

PRE-QUALIFICATION DOCUMENT (PQD)

For

DEVELOPMENT OF BIOFUEL PROJECTS IN PUNJAB

(Including Evaluation Criteria)

No. ED/_____/2025

Dated 30/04/2025



Energy Department
Government of the Punjab

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DEFINITIONS

Applicant / Sponsor	Any company which has expressed interest in setting up a Bio-Fuel Project (Project) in Punjab.
Feed Stock / day	Means feed stock in tons per day to be used for the Project
Consortium	Where the Sponsors are comprised of a group of companies who have submitted Proposal as per the requirements of this PQD, the Main Sponsor shall represent and bind all Applicant(s) / Sponsor (s) of the Consortium in all matters connected with the Project, including submission of Proposal on behalf of the Consortium.
Due Date	15.05.2025, till 1100 HRS being the last date for submission of Proposal
Financing Arrangement	Means the execution of the financing document that are sufficient evidence for financing of the Project
GOP	Government of Pakistan
GoPb	Government of the Punjab
LLA	Land Lease Agreement to be executed between the Successful Sponsor and Collector under the SoC.
Main Sponsor	If the Sponsors are a Consortium, one of the Sponsors designated as the Main Sponsor in the Proposal, who will represent all members of the consortium for correspondence under this PQD.
Net worth	Net worth is the sum of total assets less the sum of total liabilities In case of a Consortium, the collective Net Worth of all Applicant(s) / Sponsor (s) will be considered as Net

	worth of the Consortium which shall be calculated as per the procedure defined under “Collective Net worth”.
Project Agreement	Standard draft annexed as <u>Annexure-H</u> .
PQD	This Pre-Qualification Document containing evaluation criteria for selection of Successful Sponsor and subsequent execution of Project Agreement.
Project	“Project” means designing, engineering, procuring, constructing, financing, owning, operating and maintaining a Bio-Fuel project producing bio-fuels.
Project Completion Date (PCD)	The date on which the Project will be completed under the terms of the Project Agreement.
Project Land	Project Land” means the state land reserved for the Project by the BOR; 200 acers state land out of which 120 acers has been identified and reserved for the biofuel project vide notification No. 388-2025/1058 CSI(V) whereas remaining 80 acers in rice growing districts for collection centers.
Proposal	The Proposal to be submitted by the Applicant(s) / Sponsor(s), containing the information as set out and required under this PQD and including such additional/ supplemental information that may subsequently be provided to Department in response to a request by Department or otherwise provided here-under.
Similar Projects	Bio-Fuel projects like Ethanol, Methanol, Green Ammonia, Sustainable Aviation Fuel and/or Biomethane.

Statement of Conditions (SoC)	The SoC issued by the Board of Revenue (BoR), Punjab vide Notification No. 393-2025/1082-CSI(V) dated 18.04.2025
Sponsor	Means the developer of the Project.
Term of Project	The term as per the Project Agreement.
Total Assets	Means, in relation to any entity, the number indicated as total consolidated assets (“Total Assets”) on such entity’s audited balance sheet, prepared in accordance with IAS or GAAP.
Total Liabilities	Means, in relation to any entity, the number indicated as total consolidated liabilities (“Total Liabilities”) on such entity’s audited balance sheet, prepared in accordance with IAS or GAAP.

References to Sections and Annexures are references to Sections of and Annexures to this PQD.

Part-I

1. General

1.1 Background

The Applicant(s) / Sponsor (s) interested in development of the Project will submit a Proposal in response to this PQD for evaluation and selection of a Successful Sponsor.

1.2 Proposal

The proposal envisages establishment of Bio-Fuel Project in Punjab resulting in economic development, climate change mitigation, energy & food security and health improvement by reducing smog.

The salient features of the bio-fuel project are:

- The Applicant(s) / Sponsor (s) shall be responsible for designing, engineering, financing, procurement, construction, commissioning, owning, operating & maintaining the Bio-fuel project.
- Foreign Direct Investment (FDI) of USD 750 Million.
- Production of Bio-fuels like Ethanol, Methanol, Green Ammonia, Sustainable Aviation Fuel and/or Biomethane.
- The Applicant(s) / Sponsor (s) will be solely responsible for collection of feedstock for the project.
- The Applicant(s) / Sponsor (s) will set-up feedstock collection centers.
- The Project is expected to capture over 250,000 tons of CO2 emissions per year.
- The proposed project is poised to substantially decrease CO2 levels by mitigating smog emissions.
- Creation of 3000 employment opportunities.
- GoPb shall only facilitate the Sponsor in providing land.

