

19th March 2020

The Registrar,
Oil & Gas Regulatory Authority (OGRA),
54 West, A.K.M, Fazl-ul-Haq Road,
Islamabad, Pakistan

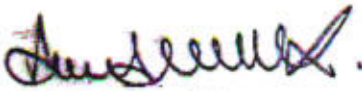
**SUBJECT: APPLICATION OF LNG TERMINAL CONSTRUCTION LICENSE BY
ENERGAS TERMINAL PRIVATE LIMITED**

Dear Sir,

I am pleased to enclose an application on behalf of Energas Terminal (Private) Limited ("ETPL") for the LNG Terminal Construction License as per the Oil and Gas Regulatory Authority (Liquefied Natural Gas) Rules, 2007. ETPL already has obtained an OGRA provisional license for the construction of its LNG terminal.

You are requested to accept our application for the LNG Terminal Construction License and initiate the license approval process. In case any required detail is missing from the application, please do let us know. We eagerly look forward to the license approval from your office in an expeditious manner.

Best Regards,



Anser Ahmed Khan
Chief Executive Officer

CC: Minister of Energy
Minister of Maritime Affairs
Special Assistant to Prime Minister (Petroleum Division)
Federal Secretary, Ministry of Energy
Federal Secretary, Ministry of Maritime Affairs
Joint Secretary (IA-I), Prime Minister's Office

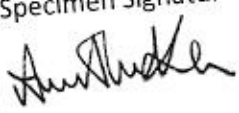
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SCHEDULE – I
[see rule 4 (2)]

OIL AND GAS REGULATORY AUTHORITY
License Application Form

Date: 19/3/2020

Ref No.: _____

1	Name of the Company (Applicant):	ENERGAS Terminal (Private) Limited
2	Company's full address along with telephone, fax, e-mail and web details:	Address: 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi, Gulshan Town Sindh 75350, Pakistan Telephone Number: 021-34168203 Fax Number: 021-34168202 E-mail: info@energass-lng.com Website: www.energass-lng.com
3	Name, title and authorized signature of the Company's Chief Executive:	Name: Anser Ahmed Khan Title: Chief Executive Officer Specimen Signature: 
4	Names and addresses of current Directors of the Applicant:	Attached as Appendix B
5	Name and address of any person or corporate body with a holding of more than one percent (1%) or more in the Applicant:	i. Yunus Brothers Group: 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi, Gulshan Town Sindh 75350 ii. Sapphire Energy Private Limited: 7A/K Main Boulevard, Gulberg 2, Lahore 54660 iii. Mian Karim Ud Din: House No. 2, Askari Villas, Sarwar Road, Lahore Cantt, Lahore, 54810 iv. Mr. Anser Ahmed Khan: House No. 4, Phase 2 South, DHA, Karachi, 75500
6	Curriculum Vitae of the key personnel to be deployed in undertaking the regulated activity for which a license is sought, highlighting their qualifications and work experience	Attached as Appendix G

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Applicant: Energas Terminal (Private) Limited

1	Regulated Activity for which a license is sought	LNG Terminal (Construction)
2	Period for which the license is sought:	From: 1 June 2020 To: 1 June 2022
3	Details of any license held, applied for, or applied for and refused under the Rules, by the Applicant, or any of the interested parties, or any of their affiliated or related undertakings:	Provisional construction license issued to Energas Terminal Private Limited (valid till 2-4-2020) Application for Gas Sales License by Energas Marketing Private Limited (in process)

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SCHEDULE – II
[See Rules 4 and 29]

1. For an application for a new license, a fee amounting to one-half of one-hundredth of one percent of the estimated cost of the project as indicated on the project implementation plan submitted by the applicant pursuant to Clause (r) of Sub-Rule (3) or Rule 4.

Total estimated cost of LNG Terminal would be USD 106,400. Pay order is being paid in a favor of OGRA as per below amount:

$$\text{USD } 106,400,000 * 1\% * \frac{1}{2} * \frac{1}{100} = \text{USD } 5,320 @ 159.48 (\text{USD} / \text{PKR}) = \text{PKR } 848,434$$

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Pay Order to OGRA

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Business Brief:

With natural gas playing a key role in Pakistan's energy balance and our indigenous resources depleting coupled with ever increasing demand a shortage was inevitable. This demand supply gap needs to be bridged for economic growth to be sustained and keeping this in mind the shareholders of Energas decided to develop an LNG terminal to ensure availability of affordable, competitive, and sustainable gas supply for their own captive use and their partners (their associated / affiliated companies), and to other gas buyers who wish to procure regasified LNG.

Energas's business model is in line with those followed by power utilities across the Far East, where operational control of the Terminal is key. The company's shareholders are progressive business groups with interest in setting up additional power projects in line with the Government of Pakistan ("GoP") Energy program. As a buyers-only Consortium with shared interests, Energas also aims to act as an aggregator for a diversified customer base, which may not be able to secure large quantities of LNG on its own.

The terminal will be located in Chara Creek in Port Qasim and will be designed for the unloading of LNG through STS operations through an FSRU. The FSRU will receive LNG from the LNG carriers, perform regasification and provide natural gas to the jetty which will then supply through a pipeline to the metering station and from there on to the SSGC natural gas grid. The regasification capacity of the FSRU is aimed at 750 mmscfd - 1bcfd and a storage capacity at 173,000m3. The LNG carrier will be moored ship to ship with the FSRU and have a max capacity of 266,000m3.

Energas has also formed a strategic partnership with ExxonMobil, through which ExxonMobil will provide technical support and supply ETPL LNG through its interest in more than 71 million tons per annum of LNG originating from Qatar on competitive terms that meet the needs of ETPL and its customers.

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List of Requirements for Construction License from the LNG Rules 2007 Clause 4

Req. No.	Requirement Detail	Appendix	Explanation
3 (a)	attested copy of applicant's certificate of incorporation;	A	
3 (b)	attested copies of the memorandum and articles of association of the applicant;	B	
3 (c)	attested copy of the applicant's certificate of commencement of business;	Not Applicable	Please refer Certificate of Incorporation attached in Appendix A
3 (d)	attested copy of the latest yearly submission to the Registrar of Companies;	C	
3 (e)	attested copy of the latest audited annual and unaudited half yearly financial statements of the applicant;	D	
3 (f)	attested copy of the corporate authorization allowing the submission of the application;	E	
3 (g)	in the case of an applicant being a subsidiary company, the documents specified in clauses (a) to (d) of this sub-rule, pertaining to its holding company;	Not Applicable	ETPL is not a subsidiary company
3 (h)	details of the consents required under applicable laws, from persons other than the Authority, for carrying on the relevant regulated activities and the status of such consents;	F	
3 (i)	details of the technical and financial expertise and resources available for carrying on the relevant regulated activities;	G	
3 (j)	details of the resources and expertise available to handle emergency situations arising out of natural calamities, accidental or criminal acts or omissions, specifying which such resources are available and which are to be procured;	G	

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3 (k)	a list of the names and business addresses of the applicant's senior management, including without limitation, departmental and/or divisional heads;	<p>i. Muhammad Ali Tabba, Designation: Chairman/Director, Address: 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi, Gulshan Town Sindh 75350</p> <p>ii. Mr. Shahid Abdullah: 3- Ahmed Block, New Garden Town, Lahore, 54700</p> <p>iii. Mian Karim Ud Din: House No. 2, Askari Villas, Sarwar Road, Lahore Cantt, Lahore, 54810</p> <p>iv. Mr. Anser Ahmed Khan: House No. 4, Phase 2 South, DHA, Karachi, 75500</p>	
3 (l)	a concise statement setting forth the methodology to be adopted in undertaking the project including, without limitation, the expected time frame for completing the project and the principle activities to be undertaken;	<p>The project will be contracted on an EPC LUMPSUM Turnkey basis. The expected construction time will be 24 months. The principle activities involved in the project will be:</p> <ul style="list-style-type: none"> • Dredging • Construction of Jetty and topside • Pipeline • Metering Station 	
3 (m)	if the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds ten percent or more of the voting interest in any other person engaged in the production, transmission, distribution, or sale of natural gas, or in any person engaged in the financing, construction, maintenance or operation of such facilities, a detailed explanation of each such relationship, including the percentage of voting interest owned, held or controlled;	Not Applicable	
3 (n)	a list of all other applications, petitions or filings filed by the applicant which are pending before	Not Applicable	There are no other applications, petitions or filings filed by the applicant which are pending

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the Authority at the time of the filing of this application and which directly and significantly affect this application, including an explanation of any material effect the grant or denial of those other applications, petitions or filings will have on this application and of any material effect the grant or denial of this application will have on those other applications, petitions or filings;

before the Authority at the time of the filing of this application and which directly and significantly affect this application, including an explanation of any material effect the grant or denial of those other applications, petitions or filings will have on this application and of any material effect the grant or denial of this application will have on those other applications, petitions or filings;

3 (o) maps issued or certified by the Survey of Pakistan, drawn to an appropriate scale showing details of area where the project is proposed to be located and the principal geographical features of the said areas;

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3 (p) a statement setting out complete details of health, safety and environmental policy to be adopted by the applicant in relation to the project;

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3 (q) details of the sources and the quality of supply of LNG including forecasts of the available quantity from such sources;

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3 (r) a project implementation plan consisting of –
i. a detailed feasibility report of the project.
ii. a description of the project, its purpose and cost, including conceptual engineering design, capacity, location option and preference, as well as all ancillary or related facilities that are proposed to be constructed, owned or operated by the applicant; and
iii. an outline of the anticipated timetable for construction and operation, together with dates on which critical events, including approvals required from the other persons, shall take place.

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3 (s)	a description of any new or expanded public works, undertakings or infrastructure that will be entailed by the project, together with an estimate of the costs and necessary completion dates;	Not Applicable	No new or expanded public works.
3 (t)	a statement identifying any significant risks to successful completion of project;	<p>Following is a list of major risks to successful completion of project:</p> <ol style="list-style-type: none"> 1. Delay in regulatory approvals 2. Delay in Project Construction 3. Project Cost Overruns 4. Change in Law/Tax 5. Delay in award of Gas Sales License to EMPL 	
3 (u)	any data or information which the applicant proposes to rely on showing the adequacy and availability to it of resources for financing the project;	<p>Project financing is being discussed with a number of lenders listed below:</p> <ol style="list-style-type: none"> 1. HBL 2. IFC 3. UBL 4. Bank of China 5. ICBC 6. Askari 7. Citigroup 	
3 (v)	a concise statement setting forth arrangements for supervision, management, engineering, accounting, legal, or other similar services to be rendered in connection with the construction or operation of the project, if not to be performed by employees of the applicant, including reference to any existing or contemplated agreements thereof;	<p>The project will be implemented using the following shortlisted consultants/contractors:</p> <ol style="list-style-type: none"> 1. Project EPC contractor: China Harbour Engineering Company 2. Project Management Consultant: Ramboll-Sofregaz 3. Technical Studies: Siport21 4. Tax consultant: PWC 	

