference Tariff - PKR</b>	PKR 11.4432 per kWh (subject to finalization of EPC contract price and NEPRA's final determination)
<b>Levelized Reference Tariff – US Cents</b>	US ¢ 9.2061 per kWh

#### a. Salient Features

<b>HYDROLOGY (DESIGN FLOWS)</b>	
Catchment area at weir site	119 km <sup>2</sup>
Mean annual flow	7.72 cumecs





Design discharge	8.0 cumecs
Design flood (10,000 Year Flood)	919 cumecs
<b>RESERVOIR/HEAD POND</b>	
Head Pond length	100 m
Head Pond area	0.64 Hectares
Maximum flood level	2,852.8 m.a.s.l
Max. reservoir operating level	2,850.0 m.a.s.l
Gross Storage	0.04 MCM
<b>WEIR STRUCTURE</b>	
Weir height above riverbed	15 m
Length of crest	110 m
Weir crest level	2,854.0 m.a.s.l
River bed level	2,839.0 m.a.s.l
Weir Type	Composite (Rockfill/Concrete Gravity)
<b>DIVERSION CHANNEL</b>	
Flood during construction	226 cumecs
Length of diversion channel	90 m
Size of channel	W x H = 15 m x 5 m,
<b>UNGATED SPILLWAYS</b>	
Width of Spillway	20 m
Discharge capacity	349 cumecs
Spillway sill level	2,850.0 m.a.s.l
<b>LOW LEVEL FLUSHING OUTLETS</b>	
Number of gates	2 (Two)
Gate Type	Vertical
Gate Size	5.0 m x 5.0 m
Discharge capacity	570 cumecs
Sill level	2,838.0 m.a.s.l
<b>POWER WATERWAYS/ POWER INTAKE</b>	
Type	Lateral Intakes
No. of gates	2 (Two)
Rack size (W x H)	2 m x 3 m
Deck elevation	2,854.0 m.a.s.l
Sill level of intake racks	2,848.4 m.a.s.l
<b>CONNECTING CHANNEL (Concrete Lined)</b>	
Length	60 m
Width	2.8 m
Height	2.1 m
<b>SANDTRAP</b>	
Length	60.0 m



Width	11.0 m
Height	7.0 m
<b>HEADRACE CHANNEL (Concrete Lined)</b>	
Length	2,143 m
Width	2.8 m
Height	2.1 m
<b>FOREBAY</b>	
Length	150 m
Width	15 m
Height	9 m
<b>EMBEDDED PENSTOCKS</b>	
No. of penstocks	1 (One)
Diameter	1.8 m
Length of GRP penstock	2,004 m
Length of Steel penstock	415 m
<b>POWER GENERATION</b>	
Gross head	272.8 m
Max. net head	272.0 m
Min. net head	263.7 m
Rated net head	269.0 m
Plant design discharge	8.0 cumecs
Installed plant capacity	18 MW (Net)
Mean annual energy (average 53 years.)	80.17 GWh
Plant factor	50.8 % (Average year)
Firm power	2.56 MW
Turbine type	Pelton, 428.6 rpm
No. of units	3 (Three)
Turbine Setting	2.4 m
Turbine centreline level	2,574.0 m.a.s.l.
Generators	3 (Three)
Powerhouse type	Surface
Powerhouse Cavern (L x W x H)	41.0 x 8.90 x 10.2 m
<b>TAILRACE CHANNEL (CONCRETE LINED)</b>	
Normal tail water level	2,566.0 m.a.s.l
Minimum tail water level	2,564.0 m.a.s.l
Maximum tail water level	2,570.0 m.a.s.l
Length of tailrace channel	16 m

**b. Environment**



The project design, technology and equipment selection has been made with the intention to make the Project safe and environmentally compliant to all local laws and conventions.

### **c. Project Site**

The Project has been proposed on Dhadar Nullah near Batakundi village, District Mansehra, Khyber Pakhtunkhwa (KP) province of Pakistan. Dhadar Nullah joins the Kunhar River near Batakundi village. The Project site is approximately 100 km from Mansehra. The Project will require 64.2 acres of land, consisting of 21.7 acres of privately owned farmlands and 42.5 acres of forest/riverbed land.

The Project Site is accessible from Islamabad, Lahore and the port of Karachi by air, through road, as well as via railway from Karachi to Havelian. The nearby big cities and centres of supplies of various commodities are Balakot, Mansehra, Abbottabad and Islamabad. The Project is located a few km upstream of Naran and Kaghan in the famed Kaghan valley.

The road distance of the project area from Islamabad / Rawalpindi is 244 km, which can be covered in 9 to 10 hours. The road distance from Lahore to Batakundi is approximately 612 km, and can be covered in 13 to 14 hours via M-2 (Motorway), KKH (Karakoran Highway) and N-15 (National Highway).

### **d. Interconnection**

The initial interconnection scheme envisaged evacuation of power from the Complex to the Balakot grid station using 132kV double circuit transmission line.. However, a number of hydropower projects such as 96 MW Batakundi, 188 MW, Naran Hydropower Project, 870 MW Suki Kinari Hydropower Project and 300 MW Balakot Hydropower project are being developed in the vicinity of the Project Site. Therefore, a revised interconnection scheme may be developed at the EPC stage to further improve the Project Cost.

### **e. Sponsor Introduction**

Aequitas, the main sponsor of the Project, is one of the most active advisory entities in Pakistan specializing in the area of Corporate Finance, M&A advisory, Business Consulting and Independent Power Project (IPP)/Power Sector Advisory having handled a number of landmark and high profile transactions in various sectors, especially in the IPP sector, both locally as well as abroad. Clients include some of the top business groups of Pakistan including Fauji Group, Nishat Group, JDW Group, Crescent Group, Saigol Group, City Schools etc.

The firm has a strong domain knowledge of the energy, power, real estate, telecom, cement, banking, asset management, brokerage sectors and has successfully completed development and fund raising transactions for early-stage to listed companies.





In terms of IPPs the firm has comprehensive expertise and intricate knowledge of development, contracts, tariff, fuel etc., as well acquisition of IPPs in Pakistan and abroad. With an all encompassing experience of 18 years in project development and financing the team members have a unique insight into various technical, financial, operational, regulatory and legal aspects of green-field independent power projects.

### III. Proposed Tariff and Indexations

- a. A two-part tariff structure based on energy and capacity payments is proposed.
  - Capacity payments shall be payable by the Power Purchaser based on availability of the Plant whereas energy payments shall be billed and be payable based on the net electrical output of the Plant under and in accordance with the terms of the PPA.
- b. The proposed tariff is summarized as follows:

Component (PKR/kWh)	Yr 1-10	Yr 11-30
Variable O&M Foreign	0.1584	0.1584
Variable O&M Local	0.1401	0.1401
<b>Energy Component</b>	<b>0.2985</b>	<b>0.2985</b>
Fixed O&M (Foreign)	0.1900	0.1900
Fixed O&M (Local)	0.6726	0.6726
Insurance	0.6330	0.6330
Return on Equity	3.8260	3.8260
Debt Servicing	8.0288	0.0000
<b>Capacity Component</b>	<b>13.3504</b>	<b>5.3787</b>
<b>Total</b>	<b>13.6489</b>	<b>5.6773</b>
<b>Levelized</b>		<b>11.4432</b>
<b>Levelized (US cents/kWh)</b>		<b>9.2061</b>

- c. The following indexations will be applicable for the proposed tariff:

Component	Applicable Indexation
Variable O&M (Foreign)	PKR/USD Rate and US CPI
Variable O&M (Local)	Pakistan CPI
Fixed O&M (Foreign)	PKR/USD Rate and US CPI
Fixed O&M (Local)	Pakistan CPI
Insurance	PKR/USD Rate on 1 <sup>st</sup> day of each agreement year
Return on Equity	PKR/USD Rate
Principal Repayment	PKR/USD Rate
Interest Payments	3m LIBOR and PKR/USD Rate

- d. Reference Dates and Rates

The following reference dates/rates have been assumed with respect to the above indexations:



PKR/USD:	124.30
3-month LIBOR:	2.3960%
US CPI:	252.439
Pakistan CPI:	229.27

#### IV. Key Factors Underlying the Calculations of the Proposed Tariff

##### a. Project Cost Assumptions

Following is the estimated capital cost of the Project:

	USD Million
EPC Cost	40.83
Land Cost	1.50
Development Costs	3.72
Insurance during Construction	0.41
Lender's fee and charges	1.47
Interest during Construction (IDC)	4.62
<b>Total Project Cost</b>	<b>52.54</b>

##### i. EPC Cost

The EPC Cost includes costs of procurement, engineering design, site preparation, construction of boundary wall, access road, temporary facilities, civil works, main plant (incl. import, installation, erection, completion, testing and commissioning of turbines and generators), balance of plant (electrical equipment and systems), control and metering, construction of colony, project management, provision of water and power during construction, training, security costs and security personnel accommodation. The EPC Cost does not include customs duties or withholding taxes, which will be pass-through based on the actual amount.