1.3 Discretion

Notwithstanding anything contained herein, the Department may in its discretion reject any or all Proposals without assigning any reason whatsoever and shall not be called in question at any Court of Law.

1.4 Currency Exchange Rate

All financial information provided in the submitted Proposal will be converted into equivalent Pak Rupees by using Currency Exchange Rate prevalent on the Due Date.

1.5 Interpretation & Final Determination

The interpretation and final determination of any matter relating to the PQD and all enclosed documents, parts, sections, annexures, compliance documents etc. as well as any additional or supplementary information required by the Department, will be at the Department's sole discretion which shall be final and binding on all Applicant(s) / Sponsor(s).

2. PRE-QUALIFICATION

2.1 Eligibility Requirements

The Applicant(s) / Sponsor(s), for selection, must fulfill all the following eligibility requirements, to the satisfaction of the Department:

- (a) The Applicant(s) / Sponsor(s) must submit complete information in this PQD by the Due Date. In addition, the Applicant(s) / Sponsor(s) must submit all additional / supplemental information if requested for by the Department during review of the Proposal.
- (b) If the Applicant(s) / Sponsor(s) are a Consortium, there must be a Main Sponsor authorized through a Power of Attorney executed by all other Consortium Sponsor(s).

- (c) The Applicant(s) / Sponsor(s) must comply with all the requirements of this PQD.
- (d) The Net worth of the Applicant(s) / Sponsor(s) must be in accordance with Section 3.1.2(i).
- (e) The Applicant(s) / Sponsor(s) must have secured project funding for at least one similar size project during last three years (proof of project funding).
- (f) The Applicant(s) / Sponsor(s) must have successfully operated project of similar nature for more than 5 years (Verifiable evidence must be provided).
- (g) The Applicant(s) / Sponsor(s) must have submitted and executed the Compliance Documents referred to in Section 5 in the form and manner prescribed.
- (h) The Applicant(s) / Sponsor (s) must submit proposal for development of the Project along with project schedule.

Note: *The Applicant(s) / Sponsor will only be eligible for further evaluation if they fulfill all the mandatory eligibility mentioned above (section 2.1). In case of failure to meet any of the compulsory requirement, the Applicant(s) / Sponsor will not be considered for detailed evaluation mentioned in Annexure-G.*

2.2 Basis for Disqualification

The following may be the basis for disqualification of Applicant(s) / Sponsor (s) by the Department at any time/stage:

- (a) If the Applicant(s) / Sponsor (s) fails to comply with any of the requirements of Section 2.1, in the time, form and manner prescribed;
- (b) Misrepresentation, withholding or concealment of information in the Proposal by the Applicant(s) / Sponsor(s);
- (c) If the Applicant(s) / Sponsor (s) fails to disclose or provide any additional information as may be required by the Department during the evaluation and qualification process;
- (d) Failure to report any material change in the Proposal following submission thereof;

- (e) A material change in the Proposal, without prior approval of the Department, which results or may with the passage of time result in the disqualification in terms of this PQD.
- (f) When Applicant(s) / Sponsor (s) fail to provide **Annexure-E** (Affidavit) in response to this PQD.

3. FINANCIAL AND TECHNICAL REQUIREMENT

For the purposes of Sections 2.1 the Applicant(s) / Sponsor (s) will have to fulfil the following minimum financial and technical requirements:

3.1 Financial Requirement

3.1.1 Notional Capital Cost

The Notional Capital Cost shall be taken as USD 750 Million.

3.1.2 Net worth

- (i) The Net worth of the Applicant(s) / Sponsor (s) must not be less than the Equity component of Project's Capital Cost.
- (ii) For calculation purposes;
 - (a) The Capital Cost of the Project should be taken in USD as given in Section 3.1.1
 - (b) The Equity as 20% of the Capital Cost of the Project.

3.2 Technical Requirement

3.2.1 Experience of Project

Experience of projects shall include successful experience of acting in one or more of the following roles, in Similar Project(s):

- Project Developer

- Contractor Majority Share holder
- Operation and Maintenance.

3.2.2 Implementation Approach / Methodology

The Applicant(s) / Sponsor(s) shall submit the business implementation Proposal for development of the Project.

