



Asian Development Bank

Central and West Asia Department

21 January 2013

Chief Executive Officer

Faisalabad Electric Supply Company Limited
West Canal Road, Abdullah Pur,
Faisalabad, Pakistan

Gujranwala Electric Power Company
565-A, Model Town, GT Road
Gujranwala, Pakistan

Hyderabad Electric Supply Company
Wapda Office complex, Hussainabad
Hyderabad, Pakistan

Islamabad Electric Supply Company
Islamabad, Pakistan

Lahore Electric Supply Company
22-A, Queens Road
Lahore, Pakistan

Multan Electric Power Company
MEPCO Complex, Khanewal Road
Multan, Pakistan

Peshawar Electric Supply Company
WAPDA House, Sakhi Chesma, Shami Road
Peshawar, Pakistan

Quetta Electric Supply Company
Zarghoon Road
Quetta, Pakistan

Dear Sir:

**Subject: Loan No. 2727-PAK: Power Distribution Enhancement Investment
 Program - Project 2
 Amendment to Project Agreement**

1. We refer to the Project Agreement dated 28 January 2011 between Faisalabad Electric Supply Company Limited ("FESCO"), Gujranwala Electric Power Company Limited

Office of the Director General

6 ADB Avenue, Mandaluyong City
Metro Manila, Philippines
www.adb.org

Tel +63 2 632 4444
Fax +63 2 636 2444





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("GEPCO"), Hyderabad Electric Supply Company Limited ("HESCO"), Islamabad Electric Supply Company Limited ("IESCO"), Lahore Electric Supply Company Limited ("LESCO"), Multan Electric Power Company Limited ("MEPCO"), Peshawar Electric Supply Company Limited ("PESCO"), and Quetta Electric Supply Company Limited ("QESCO") ("DISCO", individually and collectively) and Asian Development Bank ("ADB") for the captioned project ("Project Agreement"). All capitalized terms used but not defined herein shall have the meaning given thereto in the Project Agreement, unless the context requires otherwise.

2. Following consultations with the Borrower, the Pakistan Electric Power Company (Private) Limited and the DISCOs, ADB approved, on 11 December 2012, a minor change of the multitranche financing facility to revise the performance targets and undertakings set forth under Schedule 1 of the Framework Financing Agreement. To give effect to the changes, ADB proposes that para. 8 of the Schedule to the Project Agreement be revised to read as follows:

"8. Each DISCO shall maintain the debt service coverage ratio of at least 1.2 times from financial year 2013 (i.e. July 2013 – June 2014) onwards and a self-financing ratio of at least 20% from financial year 2013 (i.e. July 2013 – June 2014) onwards."

3. Save and except to the extent set out above, the Project Agreement remains unchanged.

4. Pursuant to ADB's Public Communications Policy on disclosure and exchange of information, the amendment to the Project Agreement will be posted on ADB's website within 2 weeks from the date that the amendment becomes effective, after removing any information that falls within the PCP exceptions as specified by the Borrower.

5. Please indicate the Borrower's concurrence to the amendment set out in paragraph 2 of this letter agreement and to the terms of this letter agreement by countersigning each of the nine original of this letter agreement in the space indicated below. Please retain one signed original of this letter agreement for your records and return the other to ADB. The proposed amendment shall take effect on the date of receipt by ADB of a signed original of this letter agreement.

Yours sincerely,

Hong Wang
Deputy Director General
Central and West Asia Department

A. Accepted and agreed.

B. Confirmed that the amendment to the Project Agreement does not contain information falling within the PCP exceptions.

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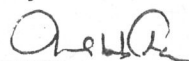
For and on behalf of
Faisalabad Electric Supply Company Limited

Name: DR. RANA ABDUL JABBAR KHAN 

Designation: CEO

Date: 09-09-13


For and on behalf of
Gujranwala Electric Power Company

Name: NAHIDUL KHAN 

Designation: C.E.O

Date: 9-9-2013.

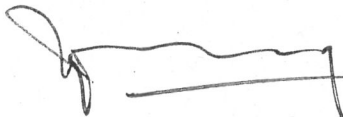
For and on behalf of
Hyderabad Electric Supply Company

Name: LAIQ AHMED KHAN 

Designation: CEO HESCO

Date: 09-9-13


For and on behalf of
Islamabad Electric Supply Company

Name: MOHAMMAD YOUSAF 

Designation: CEO IESCO

Date: 09.09.2013.

For and on behalf of
Lahore Electric Supply Company

Name: Muhammad Aashad Rafiq 

Designation: CEO LESCO

Date: 09-09-2013



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For and on behalf of
Multan Electric Power Company

Name: Abdul Maleen Smar

Designation: CEO

Date: 9-9-2013

For and on behalf of
Peshawar Electric Supply Company

Name: Tarig Saddosa Khurshid

Designation: CEO

Date: 9-9-13

For and on behalf of
Quetta Electric Supply Company

Name: BALIGHUZZAMAN

Designation: CEO QESCO Quetta

Date: 09-09-13