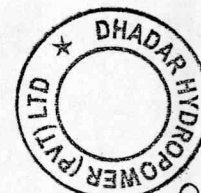
USD 40.83 million has been budgeted as the EPC Cost, which is expected to be firmed up following the EPC Bidding process.

##### ii. Land Cost

The total estimated land required for the Project is 64.2 acres out of which 21.7 acres is privately owned and 42.5 acres is forest/riverbed land. The Company has estimated the Land Cost at USD 1.50 million and may be updated at the EPC Stage. The cost of the land plus stamp duty and other associated costs will be adjusted at actual at COD.

##### iii. Development Costs

###### a. Cost of Studies and Consultants



*SH.*

Project Development Costs include cost of feasibility study and its component studies like topographic survey, site investigations, environmental impact assessment, sedimentation study, etc. as well as fees for legal counsel, technical consultant, financial advisor, independent engineer and owner's engineer, training, regulatory/legal fees, etc. These costs have been estimated at USD 3.24 million and may be updated at the EPC stage and will be adjusted as per actual at COD.

*b. Company and Sponsor Costs*

Company and sponsor costs include administrative costs expected to be incurred by the owner prior to COD. This will include the cost of salaries, office rentals, travel, utilities and other establishment costs. The Company has budgeted USD 0.49 million for these costs and will be adjusted as per actual at COD.

**iv. Insurance during Construction**

Insurance premiums to be incurred prior to COD have been estimated at 1.00% of EPC Cost and amount to USD 0.41 million.

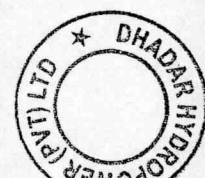
**v. Lender's Fee and Charges**

This covers arrangement, commitment, agency, trustee, monitoring and other fees payable to the lending banks as well as fees payable to legal, technical and insurance advisors employed by the lending banks for the purposes of the financing. These fees have currently been budgeted at 3.5% of the debt amount (excluding any sales or withholding taxes) and amount to USD 1.47 million.

**vi. Interest during Construction (IDC)**

IDC has been calculated on the basis over a 36-month construction period, an 80:20 debt to equity ratio and based on financing from foreign lenders. A lending rate of 3-month LIBOR of 2.396% plus a spread of 4.50% has been assumed. The projected debt disbursement schedule assumed to calculate IDC is given in the table below:

Quarter	Debt Drawdown (%)
1	8.75%
2	8.75%
3	8.75%
4	8.75%
5	11.25%
6	11.25%
7	11.25%
8	11.25%
9	5.00%
10	5.00%
11	5.00%





Based on the above assumptions, the Interest during construction for the Project is estimated at USD 4.62 million.

Interest during construction shall be subject to adjustments based on firm offer from lending banks and the actual disbursement schedule.

In addition, interest shall be subjected to adjustment for variation in the 3-month LIBOR on a quarterly basis.

The Company may avail the State Bank of Pakistan's ("SBP") Refinancing Scheme for Renewable Projects. In this case, IDC will be based on the actual cost and adjusted accordingly.

#### **b. Capital Structure Assumptions**

The Project is to be funded based on a debt to equity ratio of 80:20. Based on the financial structure the sponsors shall subscribe an equity of USD 13.14 million in the project, while USD 39.41 million will be raised from foreign lenders. A summary of the proposed capital structure is given in the table below:

<b>Capital Structure</b>	<b>USD Million</b>
<b>Equity</b>	13.14
<b>Debt</b>	39.41
<b>Total Project Cost</b>	52.54
<b>Debt: Equity</b>	80:20

#### **c. Financing Cost Assumptions**

Financing costs are based on a foreign loan with a tenor of 15 years, which includes a grace period of 3 years and loan repayment period of 12 years. Debt repayment over the period will be through 48 fixed-quarterly instalments.

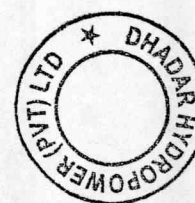
The interest cost is based on financing from foreign lenders at a rate of 3-month LIBOR plus 4.50% per annum, subject to confirmation from the lending banks.

Subsequent adjustments shall be made, due to variation in 3-month LIBOR and PKR/USD exchange rate on a quarterly basis.

In case the Company avails SBP's refinancing scheme, financing costs will be adjusted accordingly.

#### **d. Return on Equity (ROE)**

A USD based IRR of 18% has been assumed for the purposes of calculation of the of the ROE component. This is in line with NERPA's recent tariff determinations of hydropower projects.





#### e. Operations and Maintenance (O&M) Costs

A total annual Operations and Maintenance cost of USD 748,926 million has been assumed for the Project. Specific third-party security costs related to the Project are not included in the budgeted amount.

A summary of estimated O&M costs is as follows:

Item	Estimated Cost
Variable O&M Cost	USD 192,557
Variable O&M – Local	47%
Variable O&M – Foreign	53%
Fixed O&M Cost	USD 556,369
Fixed O&M – Local	78%
Fixed O&M – Foreign	22%

The above is expected to cover costs related to routine, scheduled and major maintenance; staff salaries and benefits; spares and other consumables; corporate overheads and other miscellaneous costs.

#### f. Insurance during Operations

Annual insurance cost during operations has been assumed at 1.00% of EPC Cost and amounts to USD 408,275 per annum.

#### g. Assumptions

- i. The timing of drawdown of debt and equity may vary from those specified in this Petition; as such, the Project Cost will be adjusted on the basis of actual IDC at COD. Similarly, ROE component will also be updated in the Reference Tariff;
- ii. Similarly, adjustments in Project Cost due to variation in PKR / USD variations and KIBOR (if applicable) / LIBOR fluctuations will also be catered for at the time of COD;
- iii. No Withholding Taxes & Customs duties have been assumed on import of plant and equipment and onshore component and will be adjusted as per actual payment at COD;
- iv. Attraction of withholding taxes and or advance taxes on payments to O&M and EPC Contractor is a pass through.

#### h. Pass Through

- i. No withholding tax on dividend has been included in the tariff. Authority is requested to allow payment of withholding tax on dividend as pass through at the time of actual payment of dividend
- ii. The payments to Workers Welfare Fund and Workers Profit Participation Fund and Employees Old Age Benefits and Pension Contributions,.
- iii. Zakat deduction on dividends as required under Zakat Ordinance is considered as a pass through;
- iv. No tax on income of Company (including proceeds against sale of electricity to CPPA/NTDC) has been assumed. Corporate tax, turn over tax, general sales tax / provincial sales tax and all other taxes, excise duty, levies, fees etc. by any federal / provincial entity including local



- bodies as and when imposed, shall be treated as a pass-through item;
- v. Withholding tax on debt servicing component of tariff has not been assumed.
  - vi. Any Excise Duty Other Duty, levy, charge, surcharge or other impositions under the applicable laws whether Provincial or Federal or Local not considered in the tariff will be a pass through under the PPA
  - vii. No GoKPK taxes (on any component of Project Cost) have been assumed in the tariff petition. In case Project is required to pay any such taxes, same shall be treated as a pass-through item;
  - viii. No hedging cost is assumed for exchange rate fluctuations during construction and all cost overruns resulting from variations in the exchange rate during construction shall be allowed as pass through;
  - ix. Any costs incurred by Project Company, which are required to be incurred by Power Purchaser pursuant to provisions of PPA shall also be treated as pass through.
  - x. Any other taxes and charges that constitute the Project Cost and Operating Cost during construction or operation periods shall be treated as pass through.
  - xi. If the Company is required to make payment of withholding tax on debt servicing the same shall be treated as a Pass-through item. The Power Purchaser shall reimburse to the Company the actual amount paid on this account.
  - xii. Costs incurred or suffered by the Company for any change in general Assumptions shall be a pass through.