4. FINANCIAL STATEMENT DATA

The Sponsor shall submit the following information to the Department as part of the Proposal:

- (a) Audited Financial Statements for the last consecutive three (3) years. Similar financial information for any parent company, affiliates and associated undertakings / companies should also be included / accompanied with supporting documentary evidences.
- (b) In case, Financial Statements are not in English, a translation of the same in English complete in all respects shall be provided by the Applicant(s) / Sponsor (s). English translated version shall be certified by Pakistan Counsel or Vice-Counsel or authorized representative of the Government of Pakistan in the country of origin.
- (c) For avoidance of doubt, a complete set of Financial Statements includes a balance sheet, an income statement and a statement showing either: (i) all changes in equity, or (ii) changes in equity other than those arising from capital transactions with owners and distributions to owners; cash flow statement and accounting policies and explanatory notes. Financial Statements, missing any one of these integral parts, will not be acceptable.

5. COMPLIANCE DOCUMENTS

5.1 Formats

The Compliance Documents referred to below, duly completed in the forms attached, accompanied with supporting documentary evidence shall be submitted by all Applicant(s) / Sponsor (s) as part of the Proposal.

<u>Annexure</u>	<u>Compliance Document</u>
Annexure A	Proposal Letter
Annexure B	Financial Statement Data
Annexure C	Experience of similar Project
Annexure D	Power of Attorney (if applicable)
Annexure E	Affidavit of Applicant(s) / Sponsor(s)
Annexure F	Consortium Agreement

5.2 Consortium Agreement

In case the Applicant(s) / Sponsor(s) is a consortium, it will submit a consortium agreement along with the Proposal in response to this PQD.

6. SUBMISSION OF PROPOSAL

6.1 Timing, Number of Copies and Filing Requirements

Applicant(s) / Sponsor(s) shall get themselves registered on website (www.punjab.eprocure.gov.pk) by submitting the requisite information and submit the proposals via E-PADs within the Due Date i.e., Till 1100 Hrs on 15.05.2025 .The EOIs applications will be opened via EPADS on the same day at 1130 Hrs.

Each Proposal shall be in English accompanied by the supporting documents. Should any original supporting documents not be in English a certified translation of the same in English shall be provided by the Applicant(s) / Sponsor (s). Submission of Proposal through fax, e-mail, cable & telegram, courier and by hand will not be accepted.

6.2 Additional Information/Queries

Additional information/queries (if required) regarding the submission of proposals for the Project can be obtained from:

Additional Secretary Development
 Energy Department, Government of the Punjab
 8th Floor, EFU Building Jail Road, Lahore
 Ph. +92-042 99268017-19
 Email: asdev.energy@punjab.gov.pk

7. MATERIAL CHANGE

- (a) Applicant(s) / Sponsor (s) must immediately report to the Department in writing any material change in the information provided in their Proposal (including any information relevant to any Consortium Sponsor). The consideration of material change shall be in the Department's sole and exclusive discretion. Any failure to report such material change shall constitute grounds for disqualification. The material change itself could also lead to disqualification of the Applicant(s) / Sponsor (s).
- (b) No significant change in the ownership or control of the Applicant(s) / Sponsor (s) shall be allowed at any time without the prior written consent of the Department. In giving such consent, the Department may require the submission of modified Proposal by the Applicant(s) / Sponsor (s) to be re-evaluated under the terms and conditions of this PQD.

8. EVALUATION OF PROPOSAL

8.1 Evaluation

The Compliance Document of Sponsor(s), as demonstrated in the Applicant(s) / Sponsor (s) Proposal, will be examined and evaluated by the Department, under this PQD, to determine as to whether the Applicant(s) / Sponsor (s) will be eligible for development of the Project in the Province of Punjab. The Sponsor ranked 1st consequent upon approval of the Department, shall be invited for signing of Project Agreement.

8.2 Supplementary Information

Where the Department deems it necessary, it may request supplementary information or documentation from Applicant(s) / Sponsor (s) and whenever such request is made the Applicant(s) / Sponsor (s) shall provide the same to the Department by such date as may be specified by the Department.

8.3 Return of Proposal

The Department shall be under no obligation to return any Proposal or supporting materials submitted by Applicant(s) / Sponsor (s).

8.4 No Reimbursement of Costs

The Department shall not entertain any claim, nor shall it reimburse the Applicant(s) / Sponsor (s) for any costs incurred, including but not limited to, preparation and submission of the Proposal or any other costs associated with or incidental thereto with this PQD.