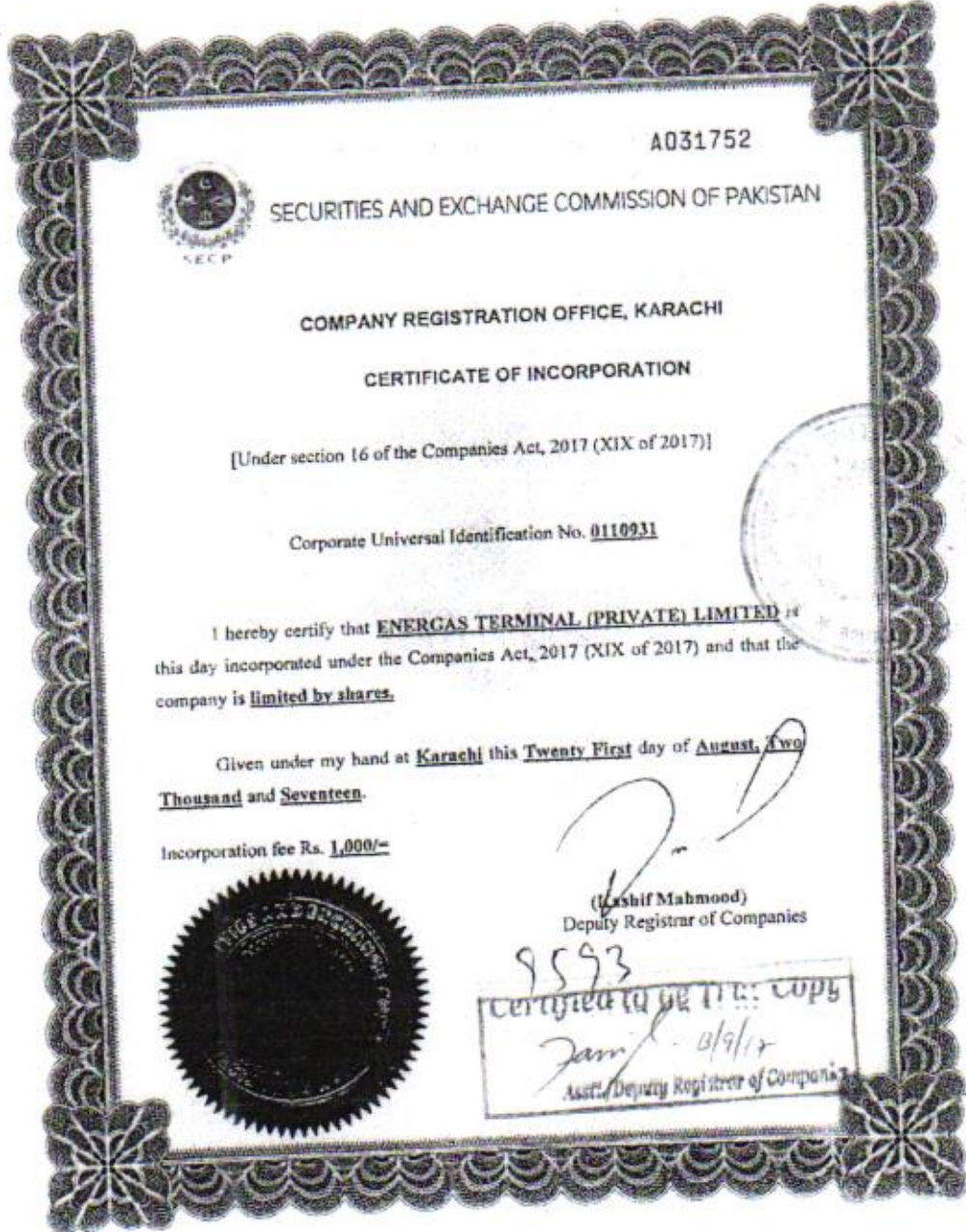


		5. Legal Consultant: Ali Khan Law Associates 6. Environmental: EMC	
3 (w)	a certificate, duly signed by the chief executive of the applicant, stating that the project employs proven technology and, in the case of a license for and LNG terminal, the criteria set out in the LNG policy for selecting the site has been met;	L	
3 (x)	such other information of documentation as the Authority may, from time to time, require, including without limitation, supplementary information or documentation required by the Authority to clarify the information contained in the application.	Will be provided upon request	

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Appendix A



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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

COMPANY REGISTRATION OFFICE, KARACHI

CERTIFICATE OF INCORPORATION

[Under section 16 of the Companies Act, 2017 (XIX of 2017)]

Corporate Universal Identification No. 0110931

I hereby certify that ENERGAS TERMINAL (PRIVATE) LIMITED is this day incorporated under the Companies Act, 2017 (XIX of 2017) and that the company is limited by shares.

Given under my hand at Karachi this Twenty First day of August, Two Thousand and Seventeen.

Incorporation fee Rs. 1,000/-

(Signature)
 (Kashif Mahmood)
 Deputy Registrar of Companies



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 Certified to be true copy
(Signature) 01/9/17
 Asst. Deputy Registrar of Companies

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Appendix B

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The Companies Act, 2017
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

OF

ENERGAS TERMINAL (PRIVATE) LIMITED

PRELIMINARY

1. The Regulations contained in Table 'A' in the First Schedule to the Companies Act, 2017 shall not apply to the Company except to the extent and as hereinafter, expressly incorporated. In case of any conflict between the provisions referred to and the provisions herein contained and the incorporated Regulations of Table 'A', the provisions herein contained shall prevail.

In the interpretation of these Articles

- (a) "Act" means the Companies Act, 2017.
- (b) "Articles" means the articles of association of a company framed in accordance with the company law or this Act;
- (c) "Authorised Capital" or "Nominal Capital" means such capital as is authorised by the memorandum of a company to be the maximum amount of share capital of the company;
- (d) "Board", in relation to a company, means board of directors of the company;
- (e) "Book and Paper" and "Book or Paper" includes books of account, cost accounting records, deeds, vouchers, writings- documents, minutes and registers maintained on paper or in electronic form;
- (f) "The Chairman" means the Chairman of the Board elected for the time being.
- (g) "Chartered Accountants" shall have the same meaning as assigned to it under the Chartered Accountants Ordinance, 1961 (X of 1961);
- (h) "Chief Executive", in relation to a company means an individual who, subject to control and directions of the board is entrusted with whole, or substantially whole, of the powers of management of affairs of the company and includes a director or any other person occupying the position of a chief executive, by whatever name called, and whether under a contract of service or otherwise;
- (i) "Chief Financial Officer," means an individual appointed to perform such functions and duties as are customarily performed by a Chief Financial Officer;

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- (j) "Commission" shall have the same meaning as assigned to it under the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997);
- (k) "Company" means ENERGAS TERMINAL (PRIVATE) LIMITED formed and registered under Companies Act, 2017.
- (l) "Company Secretary" means any individual appointed to perform secretarial and other duties customarily performed by a company secretary and declared as such, having such qualifications and experience, as may be specified;
- (m) "Debenture" includes debenture stock, bonds, terms finance certificate or any other instrument of a company evidencing a debt, whether constituting a mortgage or charge on the assets of the company or not;
- (n) "Director" includes any person occupying the position of a director, by whatever name called;
- (o) "E-Service" means any service or means provided by the Commission for the lodging or filing of electronic documents;
- (p) "Financial Year" in relation to a company or any other body corporate, means the period in respect of which an / financial statement of the company or the body corporate, as the case may be, laid before it in general meeting, is made up, whether that period is a year or not;
- (q) "Government" includes Federal Government or, as the case may be, Provincial Governments unless otherwise expressly provided in this Act;
- (r) "Memorandum" means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of Company law or of this Act.
- (s) "Mortgage or Charge" means an interest or lien created on the property or assets of a company or any of its undertakings or both as security;
- (t) "Officer" includes any director, Chief Executive, Chief Financial Officer, Company Secretary or other authorized Officer of a Company;
- (u) "Ordinary Resolution" means a resolution passed by a simple majority of such members of the company entitled to vote as are present in person or by proxy or exercise the option to vote through postal ballot, as provided in the articles or as may be specified, at a general meeting;

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- (v) **"Redeemable Capital"** includes sukuk and other forms of finances obtained on the basis of Participation Term Certificate (PTC), Musharika Certificate, Term Finance Certificate (TFC) or any other security or obligation not based on interest, representing an instrument or a certificate of specified denomination, called the face value or nominal value, evidencing investment of the holder in the capital of the company other than share capital, on terms and conditions of the agreement for the issue of such instrument or certificate or such other certificate or instrument as the concerned Minister-in-Charge of the Federal Government may, by notification in the official Gazette, specify, for the purpose;
- (w) **"Register of Companies"** means the register of Companies maintained by the registrar on paper or in any electronic form under this Act;
- (x) **"Regulations"** means the regulations made by the Commission under this Act;
- (y) **"Rules"** means rules made by the Federal Government under this Act;
- (z) **"Scheduled Bank"** shall have the same meaning as assigned to it under the State Bank of Pakistan Act, 1956 (XXXIII of 1956).
- (aa) **"Section"** means section of the Act.
- (bb) **"Seal"** means the Common Seal or Official Seal of the company, as the case may be.
- (cc) **"Share"** means a share in the share capital of a Company.
- (dd) **"Special Resolution"** means a resolution which has been passed by a majority of not less than three-fourths of such members of the company entitled to vote as are present in person or by proxy or vote through postal ballot at a general meeting of which not less than twenty-one days' notice specifying the intention to propose the resolution as a special resolution has been duly given;
- (ee) **"Voting Right"** means the right of a member of a company to vote on any matter in a meeting of the Company either present in person or through Video Link or by proxy or by means of postal ballot;

Unless the context otherwise requires, words or expressions contained in these Articles shall have the same meaning as in the Act and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include feminine, and words importing persons shall include bodies corporate.

BUSINESS

- 2. (a) The business of the company shall include the several objects expressed in the various clauses of the Memorandum of Association or any of them.

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- (b) The business of the Company may be commenced immediately after the incorporation of the Company or as the Directors shall think fit, notwithstanding that a part of the capital has been subscribed.

SHARE CAPITAL

3. The authorised capital of the company is Rs.100,000/- (Rupees One Hundred Thousand Only) divided into 10,000 (Ten Thousand) Ordinary shares of Rs.10/- (Ten) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with powers to increase, sub-divide, consolidate or reorganize the capital of the Company and to divide the shares in the capital of the Company for the time being into several classes in accordance with the provisions of the Companies Act, 2017, as amended from time to time and to attach thereto respectively such special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, provided however, that rights, as between various classes of ordinary shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of the shares.

SHARE CERTIFICATES

4. In case of shares in the physical form, every person whose name is entered as a member in the register of members shall, without payment, be entitled to receive, within thirty days after allotment or within fifteen days of the application for registration of transfer, a certificate under the seal specifying the share or shares held by him and the amount paid up thereon.

Provided that if the shares are in book entry form or in case of conversion of physical shares and other transferable securities into book-entry form, the company shall, within ten days after an application is made for the registration of the transfer of any shares or other securities to a central depository, register such transfer in the name of the central depository.

5. The company shall not be bound to issue more than one certificate in respect of a share or shares in the physical form, held jointly by several persons and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.
6. If a share certificate in physical form is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding one hundred rupees, and on such terms, if any, as to evidence and indemnity and payment of expenses incurred by the company in investigating title as the directors think fit.
7. Except to the extent and in the manner allowed by section 86, no part of the funds of the company shall be employed in the purchase of or in loans upon the security of the company's shares.

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TRANSFER AND TRANSMISSION OF SHARES

- 8. The instrument of transfer of any share in physical form in the company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 9. Shares in physical form in the company shall be transferred in the following form or in any usual or common form which the directors shall approve:

**FORM FOR TRANSFER OF SHARES
(First Schedule to the Companies Act, 2017)**

I _____ s/o. _____ r/o. _____ (hereinafter called the "transferor") in consideration of the sum of rupees _____ paid to me by _____ s/o. _____ r/o. _____ (hereinafter called the "transferee") do hereby transfer to the said transferee _____ the share (or shares) with distinctive numbers from _____ to _____ inclusive in the _____ Limited, to hold unto the said transferee, his executors, administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof, and I, the said transferee, do hereby agree to take the said share (or shares) subject to the conditions aforesaid.

As witness our hands this _____ day of _____ 20__.