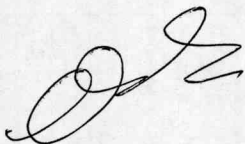
**i. Other Terms and Conditions**

- i. No corporate income tax on the Project has been assumed throughout the life of the Project. If any tax is payable, the same shall be passed-through to the Power Purchaser.
- ii. No sales tax, value-added tax, federal excise duty or any other tax has been assumed for the sale of power to the Power Purchaser. Any tax levied on the sale of power to the Power Purchaser as per law shall be billed and be payable by the Power Purchaser accordingly.
- iii. No provincial or federal sales tax on services and goods have been considered as part of the Project and or Operating Costs. The same shall either be adjusted in the Project Cost or considered a pass-through item at actuals.
- iv. Any costs arising out of modifications/amendments by the Power Purchaser or any other governmental authority shall be considered pass-through to the Power Purchaser.
- v. In light of the foregoing submissions, DHPL requests the learned Authority to kindly approve the proposed generation tariff together with the pertinent indexations to remain effective for a period of 30 years from COD on a fast-track basis.

DHPL would be pleased to provide any further information, clarification or explanation that may be required by the Authority during its evaluation process.



For and on behalf of DHPL



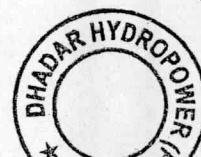
Sharoz Hameed  
Authorized Representative





# Reference Tariff Table

Year	Energy Purchase Price – EPP (Rs./kWh)			Capacity Purchase Price – CPP (Rs./kW/Hour)								Capacity Charge @ 50.85% PF	Total Tariff	
	Variable O&M (Foreign)	Variable O&M (Local)	Total	Fixed O&M (Foreign)	Fixed O&M (Local)	Insurance	ROE	Loan Re-Payment	Interest Charges	Total CPP	Rs. Per kWh	Rs. Per kWh	US ¢ per kWh	
1	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	1.8441	2.2381	6.7880	13.3504	13.6489	10.9806	
2	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	1.9746	2.1076	6.7880	13.3504	13.6489	10.9806	
3	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.1144	1.9679	6.7880	13.3504	13.6489	10.9806	
4	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.2640	1.8183	6.7880	13.3504	13.6489	10.9806	
5	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.4242	1.6581	6.7880	13.3504	13.6489	10.9806	
6	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.5957	1.4865	6.7880	13.3504	13.6489	10.9806	
7	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.7794	1.3028	6.7880	13.3504	13.6489	10.9806	
8	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	2.9761	1.1062	6.7880	13.3504	13.6489	10.9806	
9	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	3.1867	0.8956	6.7880	13.3504	13.6489	10.9806	
10	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9453	3.4122	0.6701	6.7880	13.3504	13.6489	10.9806	
11	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	3.6537	0.4286	6.8171	13.4076	13.7061	11.0266	
12	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	3.9122	0.1701	6.8171	13.4076	13.7061	11.0266	
13	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
14	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
15	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
16	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
17	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
18	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
19	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
20	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
21	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
22	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	
23	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674	



24	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
25	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
26	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
27	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
28	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
29	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
30	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
Average													
1-10 Years	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9502	2.7614	1.3208	6.7929	13.3599	13.6585	10.9883
11-30 Years	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9744	0.0000	0.0000	2.7348	5.3787	5.6773	4.5674
1-30 Years	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9647	1.1046	0.5283	4.3580	8.5712	8.8698	7.1358
Levelized	0.1584	0.1401	0.2985	0.0966	0.3420	0.3218	1.9554	1.8482	1.1025	5.6665	11.1446	11.4432	9.2061



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# Debt Servicing Schedule

Period	Debt Servicing Schedule						
	Foreign Debt						Debt Servicing (Rs/kW/h)
	Principal (Million \$)	Principal Repayment (Million \$)	Interest (Million \$)	Balance (Million \$)	Total Debt Service (Million \$)	Principal (Rs/kW/hr)	Interest (Rs/kW/hr)
	42.04	0.57	0.72	41.47	1.29		
	41.47	0.58	0.71	40.89	1.29		
	40.89	0.59	0.70	40.30	1.29		
	40.30	0.60	0.69	39.70	1.29		
<b>Total 1st Year</b>	<b>42.04</b>	<b>2.34</b>	<b>2.84</b>	<b>39.70</b>	<b>5.18</b>	<b>1.8441</b>	<b>2.2381</b>
	39.70	0.61	0.68	39.09	1.29		
	39.09	0.62	0.67	38.47	1.29		
	38.47	0.63	0.66	37.83	1.29		
	37.83	0.64	0.65	37.19	1.29		
<b>Total 2nd Year</b>	<b>39.70</b>	<b>2.50</b>	<b>2.67</b>	<b>37.19</b>	<b>5.18</b>	<b>1.9746</b>	<b>2.1076</b>
	37.19	0.65	0.64	36.54	1.29		
	36.54	0.66	0.63	35.87	1.29		
	35.87	0.68	0.62	35.20	1.29		
	35.20	0.69	0.61	34.51	1.29		
<b>Total 3rd Year</b>	<b>37.19</b>	<b>2.68</b>	<b>2.50</b>	<b>34.51</b>	<b>5.18</b>	<b>2.1144</b>	<b>1.9679</b>
Q1	34.51	0.70	0.59	33.81	1.29		
Q2	33.81	0.71	0.58	33.10	1.29		
Q3	33.10	0.72	0.57	32.37	1.29		
Q4	32.37	0.74	0.56	31.64	1.29		
<b>Total 4th Year</b>	<b>34.51</b>	<b>2.87</b>	<b>2.31</b>	<b>31.64</b>	<b>5.18</b>	<b>2.2640</b>	<b>1.8183</b>
Q1	31.64	0.75	0.55	30.89	1.29		
Q2	30.89	0.76	0.53	30.13	1.29		
Q3	30.13	0.78	0.52	29.35	1.29		
Q4	29.35	0.79	0.51	28.56	1.29		
<b>Total 5th Year</b>	<b>31.64</b>	<b>3.08</b>	<b>2.10</b>	<b>28.56</b>	<b>5.18</b>	<b>2.4242</b>	<b>1.6581</b>
Q1	28.56	0.80	0.49	27.76	1.29		



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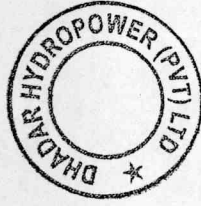


Q2	27.76	0.82	0.48	26.94	1.29			
Q3	26.94	0.83	0.46	26.11	1.29			
Q4	26.11	0.84	0.45	25.27	1.29			
<b>Total 6th Year</b>	<b>28.56</b>	<b>3.29</b>	<b>1.89</b>	<b>25.27</b>	<b>5.18</b>	<b>2.5957</b>	<b>1.4865</b>	<b>4.0823</b>
Q1	25.27	0.86	0.44	24.41	1.29			
Q2	24.41	0.87	0.42	23.54	1.29			
Q3	23.54	0.89	0.41	22.65	1.29			
Q4	22.65	0.90	0.39	21.74	1.29			
<b>Total 7th Year</b>	<b>25.27</b>	<b>3.53</b>	<b>1.65</b>	<b>21.74</b>	<b>5.18</b>	<b>2.7794</b>	<b>1.3028</b>	<b>4.0823</b>
Q1	21.74	0.92	0.37	20.82	1.29			
Q2	20.82	0.94	0.36	19.89	1.29			
Q3	19.89	0.95	0.34	18.94	1.29			
Q4	18.94	0.97	0.33	17.97	1.29			
<b>Total 8th Year</b>	<b>21.74</b>	<b>3.78</b>	<b>1.40</b>	<b>17.97</b>	<b>5.18</b>	<b>2.9761</b>	<b>1.1062</b>	<b>4.0823</b>
Q1	17.97	0.98	0.31	16.98	1.29			
Q2	16.98	1.00	0.29	15.98	1.29			
Q3	15.98	1.02	0.28	14.96	1.29			
Q4	14.96	1.04	0.26	13.93	1.29			
<b>Total 9th Year</b>	<b>17.97</b>	<b>4.04</b>	<b>1.14</b>	<b>13.93</b>	<b>5.18</b>	<b>3.1867</b>	<b>0.8956</b>	<b>4.0823</b>
Q1	13.93	1.05	0.24	12.87	1.29			
Q2	12.87	1.07	0.22	11.80	1.29			
Q3	11.80	1.09	0.20	10.71	1.29			
Q4	10.71	1.11	0.18	9.60	1.29			
<b>Total 10th Year</b>	<b>13.93</b>	<b>4.33</b>	<b>0.85</b>	<b>9.60</b>	<b>5.18</b>	<b>3.4122</b>	<b>0.6701</b>	<b>4.0823</b>
Q1	9.60	1.13	0.17	8.47	1.29			
Q2	8.47	1.15	0.15	7.32	1.29			
Q3	7.32	1.17	0.13	6.15	1.29			
Q4	6.15	1.19	0.11	4.96	1.29			
<b>Total 11th Year</b>	<b>9.60</b>	<b>4.63</b>	<b>0.54</b>	<b>4.96</b>	<b>5.18</b>	<b>3.6537</b>	<b>0.4286</b>	<b>4.0823</b>
Q1	4.96	1.21	0.09	3.75	1.29			
Q2	3.75	1.23	0.06	2.52	1.29			
Q3	2.52	1.25	0.04	1.27	1.29			