9. INTIMATION OF APPROVAL

The Successful Sponsor under the provisions of this PQD and approved by the Department shall be intimated regarding invitation of signing of the Project Agreement and development of the Project under the terms of Project Agreement.

10. DISCHARGE AND EXEMPTION

The GoPb including the Department, its consultants, advisors and personnel, are completely and unconditionally exempted and discharged from any responsibility or liability for the decisions that may be made with respect to Applicant(s) / Sponsor(s) that submit Proposal; their selection hereunder and GoPb, the Department, its consultants, advisors and personnel shall not be liable for any such actions and shall be under no obligation to inform the Applicant(s) / Sponsor (s) of the grounds for disqualification.

11. GOVERNING LAW

This PQD will be governed by and construed in accordance with all applicable Laws of Punjab / Pakistan.

Part-II

Annexure-A

PROPOSAL LETTER

Additional Secretary Development

Energy Department, Government of the Punjab
8th Floor, EFU Building Jail Road, Lahore

The undersigned.

Last Name: _____

First Name: _____

Title/Position: _____

Company: [_____ Applicant _____] (the “Main Sponsor”)

[In case of consortium: the consortium consists on following consortium partners

a. _____[Main Sponsor]

b. _____[Sponsor (s)]

Acting as the legal representative of [_____ Applicant / Consortium _____] (the “Applicant”) pursuant to the [power of attorney] [powers of attorney] attached hereto as Annexure, located at the following address:

Address: _____

Telephone: _____

Fax: _____

Email: _____

Hereby certify, represent, warrant and agree, on behalf of the Applicant that:

1. This Proposal Letter (Proposal), along with all its attachments listed in Proposal form hereto, forms our Proposal and is submitted for development of the Project under the PQD.

2. We certify that: (i) the information submitted as part of this Proposal is complete and accurate and legally binding upon [individual Applicant or members of the consortium]: (ii) we will be bound severally and jointly to (a) this Proposal, (b) the terms of the Proposal submitted with the Department along with this Proposal, (c) we accept the documents, terms and Conditions of the PQD.
3. We understand the criteria and process for evaluation of Proposal established in this PQD, and acknowledge that the Department is not obliged to accept our Proposal and/or accept our Proposal based on this Proposal and may at any time reject our Proposal or cancel the selection process at its sole discretion and that the Department shall not be liable for any such actions and shall be under no obligation to inform the Applicant of the grounds for them.
4. This Proposal letter will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information deemed necessary under this PQD.

In [location], on this [date]

The Main Sponsor duly authorized to execute the Proposal for and on behalf of the
[Applicant / Consortium]:

Authorized signature and seal

CNIC / Passport No.

Annexure-B

Financial Statement Data

Name of Sponsor (Corporation/Consortium Sponsor)					
<i>(All figures in USD or equivalent Pak Rupees)</i>					
Sr. #		[2021]	[2022]	[2023]	Average
1	Current assets				
2	Cash and cash equivalents				
3	Other current assets				
4	Fixed assets				
5	Other assets (please specify)				
6	Total assets				
7	Current liabilities				
8	Long-term liabilities				
9	Other liabilities				
10	Total liabilities				
11	Net Worth (6 minus 10)				
12	Shareholders' equity				
13	Paid up capital				

14	Retained earnings				
15	Others (please specify)				
16	Other Reserves (please specify)				

Annexure-C

----- *[Name]* Project

Experience of Project

The Sponsor, or each of the Sponsors in the case of a Consortium, shall provide the required information regarding the Experience of similar Projects. The information provided herein will be used by the Department to assess the Applicant(s) / Sponsor (s) qualifications required under Section 3.2 of the PQD.

The Sponsor, or each of the Sponsors in the case of a Consortium, must fill Table-C below separately for each project completed / under development by it accompanied with supporting documentary evidence.

Table C: Experience of Projects		
Name of Sponsor (or Consortium of Sponsor)		
(_____ <i>[Name of previous project]</i> Project)		
No.	Item	Information
1	Name of the Sponsor	
2	Applicant(s) / Sponsor (s) role in the project completed	
3	Name of Project	
4	Location of plant	
5	Name of owner (including contact person)	
7	Feed Stock	
8	Type of plant	
9	Fuel of plant	

10	Status of plant	(Under construction or Commissioning/completed)
11	Number of Years of successful operation	Total number of years_____ from_____ to _____.
12	List of specific major tasks/services	
13	Date of award of project	
14	Duration of construction period	
15	Project Completion Date	
16	Total Capital cost of project	
17	Value of contract	
18	Any other details	

Annexure D

POWER OF ATTORNEY

[IMPORTANT NOTICE]: Power of Attorney to be printed on stamp paper, signed and notarized. In the case of a Pakistani Attorney, a copy of his Computerized National Identity Card (CNIC) should be attached with the Power of Attorney. In the case of a non-Pakistani Attorney, a copy of his passport should be attached.