Signature _____

Signature _____

Transferor

Full Name, Father's / Husband's Name
 CNIC Number
 (in case of foreigner, Passport Number)
 Nationality
 Occupation
 Usual Residential Address

Transferee

Full Name, Father's / Husband's Name
 CNIC Number
 (in case of foreigner, Passport Number)
 Nationality
 Occupation
 Usual Residential Address
 Cell number
 Landline number, if any
 Email address

Witness 1:

Signature _____
 Date _____
 Name _____
 CNIC Number _____
 Full Address _____

Witness 2:

Signature _____
 Date _____
 Name _____
 CNIC Number _____
 Full Address _____

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Bank Account Details of Transferee for Payment of Cash Dividend

It is requested that all my cash dividend amounts declared by the company, may be credited into the following:

Bank Account	
Title of Bank Account	
Bank Account Number	
Bank's Name	
Branch Name and Address	

It is stated that the above mentioned information is correct and that I will intimate the changes in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur.

Signature of the Transferee(s)

10. Subject to the restrictions contained in Article 13 and 14, the directors shall not refuse to transfer any share unless the transfer deed is defective or invalid. The directors may also suspend the registration of transfers during the ten days immediately preceding a general meeting or prior to the determination of entitlement or rights of the shareholders by giving seven days' previous notice in the manner provided in the Act. The directors may, in case of shares in physical form, decline to recognize any instrument of transfer unless:
 - (a) a fee not exceeding fifty rupees or as may be determined by the directors is paid to the company in respect thereof; and
 - (b) the duly stamped instrument of transfer is accompanied by the certificate of shares to which it relates and such other evidence, as the directors may reasonably require to show the right of the transferor to make the transfer.
11. If the directors refuse to register a transfer of shares, they shall within fifteen days after the date on which the transfer deed was lodged with the company send to the transferee and the transferor notice of the refusal indicating the defect or invalidity to the transferee, who shall, after removal of such defect or invalidity be entitled to re-lodge the transfer deed with the company.

Provided that where the transferee is a central depository, the refusal shall be conveyed by the company within five days from the date on which the instrument of transfer was lodged with it by notifying the defect or invalidity to the transferee, who shall, after the removal of such defect or invalidity, be entitled to re-lodge the transfer deed with the company.



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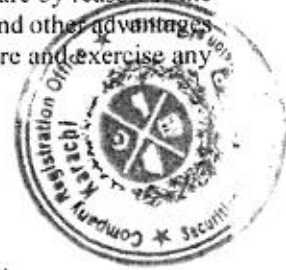
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TRANSMISSION OF SHARES

12. The executors, administrators, heirs, or nominees, as the case may be, of a deceased sole holder of a share shall be the only persons recognized by the company to deal with the share in accordance with the law. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor, shall be the only persons recognized by the company to deal with the share in accordance with the law.
13. The shares or other securities of a deceased member shall be transferred on application duly supported by succession certificate or by lawful award, as the case may be, in favour of the successors to the extent of their interests and their names shall be entered to the register of members.
14. A person may on acquiring interest in a company as a member, represented by shares, at any time after acquisition of such interest deposit with the company a nomination conferring on a person, being the relatives of the member, namely: a spouse, father, mother, brother, sister, son or daughter, the right to protect the interest of the legal heirs in the shares of the deceased in the event of his/her death, as a trustee and to facilitate the transfer of shares to the legal heirs of the deceased, subject to succession to be determined under the Islamic law of inheritance and in case of non-muslim members, as per their respective law.
15. The person nominated under Article 14 shall, after the death of the member, be deemed as a member of company till the shares are transferred to the legal heirs and if the deceased was a director of the company, not being a listed company, the nominee shall also act as director of the company to protect the interest of the legal heirs.
16. A person to be deemed as a member under Articles 13, 14 and 15 to a share by reason of the death or insolvency of the holder, shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share and exercise any right conferred by membership in relation to meetings of the company.

ALTERATION OF SHARE CAPITAL

17. The company may, by special resolution:
 - (a) increase its authorised capital by such amount as it thinks expedient.
 - (b) consolidate and divide the whole or any part of its share capital into shares of larger amount than its existing shares.
 - (c) sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the memorandum of association, subject, nevertheless, to the provisions of section 85.
 - (d) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the share so cancelled.



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- 18. Subject to the provisions of the Act, all new shares shall at the first instance be offered to such persons as at the date of the offer are entitled to such issue in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by Letter of Offer specifying the number of shares offered and limiting a time within which the offer, if not accepted, will deem to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the company. The directors may likewise so dispose of any new shares which by reason of the ratio which the new shares bear to shares held by persons conveniently offered under this Article.
- 19. The new shares shall be subject to the same provisions with reference to transfer, transmission and otherwise, as the shares in the original share capital.
- 20. The company may, by special resolution, reduce its share capital in any manner and with, and subject to confirmation by the Court and any incident authorised and consent required, by law.

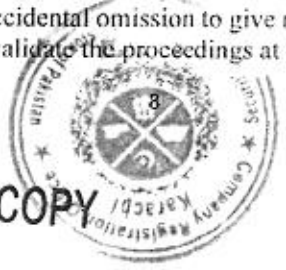
GENERAL MEETINGS

- 21. A general meeting, to be called annual general meeting, shall be held, in accordance with the provisions of section 132, within sixteen months from the date of incorporation of the company and thereafter once at least in every year within a period of four months following the close of its financial year.
- 22. All general meetings of a company other than the statutory meeting or an annual general meeting mentioned in sections 131 and 132 respectively shall be called "Extra-ordinary general meetings".
- 23. The directors may, whenever they think fit, call an extra-ordinary general meeting. Extra-ordinary general meetings shall also be called on such requisition, or in default, may be called by such requisitionists, as provided by section 133. If at any time, there are not within Pakistan sufficient directors capable of acting to form a quorum, any director of the company may call an extra-ordinary general meeting, in the same manner as nearly as possible as that in which meetings may be called by the directors.
- 24. The company may provide video-link facility to its members for attending general meeting at places other than the town in which general meeting is taking place after considering the geographical dispersal of its members.

NOTICE AND PROCEEDINGS OF GENERAL MEETINGS

- 25. Twenty-one days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) specifying the place, the day and the hour of meeting and, in case of special business, the general nature of that business, shall be given in manner provided by the Act for the general meeting, to such persons as are, under the Act or the Articles, of the company, entitled to receive such notice from the company; but the accidental omission to give notice to, or the non-receipt of notice by, any member shall not invalidate the proceedings at any general meeting.

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26. All the business transacted at a general meeting shall be deemed special other than the business stated in sub-section (2) of section 134 namely: the consideration of financial statements and the reports of the board and auditors, the declaration of any dividend, the election and appointment of directors in place of those retiring and the appointment of the auditors and fixing of their remuneration.
27. No business shall be transacted at any general meeting unless a quorum of members is present at that time when the meeting proceeds to business, save as herein otherwise provided, two members present in person, or by proxy or through video-link who represent not less than twenty-five percent of the total voting power either of their own account or as proxies shall be a quorum.
28. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place and if at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present, being not less than two, shall be a quorum.
29. The chairman of the board of directors, if any, shall preside as chairman at every general meeting of the company, but if there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for the meeting, or is unwilling to act as chairman, any one of the directors present, may be elected to be chairman and if none of the directors is present, or willing to act as chairman, the members present shall choose one of their number to be the chairman.
30. The chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting) adjourn the meeting from time to time 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. When a meeting is adjourned for fifteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
31. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded. Unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.
32. At any general meeting, the company shall transact such businesses as may be notified by the Commission, only through postal ballot.
32. A poll may be demanded only in accordance with the provisions of section 143.

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33. If a poll is duly demanded, it shall be taken in accordance with the manner laid down in sections 144 and 145 and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
 34. A poll demanded on the election of chairman or on a question of adjournment shall be taken at once.
 35. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall have and exercise a second or casting vote.
 36. Except for the businesses specified under sub-section (2) of section 134 to be conducted in the annual general meeting, the members of a private company, may pass a resolution (ordinary or special) by circulation signed by all the members for the time being entitled to receive notice of a meeting. The resolution by circulation shall be deemed to be passed on the date of signing by the last of the signatory member to such resolution.

VOTES OF MEMBERS

37. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote except for election of directors in which case the provisions of section 159 shall apply. On a poll every member shall have voting rights as laid down in section 134.
38. In case of joint-holders, the vote of the senior who tenders a vote, whether in person or by proxy or through video-link shall be accepted to the exclusion of the votes of the other joint-holders and for this purpose, seniority shall be determined by the order in which the names stand in the register of members.
39. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on show of hands or on a poll or through proxy or video link, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
40. On a poll votes may be given either personally or by proxy or through video-link or through postal ballot.

Provided that no body corporate shall vote by proxy as long as a resolution of its directors in accordance with the provisions of section 138 is in force.
41. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing.
42. The instrument appointing a proxy and the power-of-attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power 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 shall not be treated as valid.

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42. An instrument appointing a proxy may be in the following form, or a form as near thereto as may be:

INSTRUMENT OF PROXY
ENERGAS TERMINAL (PRIVATE) LIMITED

I _____ s/o. _____ r/o. _____ being a member of the _____ Limited, hereby appoint _____ s/o. _____ r/o. _____ as my proxy to attend and vote on my behalf at the (statutory, annual, extraordinary general meeting, as the case may be) of the company to be held on the _____ day of _____ 20____ and at any adjournment thereof.

43. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

DIRECTORS

44. The following are the first directors of the company, however, that the number of directors shall not in any case be less than two, as specified in section 154 and they shall hold office until the election of directors in the first annual general meeting:

1. **Mr. Muhammad Ali Tabba**
2. **Mr. Anser Ahmed Khan**
3. **Mian Karim Ud Din**
4. **Mr. Shahid Abdullah**



45. The remuneration of the directors shall from time to time be determined by the company in general meeting subject to the provisions of the Act.

46. Save as provided in section 153(i), no person shall be appointed as a director unless he is a member of the company.

POWERS AND DUTIES OF DIRECTORS

47. The business of the company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the company and may exercise all such powers of the company as are not by the Act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the company in general meeting, subject nevertheless to the provisions of the Act or to any of these Articles, and such Article being not inconsistent with the aforesaid provisions, as may be prescribed by the company in general meeting but no Article made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that Article had not been made.

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- 48. The directors shall appoint a chief executive in accordance with the provisions of sections 186 and 187.
- 49. The amount for the time being remaining undischarged of moneys borrowed or raised by the directors for the purposes of the company (otherwise than by the issue of share capital) shall not at any time, without the sanction of the company in general meeting, exceed the issued share capital of the company.
- 50. The directors shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages, charges and pledge affecting the property of the company or created by it, to the keeping of a register of the directors, and to the sending to the registrar of an annual list of members, and a summary of particulars relating thereto and notice of any consolidation or increase of share capital, or sub-division of shares, and copies of special resolutions and a copy of the register of directors and notifications of any changes therein.

MINUTE BOOKS

- 51. The directors shall cause records to be kept and minutes to be made in book or books with regard to:
 - (a) all resolutions and proceedings of general meeting(s) and the meeting(s) of directors and Committee(s) of directors, and every member present at any general meeting and every director present at any meeting of directors or Committee of directors shall put his signature in a book to be kept for that purpose.
 - (b) recording the names of the persons present at each meeting of the directors and of any committee of the directors, and the general meeting.
 - (c) all orders made by the directors and Committee(s) of directors.

Provided that all records related to proceedings through video-link shall be maintained in accordance with the relevant regulations specified by the Commission which shall be appropriately rendered into writing as part of the minute books according to the said Regulations.

THE SEAL

- 52. The directors shall provide for the safe custody of the seal and the seal shall not be affixed to any instrument except by the authority of a resolution of the board of directors or by a committee of directors authorized in that behalf by the directors and in the presence of at least two directors and of the secretary or such other person as the directors may appoint for the purpose and those two directors and secretary or other person as aforesaid, shall sign every instrument to which the seal of the company is so affixed in their presence.