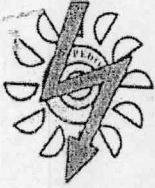




	1.27	1.27	0.02	0.00	1.29			
<b>Total 12th Year</b>	<b>4.96</b>	<b>4.96</b>	<b>0.22</b>	<b>0.00</b>	<b>5.18</b>	<b>3.9122</b>	<b>0.1701</b>	<b>4.0823</b>



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# P E D O

PAKHTUNKHWA ENERGY DEVELOPMENT ORGANIZATION  
Government of Khyber Pakhtunkhwa Peshawar



No.2380-84/PEDO/DPP/LOI  
Dated Peshawar the 29/10/2015

To,

Aeqitas (Pvt) Ltd. (Main Sponsor)  
C/o  
M/s Mirza Associates (Partner)  
Engineering Services Lahore.  
Cell: 0321-4477009

Subject: LETTER OF INTEREST (LOI) FOR DEVELOPMENT OF HYDEL POTENTIAL  
PROJECT RAW SITE AT DHADAR NULLAH 10MW DISTRICT  
MANSEHRA.

Reference Registration No. PEDO/DPP/R-2015/Dhadar Nullah /M/s MAES  
31.07.2015 Mansehra.

Reference this office NOC issued vide letter No. 2085-90/PEDO/DPP/29-A dated 2/10/2015. And subsequently your Submission of the Bank Guarantee vide Bank Draft No. 5187093 Dated: 26/10/2015 in favour of C.E.O PEDO amounting to Rs: 520,000/- In terms of the provisions of the Provincial Policy for Power Generation Projects, 2006 (the "Policy"), the Government of Khyber Pakhtunkhwa hereby confirms its interest in your proposal for developing the raw site at **Raw Site at Dhadar Nullah District Mansehra.** (the "Project") for power potential of **10 MW** approximately.

2. As per the amended Policy for Hydropower Generation Projects 2006, under clause 67, you are hereby issued the LOI for conducting the feasibility study for the subject project, at no risk and cost or any obligation on part of Govt. of Khyber Pakhtunkhwa/PEDO or any other agency, within maximum Twelve (12) months and subsequently construction / erection of power plant and bring it into power production within remaining maximum Twenty four (24) months. Sponsor has to provide a complete work plan and schedule of activities within three months. In case PoE is not satisfied with the progress of work related to feasibility study after six months, a penalty @20% of bid amount will be imposed and a warning shall be issued. In case of no progress within 9 months according to the schedule, the LOI shall be liable for cancellation with forfeiture of Bank Guarantee

3. You will have to carry out the feasibility study according to the specific milestones / time schedule to be provided by you to PEDO and submit the monthly progress reports accordingly.



5. Issuance of this LOI or the lapsing of its validity, or your conducting feasibility study there under, can not form the basis of any claim for compensation or damages by the sponsor or the project company or any party claiming through them against the Govt. of Khyber

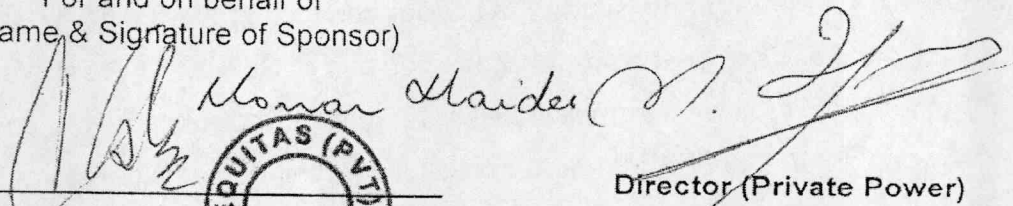
Pakhtunkhwa/PEDO or any of its agencies on any grounds what so ever, during or after the expiry of validity.

6. Subsequent to the approval of the feasibility study by PoE/PEDO/Irrigation department, you will be issued LOS of the construction of the project.

7. In case you fail to complete the feasibility study within prescribed period of issuance of this LOI according to the given milestones and other clauses of the Govt. of Khyber Pakhtunkhwa Power Policy 2006, PEDO may terminate this LOI and encash the Bank Guarantee.

8. *This LOI has been issued in duplicate on date hereof, and it shall come into effect when one copy hereof is received by PEDO after having been duly countersigned by you. Nevertheless, this LOI shall lapse if the countersigned copy is not received at PEDO within thirty (30) days of its issuance.*

For and on behalf of  
(Name & Signature of Sponsor)

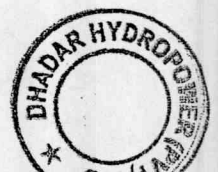
  
Director (Private Power)  
PEDO



CC.

1. PS to Secretary, Energy & Power Department, Peshawar.
2. PS to Secretary, Irrigation Department, Peshawar.
3. PS to CEO, PEDO Peshawar.
4. PS to GM (H), PEDO Peshawar.

Director (Private Power)  
PEDO





A007161



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN  
COMPANY REGISTRATION OFFICE, LAHORE

CERTIFICATE OF INCORPORATION

[Under section 32 of the Companies Ordinance, 1984 (XLVII of 1984)]

Corporate Universal Identification No. 0096034

I hereby certify that DHADAR HYDROPOWER (PRIVATE)  
LIMITED is this day incorporated under the Companies Ordinance, 1984 (XLVII of  
1984) and that the company is Limited by Shares.

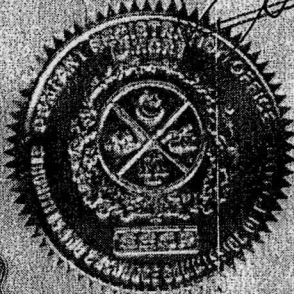
Given under my hand at Lahore this Fifth day of November, Two  
Thousand and Fifteen

Fee Rs. 14,000/-

CERTIFIED TO BE TRUE

24.11.15  
ADDITIONAL JOINT REGISTRAR OF COMPANIES  
COMPANY REGISTRATION OFFICE  
LAHORE

(LIAQAT ALI DOLLAH)  
Additional Registrar



No. ARL/ 8567 DATED: 05-11-2015

## THE COMPANIES ORDINANCE, 1984

(PRIVATE COMPANY LIMITED BY SHARES)

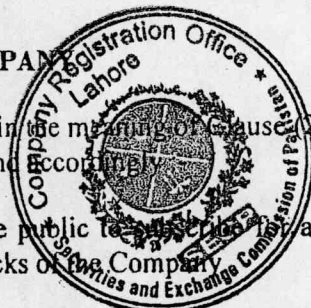
**Articles of Association**  
**of**  
**DHADAR HYDROPOWER (PRIVATE) LIMITED**  
**PRELIMINARY**

1. Subject as hereinafter provided, the Regulations contained in Table 'A' of the First Schedule to the Companies Ordinance, 1984, (hereinafter referred to as Table 'A') shall apply to the Company so far as those are applicable to Private Companies, with the exception of the Regulations which are modified, altered or added hereunder.

**PRIVATE LIMITED COMPANY**

2. The Company is a Private Company within the meaning of Clause (28) of Section 2(1) of the Companies Ordinance, 1984 and accordingly

- (a) No invitation shall be issued to the public to subscribe for any shares, debentures or debenture-stocks of the Company
- (b) The number of members of the Company (exclusive of persons in the employment of the Company) shall be limited to fifty provided that for the purpose of this provision when two or more persons hold one or more shares in the Company jointly they shall for the purposes of this clause be treated as a single member ; and
- (c) The right to transfer shares in the Company is restricted in the manner and to the extent hereinafter appearing.

**BUSINESS**

3. The Company is entitled to commence business from the date of its incorporation.

4. The business of the Company shall include all or any of the objects enumerated in the Memorandum of Association.



5. The business of the Company shall be carried out at such place or places in the whole of Pakistan or elsewhere as the Directors may deem proper or advisable from time to time.

### CAPITAL

6. The Authorised Capital of the Company is Rs. 1,000,000/- (Rupees One Million only) divided into 100,000 ordinary shares of Rs. 10/- (Rupees Ten only) each with powers to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984.

7. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons, firms, corporation or corporations on such terms and conditions and at any such time as may be thought fit.

8. The shares in the capital of the Company may be allotted or issued in payment of any property, land, machinery or goods supplied or any services rendered to the Company or promotion or formation of the Company or conduct of its business and any shares so allotted may be issued as fully paid shares.

### SHARES, TRANSFER AND TRANSMISSION

9. Every person whose name is entered as a member in the Register of Members shall without payment, be entitled to a certificate under the Common Seal of the Company specifying the shares held by him. The Company shall not be bound to issue more than one certificate and delivery of a share certificate to any one of several joint holders shall be sufficient delivery to all.

10. The Directors may decline to register any transfer of share to transferee of whom they do not approve and shall be bound to show any reasons for exercising their discretion subject to the provisions of Sections 77 and 78 of the Companies Ordinance, 1984.

11. No share can be mortgaged, pledged, sold, hypothecated, transferred or disposed off by any member to a non-member without the previous sanction of the Board of Directors.

12. The legal heirs, executors or administrators of a deceased holder shall be the only persons to be recognised by the Directors as having title to the shares. In case of shares registered in the name of two or more holders the survivors and the executors of the deceased shall be the only persons to be recognised by the Company as having any title to the shares.

### GENERAL MEETING

13. The First Annual General Meeting shall be held within 18 months from the date of incorporation of the Company in accordance with the provisions of Section 158 and thereafter once at least in every year and within a period of four months following the close of its financial year and not more than fifteen months after the holding of its last preceding Annual General Meeting as may be determined by Directors. The Directors may, whenever they think fit, call an Extraordinary General Meeting of the shareholders in terms of Section 159 of the Companies Ordinance, 1984.

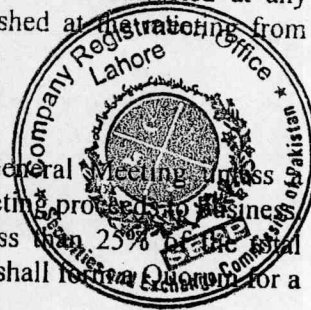
### PROCEEDINGS AT GENERAL MEETING

14. Twenty one days' notice atleast specifying the place, day and hour of the General Meeting and in case of special business the general nature of such business, shall be given to the members in the manner provided in Table "A" but accidental omission to give such notice to or non-receipt of such notice by the member shall not invalidate the proceedings of the General Meeting.

15. The Chairman, with the consent of a meeting at which quorum is present and shall if so directed by the meeting may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### QUORUM

16. No business shall be transacted at any General Meeting unless Quorum of members is present at the time when the meeting proceeds to business. Two members, present in person, representing not less than 25% of the total voting power either on their own account or as proxies, shall form a Quorum for a General Meeting.



### VOTES MEMBERS

17. At any General Meeting a resolution put to the vote of the General Meeting shall be decided on a show of hands, unless a poll is demanded in accordance with the provisions of Section 167 of the Companies Ordinance, 1984.

18. On a show of hands every member present shall have one vote and on a poll, every member present in person or by proxy shall have one vote in respect of each share held by him.

19. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or notarially certified copy of that power of attorney or authority shall be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy will not be treated as valid.



### CHAIRMAN

20. The Directors may from time to time appoint one of their members to be the Chairman of the Company for a period not exceeding three years on such terms and conditions as they deem fit. The Chairman shall preside over the meetings of the Board of Directors and members of the Company. In his absence, the Directors may elect one of them to preside over Board's / General Meetings. The questions arising at the meeting of the Directors shall be decided by a majority of votes. In the case of equality of votes, the Chairman or the Director presiding over the meeting, as the case may be, shall have a casting vote.

### CHIEF EXECUTIVE

21. The first Chief Executive of the Company will be appointed by the Board of Directors within fifteen days from the date of incorporation of the Company who shall hold office till the first Annual General Meeting.

### DIRECTORS

22. Unless otherwise determined, the number of Directors shall not be less than two. The following will be the first Directors of the Company.

1. MUMTAZ HUSSAIN Nominees of Aequitas (Pvt.) Ltd.
2. USMAN HAIDER
3. SARDAR ALI
4. SHEIKH MUHAMMAD IQBAL
5. HASNAIN REZA MIRZA

23. The election of the Directors shall be held in accordance with the provisions of Section 178 of the Companies Ordinance, 1984.

24. The first Directors including the Chief Executive, shall hold office upto the First Annual General Meeting in accordance with the provisions of the Companies Ordinance, 1984, unless any one of them resigns earlier or becomes disqualified for being Director or otherwise ceases to hold office.

25. A resolution for removing a Director shall not be deemed to have been passed if the number of votes against him is equal to, or less than the number of votes that would have been necessary for the election of Directors at the immediately preceding annual election of Directors in the manner aforesaid but as provided under Section 181 of the Companies Ordinance, 1984.

26. The remuneration of Directors except regularly paid Chief Executive and full time working Directors shall, from time to time, be determined by the Board of Directors but it shall not exceed Rs. 500/- per meeting at which the Directors are present.



27. The Directors may sanction the payment of such additional sums as they may think fit to any Director for any special service he may render to the Company or be thought capable of rendering either by fixed sum or in any other form as may be determined by the Directors subject to the provisions of the Companies Ordinance, 1984.

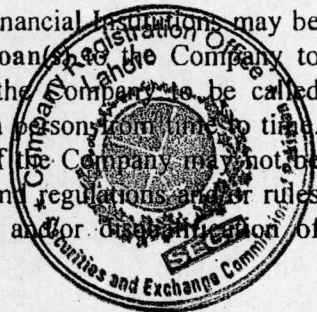
28. The Director who resides out of station shall also be entitled to be paid such travelling and other expenses for attending the meeting for the Company as may be fixed by the Directors from time to time according to the provisions of the Companies Ordinance, 1984.

29. Any casual vacancy occurring on the Board of Directors shall be filled in by a resolution of the Board of Directors and the person so appointed shall hold office for the remainder of the term of the Directors in whose place he is appointed.

30. No Director shall be disqualified from his office by contracting with the Company either as vendor, purchaser or otherwise nor shall any Director be liable to account for any profit released from any such contract or arrangement or the fiduciary relation thereby established, but the nature of his interest must be disclosed by him at the first meeting of the Directors after acquisition of his interest.

#### NOMINEE DIRECTOR

31. In addition to the elected Directors, the Financial Institution may be entitled, during the currency of their respective loans to the Company to appoint one person on the Board of Directors of the Company to be called Nominee Director and to recall and/or replace such a person from time to time. Such Nominee Director on the Board of Directors of the Company may not be holders of share(s) in the Capital of the Company and regulations and/or rules pertaining to the election, retirement, qualification and/or disqualification of Directors shall not apply to him.



#### NOTICES

32. Notices for every meeting of the Board of Directors will be given in writing and there must be given a reasonable time in advance. The nature of the business to be transacted at an intended Board meeting will be specified in the notice.

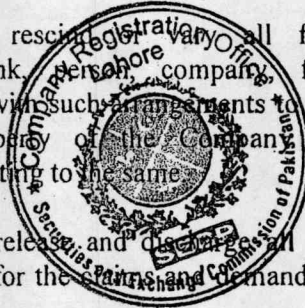
#### MANAGEMENT

33. The whole business and affairs of the Company shall, subject to the control and supervision of the Board of Directors, be managed and controlled by the Chief Executive.

34. Subject to the limit fixed by the Directors, the Chief Executive may from time to time raise or borrow any sums of money for and on behalf of the Company from other companies, banks or financial institutions on such terms as may be approved by the Board of Directors from time to time.

35. Without prejudice to the powers conferred by these Articles, the Board of Directors shall have the following powers :-

- (a) To take on lease, purchase, erect or otherwise acquire for the Company any assets, stocks, lands, buildings, property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (b) To let, mortgage, sell, exchange or otherwise dispose of absolutely or conditionally all or any part of the assets, stocks, raw materials, properties, privileges licenses, rights, rights to development projects etc. and undertaking of the Company upon such terms and conditions and for such consideration as they think fit.
- (c) To appoint any person or persons to be attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as they may, from time to time, think fit.
- (d) To enter into, carry out, rescind or vary all financial arrangements with any bank, person, company, firm or corporation or in connection with such arrangements to deposit, pledge or hypothecate property of the Company or the documents representing or relating to the same.
- (e) To make and give receipts, release and discharge all moneys payable to the Company and for the claims and demands of the Company.
- (f) To compound or allow time to the payment or satisfaction of any debt due to or by the Company and any claim and demands by or against the Company and to refer claims or demands by or against the Company to arbitration and observe and perform the awards.
- (g) To institute, prosecute, compromise, withdraw or abandon any legal proceedings by or against the Company or its affairs or otherwise concerning the affairs of the Company.