Instructions for Applicant(s) / Sponsor (s):

If the Sponsors are a Consortium each Sponsor of the Consortium (other than the Main Sponsor) shall furnish a Power of Attorney authorizing the Main Sponsor to act and receive instructions on behalf of all the Consortium Sponsors and to submit the Proposal for and on their behalf.

KNOW BY ALL MEN THAT by this Power of Attorney (“**Power of Attorney**”), _____ [*Insert name of Consortium Sponsor*] having its registered office at [□], does hereby nominate, appoint and authorize _____ [the Main Sponsor] having its registered Head Office at [□] hereinafter referred to as the “**Attorney**”, to:

- (i) Sign and submit to the Department, or its authorized nominee the Statement of Proposal all other documents and instruments (“**Proposal**”).
- (ii) Execute all such deeds, documents and instruments as may be considered necessary and expedient in relation to the foregoing; and
- (iii) Do and carry out all other actions as may be required by the Department in connection with the Project;
- (iv) To immediately notify the Department in writing of any impending or actual revocation as well as any change in the terms of this Power of Attorney.

_____ [*Insert name of Consortium Sponsor*] does hereby ratify and confirm whatever the Attorney shall do by virtue of these present.

WITNESSES:

[INSERT NAME OF GRANTOR]

1. _____

For:

2. _____

By:

Its:

Annexure-E

Affidavit of Applicant(s) / Sponsor (s)

[IMPORTANT NOTICE: Affidavit to be printed on stamp paper, signed and notarized]

Instructions for Sponsor: Authorized Sponsor must submit an Affidavit as below;

AFFIDAVIT OF {Name of Sponsor}

[] DESIGNATION OF/HEAD OFFICE [] RESIDENT OF /LOCATED AT []

I the above-named deponent do hereby solemnly declare and affirm on oath as under:

1. That [*insert name of Consortium Sponsor/ Individual*] is not presently under default with any financial institution and has not been declared as bankrupt or insolvent under the laws of any country which has jurisdiction over [*insert name of Consortium Sponsor/ Individual*] in the last three (3) years.
2. The Sponsor hereby commits in the Proposal that it will carry out the Project under the terms of the Project Agreement.

DEPONENT

Verification

Verified on oath this day/month of [], 2025 at [] that the contents of this Affidavit are true and correct to the best of my knowledge and belief and that nothing has been concealed therein.

DEPONENT

ANNEXURE F
CONSORTIUM AGREEMENT

Annexure-G

Criteria for Evaluation of Proposal

Description	Score
Financial Strength	45
Technical Strength	45
Implementation Approach / Methodology	10
Total Strength	100

Note: *Minimum overall qualifying score is 65%, and not below 50% marks in Financial and Technical Strength.*

1. FINANCIAL STRENGTH EVALUATION CRITERIA

For determination of the financial strength score (“Net Worth”, “Borrowing Power” and “Assets Base”) of Applicant(s) / Sponsor (s), the collective financial strength will be reckoned.

Financial Strength Score will be obtained by adding scores achieved in subcategories “Net Worth”, “Borrowing Power” and “Assets Base”. For this purpose, following weighted average formula will be used for each Applicant:

$$\text{Applicant's Financial Strength Score} = A(nw) + A(bp) + A(ab)$$

Where;

Sr.#	Description	Score
1.	Net Worth Score of the Applicant A(nw)	15
2.	Borrowing Power Score of the Applicant (Abp)	20

3.	Asset Base Score of the Applicant A(ab)	10
Total Financial Score		45

1.1 Net Worth Score of the Applicant A(nw) 15 Marks

Description	Marks
Collective Net worth of the Applicant is equal to the Equity	05
Collective Net worth of the Applicant is greater than the Equity but less than 1.5 time the equity	10
Collective Net worth of the Applicant is greater than 1.5 time the Equity	15

Note: In the case of a Consortium / Group of Companies, the total Net Worth will be the weighted sum of Net Worth of all Applicant(s) / Sponsor (s).