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DISQUALIFICATION OF DIRECTORS

53. No person shall become the director of a company if he suffers from any of the disabilities or disqualifications mentioned in section 153 or disqualified or debarred from holding such office under any of the provisions of the Act as the case may be and, if already a director, shall cease to hold such office from the date he so becomes disqualified or disabled.

Provided, however, that no director shall vacate his office by reason only of his being a member of any company which has entered into contracts with, or done any work for, the company of which he is director, but such director shall not vote in respect of any such contract or work, and if he does so vote, his vote shall not be counted.

PROCEEDINGS OF DIRECTORS

54. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. A director may, and the secretary on the requisition of a director shall, at any time, summon a meeting of directors. Notice sent to a director through email whether such director is in Pakistan or outside Pakistan shall be a valid notice.
55. The directors may elect a chairman of their meetings on rotational basis and he shall hold office for a period of three years unless he earlier resigns, becomes disqualified from being a Director or otherwise ceases to hold office determine, but, if no such chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the directors present may choose one of their number to be chairman of the meeting.
56. At least one-third (1/3rd) of the total number of directors or two (2) directors whichever is higher, for the time being of the company, present personally or through video-link, shall constitute a quorum.
57. Save as otherwise expressly provided in the Act, every question at meetings of the board shall be determined by a majority of votes of the directors present in person or through video-link, each director having one vote. In case of an equality of votes or tie, the chairman shall have a casting vote in addition to his original vote as a director.
58. The directors may delegate any of their powers not required to be exercised in their meeting to committees consisting of such member or members of their body as they think fit; any committee so formed shall, in the exercise of the powers so delegated, conform to any restrictions that may be imposed on them by the directors.
59. A committee may elect a chairman of its meetings; but, if no such chairman is elected, or if at any meeting the chairman is not present within ten minutes after the time appointed for holding the same or is unwilling to act as chairman, the members present may choose one of their number to be chairman of the meeting.
60. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present. In case of an equality of votes, the chairman shall have and exercise a second or casting vote.



- 60. All acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.
- 61. A copy of the draft minutes of meeting of the board of directors shall be furnished to every director within seven working days of the date of meeting.
- 62. A resolution in writing signed by all the directors for the time being entitled to receive notice of a meeting of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

FILLING OF VACANCIES

- 63. At the first annual general meeting of the company, all the directors shall stand retired from office, and directors shall be elected in their place in accordance with section 159 for a term of three years.
- 64. A retiring director shall be eligible for re-election.
- 65. The directors shall comply with the provisions of sections 154 to 159 and sections 161, 162 and 167 relating to the election of directors and matters ancillary thereto.
- 66. Any casual vacancy occurring on the board of directors may be filled up by the directors, but the person so chosen shall be subject to retirement at the same time as if he had become a director on the day on which the director in whose place he is chosen was last elected as director.
- 67. The company may remove a director but only in accordance with the provisions of the Act.

DIVIDENDS AND RESERVE

- 68. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the directors.
- 69. The directors may from time to time pay to the members such interim dividends as appear to the directors to be justified by the profits of the company.
- 70. Any dividend may be paid by a company either in cash or in kind only out of its profits. The payment of dividend in kind shall only be in the shape of shares of listed company held by the company.
- 71. Dividend shall not be paid out of unrealized gain on investment property credited to profit and loss account.

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- 72. Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid on the shares.
- 73. The directors may, before recommending any dividend, set aside out of the profits of the company such sums as they think proper as a reserve or reserves which shall, at the discretion of the directors, be applicable for meeting contingencies, or for equalizing dividends, or for any other purpose to which the profits of the company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of company or be invested in such investments (other than shares of the company) as the directors may, subject to the provisions of the Act, from time to time think fit.
- 74. The directors may carry forward any profits which they may think prudent not to distribute, without setting them aside as a reserve.
- 75. If several persons are registered as joint-holders of any share, any one of them may give effectual receipt for any dividend payable on the share.
- 76. Notice of any dividend that may have been declared shall be given in manner hereinafter mentioned to the persons entitled to share therein.
- 76. Any dividend declared by the company shall be paid to its registered shareholders or to their order. The dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholders entitled to the payment of the dividend, as per their direction.
- 77. The dividend shall be paid within the period laid down under the Act.

ACCOUNTS

- 78. The directors shall cause to be kept proper books of account as required under section 220.
- 79. 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 and shall be open to inspection by the directors during business hours.
- 80. The directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or Articles the accounts and books or papers of the company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account and book or papers of the company except as conferred by law or authorised by the directors or by the company in general meeting.
- 81. The directors shall as required under sections 223 and 226 cause to be prepared and to be laid before the company in general meeting the financial statements duly audited and reports as are referred to in those sections.

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[Signature]

- 82. The financial statements and other reports referred to in Article 81 shall be made out in every year and laid before the company in the annual general meeting in accordance with sections 132 and 223.
- 83. A copy of the financial statements and reports of directors and auditors shall, at least twenty-one days preceding the meeting, be sent to the persons entitled to receive notices of general meetings in the manner in which notices are to be given hereunder.
- 84. The directors shall in all respect comply with the provisions of sections 220 to 227.
- 85. Auditors shall be appointed and their duties regulated in accordance with sections 246 to 249.

NOTICES

- 86. A notice may be given by the company to any member to his registered address or if he has no registered address in Pakistan to the address, if any, supplied by him to the company for the giving of notices to him against an acknowledgement or by post or courier service or through electronic means or in any other manner as may be specified by the Commission.
- 87. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and, unless the contrary is proved, to have been effected at the time at which the letter will be delivered in the ordinary course of post.
- 88. A notice may be given by the company to the joint-holders of a share by giving the notice to the joint-holder named first in the register in respect of the share.
- 89. A notice may be given by the company to the person entitled to a share in consequence of the death or insolvency of a member in the manner provided under Article 86 and 87 addressed to them by name, or by the title or representatives of the deceased, or assignees of the insolvent or by any like description, at the address, supplied for the purpose by the person claiming to be so entitled.
- 90. Notice of every general meeting shall be given in the manner hereinbefore authorised to (a) every member of the company and also to (b) every person entitled to a share in consequence of the death or insolvency of a member, who but for his death or insolvency would be entitled to receive notice of the meeting, and (c) to the auditors of the company for the time being and every person who is entitled to receive notice of general meetings.

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- (iv) It is hereby undertaken that the company shall not:
 - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation.
 - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business.
 - (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

LIABILITY

- 4. The liability of the members is limited.

CAPITAL

- 5. The authorised capital of the company is Rs.100,000/- (Rupees One Hundred Thousand Only) divided into 10,000 (Ten Thousand) Ordinary shares of Rs.10/- (Ten) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with powers to increase, sub-divide, consolidate or reorganize the capital of the Company and to divide the shares in the capital of the Company for the time being into several classes in accordance with the provisions of the Companies Act, 2017, as amended from time to time and to attach thereto respectively such special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, provided however, that rights, as between various classes of ordinary shares, if any, as to profits, votes and other benefits shall be strictly proportionate to the paid up value of the shares.

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We, the several persons whose names, and addresses and descriptions 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 set opposite our respective names:

S. No.	Name and Surname (Present & Former in full) (in Block Letters)	Father's / Husband's Name in full	NIC / Passport Number	Occupation	Residential Address in full	Number of Shares Taken by each Subscriber	Signature
1.	Y. B. Pakistan Limited Through Authorised Representative Mr. Muhammad Ali Tabba	N/A	0077837	Public Limited Company	First Floor, Sindh Market, M. A. Jinnah Road, Karachi.	2,000 (Two Thousand)	
2.	Sapphire Electric Company Limited Shahid Abdullah	N/A	0049349	Public Limited Company	17/1/A Johar Road, Muhammad Ali Housing Society, Karachi	3,000 (Three Thousand)	
3.	Mr. Anser Ahmed Khan	Muhammad Abdullah	42201-5225618-1	Business Executive	7/A/K, Main Boulevard, Gulberg-II, Lahore		
4.	Mian Karim Ud Din	Imlak Ahmed Khan	423017-918603-3	Business Executive	3-Ahmed Block, New Garden Town, Lahore		
		Mian Mohammad Sharif	352002-128262-1	Business Executive	House No.4, Street 16 South, Phase 2, D H A Karachi	2,000 (Two Thousand)	
					House # 02, Askari Villas, Sarwar Road, Lahore Cantt.	3,000 (Three Thousand)	
					TOTAL	10,000 (Ten Thousand)	

Dated this 16th day of August, 2017

Certified to be true copy
Zain 12/8/17
Asst. Deputy Registrar of Companies



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Appendix D

Form A
THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
 [Section 130(1) and Regulation 4]
ANNUAL RETURN OF COMPANY HAVING SHARE CAPITAL

PART - I

(Please complete in typescript or in bold block capitals)

1.1 CUIIN (Registration Number)

1.2 Name of the Company

1.3 Fee payment details

1.3.1 Challan No. 1.3.2. Amount

1.4 Form A made upto

1.5 Date of AGM

PART - II

Section A

2.1 Registered Office Address

2.2 Email Address

2.3 Office Tel. No.

2.4 Office Fax No.

2.5 Principle line of business

2.6 Mobile No. of Authorized officer (Chief Executive/ Director/ Company Secretary/ Chief Financial Officer)

2.7 Authorized Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		100,000.00	

2.8 Paid up Share Capital

Classes and kinds of Shares	No. of Shares	Amount	Face Value
Ordinary Shares		100,000.00	

2.9 Particulars of the holding /subsidiary company, if any

Name of Company	Holding/Subsidiary	% Shares Held

2.10 Chief Executive

Name

Address

NIC No

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2.11 Chief Financial Officer

Name

Address

NIC No

2.12 Secretary

Name

Address

NIC No

2.13 Legal Advisor

Name

Address

NIC No

2.14 Particulars of Auditors

Name

Address

2.15 Particulars of Shares Registrar (if applicable)

Name

Address

Email

Section-B

2.16 List of Directors on the date Annual return is made

S#	Name of Director	Residential Address	Nationality	NIC (Passport No. if foreigner)	Date of appointment or election
1	Mian Karim Ud Din	House # 02, Askari Villas, Sarwar Road, Lahore Cantt, Lahore Punjab Pakistan 54810	Pakistan	352002-128282-	21/12/2018
2	Mr. Muhammad Ali Tabba	17/1/A Johar Road, Muhammad Ali Housing Society, Karachi Sindh Pakistan 75350	Pakistan	42201-8464247-	21/12/2018
3	Mr. Shahid Abdullah	3-Ahmed Block, New Garden Town, Lahore Punjab Pakistan 54700	Pakistan	42201-5225618-	21/12/2018
4	Mr. Anser Ahmed Khan	House No. 4, Street 16 South, Phase 2, D H A Karachi Sindh Pakistan 75500	Pakistan	42301-7918803-	21/12/2018



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17 List of members & debenture holders on the date upto which this Form is made

S#	Folio#	Name	Address	Nationality	No of shares held/Debiture	NIC No(Passport if foreigner)
Members						
1	1	Mian Karim Uq Din	House # 02, Askari Villas, Sarwar Road, Lsh	Pakistan	3000	352202-129292-1
2	2	Mr. Anser Ahmed Khan	House No.4, Street 16 South, Phase 2 D H	Pakistan	2000	423017-818903-5
3	3	Y.B. Pakistan Limited	First Floor, Sindh Market, M. A. Jinnah Road	Pakistan	2000	77837
4	4	Sapphire Energy (Private) Limited	7A/K Main Boulevard, Gulberg 2, Karachi	Pakistan	3000	0114084
Debiture Holders						

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2.18 Transfer of shares (debentures) since last Form A was made

S#	Name of Transferor	Name of Transferee	No of Shares Transferred	Date of Registration of transfer
Members				
1	Sapphire Electric Company Limited	Mr. Shahid Abdullah	3000	11/09/2017
2	Mr. Shahid Abdullah	Sapphire Energy Private Limited	3000	02/02/2018
Debenture Holders				

PART-3

3.1 Declaration:

I do hereby solemnly, and sincerely declare that the information provided in the form is:
 (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
 (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.