- (h) To raise and borrow money from time to time for the purposes of the Company, on the mortgage of its property or any part thereof and/or on any bond or debenture payable to bearer otherwise repayable in such a manner and generally upon such terms as they think fit.
- (i) To open, operate and maintain bank/banks account(s) individually or jointly as the Board may authorise or to any other person on its behalf.

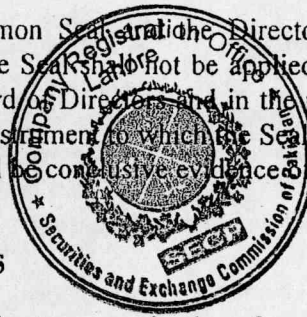
### BORROWING POWERS

36. The Directors may from time to time raise, borrow or secure the payment of any sums for the purposes of the Company in such manner and upon such terms and conditions as they think fit and in particular by the issue of debentures, debenture-stock or other securities charged upon all or any part of the property of the Company present or future.

37. Debentures, debenture-stock, or other securities may be issued with any special privileges as to redemption, surrender, allotment of shares, attending and appointment of Directors or other privileges subject to any permission required by law.

### THE SEAL

38. The Company shall have a Common Seal. The Directors shall provide for the safe custody of the same. The Seal shall not be applied on any instrument except by the authority of the Board of Directors and in the presence of at least two Directors who shall sign every instrument to which the Seal shall be affixed in their presence. Such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.



### ACCOUNTS

39. The Directors shall cause to be kept proper books of account as required under Section 230 of the Companies Ordinance, 1984.

40. The books of account shall be kept at the registered office of the Company or at such other place as the Directors shall think fit subject to the provisions of Section 230 of the Companies Ordinance, 1984.

### AUDIT

41. Once at least in every year the accounts of the Company shall be audited and correctness of the Balance Sheet shall be ascertained by one or more Auditors. The Auditors shall be appointed and their duties regulated in accordance with the provisions of Section 252 to 255 of the Companies Ordinance, 1984.



### INDEMNITY

42. In connection with carrying on the business of the Company, the Chief Executive, every Director, or other officers of the Company shall be indemnified by the Company for all losses and expenses occasioned by error of judgement or oversight on his part, unless the same happens through his own dishonesty or wilful act and defaults.

### SECRECY

43. No member shall be entitled to visit and inspect the Books of the Company without the permission of the Chief Executive and one of the Directors or to require discovery of any information regarding any detail of the Company's business or any matter which is or may be in the nature of trade secret, or secret process which may relate to the conduct of the Company's business and which in the opinion of the Directors, will not be in the interest of the members of the Company to communicate to the public.

### ARBITRATION

44. In the event that a dispute, claim or controversy arises between the company, its management and its shareholders, or between the shareholders inter-se. all steps may be taken to settle the dispute and resolve the issue through mediation by an accredited mediator before taking recourse to formal dispute resolution such as arbitration or litigation.

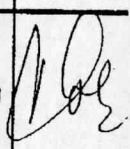

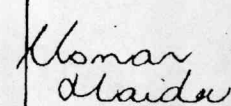
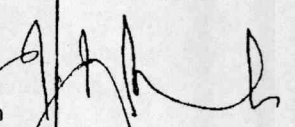

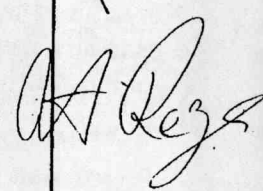
45. Whenever any difference arises between the Company on the one hand and the members, their executors, administrators or assignee on the other hand, touching the true intent or construction or the incidence or consequence of these presents or of the statutes or touching any thing thereafter done, executed, omitted or suffered in pursuance of these presents or otherwise relating to these presents or to any statutes affecting the Company, every such difference shall be referred for the decision of the arbitrator who will be qualified in Islamic law.

46. The cost incidental to any such reference and award shall be at the discretion of the arbitrator or umpire respectively who may determine the amount thereof and direct the same to be shared between the attorney and client or otherwise and may award by whom and in what manner the same shall be borne and paid.

### WINDING UP

47. If the Company is wound up whether voluntarily or otherwise the liquidator may, with the sanction of a special resolution, divide among the contributories in specie any part of the assets and liabilities of the Company, subject to Section 421 and other provisions of the Companies Ordinance, 1984 as may be applicable.

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of these Articles of Association, and we respectively agree to take the number of shares in the Capital of the Company as set opposite to our respective names.

Name and Surname (Present & Former) in Full (in Block Letters) and C.N.I.C. #	Father's/ Husband's Name in Full	Nationality with any former Nationality	Occupation	Residential Address (in Full)	Number of shares taken by each sub- scriber	Signature
1. AEQUITAS (PVT) LTD. Incorporation No. CUIN-0073434  Represented by MUMTAZ HUSSAIN C.N.I.C. # 35201-1526076-7	Under the Federation of Pakistan  Ghulam Hussain	Pakistani  Pakistani	Consultancy Services  Consultant	35-A-II, Aziz Avenue, Gulberg-V, Lahore  469-CC, DHA, Lahore	9,950 Nine Thousand Nine Hundred Fifty	
2. MUMTAZ HUSSAIN C.N.I.C. # 35201-1526076-7	Ghulam Hussain	Pakistani	Consultant	469-CC, DHA, Lahore	10 Ten	
3. USMAN HAIDER C.N.I.C. # 35202-7444904-5	Shamim Haider	Pakistani	Consultant	IH 51, Falcon Complex, Gulberg Centre Point, Lahore	10 Ten	
4. SARDAR ALI C.N.I.C. # 35201-3479778-3	Haq Nawaz	Pakistani	Consultant	177-A, DHA, Office Lahore	10 Ten	
5. SHEIKH MUHAMMAD IQBAL C.N.I.C. # 32303-150415-1	Abdul Rhalik	Pakistani	Consultant	177-A, Tech Society, West Canal Bank, Roach, Lahore	10 Ten	
6. HASNAIN REZA MIRZA C.N.I.C. # 35202-2516766-3	Mirza Hussain	Pakistani	Consultant	House No. 80-81, Block-K, Gulberg III, Lahore	10 Ten	
Total Number of Shares Taken					10,000 Ten Thousand	

Dated this 27<sup>th</sup> day of October 2015.

Witness to the above Signatures :

Full Name : **HAMID MASUD QURESHI**

C.N.I.C No. : 35202-2462926-5

Father's

Full Name : **Muhammad Shafi Qureshi**

Signature .....

Nationality : Pakistani

Occupation : Manager Accounts

Full Address : **YUSAF SAEED & CO.**

(Chartered Accountants)

6-A, Block-S, Gulberg-II,  
Lahore

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THE COMPANIES ORDINANCE, 1984

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(PRIVATE COMPANY LIMITED BY SHARES)  
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**Memorandum of Association**  
**of**  
**DHADAR HYDROPOWER (PRIVATE) LIMITED**

- I. The name of the Company is "DHADAR HYDROPOWER (PRIVATE) LIMITED".
- II. The Registered Office of the Company shall be situated in the Province of Punjab.
- III. The objects for which the Company is established are all or any of the Following:-
  1. To generate, produce, manufacture, store, sell to government or private sector, export or supply electricity and or heat to all concerns by whatever means including combined heat and power plants, wind mills, thermal, hydel, gas, solar, excluding nuclear power, for industrial, commercial and residential use through transmission and distribution networks and to construct, install, operate and maintain power houses, civil and mechanical works and structures, grid stations, transmission towers, power lines, buildings, workshops and other facilities as may from time to time be necessary for the attainment of the objects of the company, subject to any permission required from concerned authorities/NEPRA.
  2. To carry on the business of generators, producers, suppliers, distributors, converters, processors, stores, importers and exporters and dealers in electricity related equipment including without limitation thermal, solar, hydro, wind, tidal, geo-thermal and any other form of energy that may be permitted by official policy and these articles, and produce or by product derived from any such business under conditions of franchise or partnership or through its affiliates, associates or subsidiaries, subject to any permission required by law/NEPRA.
  3. To establish, construct, equip, operate, use, manage, assemble, install, manufacture, sale, buy, support, maintain, import and export solar power plants, thermal power plants, grid station, transforming, switching, conversion, and transmission facilities, cables, overhead lines, sub-stations, switching stations, tunnels, cable bridges, link boxes, heat pumps, plant and equipment for combined heat and power schemes, offices, computer centers, shops, dispensing machines for pre-payment cards and other devices, showrooms, depots, factories, workshops, plants, printing facilities, warehouses and other storage facilities, subject to the approval from concerned authority/NEPRA.