1.2 Borrowing Power Score of the Applicant 20 Marks

Description	Marks
Project funding of similar size projects (One project) during last three years	10
Project funding of similar size projects (Two Projects) during last three years	20

The above shall be ascertained on the basis of project financing documents.

1.3 Asset Base Score of the Applicant A(ab) 10 Marks

Applicant must possess Asset Base (Total Assets) equal to Equity of the Project for achieving full marks.

In case of more than one Applicant, the Applicant with the highest Total Assets shall obtain full marks. The Asset Base Score, in case of more than one Applicant, shall be calculated as under:

$$\text{Asset Base Score} = A(ab) = (V / Hab) \times 10$$

Where;

$V = \text{Total Assets of the Applicant}$

$Hab = \text{highest Total Assets of an Applicant amongst all the competing Applicants}$

2. TECHNICAL STRENGTH EVALUATION CRITERIA

a) The Total Technical Strength Score shall be assessed on the following components:

Sr.#	Description	Score
1	Project development Experience (Similar Projects)	25
2	Project Operation and Maintenance Experience (experience not less than five (5) years)	20
Total Technical Score		45

2.1 Project Development Experience

A maximum of Three (03) projects of similar nature shall be considered for evaluation.

The breakup of scoring is as under:

No of Projects	Marks
3	25
2	15
1	7.5

2.2 Project Operation & Management Experience

A maximum of Two (02) projects shall be considered for evaluation against Project O&M Experience. The projects with experience of not less than five (05) years will not be evaluated.

The breakup of scoring is as under:

No of Projects	Marks
2	20
1	10

3 Implementation Approach / Methodology

Implementation Approach / Methodology Score ten (10) will be obtained by adding scores achieved in sub-categories “Understanding of Project Development”, “Timelines of Major Milestones”, “Methodology” and “Project Development Setup”.

Evaluation of for proposed business implementation proposal Score will be made as below;

Sr. No.	Description	Marks
1	Understanding of Project Development	3
2	Timelines of Major Milestones	2
3	Methodology	3
4	Project Development Setup	2
Total Implementation Approach / Methodology Score		10

Annexure-H
Project Agreement

PROJECT AGREEMENT

By and Between

M/s _____

AND

Energy Department, Government of Punjab

Dated _____, 2025

**DEVELOPMENT OF BIO-FUEL PROJECT IN
PUNJAB**

PROJECT AGREEMENT

This Project Agreement (“Agreement”) made ____ day of _____, 2025 by and between M/s _____, a company incorporated under the laws of the _____, with its registered offices at _____ (hereinafter referred to as “Company”) at the one hand;

AND

Energy Department, Government of the Punjab with registered office at 8th Floor, EFU House Jail Road Lahore (hereinafter referred to “ED”) on the other hand.

Company and ED are collectively referred to herein as the “Parties”, and separately as a “Party”.

RECITALS;

WHEREAS, the Government of the Punjab (“GoPb”) intends to develop Bio-fuel Project (the “Project”), in the Province of Punjab (“Punjab”).

AND WHEREAS, in furtherance thereof;

- i. GoPb has nominated ED to accord facilitation to the Company for development of the Project;
- ii. GoPb has nominated ED to conduct the pre-qualification process for selection of Company for allocation of Project land under the terms of Statement of Conditions (SoC) notified by Board of Revenue (BoR) vide Notification No. 393-2025/1082-CSI(V) dated 18.04.2025
- iii. Company has committed to bring financing and expertise for, *inter alia*, the designing, engineering, construction, maintenance and operation of the Project.
- iv. Company has committed to use the Project land only for the purpose of the Project and not for any other purpose whatsoever.

NOW, THEREFORE, in consideration of the terms & conditions of this Agreement, and intending to be legally bound hereby, the Parties hereto agree as follow:

ARTICLE 1 **DEFINITIONS**

1.1 Definitions

As used in this Agreement, each of the terms used herein with its initial letter capitalized and not otherwise defined shall have the meaning set forth below:

“Agreement”	Means this Project Agreement, including any schedules attached hereto.
“Allocation Letter”	Means the letter issued by the collector under the SoCs for allocation of the Project land.
“Change in Law”	Means the adoption, promulgation, repeal, modification, interpretation or reinterpretation in any law in Punjab or Pakistan after the Effective Date.
“Commencement Date”	Means the date for commencement by the Company for conduct of Feasibility Study, being the day after the Allocation Letter is received by Company.
“Company”	Company means M/s _____, a company incorporated under the laws of the _____, with its registered offices at _____
“Effective Date”	Means the date of signing of this Agreement by the Parties.
“Feasibility Study”	Means the feasibility study for the Project.
“GoP”	Means the Government of the Islamic Republic of Pakistan
“GoPb”	Means the Government of the Punjab.
“Party”	Means any party to this Agreement.