3.2 Name of Authorized Officer with designation/ Authorized Intermediary

Mr. Anser Ahmed Khan	Chief Executive
----------------------	-----------------

3.3 Signatures

Electronically signed by Mr. Anser Ahmed Khan

3.4 Registration No of Authorized Intermediary, if applicable

Day	Month	Year
-----	-------	------

01/11/2019

3.5 Date

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Appendix E

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ENERGAS TERMINAL (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DEC 2019

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**ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DEC 2019**

	31 Dec 2019 Rupees	30 June 2019 Rupees
ASSETS		
NON-CURRENT ASSETS		
Project management cost	57,714,871	38,409,585
Operating fixed assets	906,351	990,000
Intangible assets	317,600,000	5,000,000
	376,221,222	44,399,585
CURRENTS ASSETS		
Other receivables	1,081,445	652,809
Prepayments	4,768	4,768
Loans and advances	500,000	500,000
Cash and Bank balance	33,960,447	20,492,055
	35,546,660	21,649,632
TOTAL ASSETS	<u>411,767,882</u>	<u>66,049,217</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share Capital	100,000	100,000
Accumulated loss	(44,023,308)	(26,390,456)
	(43,923,308)	(26,290,456)
CURRENT LIABILITIES		
Loans from associates	432,000,000	80,000,000
Accrued and other liabilities	23,691,190	12,339,673
TOTAL LIABILITIES	455,691,190	92,339,673
TOTAL EQUITY AND LIABILITIES	<u>411,767,882</u>	<u>66,049,217</u>

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**ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 DEC 2019**

	31 Dec 2019 Rupees	31 DEC 2018 Rupees
REVENUE		
GENERAL AND ADMINISTRATIVE EXPENSES		
Travelling	2,941,737	731,145
Salaries and benefits	3,833,768	3,477,648
Entertainment	-	168,496
Rental	60,000	308,284
Advertisement and promotion	-	389,816
Auditor's remuneration	30,000	30,000
Website Development Charges	91,530	8,701
Pre commencement cost	-	-
Legal and professional services	-	10,800
Communication	-	39,344
Food Expense	5,520	40,210
Fee and subscription	-	22,600
Fuel	-	41,853
Stationary	-	9,231
Depreciation	137,989	135,000
Donation	500,000	-
Miscellaneous	292,462	38,788
	<u>7,893,006</u>	<u>5,451,916</u>
OPERATING LOSS	<u>(7,893,006)</u>	<u>(5,451,916)</u>
FINANCIAL EXPENSE AND OTHER INCOME		
Finance Cost	(12,043,718)	(3,635,238)
Interest Income	2,303,872	713,009
Loss before tax	<u>(17,632,852)</u>	<u>(8,374,145)</u>
Taxation	-	-
LOSS AFTER TAX	<u>(17,632,852)</u>	<u>(8,374,145)</u>
Other comprehensive income		
NET LOSS	<u><u>(17,632,852)</u></u>	<u><u>(8,374,145)</u></u>



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ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DEC 2019

	Issued, subscribed and paid-up capital	ACCUMULATED LOSS	TOTAL
RUPEES			
OPENING BALANCE AS AT 1 JULY 2019	100,000	(26,390,456)	(26,290,456)
Receipt of share application monies issue of shares	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD			
Loss for the period	-	(17,632,852)	(17,632,852)
CLOSING BALANCE AS AT 31 DEC 2019	<u>100,000</u>	<u>(44,023,308)</u>	<u>(43,923,308)</u>

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Energas Terminal (Private) Limited

Financial Statements
For the year ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENERGAS TERMINAL (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Energas Terminal (Private) Limited** (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss, the statement of changes in equity, the statement of cash flows for the year ended June 30, 2019, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the losses, its comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

In connection with our audit of annual financial statements of the Company, we have been informed by the management that there is no other information that is attached by them along with the annual financial statements and our auditor's report thereon.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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Member of
Deloitte Touche Tohmatsu Limited

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Member of
Deloitte Touche Tohmatsu Limited

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Hena Sadq.

Deloitte Yousuf Adil
Chartered Accountants

Date: October 24, 2019
Place: Karachi



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ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	June 30, 2019 -----Rupees-----	June 30, 2018
ASSETS			
Non-current assets			
Operating fixed assets	4	990,000	1,260,000
Capital work in process	5	38,409,585	-
Intangible assets	6	5,000,000	5,000,000
Current assets			
Other receivables	7	652,809	476,109
Loan to associate	8	500,000	-
Prepayments		4,768	4,768
Bank balance	9	20,492,055	69,070,041
TOTAL ASSETS		66,049,217	75,810,918
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	10	100,000	100,000
Accumulated losses		(26,390,456)	(8,518,722)
		(26,290,456)	(8,418,722)
Current liabilities			
Loans from associates	11	80,000,000	80,000,000
Accrued and other liabilities	12	12,339,673	4,229,640
TOTAL EQUITY AND LIABILITIES		66,049,217	75,810,918
CONTINGENCIES AND COMMITMENTS	16		

The annexed notes from 1 to 20 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER




CHAIRMAN

**ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2019**

		June 30, 2019	August 21, 2017 to June 30, 2018
	Note	-----Rupees-----	
Interest income		2,365,926	1,993,254
Expenses	13	(12,006,486)	(7,418,135)
Finance cost	14	(8,231,174)	(3,093,841)
Loss before tax		<u>(17,871,734)</u>	<u>(8,518,722)</u>
Taxation	15	-	-
		<u>(17,871,734)</u>	<u>(8,518,722)</u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER




CHAIRMAN

**ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019**

	Issued, subscribed and paid-up capital	Accumulated losses	Total
	----- Rupees -----		
Balance as at August 21, 2017	-	-	-
Amount received against shares issued during the period	100,000	-	100,000
Loss for the period	-	(8,518,722)	(8,518,722)
Balance at June 30, 2018	<u>100,000</u>	<u>(8,518,722)</u>	<u>(8,418,722)</u>
Balance as at July 1, 2018	100,000	(8,518,722)	(8,418,722)
Loss for the period	-	(17,871,734)	(17,871,734)
Balance at June 30, 2019	<u>100,000</u>	<u>(26,390,456)</u>	<u>(26,290,456)</u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER




CHAIRMAN

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ENERGAS TERMINAL (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

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	Note	June 30, 2019 -----Rupees-----	August 21, 2017 to June 30, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(17,871,734)	(8,518,722)
Adjustment for: -			
Depreciation for the year	13	270,000	90,000
Increase in current assets			
Other receivables		(176,700)	(476,109)
Loan to associate		(500,000)	-
Prepayments		-	(4,768)
Increase in current liabilities			
Accrued and other liabilities		8,110,033	4,229,640
Net cash used in operating activities		<u>(10,168,401)</u>	<u>(4,679,959)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in operating fixed assets		-	(1,350,000)
Addition in intangible asset		-	(5,000,000)
Addition in capital work in process		(38,409,585)	-
Net cash used in investing activities		<u>(38,409,585)</u>	<u>(6,350,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	100,000
Loan from associates		-	80,000,000
Net cash generated from financing activities		<u>-</u>	<u>80,100,000</u>
Net (decrease) / increase in cash and cash equivalent		<u>(48,577,986)</u>	<u>69,070,041</u>
Cash and cash equivalent at the beginning of the year		69,070,041	
Cash and cash equivalent at the end of the year	9	<u>20,492,055</u>	<u>69,070,041</u>
Cash and cash equivalents comprise of:			
Cash and bank balance		<u>20,492,055</u>	<u>69,070,041</u>

The annexed notes from 1 to 20 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

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CHAIRMAN



**ENERGAS TERMINAL (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

1. THE COMPANY AND ITS OPERATIONS

Energas Terminal (Private) Limited ("the Company") is a private limited company, incorporated in Pakistan on August 21, 2017 under the Companies Act, 2017. The Company's registered office is situated at 6-A, Muhammad Ali Housing Society, A Aziz Hashim Tabba Street, Karachi.

The principal business of the Company is to establish and operate LNG terminal including jetty, pipeline with all machinery and equipment and supporting facilities for the receipt, storage and re-gasification of Liquefied Natural Gas (LNG).

The Company is envisaged to be operated under an Integrated Project Structure under LNG Policy, 2011. The company has applied for renewal of provisional NOC from Port Qasim Authority (PQA) and a provisional licence from Oil and Gas Regulatory Authority (OGRA) for establishing the aforesaid terminal.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- Revised Accounting and Financial Reporting Standards for Small Sized Entities (Revised AFRS for SSEs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the Revised AFRS for SSEs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The statement of profit or loss, statement of cash flows and statement of changes in equity for the period ended June 30, 2018, does not represent the full year of the operation, therefore the comparatives are not entirely comparable.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. When major parts of an item of operating fixed assets have different useful lives, they are accounted for as separate items of operating fixed assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and its cost can be reliably measured. Cost incurred to replace a component of an item of operating fixed assets is capitalized and the asset so replaced is retired from use. Normal repairs and maintenance are charged to the profit or loss account during the year in which they are incurred.

Depreciation is charged to the statement of profit or loss by applying the straight line method. Depreciation on additions is charged from the month when the asset is available for use and ceased in the month of disposal.

An item of operating fixed assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year in which the asset is derecognised.

Depreciation method and useful lives of each part of operating fixed assets that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

3.1.1 Impairment

The Company assesses at each reporting date whether there is any indication that assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined had no impairment loss been recognised. Reversal of impairment loss is recognised as income.

3.2 Intangible

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired. Intangible assets are amortised using the straight-line balance method over their estimated useful lives.

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3.3 Receivables

Trade debts and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. A provision for impairment of receivables is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of provision is charged to the Statement of profit or loss. Receivables are written off when considered irrecoverable.

3.4 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise of savings account held with bank.

3.5 Accrued and other liabilities

Accrued and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed to the Company or not.

3.6 Borrowings and their costs

Borrowings are recognized initially at fair value, net of transaction costs incurred, and subsequently at amortised cost. Borrowing costs are recognized as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

3.7 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e., when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial assets and financial liabilities is taken to income directly.

3.8 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

Return on bank deposit is recognized on a time proportionate basis.

3.9 Taxation

Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

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	2019	2018
	-----Rupees-----	
4. OPERATING FIXED ASSETS		
<i>Cost</i>		
Lease hold improvements	1,350,000	1,350,000
<i>Accumulated depreciation</i>		
As at July 1, 2018	(90,000)	
Charge for the year	(270,000)	(90,000)
Closing net book value	<u>990,000</u>	<u>1,260,000</u>
Rate of depreciation (%)	<u>20%</u>	<u>20%</u>

4.1 Depreciation on lease hold improvements is charged on straight line basis over a period of 5 years.

5. CAPITAL WORK IN PROCESS

This cost relates to feasibility and quantitative risk assessment (QRA) studies conducted in respect of the project.

	2019	2018
	-----Rupees-----	
6. INTANGIBLE ASSETS		
Licence, fees and other related charges	6.1 <u>5,000,000</u>	<u>5,000,000</u>

6.1 This represents licence fee paid for provisional licence obtained from OGRA in respect of the LNG terminal. The LNG licence has indefinite life and is therefore not being amortised.

	2019	2018
	-----Rupees-----	
7. OTHER RECEIVABLES		
Advance tax	447,541	203,461
Interest receivables	176,064	272,648
Energas Marketing (Private) Limited	7.1 <u>29,204</u>	<u>-</u>
	<u>652,809</u>	<u>476,109</u>

7.1 This represents accrued interest income on loan provided to Energas Marketing (Private) Limited which is an associated company of Energas Terminal (Limited). The loan is provided at the rate of 11.25% p.a.