4. To import, export and sale of solar products and products for regenerative energy production in a range of "give-away articles" and solar power generation systems for homes, factories and shops etc. up to any MW regenerative energy plants. Sales and running of systems, components and plants for regenerative energy production in any size. EPC (Engineering, Procurement & Construction) services and O&M (Operation & Maintenance) services in the field of renewable and thermal power / energy production and plants, including project consultation, planning, organizing, handling, supervising, installing, running, maintaining and repairing of solar products, products for renewable energy production and such production plants and also to provide training and consultancy in the relevant fields, subject to any permission required by law.
5. To establish, construct, build, run, maintain, operate power stations in and outside Pakistan and/or to carry on business as a manufacturer, supplier, importer, exporter, agent, distributor and/or trader of portable/non portable electric, magnetic, electromagnetic, steam, gas, coal, diesel, solar, thermal, hydel, wind or any other power plants and to do all other acts, things, deeds, incidental, ancillary related thereto, subject to any permission required by law.
6. To carry on the business of power generation and distribution in all its places of business, branches and aspects and in particular to construct, lay down, establish and maintain power stations together with ancillary works, cables, wires, meter, lines, accumulators, lamps, interconnect facilities, grid stations, transmission facilities and to generate, accumulate, distribute, sell, transit and supply of electricity, subject to the approval from competent authority/NEPRA.
7. To design, insure, construct, import, sell, acquire, own, operate and maintain power generation complexes, power storage solutions and to carry on the business of electricity generation, power storage, power transmission and distribution services, overhauling and re-powering of power plants and to manufacture and to deal in electrical appliances, apparatuses and to work, generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes for which electrical energy can be employed, subject to any permission required by law.
8. To carry on all or any of the businesses of wholesalers, retailers, traders, importers, exporters, suppliers, distributors, designers, developers, manufacturers, installer, filters, testers, repairers, maintainers, contractors, constructors, operators, users, inspectors, reconditioners, improvers, alterers, protectors, removers, hirers, replacers, importers and exporters of and dealers in, electrical appliances, systems, products and services used

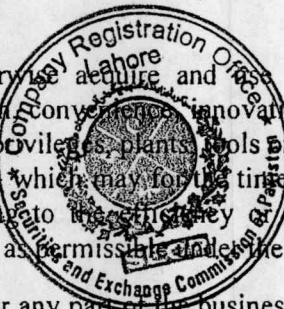


for energy conservation, equipments, machinery, materials and installations, including but not limited to solar cells, solar panels, batteries, inverters, trackers, racks, any type of monitoring system, cables, wires, meters, pylons, tracks, rails, pipelines and any other plant, apparatus, equipment, systems and things incidental to the efficient generation, procurement, transformation, supply and distribution of electricity, subject to any permission required by law.

9. To carry on the business of electrical engineers, electricians, engineers, contractors, consultants, agents and manufacturers of electrical plant machinery, power storage equipment, equipment and apparatus, for generating, producing and supplying light, heat, sound and power by electricity, galvanism, magnetism, or otherwise, suppliers of electricity whether for the purpose of light, heat motive power, telephonic, telegraphic, industrial or other purposes and generally to install, execute, provide, work and maintain all necessary plant, machinery equipment, cables, wires, accumulators, lamps, exchanges, telephones microwave towers, antennas and apparatus, subject to any permission required under the law.
10. To carry on all kinds of business of manufacturers, importers, exporters, dealers, assemblers and distributors of electrical and mechanical equipment including switches and switchgears, lamps, motors, meters, and electrical goods, plastic and light material products equipment and accessories of all kinds, transformers and amplifiers, microphones and other equipment domestic and commercial refrigerators, coolers, freezers of all kinds humidifying and dehumidifying ventilating, room and air-conditioning of all kinds, record base and rubber insulating wires, cables, flexible cards, fuse wires, insulators, copper and aluminum wires and electrical and mechanical equipment of all kinds accessories of all kinds used in the manufacture, installation, repairs maintenance and working thereof or in connection therewith in any way whatsoever, subject to any permission required under the law.
11. To carry on business of manufacturers, makers, assemblers, importers, representatives, agents, exporters, traders, dealers, contractors, repairers of heavy and light electrical machinery, especially electrical motors, transformers, switch-gears, generators, pumping sets, blowers, ceiling and table fans, electrical appliances, implements, tools, insulating materials, accessories, components and spare parts.
12. To carry on in or outside Pakistan the business of manufacturers, importers, exporters, indentors, transporters, dealers in all articles and commodities akin to or connected with any of the business of the Company capable of being conveniently carried on or necessary for the promotion of the objects herein contained, as permissible under law.

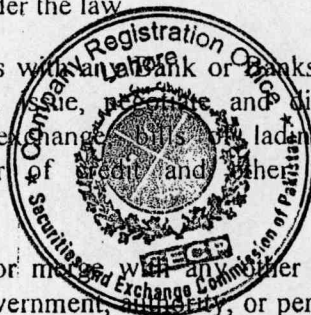
13. To manufacture, purchase, sell, import, export, repair, let or hire out and deal in electric motors, generators, transformers, switch-gears, instruments, wires, cables, lamps, fans, fittings, heaters radiators, refrigerators, air conditioners, telephone, telegraphic, wireless signalling and communication apparatus, radio sets, radiograms, television sets, tape recorders, radio bulbs, condensers, resistances, loudspeakers, valves, transistors, aerials, cabinets, batteries, cells, electric meters, electric fans ceiling, table, pedestal of all description and dimensions and generally to manufacture, produce, assemble and repair all or any type of electric and electronic instruments, apparatus, appliances and all or any of their parts and accessories, subject to any permission required under the law.
14. To acquire, produce, transmit, publish, print and reproduce in any form whatsoever (including, without prejudice to the foregoing, visual or audible form and forms capable or being used by in or in connection with, computers), and to buy, sell, supply and otherwise deal in directories, brochures, manuals, journals, periodicals, magazines, books, pictures, photographs, stationery and other documents.
15. To acquire from any person, firm or body corporate or incorporate whether in Pakistan or elsewhere, technical information, know-how, process, engineering, manufacturing and operating data, plans lay outs and blue prints useful for the design, erection and operation of plant required for any of the business of the Company and to acquire any grant or license and other rights and benefits in the foregoing matters and things.
16. To carry on the business of general order suppliers including Government, Semi-Government, Armed Forces, Army, Military or Defense and communication agents, indentors, traders and as general merchants, wholesalers, retailers, distributors, stockiest agents, sub agents in communication products within the scope of the object the Company and subject to any permission required under the law.
17. To carry on agency business (except managing agency) and to acquire and hold selling agencies and to act as selling agents, commission agents, manufacturers' representatives and distributing agents of and for the distribution of all kinds of merchandise, goods, commodities, products, materials, substances, articles and things whether finished, semi-finished, raw, under process, refined, treated or otherwise pertaining to trade and commerce and for that purpose to remunerate them and to open and maintain depots and branches.

18. To purchase, take on lease or in exchange, hire, apply for or otherwise acquire and hold for any interest, any rights, privileges, lands, building, easements, trademarks, patents, patent right, copyrights, licences, machinery, plants, stock-in-trade, and any movable and immovable property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof and to use, exercise, develop, grant licences in respect of or otherwise turn to account any property, rights, and information so acquired, subject to any permission required under the law.
19. To acquire by concession, grant, purchase, barter, licence either absolutely or conditionally and either solely or jointly with others any lands, buildings, machinery, plants, equipments, privileges, rights, licences, trademarks, patents, and other movable and immovable property of any description which the Company may deem necessary or which may seem to the Company capable of being turned to account, subject to any permission as required under the law.
20. To act as representatives, for any person, firm or company and to undertake and perform sub-contracts, and also act in the business of the Company through or by means of agents, sub-contractors and to do all or any of the things mentioned herein in any part of the world and either alone or in collaboration with others and by or through agents, sub-contractors, or otherwise.
21. To go in for, buy or otherwise acquire and use any patent design, copyright, licence, concession, innovation, invention, trade marks, or process, rights, or privileges, plants, tools or machinery and the like in Pakistan or elsewhere which may for the time being appear to be useful or valuable for adding to the efficiency or productivity of the Company's work or business, as permitted under the law.
22. To acquire and carry on all or any part of the business or property and to undertake any liabilities of any person, firm, association or company's possession of property suitable for any of the purposes of the Company or carrying on any business which this Company is authorised to carry on and in consideration for the same, to pay cash or to issue shares of the Company.
23. Subject to the provisions of Section 195 of Companies Ordinance, 1984, the company may, on such terms as it may deem fit, make loan, finance or advance to any of its Associated companies and /or Associated undertakings or subsidiaries and /or give any guarantee or provide any security (including but not limited to charge, lien or mortgage of any of its assets) to secure the repayment of any loan, finance or advance obtained or to be obtained by such Associated companies or undertakings or subsidiaries from any bank or financial institution.