1.2 Interpretation

In this Agreement, unless the context otherwise requires,

- a) titles and headings are for convenience only and will not be deemed part of this Agreement for purposes of interpretation;
- b) "including" means "including, but not limited to";
- c) words importing the singular include the plural and vice versa;
- d) a reference to a party to any document includes that party's successors;
- e) calendar year according to the Gregorian calendar;
- f) a reference to "day", "month" or "year" means a calendar day, calendar month or calendar year according to the Gregorian Calendar;

- g) Where a consent or approval is required of a Party, such consent or approval shall not be withheld unreasonably. The Parties have an obligation of good faith towards each other.

ARTICLE 2 **OBLIGATIONS OF THE PARTIES**

2.1 Obligations of the Company;

- 2.1.1. Company shall commence conduct of Project Feasibility Study on the allocation letter day after the Allocation Letter is received by Company. The Feasibility Study and all legal, equitable and intellectual property rights therein shall continue to be owned exclusively by the Company.
- 2.1.2. Company shall conduct Project Feasibility Study at its own risk and cost.
- 2.1.3. Company shall arrange the Project equity and financing required for the execution and continuation of the Project;
- 2.1.4. Company shall complete Project feasibility study and arrange the Project equity and financing required for the execution and continuation of the Project within 12 months from the Commencement Date. Any extension in above period, if requested by the Company in writing, will be subject to approval by ED.
- 2.1.5. Company shall complete the construction of the Project within 36 months from the date of execution of Land Lease Agreement. Any extension in above period, if requested by the Company in writing, will be subject to approval by ED.
- 2.1.6. Company shall obtain all such permissions, licenses, and approvals as may be necessary for completion of the Project and its operation & maintenance for its useful life.
- 2.1.7. Company shall be solely responsible to bring foreign investment, expertise for, inter alia, the designing, engineering, construction, financing and operation of the Project.

2.2 Obligations of the ED;

- 2.2.1 ED will facilitate the Company during the conduct of the Feasibility Study in providing coordination with environment, agriculture and industry departments of GoPb for execution of harvesting agreements and related Project approvals.
- 2.2.2 ED will facilitate the Company in securing the Letter of Allocation (LoA) for conduct of Feasibility Study under the SoC.

- 2.2.3 ED will facilitate the Company in execution of Land Lease Agreement, on request of the Company duly supported by the Project feasibility study and proof of arrangement of Project funding (equity & financing).
- 2.2.4 ED will facilitate the Company in coordination with the State Bank of Pakistan (SBP), and other GoP entities for matters regarding repatriation of funds as per SBP prevalent policy and other available incentives under Investment Policy 2023;

ARTICLE 3 **EVENTS OF DEFAULT**

- 3.1 ED will have the right to terminate this agreement with the Company on following events of default by Company;
- (a) Failure to complete the Feasibility Study within 12 months of the Commencement Date unless further extension is mutually agreed by the Parties.
 - (b) Failure to arrange the funding for the Project (equity + financing) as per the terms of this Agreement.
 - (c) Any breach of the terms and conditions agreed under the land lease agreement.
 - (d) If the Feasibility Study declares the Project unfeasible.
 - (e) Failure to complete the Project within 36 months from the execution of LLA unless further extension is mutually agreed by the Parties.
- 3.2 Company will have the right to terminate this Agreement with the ED on following events of default by ED;
- (a) Commencement Date not occurring within thirty (60) days of the Effective Date;
 - (b) Delay in execution of Land Lease Agreement beyond ninety (90) days from the date of application for land lease.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES; INDEMNITIES**

4.1 Representations and Warranties

Each Party represents and warrants to the other Parties that:

- (a) The Party is a duly organized, validly existing entity of the type described in the recitals hereto, is in good standing under the laws of the jurisdiction

of its formation and has the requisite power and authority to execute, deliver and perform its obligations under this agreement.

- (b) The Party has duly authorized, executed and delivered this Agreement, which constitutes a valid and binding agreement of such Party enforceable against such Party in accordance with its terms and conditions.