8. LOAN TO ASSOCIATE

This represents loan to Energas Marketing (Private) Limited which is an associated company due to common directorship. The loan carries markup of 11.25% per annum. Principal and interest to be repaid after Twelve (12) months from the date of disbursement of the loan i.e. December 24, 2018, unless mutually extended by the parties.

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	2019	2018
Note	-----Rupees-----	
9. BANK BALANCE		
Cash at bank - savings account	9.1 <u>20,492,055</u>	<u>69,070,041</u>
	<u>20,492,055</u>	<u>69,070,041</u>

9.1 This account carried mark-up at the rates ranging from 4.50% to 10.25% per annum.

	2019	2018
Note	-----Rupees-----	
10. SHARE CAPITAL		
Authorized share capital		
10,000 ordinary shares of Rs. 10 each	<u>100,000</u>	<u>100,000</u>
Paid up capital		
10,000 ordinary shares of Rs. 10 each paid in cash	10.2 <u>100,000</u>	<u>100,000</u>

10.1 The Company has one class of ordinary shares which carries no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

10.2 The shares of the Company are held by following associated companies / persons:

2019	2018		2019	2018
Number of shares			-----Rupees-----	
2,000	2,000	YB Pakistan Limited	20,000	20,000
3,000	3,000	Sapphire Energy (Private) Limited	30,000	30,000
2,000	2,000	Mr. Anser Ahmed Khan	20,000	20,000
3,000	3,000	Mr. Mian Karim Ud Din	30,000	30,000
<u>10,000</u>	<u>10,000</u>		<u>100,000</u>	<u>100,000</u>

11. LOAN FROM ASSOCIATES

YB Pakistan Limited	20,000,000	20,000,000
Mian Karim-Ud-Din	30,000,000	30,000,000
Sapphire Energy (Private) Limited	30,000,000	30,000,000
	<u>80,000,000</u>	<u>80,000,000</u>

11.1 The loan carries markup rate comprising of 6 month kibar plus 0.25% per annum. The loan is payable on demand.

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	Note	2019 -----Rupees-----	2018
12. ACCRUED AND OTHER LIABILITIES			
Accrued interest on loan from associates	12.1	11,296,639	3,093,570
Payable to suppliers	12.2	520,034	522,834
Accrued expenses		463,600	554,236
Audit fees payable		59,400	59,000
		<u>12,339,673</u>	<u>4,229,640</u>

12.1 Accrued interest on loan from associate comprises of:

YB Pakistan Limited	2,928,833	878,066
Mian Karim-Ud-Din	4,408,833	1,332,682
Sapphire Energy (Private) Limited	3,958,973	882,822
	<u>11,296,639</u>	<u>3,093,570</u>

12.2 This include payable to Lucky Cement Limited amounting to Rs.234,062 (2018: Rs.100,000) which is an associated company.

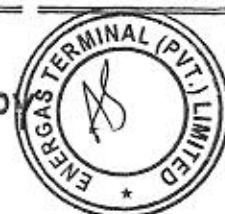
	Note	2019 -----Rupees-----	2018
13. EXPENSES			
Salaries and benefits		7,458,597	2,316,817
Travelling		2,545,465	2,317,065
Advertisement and promotion		389,816	-
Rental		370,000	1,150,000
Entertainment		312,136	1,300,668
Depreciation		270,000	90,000
Fee and subscription		222,600	18,352
Fuel		110,562	13,205
Communication		94,304	20,922
Miscellaneous		63,674	1,212
Auditor's remuneration	13.1	59,400	59,000
Food expenses		45,190	20,050
Website development charges		42,601	33,900
Stationery		11,341	12,559
Legal and professional services		10,800	28,915
Pre- commencement expenditure		-	35,470
		<u>12,006,486</u>	<u>7,418,135</u>

13.1 AUDITOR'S REMUNERATION

Annual audit fee	50,000	50,000
Sindh sales tax	4,400	4,000
Out of pocket expenses	5,000	5,000
	<u>59,400</u>	<u>59,000</u>

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	Note	2019 -----Rupees-----	2018
14. FINANCE COST			
Interest expense	14.1	8,203,069	3,093,570
Bank charges		28,105	271
		<u>8,231,174</u>	<u>3,093,841</u>

14.1 This interest expense is against the loan obtained from the associates. The interest rate comprises of 6 month kibar plus 0.25% per annum.

15. TAXATION

The tax liability of the Company comprises of taxable income under normal tax regime. Normal tax is calculated on taxable income at current rate of taxation taking into applicable tax credits, rebates and exemption available. Tax charge for the current year is Nil due to losses incurred during the year.

16. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2019, and June 30, 2018.

17. RELATED PARTY TRANSACTION

The related parties comprise group companies, associated undertakings and directors of the Company. The group / associated undertakings / companies are considered as such due to common directorship. The Company continues to have a policy whereby all transactions with related parties / undertakings are entered on commercial / agreed basis. Transactions with related party has been disclosed in note 7.1, 8, 11, 12.1, 12.2 and 14.1 to the financial statements.

18. FINANCIAL RISK MANAGEMENT

The Company's financial assets comprise of bank balance. Therefore the Company is not materially exposed to financial risks such as market risk(including currency risk , interest rate risk and price risk), credit risk and liquidity risk.

19. NUMBER OF EMPLOYEES

There was 1 employee (2018: 3) at the end of the year. On average there was 1 employee (2018: 3).

20. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved and authorized for issue on 03 OCT 2019 by the Board of Directors of the Company.

B/A


CHIEF EXECUTIVE OFFICER


CHAIRMAN



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Appendix E



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CIRCULAR NO. 004/2017-18


September 12th, 2017

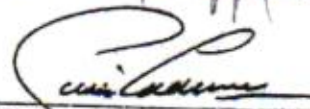
The Board of Directors
Energas Terminal (Private) Limited

RESOLUTION BY CIRCULAR

RESOLVED THAT Mr. Anser Ahmed Khan, Chief Executive Officer of the Company having CNIC No (42301-7918603-3) is authorized to represent the Company at Oil and Gas Regulatory Authority (OGRA) of Pakistan and its Company Registration Office, to sign off various forms/ documents and to do all needful acts in order to complete all procedural and legal formalities incidental and ancillary thereto


(1) Mr. Muhammad Ali Tabba


(2) Mr. Anser Ahmed Khan


(3) Mr. Shuhid Abdullah


(4) Mian Karim Ud Din

The above resolution will be placed for ratification in the upcoming meeting of the Board of Directors.

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Appendix F

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Reference No: SEPA/2019/03/27/EIA/162/186/20



SINDH ENVIRONMENTAL PROTECTION AGENCY GOVERNMENT OF SINDH

HEAD OFFICE:
Plot # ST-2/1, Sector- 23, Shan Chowrangi,
Korangi Industrial Area, Karachi.
Ph:35065950, 35065598, 35065532
epasindh.gov.pk
Facimile: 35065940

24th January, 2020

SUBJECT: DECISION ON ENVIRONMENTAL IMPACT ASSESSMENT (EIA).

- | | | |
|----|---|---|
| 1. | Name & Address of Proponent: | Mr. Anser Alied Khan (Chief Executive),
M/s. ENERGAS Terminal (Pvt.) Limited
6-A, Muhammad Ali Housing Society,
Abdul Aziz Hashim Tabba Street
Karachi- 75350, Pakistan |
| 2. | Description of Project: | Construction of Private Sector LNG Receiving and
Regasification Terminal |
| 3. | Location of Project: | Port Qasim Karachi. |
| 4. | Date of Filing of EIA: | 27-03-2019 |

After careful review of the Environmental & Social Impact Assessment (ESIA) report, Sindh Environmental Protection Agency (SEPA) accords its approval for construction of proposed LNG Receiving and Regasification Terminal subject to the following conditions:

- i) Mitigation measures recommended in the ESIA report shall be strictly adhered to minimize any adverse impact on marine as well as terrestrial environment. Sindh Environmental Quality Standard (SEQs) as well as International standards and conventions for control of marine pollution shall be adopted and followed in letter and spirit.
- ii) Discharging and dumping of any kind of waste material into harbor waters will not be allowed, all importing ships will comply with international maritime standards for disposal of their waste.
- iii) Design of project shall be done strictly in total compliance with the codes and standards defined by Pakistan LNG Policy 2011 including SIGTTO (Society of International Gas Tankers and Terminal Operators), NFPA 59 A and PIANC codes and guidelines, besides all other relevant national and


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- 68
- international rules, codes and regulations as well as industrial best practices.
- iv) ENERGAS Terminal (Pvt.) Limited shall appoint an Independent Environmental Monitoring Consultant (IEMC) to ensure compliance of the Environmental Management Plan. Monitoring Reports shall be submitted to SEPA on monthly basis during the construction phase of the project.
- v) That, the proponent shall be liable for compliance of Section 11, 12, 13, 17 & 20 of Sindh Environmental Protection Act-2014 and its Rules & Regulations made there under.
- vi) Dredged material will be disposed inside a cofferdam at the site designated by Port Qasim Authority (PQA) under the masterplan of PQA as per international standards taking due consideration of the following aspects:
- Placement of Geo-textile material around the bund is to be ensured.
 - Integrity of cofferdam to be ensured all the times so that dredged material does not seep / leaked into the adjoining areas / creeks /channel.
 - In case, if there is any leakage of dredged material into the channel / adjoining areas, dredging works must be immediately suspended till clearing of material from the affected area.
 - The pipes laid to transport dredged material upto dumping site should be submerged upto safe depth to keep the creek navigable.
 - Dredged material shall not be disposed of over mangroves.
- vii) The Proponent shall ensure state-of-the-art and international standards for safety of terminal, storage facility and all other installation to prevent any safety related hazard. To cope with the hazard, an emergency response and contingency plan must be developed and shared with concerned authorities. Proper Coordination must be maintained with PQA.
- viii) That, this approval shall be valid subject to the clearance / approval of Port Qasim Authority and Oil & Gas Regulatory Authority (OGRA).
- ix) The seismic risk factor will be taken into account during the designing of structural facilities.
- x) Adequate and proper maintenance of all pumps, valves and pipelines must be ensured to limit any fugitive natural gas emissions.
- xi) 100% unskilled and semi-skilled jobs will be offered to the local communities.

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24/01/2020



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- xii) A comprehensive Waste Management Plan will be developed for effective disposal of Solid waste during construction and operational activities. Qualitative & quantitative data shall be maintained and can be examined by this Agency for verification / audit purpose. The waste shall be disposed-off in environment friendly manner, through SEPA certified contractor/ vendor.
 - xiii) The Proponent shall ensure that adequate passage is provided to avoid disturbance to fishing boats and other maritime activities in the area. if any. For this purpose, dimension of terminal, storage vessel, berthing of importing ship and distance for security buffer will be kept to optimum requirement. The construction and operation of proposed LNG terminal must not pose any threat to the livelihood of local fishermen and fighting communities.
 - xiv) Corporate Social Responsibility (CSR) Plan will be prepared and submitted to SEPA within 06 months from date of issuance of this approval. The plan must focus on projects of community interest and prepared in consultation with community members and Sindh Fisheries Department and be implemented through WWF Pakistan. A reasonable percentage from the project cost shall be allocated for implementation of community projects and a separate fund will be established.
 - xv) During construction and operation phases of the project local people will be preferred for employment against all skilled & unskilled jobs. All social and conflicting issues (if any) must be settled before commencing the construction and operation of the said project.
 - xvi) Cutting of mangroves will be minimized by applying suitable mitigation measures for construction of terminal and associated installation.
 - xvii) ENERGAS Terminal (Pvt.) Limited will utilize the clearance available within the mangroves plantation for passing the pipeline from terminal facilities to the onshore transportation facilities. Any damage to the mangrove plantation during the laying of pipeline will have to be compensated by planting mangroves under the supervision and certification of Sindh Forest Department and minoring by IMC. For this purpose, funds will be allocated ensure to maximum survival rate and monitoring till their sustainable growth.
5. The proponent shall be liable for compliance of Section 14, 15, 18 and 19 of EIA / IEE regulation 2014, which direct for condition for approval, confirmation of compliance, entry inspection and monitoring.