24. To enter into arrangements with the government or authority (supreme, provincial, municipal, local or otherwise) or any corporation, company, or persons that may seem conducive to the Company's objects or any of them and to obtain from any such government, authority, corporation, company or person any charters, contracts, rights, privileges and commission which the Company may think desirable and to carry on exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
25. To enter into partnership, to amalgamate, or merge movable with immovable and/or to buy on all interests, assets, liabilities, stocks, or to make any arrangement for sharing profits, union of interests, co-operation, joint-venture, reciprocal concession or otherwise with any person, firm or company carrying on or proposing to carry on any business which this Company is authorised to carry on or which is capable of being conducted so as directly or indirectly to benefit this Company and to have foreign collaborations and to pay royalties/technical fees to collaborators subject to the provisions of the Companies Ordinance, 1984.
26. To establish, promote or assist in establishing or promoting and subscribe to or become a member of any other company, association or club whose objects are similar or in part similar to the objects of this Company or the establishment or promotion of which may be beneficial to the Company, as permissible under the law.
27. To open accounts with any bank or banks and to draw, make, accept, endorse, execute, issue, negotiate and discount cheques, promissory notes, bills of exchange, bills of lading, warrants, deposit notes, debentures, letter of credit and other negotiable instruments and securities.
28. To amalgamate or merge with an other company, corporation, firm, agency, body, government, authority, or person, whose objects or any of them are similar to any object or objects of this company, or whose business is similar to the business or any part of the business of this company, whether by sale or purchase for shares or otherwise of the undertaking, subject to liabilities involved, with or without winding up, or by sale or purchase of all shares, debentures, and securities, or in any other manner conducive to the profit and interest of the Company.
29. To arrange local and foreign currency loans from scheduled banks, industrial banks and financial institutions for the purpose of purchase, manufacture, market, supply, export and import of machinery, construction of factory, building and for the purpose of working capital or for any other purpose.



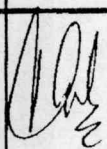
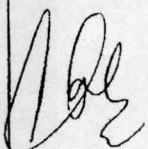
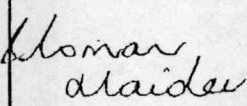

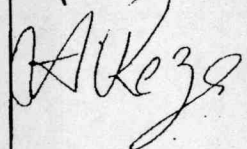
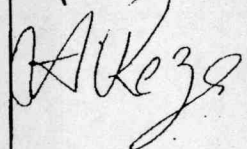


30. To sell or otherwise dispose of the whole or any part of the undertaking of the Company, either together or in portions for such consideration as the Company may think fit and in particular, for shares, debenture-stock or securities of any Company purchasing the same.
31. To borrow or raise money by means of loans or other legal arrangements from banks, or other financial institutions, or Directors in such manner as the Company may think fit and in particular by issue of debentures, debenture stock, perpetual or otherwise convertible into shares and to mortgage, or charge the whole or any part of the property, assets of the Company, present or future, by special assignment or to transfer or convey the same absolutely or in trust as may seem expedient and to purchase, redeem or pay off any such securities.
32. To pay all costs, charges, and expenses preliminary or incidental incurred in formation or about the promotion and establishment of the Company and to remunerate any person, firm or company for services rendered or to be rendered in or about the formation or promotion of the Company or the conduct of its business.
33. To give any servant or employee of the Company commission in the profits of the Company's business or any branch thereof and for the purpose to enter into any agreement or scheme of arrangement as the Company may deem fit and to procure any servants or employees of the Company to be insured against risk of accident in the course of their employment by the Company under the relevant Company policies.
34. To establish and support, or to contribute to the establishment and support of associations, institutions, funds, and conveniences calculated to benefit persons who are or have been Directors of or who have been employed by or who are serving or have served the Company or any other Company which is a subsidiary or associate of the Company or the dependents or connection of such persons and to grant pensions, gratuities, allowances, reliefs and payments in any other manner calculated to benefit the persons described herein.
35. To distribute any of the Company's property and assets among the members in specie or in any manner whatsoever in case of winding up of the Company.
36. To guarantee the performance of contract and obligations of the Company in relation to the payment of any loan, debenture-stock, bonds, obligations or securities issued by or in favour of the Company and to guarantee the payment or return on such investments.
37. To carry out joint venture agreements with other companies, local or abroad, or with governments and government owned entities in other countries but within the scope of the objects of the Company.

38. To cause the Company to be registered or recognised in any foreign country.
  39. To do and perform all other acts and things as are incidental or conducive to the attainment of the above objects or any of them.
  40. To apply for and obtain necessary consents, permissions and licences from any Government, State, Provincial, Local and other Authorities for enabling the Company to carry on any of its objects into effect as and when required by law.
  41. It is declared that notwithstanding anything contained in the foregoing object clauses of this Memorandum of Association nothing contained therein shall be construed as empowering the Company to undertake or to indulge in business of banking company, banking, leasing, investment, managing agency or insurance business directly or indirectly as restricted under the law or any unlawful operation.
  42. It is further declared that notwithstanding anything stated in any object clause, the Company shall obtain such other approval or licence from the competent authority as may be required under any law for the time being in force, to undertake any particular business.
  43. The Company shall not launch multi level marketing, pyramid and ponzi schemes.
- IV. The liability of the members is limited.
- V. The Authorised Capital of the Company is Rs. 1,000,000/- (Rupees One Million only) divided into 100,000 ordinary shares of Rs. 10/- (Rupees Ten only) each with powers to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes in accordance with the provisions of the Companies Ordinance, 1984.



We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company as set opposite to our respective names.

Name and Surname (Present & Former) in Full (in Block Letters) and C.N.I.C. #	Father's/ Husband's Name in Full	Nationality with any former Nationality	Occupation	Residential Address (in Full)	Number of shares taken by each sub- scriber	Signature
1. AEQUITAS (PVT) LTD. Incorporation No. CUIN-0073434  Represented by MUMTAZ HUSSAIN C.N.I.C. # 35201-1526076-7	Under the Federation of Pakistan  Ghulam Hussain	Pakistani  Pakistani	Consultancy Services  Consultant	35-A-II, Aziz Avenue, Gulberg-V, Lahore  469-CC, DHA, Lahore	9,950 Nine Thousand Nine Hundred Fifty	
2. MUMTAZ HUSSAIN C.N.I.C. # 35201-1526076-7	Ghulam Hussain	Pakistani	Consultant	469-CC, DHA, Lahore	10 Ten	
3. USMAN HAIDER C.N.I.C. # 35202-7444904-5	Shamim Haider	Pakistani	Consultant	IH 51, Falcon Complex, Gulberg Centre Point, Lahore	10 Ten	
4. SARDAR ALI C.N.I.C. # 35201-3479778-3	Haq Nawaz	Pakistani	Consultant	72-FF, DHA, Lahore	10 Ten	
5. SHEIKH MUHAMMAD IQBAL C.N.I.C. # 32303-1156419-1	Abdul Khaliq	Pakistani	Consultant	177-C, Tech Society, West Canal Bank Road, Lahore	10 Ten	
6. HASNAIN REZA MIRZA C.N.I.C. # 35202-2516766-3	Miraz Hussain Ali	Pakistani	Consultant	House No. 80-81, Block K, Gulberg III, Lahore	10 Ten	
Total Number of Shares Taken					10,000 Ten Thousand	

Dated this 27<sup>th</sup> day of October 2015.

Witness to the above Signatures :

Full Name : HAMID MASUD QURESHI

C.N.I.C No. : 35202-2462926-5

Father's

Full Name : Muhammad Shafi Qureshi

Signature .....

Nationality : Pakistani

Occupation : Manager Accounts

Full Address : YUSAF SAEED & CO.

(Chartered Accountants)

6-A, Block-S, Gulberg-II,  
Lahore