4.2 Indemnification

Without prejudice to the provisions of any other agreement entered into in connection with the Project, and subject to Section 7.3, each Party shall indemnify and hold harmless the other Parties and their respective directors, officers, employees, agents and representatives from against any and all costs, losses, claims, damages and liabilities, including reasonable attorneys' fees, incurred by the indemnified Parties and their respective directors, officers, Employees, agents and representatives relating to matters arising out of this Agreement and the transaction contemplated in it to the extent caused by the negligence, default or misconduct of such Party.

4.3 Limitation on liability

Notwithstanding any other provision of the Agreement, but without prejudice to the provisions of any other agreement entered into in connection with the Project, no Party shall be liable to the other Parties or their respective directors, officers, employees, agents and representatives or any other Shareholder, whether in contract, tort, warranty, negligence, strict liability or otherwise, for any special, indirect, incidental or consequential damages arising out of or in connection with this Agreement.

ARTICLE 5 **RESOLUTION OF DISPUTES**

5.1 Negotiation

The Parties shall attempt in good faith to resolve any dispute relating to or arising out of this Agreement promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than those involved directly in the dispute.

5.2 Arbitration

Any dispute relating to or arising out of this. Agreement, and not resolved by non-binding mediation procedures as provided herein within sixty (60) days of the initiation of such procedures, shall be settled by binding arbitration in accordance with the Arbitration Act, 1940 and Rules of the International Chamber of Commerce ("ICC"). The language to be used in the arbitral proceedings shall be English.

ARTICLE 6
TERM

6.1 Effective Date

This Agreement shall be effective upon signature by the Parties.

6.2 Validity Period and Extension

This Agreement will be valid and in force and effect for [45] [forty-five] years from the effective date, until the termination in accordance with the terms of this Agreement.

6.3 Consequences of Termination

Neither Party shall have any right or obligation towards the other under this Agreement except for rights and obligations accrued up to the date of termination or which by express intendment or operation of law survive termination, including the provisions for dispute resolution and the provisions of Article-5.

ARTICLE 7
MISCELLANEOUS PROVISIONS

7.1 Notices

All notices and other communications required or permitted hereunder shall be in writing shall be deemed to be duly given on the date delivered by hand or via confirmed facsimile original to follow by international courier, to the following addresses of the Parties or such address as shall be furnished in writing by any Party to the others.

To

Add:

Attention: Mr. _____

Telephone: _____

Fax: _____

To ED:

Energy Department, Government of the Punjab
8th Floor, EFU House, Jail Road, Lahore.

Attention: Additional Secretary Development

Telephone: 042-99268017-19

7.2 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Islamic Republic of Pakistan.

7.3 Successors and Assignment

This Agreement shall be binding upon and inure to the benefit of the Parties hereto and its respective legal successors and may not be assigned by a Party to any Person without the written consent of the other Parties.

7.4 Entire Agreement

This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes any prior agreement or understanding between the Parties with respect to such subject matter.

7.5 Amendments

Amendments to this Agreement shall be effective only if in writing and signed by all Parties.

7.6 Headings and Severability

Any provision of the Agreement which is invalid or unenforceable shall be ineffective to extent of such invalidity or unenforceability, without affecting the remaining provisions thereof. The section headings are contained for convenience only and are not intended to affect the meaning of or interpretation of the Agreement.

7.7 Confidentiality

The Parties shall treat all information whether of a business, technical, research, engineering or economic nature relating to a Party (including its affiliates) or the Project as confidential and secret. No Party, without the prior written consent of the other Parties, shall disclose such information to any person.

7.8 Counterparts

This Agreement may be executed in two counterparts, each of which shall be deemed an original, but all of which constitute one agreement.

7.9 Waiver

The rights of either Party shall not be prejudiced or restricted by any indulgence or aberrance extended to the other Party and no waiver by any Party in respect of any breach shall deemed to have been made or occur except when made in writing signed by a duly authorized representative of the Party granting the waiver and no waiver of a single breach shall operate as waiver in respect of any subsequent or other breach.

ARTICLE 8
SIGNATURES

WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of date first written above.

ENERGY DEPARTMENT,
GOVERNMENT OF THE PUNJAB

[Company]

BY: _____
Name: Mr. _____
Title: _____

BY: _____
Name: Mr. _____
Title: _____

WITNESSED:

WITNESSED:

BY: _____
Name: Mr. _____
Title: _____

BY: _____
Name: Mr. _____
Title: _____