Handwritten signature
24/01/2020



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- 6. This approval is accorded only for the construction phase of the project.
- 7. This approval does not absolve the proponent of the duty to obtain any other approval or consent that may be required under any law in force.
- 8. That, the proponent shall submit all relevant approval to this agency before commencing of the project, in case of non-compliance of the condition, this approval shall be treated as null and void.
- 9. That, this approval can be withdrawn at any time without any prior notice, if deemed necessary in the Public / National interest.
- 10. That, this approval is not valid for any Court matter / land dispute.
- 11. This approval shall be treated as null and void if the conditions mentioned in this approval are not complied with or any violation of SEP Act, Rules, Regulations, Guidelines and instructions is observed by this office.

This is issue with the approval of Director General, EPA, Sindh

[Handwritten Signature]
24/01/2020

Deputy Director (Technical-VI)
For Director General,
Sindh, EPA

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HEADQUARTERS
PAKISTAN CIVIL AVIATION AUTHORITY
JINNAH INTERNATIONAL AIRPORT
INSPECTORATE BUILDING
KARACHI-75200, PAKISTAN
Tel: (92-21) 99242741
Fax: (92-21) 99242676
e-mail: abdullah.khan@caa.gov.pk

Ref (HQCAA/1117/003/ARAS/KHI-990) /OTS

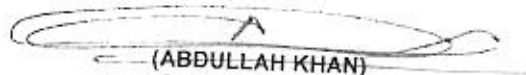
Date: 2nd January, 2020.

Dear Sir,

HEIGHT CLEARNACE FOR LNG TERMINAL

Kindly refer to your Letter dated 26TH December, 2019 and trailing e-mail dated 2nd January, 2020 on the captioned subject.

2. Provisional Height clearance of 24.9 meters (AGL) keeping in view the distance from Jinnah International Airport, Karachi is accorded. Final clearance will be sent on receipt of authenticated WGS-84 coordinates and elevation from Survey of Pakistan.



(ABDULLAH KHAN)
Senior Joint Director,
National Airfield Clearance Policy
Airspace & Aerodrome Regulations

To

Mr. Usama Imran Khan,
Senior Project Manager,
6-A, Muhammad Ali Housing Society,
Abdul Aziz Hashim Tabba Street,
Karachi.



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GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES & PRODUCTION
DEPARTMENT OF EXPLOSIVES
CIRCLE OFFICE, KARACHI

NO.KAR-3454/P

State Cement Corporation Building
Main Stadium Road, Dalmia Karachi
Date: 18 - 02 - 2020

M/s. Energas Terminal (Pvt) Limited,
6-A, Muhammad Ali Housing Society,
Abdul Aziz Hashim Tabba Street,
Karachi.


Subject: GRANT OF LICENSE IN FORM 'A' UNDER MINERAL AND
INDUSTRIAL GASES SAFETY RULES, 2010 FOR
ESTABLISHMENT OF ENER GAS TERMINAL/PRIVATE
LIMITED, AT PORT QASIM AUTHORITY, KARACHI.
REF: Your letter No. Nil dated 31.01.2020.

Dear Sirs,

The proposed drawing Reference No. CC0914-T-T-DG-RBL-100001 dated
Nil received with the letter cited above showing for establishment and operation of
Energas Terminal at Port Qasim is approved and returned herewith duly signed in token
of approval as per description of the plan.

2. You are allowed to undertake the proposed installation/constructional work
and submit the said approved plan alongwith safety completion certificate within 6
months from the date of issue of this letter to consider further necessary action.
Encl: As above.

Yours truly,


(MUHAMMAD MUBEEN AHMED)
DEPUTY DIRECTOR
For Director General of Explosives
Ph: 34982101

Copy to the Director General of Explosives, Islamabad alongwith approved
plan with reference to their letter No. KAR-3117/609, dated 10.02.2020.

(MUHAMMAD MUBEEN AHMED)
DEPUTY DIRECTOR
For Director General of Explosives
Ph: 34982101

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COORDINATES OF CENTER POINT OF LANDING BASIN

POINT	X	Y
301	127471.327	252005.746
302	127471.327	252005.746

LIST FOR MAIN CONSTRUCTION ITEMS FROM THE ITEM BOARD

NO.	DESCRIPTION	UNIT	QTY	REMARKS
1	1/2" DIA. JETTY	m	336	FOR HANDLING OF OIL DUMPS UP TO 1200000 LITERS IN A DOUBLE LAYERED AREA
2	2" SANDY FILL	m ³	30	FOR FILLING OF THE AREA WITHIN THE MAIN CHANNEL AND DUMPS
3	1" SANDY FILL	m ³	30	FOR FILLING OF THE AREA WITHIN THE MAIN CHANNEL AND DUMPS

1750 VOLUMES EXPORTED AT THIS SITE

EXPORT (m ³)	LENGTH (m)	WIDTH (m)	DEPTH (m)
10000	100	100	10
20000	200	100	10
30000	300	100	10
40000	400	100	10
50000	500	100	10
60000	600	100	10
70000	700	100	10
80000	800	100	10
90000	900	100	10
100000	1000	100	10

1750 VOLUMES EXPORTED AT THIS SITE

EXPORT (m ³)	LENGTH (m)	WIDTH (m)	DEPTH (m)
10000	100	100	10
20000	200	100	10
30000	300	100	10
40000	400	100	10
50000	500	100	10
60000	600	100	10
70000	700	100	10
80000	800	100	10
90000	900	100	10
100000	1000	100	10

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40000	400	100	10
50000	500	100	10
60000	600	100	10
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80000	800	100	10
90000	900	100	10
100000	1000	100	10

1750 VOLUMES EXPORTED AT THIS SITE

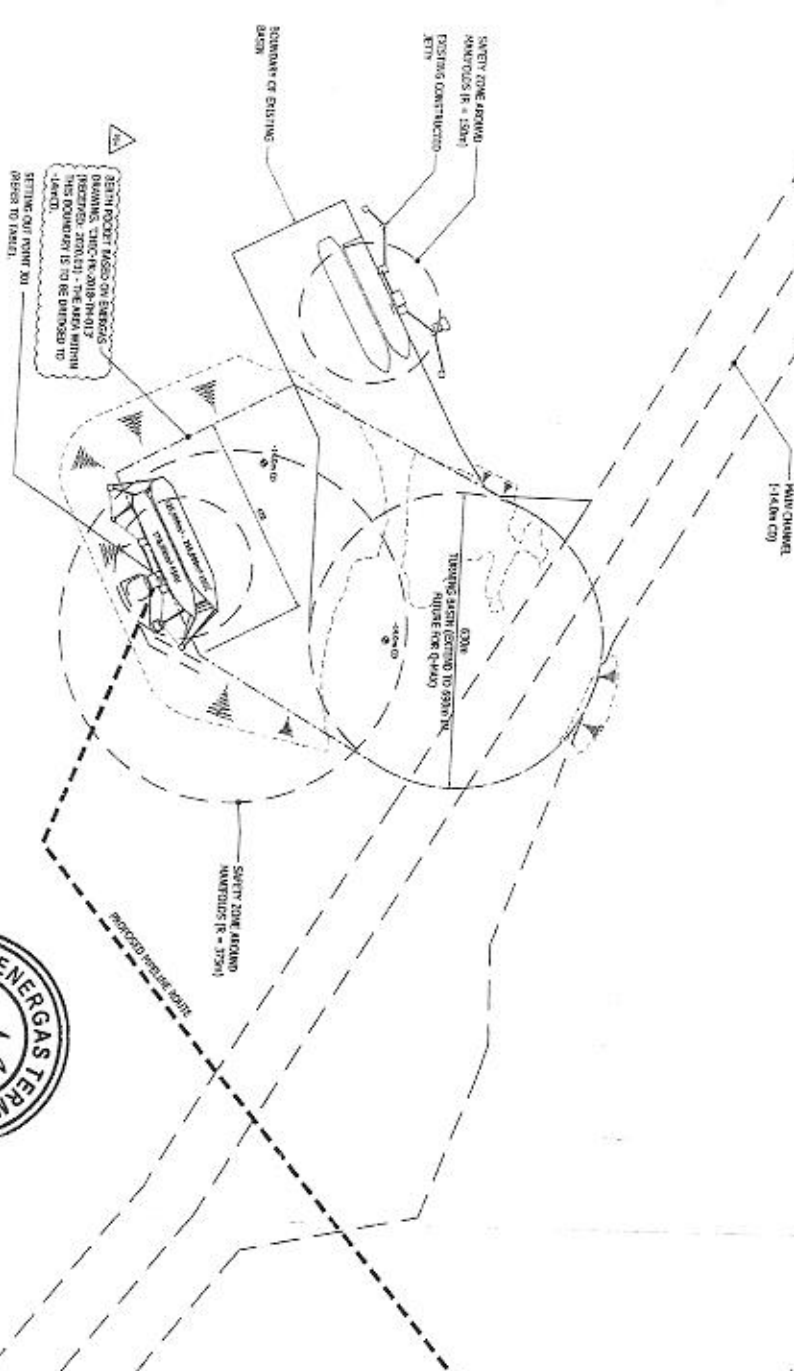
EXPORT (m ³)	LENGTH (m)	WIDTH (m)	DEPTH (m)
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20000	200	100	10
30000	300	100	10
40000	400	100	10
50000	500	100	10
60000	600	100	10
70000	700	100	10
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90000	900	100	10
100000	1000	100	10

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80000	800	100	10
90000	900	100	10
100000	1000	100	10

1750 VOLUMES EXPORTED AT THIS SITE

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20000	200	100	10
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40000	400	100	10
50000	500	100	10
60000	600	100	10
70000	700	100	10
80000	800	100	10
90000	900	100	10
100000	1000	100	10



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FOR INFORMATION



GENERAL NOTES

1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE RELEVANT AUTHORITIES.
2. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AND SERVICES AT ALL TIMES.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND SERVICES.
4. THE CONTRACTOR SHALL MAINTAIN ADEQUATE RECORDS OF ALL WORK DONE AND SUBMIT THEM TO THE ENGINEER FOR APPROVAL.
5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND SERVICES.
6. THE CONTRACTOR SHALL MAINTAIN ADEQUATE RECORDS OF ALL WORK DONE AND SUBMIT THEM TO THE ENGINEER FOR APPROVAL.

DEFINITIONS

DEPT. OF ENERGY, KENYA

DATE: 10-02-2020

Plan Approval No. KKR/311/H/10

10-02-2020

RELEVANT LAWS

NO.	DESCRIPTION	REV.	DATE
1	CONSTRUCTION ACT, 2010	1.0	10/02/2020
2	CONSTRUCTION REGULATIONS, 2010	1.0	10/02/2020
3	CONSTRUCTION STANDARDS, 2010	1.0	10/02/2020
4	CONSTRUCTION BY-LAWS, 2010	1.0	10/02/2020
5	CONSTRUCTION ACT, 2010	1.0	10/02/2020
6	CONSTRUCTION REGULATIONS, 2010	1.0	10/02/2020
7	CONSTRUCTION STANDARDS, 2010	1.0	10/02/2020
8	CONSTRUCTION BY-LAWS, 2010	1.0	10/02/2020

RELEVANT STANDARDS

NO.	DESCRIPTION	REV.	DATE
1	BS 5400: PART 1: 1990	1.0	10/02/2020
2	BS 5400: PART 2: 1990	1.0	10/02/2020
3	BS 5400: PART 3: 1990	1.0	10/02/2020
4	BS 5400: PART 4: 1990	1.0	10/02/2020
5	BS 5400: PART 5: 1990	1.0	10/02/2020
6	BS 5400: PART 6: 1990	1.0	10/02/2020
7	BS 5400: PART 7: 1990	1.0	10/02/2020
8	BS 5400: PART 8: 1990	1.0	10/02/2020

ENERGAS

LANDLIFT OF JETTY AND BASIN (SITE A)

SCALE

1:500	1:1000	1:1500	1:2000
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SAY NO TO CORRUPTION

**OFFICE OF THE DEPUTY COMMISSIONER
DISTRICT MALIR KARACHI**

Office Address: Main Quaidabad Chowk, Karachi
Email Address: dcmaliroffice@yahoo.com

No. DC/Malir/K/JUD.Br./ 666 /2020, Karachi Dated: 31-1-2020

Fax: 021-99333786
Ph: 021-99333785,
021-99333781.

Mr. Anser Ahmed Khan,
Chief Executive Officer,
Energas Terminal (Pvt) Limited,
6-A, Muhammad Ali Housing Society,
Abdul Aziz Hashim Tabba Street,
Karachi.

SUBJECT:- NOC FOR ENER GAS LNG TERMINAL.

With reference to your application, dated 19.12.2019, on the subject noted above, regarding establishment of Energas LNG Terminal.

2. In this regard, reports were called from the Senior Superintendent of Police District Malir Karachi and Assistant Commissioner Bin Qasim Sub-Division District Malir Karachi vide this office letter No. DC/Malir/K/Jud.Br./164/2020, dated 09.01.2020. In this respect report received from the Senior Superintendent of Police District Malir Karachi, vide his office letter No. SSP/Malir/DIB/07/2020, dated 30.01.2020, and the Mukhtiarkar Bin Qasim Sub-Division Bin Qasim Malir Karachi, vide letter No. Mukh/BQ/Malir/69/2020, dated 23.01.2020, duly endorsed by the Assistant Commissioner Sub-Division Bin Qasim District Malir Karachi vide letter No. BQ/Malir/K/116/2020 dated 24.01.2020. (Copies attached)

3. In the light of above reports, this office has No Objection for Establishment of Floating / offshore LNG on BOT Terminal at Port Qasim, subject to condition to obtain NOCs / permissions from all concerned Departments / authorities and fulfillment of all codal formalities as per existing law / rules, polices.


DEPUTY COMMISSIONER
DISTRICT MALIR KARACHI

Copy for information to:-

1. The Commissioner Karachi Division, Karachi.
2. The Senior Superintendent of Police District Malir Karachi
3. The Assistant Commissioner / Mukhtiarkar Taluka Bin Qasim, District Malir Karachi.

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PORT QASIM AUTHORITY

Gateway to National Prosperity

No. PQA / PSP / 482 / 2017 Pt
Date: 05th September 2019

M/s ENERGAS Terminal (Pvt) Limited
6-A, Muhammad Ali Housing Society
Abdul Aziz Hashmi Tabba Street Karachi

Subject:- **ESTABLISHMENT OF FLOATING / OFFSHORE LIQUEFIED
NATURAL GAS TERMINAL ON BOT BASIS AT PORT QASIM -
PROVISIONAL LETTER OF INTENT (LOI)**

1. The Port Qasim Authority hereinafter referred to as "PQA" conveys its intent to permit M/s ENERGAS Terminal (Pvt) Limited hereinafter referred to as "Company" to furnish Technical & Financial Proposals as per attached Project Guidelines 2019 for establishment of a dedicated LNG Facility hereinafter referred to as the "Terminal" on Build, Operate and Transfer (BOT) basis at Port Qasim, Karachi. This Provisional Letter of Intent (LoI) is with reference to your QRA studies submitted vide letter dated 30-07-2018 and PQA Provisional NOC dated 20-10-2017 subject to fulfillment of the following requirements:

i. Concession Fee in shape of Pay Order – Non refundable

Company is required to submit a mandatory Concession Fee of US\$ 10 Million to Port Qasim out of which US\$ 02 Million within a period of 60 days after the issuance of this letter and US\$ 08 Million on signing of Implementation Agreement (IA). In case of non-submission of US\$ 02 Million this Provisional LOI stands revoked automatically. In case of non-issuance of LOI by PQA due to any reason, US\$ 02 million will be refunded.

ii. Performance Bond

- a) A mandatory Performance Bond of **US\$ 10 Million** is to be submitted on the date of signing of IA.
- b) The Performance Bond shall be forfeited and en-cashed in case of failure to operationalize and commission Terminal within 24 months from the date of signing of IA.

iii. Liquidated Damages

In case of delay to commission the Terminal within 24 months after signing of IA, liquidated damages at the rate of US\$ 10,000 per day will be imposed till commissioning of the Terminal.

iv. Minimum Guaranteed Throughput

Minimum Royalty will be charged on 250 mmcf/d and secured through Bank Guarantee (BG) of US\$ 3 Million to remain valid throughout the concession period. The amount of BG will increase 25% correspondingly after every five year

v. Royalty and payments to PQA

Royalty shall be charged at the rate of **US\$1.9 per tonne** (Excluding taxes) and payable on monthly basis. The Royalty rate will increase 25% every five years.

The LNG Terminal developer shall bind the shipping lines & consignees to pay berthage, pilotage, wharfage and all other applicable charges to PQA @ prescribed gazetted notified rates, revised from time to time.

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PORT QASIM AUTHORITY

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Gateway to National Prosperity

vi. Site allocation

- a) Company is allocated site No.1 (ENERGAS-1+140 m East) against which Company has already conducted & submitted QRA. Maintenance of minimum distance of 750 meters from Terminal Opposite and 615 meters from terminal in line is mandatory. Company has to conduct / update QRA to Site specific, FMBSS & relevant studies duly vetted by PQA appointed Consultant. The site allocation may be subject to adjustment & modification as required after the receipt of Report from M/s HR Wallingford for deepening, widening & straightening of main Navigational Channel and Commissioning of Alternate/ New Inner Navigation Channel.
- b) Company and its subsidiaries (if any) is required to clear all outstanding dues against Port Qasim Authority and any other Government institution. An affidavit in this respect is to be provided.
- c) Dredging of the Berthing Basin including the Approach to the Terminal Jetty from Navigational Channel shall be the Company responsibility.
- d) Company should not be in any legal / quasi legal dispute with PQA and not be blacklisted / convicted by any other Government institution / Court of Law, if under investigation by any Government Institution, Company has to declare the details. An affidavit in this respect is to be provided.

vii. Prospective LNG Terminal Developer

To qualify as the prospective LNG Developer, Company has to first agree to forego, revoke, cancel any and all rights that Company may have in respect of the QRA & or any respective site for which Company possesses any vested right from any government regulators including Port Qasim Authority from whom Company may claim to have obtained any approvals for sites etc in respect of the development of the LNG Terminal. The acceptance of this Provisional LOI should state categorically the agreement to above.

viii. Approvals required

It will be sole responsibility of the Company to carry out all the requisite / relevant studies with regard to the Site and seek the necessary/requisite permissions as under applicable laws and policies, including Full Mission Bridge Simulation Study (FMBSS) in order to confirm the site technically and operationally being feasible and secure, and in consonance with the outcome and findings of 'channel deepening and widening study'; carried out by M/s HR Wallingford and any necessary adjustment needed to be made with respect to site location thereof. All studies shall be witnessed / vetted by PQA approved Consultant at the cost of the Company.

2. Acceptance of Provisional LOI

Acceptance of the terms and conditions of this Provisional Letter of Intent should be conveyed within a period of 14 days along with signed and stamped Project Guidelines 2019. The Company is required to submit their Technical & Financial Proposals as per the Project Guidelines 2019 and Concession Fee as mentioned above within 60 days from the date of issuance of this Provisional LOI. The failure to convey acceptance for any reason within 14 days or failure to supply the Concession Fee along with proposals would be considered as non-acceptance and will result in cancellation of this letter without liability of any sort to the Government of Pakistan or its agencies or PQA.

Signature

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PORT QASIM AUTHORITY

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Gateway to National Prosperity

3. **PQA's Consultant**
PQA will appoint Consultant for vetting of design and monitoring of construction activities. The charges for PQA Consultant will be 1.0% of the actual Project cost and shall be borne by the Company as per the Project Guidelines.
4. **Termination**
This Letter shall stand terminated if it is not accepted by Company within time allowed unless extended by PQA.
5. In case approval for the Project is withdrawn by the GoP for any reason, Company will not claim any cost or other expenditure which Company may have incurred in preparation of proposals or any other matter in connection with this Project.
6. The above terms are not exhaustive. PQA may make reasonable additions before the execution of the Implementation Agreement and these will be deemed to be part of this letter.
7. This Provisional LOI is issued based on the fact that Company QRA is individually feasible, however, final LOI will be issued after due evaluation of technical and financial proposals as per the Project Guidelines and combined assessment of all existing and upcoming LNG terminals by PQA appointed consultants.

Encl: As above

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(Syed Aijaz Ali Rizvi)
Secretary

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F.No.15(1)/2019-PQA
GOVERNMENT OF PAKISTAN
MINISTRY OF MARITIME AFFAIRS
 8TH FLOOR, KOHSAR BLOCK PAK SECRETARIAT

Subject: - MINUTES OF MEETING REGARDING THE ESTABLISHMENT OF LNG TERMINAL UNDER THE CHAIRMENSHIP OF ADVISOR TO PRIME MINISTER ON ENERGY (PETROLEUM DIVISION) ON 19-02-2020

An inter-Ministerial meeting was convened on 19-02-2020 at the Ministry of Maritime Affairs, chaired by Advisor to Prime Minister on Energy (Petroleum Division) pertaining to establish LNG terminals at Port Qasim Authority. List of participants attached at Annex-I.

2. Following issues discussed and decision taken in the meeting are annotated below:-

1.	PROJECT	DECISIONS & TIMELINE	RELEVANT STAKEHOLDERS
PETROLEUM DIVISION			
a.	Capacity allocation in pipeline	Special Assistant to Prime Minister for Petroleum Division informed the participants that capacity in the existing pipeline would be allocated on first-come-first serve basis. SAPM further informed that Ministry and Distribution Companies were in the process of laying a new pipeline linking Karachi to upcountry, due RoW dispute with Govt of Sindh, the project was being delayed and hopefully the matter would be resolved in 2-3 months and Ministry should be able to allocate capacity on new pipeline by May 2020.	i) Petroleum Division ii) M/s Tabeer iii) M/s Energas iv) OGRA v) SSGC
b.	Tie in point	Meeting would be convened by the Additional Secretary, Petroleum Division, in next week with all stakeholders to resolve the issue.	
2. OIL & GAS REGULATORY AUTHORITY (OGRA)			
a.	Issuance of Construction License	<ul style="list-style-type: none"> • Tabeer Energy and M/s Energas had submitted all requisite documents to OGRA. • Additional Secretary, Petroleum Division should peruse the matter with OGRA. 	i) Petroleum Division ii) OGRA iii) M/s Tabeer iv) M/s Energas
b.	Issuance of Sales License		

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3.	PORT QASIM AUTHORITY, KARACHI		
	a.	Final LOI	Tabeer Energy and M/s Energas should submit all requisite documents at the earliest, so that PQA should be able to issue final LoI by 31-03-2020. i) PQA ii) M/s Tabeer iii) M/s Energas
4.	MINISTRY OF DEFENCE		
	a.	NOC from Ministry of Defence for the LNG Terminal.	Additional Secretary, M/o Defence informed that the request for grant of NOC was under process and hopefully NOC to Energas should be issued shortly. Regarding NOC to be issued to M/s Tabeer, as informed that the case would be processed once the firm submitted 08 copies of its documents. i) M/o Defence ii) M/s Tabeer

3. The meeting ended with the vote of thanks to and from the chair.

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