

Ref: AE/ Gas/OGRA-7
Date: 09 June 2023

The Senior Registrar
Oil and Gas Regulatory Authority
54 – B, Fazal ul Road,
Blue Area, Islamabad.

Attn. Dr. Abdul Basit Qureshi

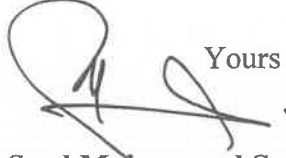
Subject: APPLICATION FOR GRANT OF LICENSE TO UNDERTAKE
REGULATED ACTIVITY OF “SALE OF NATURAL GAS”

Dear Sir,

We are in receipt of the letter from Oil and Gas Regulatory Authority's (the "Authority") letter bearing reference No: OGRA-6(1)-SSGCAE/NG/2022 dated 6-June-2023 on the captioned matter and addressed to the Chief Executive, SSGC Alternate Energy (Private) Limited (SSGC-AE).

Accordingly, pursuant to the directions as contained in the paragraph no.4 of your kind self's letter (referred above), we hereby submit the application for grant of License for Sale of Natural Gas as per required format depicted under Schedule-I, pursuant to Rule 4(2) of the Natural Gas Regulatory Authority Licensing Rules, 2002.

Kind regards,


Yours sincerely,
Syed Muhammad Saeed Rizvi
Chief Executive

Encls:

1. Revised Application
2. Digital Certified Certificate of Incorporation
3. Digital Certified Memorandum of Association
4. Digital Certified Article of Association



REVISED

Natural Gas Regulatory Authority (Licencing) Rules, 2002.

SCHEDULE – I [see rule 4 (2)]


OIL AND GAS REGULATORY AUTHORITY

APPLICATION FORM

Ref. No. SAE-Application-1-Revised

Date: 05 June 2023

Company Profile

1	Name of the Company (Applicant):	M/s. SSGC Alternate Energy (Pvt.) Limited
2	Company's full address along with telephone, fax, e-mail and web details:	SSGC House: Sir Shah Suleman Road, Block-14, Gulshan-e-Iqbal, Karachi-75300, Pakistan. PABX: +92-21-99021000 Fax: +92-21-99231550 www.ssgc.com.pk
3	Name, title and authorized signature of the Company's Chief Executive:	Syed Muhammad Saeed Rizvi Chief Executive  Signature
4	Names and addresses of current Directors of the Applicant:	Refer to attached Annex- " A "
5	Name and address of any person or corporate body with a holding of more than one percent (1%) or more in the Applicant	Refer to attached Annex- " A "

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Applicant:

License Specifications:

1	Regulated Activity for which a licence is sought:	(a) Transmission Licence <u> x </u> (b) Distribution Licence <u> x </u> (c) Sale Licence <u> ✓ </u> (d) Integrated Licence <u> x </u> (e) Project Licence <u> x </u>
2	Nature of licence applied for (if exclusive, please provide detailed justifications):	Exclusive <u> x </u> Non-Exclusive <u> ✓ </u>
3	Period for which the licence is sought:	From Date: 01 _____ 2023 To Date: _____ 2053
4	Details of any licence 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:	NIL

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Company Registration Office



CERTIFICATE OF INCORPORATION

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

Corporate Unique Identification No. 0210361

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

Given at Karachi this Eighth day of September, Two Thousand and Twenty Two



Faiza Rasheed
Deputy Registrar



https://eservices.secp.gov.pk/eServices/ControllerServlet?request_id=VERIFY_ONLINE_INCORP_CERT&id=0210361

Disclaimer: This certificate of incorporation is not a permission to accept deposits from the general public by offering fake jobs/investment packages and return thereon, indulge in leasing/ financing of vehicles and household products etc., MLM, Pyramid and Ponzi Schemes, Lottery Business, trading in forex and virtual currencies or any other unlawful business activities.

COMPANIES (INCORPORATION) REGULATIONS, 2017
[See Section 16 of the Act and Regulation 5]

APPLICATION FOR COMPANY INCORPORATION

Inc. Form - II



Close

PART - I

1.1 Name of the Company	SSGC ALTERNATE ENERGY (PRIVATE) LIMITED		
1.2 Fee Payment Details	1.2.1 Challan No	E-2022-1153908	
	1.2.2. Challan Amount (Rs.)	550.0	

PART - II

Section - A - Company Information

2.1 Correspondence Address*				
	City	District	Province	
	Telephone Number	E-mail Address		
	Mobile Number			

* Information regarding Correspondence address is to be provided only if company does not have a plant at its registered office at the time of incorporation of the company.

2.2 Registered office Address, if any	SSGC HOUSE, STREET NO. 46 SHAH SOLEMAN ROAD, BLOCK 14 GULSHAN E IQBAL, Karachi, Gulshan Town, KARACHI EAST, Sindh			
	City	District	Province	
	Telephone Number	Website (if any)		
	Mobile Number	E-mail Address	s.ahmed@ma.com.pk	

2.3 Principal line of business (Brief object as per clause 30) of the Memorandum may be mentioned)	-ALTERNATE ENERGY
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Section - B - Capital Structure

	Class / Kind	Face Value	No of Shares	Total Amount
2.4 Authorised Capital	Ordinary	10	2,000,000	20,000,000
2.5 Paid Up Capital	Ordinary	10	2,000,000	20,000,000

Section - C - Special Business Information

(Applicable in case of Banking Company, Non-banking Finance Company, Insurance company, Modaraba management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of security guards and any other business restricted under any other law or as may be notified by the commission.)

2.6 Nature of business in case of specialized business requiring licence / permission / approval (please specify and also attach NOC / approval of the relevant authority)

N/A

(Additional documents will be required by the registrar)

Section - D - Company subscribers, directors, chief executive officer and in case of single member company, nominee

2.7 State Number of directors fixed by subscribers:

[Please note that as per law a company must have minimum director as follows]

Kind of company	Minimum number of directors required by law	No. of proposed directors
Single Member Company	01	
Private Limited Company	02	2
Public Limited Company	03	

2.8 Details of subscribers, directors and chief executive officer *

Name And Surname (Present and former in full)	Patron/Husband Name in Full	DNIC/NICOP (In Case of Pakistani National) or Passport No (In Case of Foreigner)	***Proprietorship Registration No	Nationality (with former nationality and nationality of the origin, if different)	***Occupation	Residential Address/Registered Office Address Or Principle Office (In Case of a Subscriber Other Than A Natural Person)	NTN (In Case of Director Where Applicable)	Designation (Director/Subscriber/CEO) Please specify	Nature of Directorship (appointed, nominee, independent, other)	Name of Entity Nominating the Director	No. of Shares Subscribed (For Subscribers)	***Signatures
Syed Muhammad Saad Rizvi	S/O Syed Muhammad Kazim Raza Rizvi	4220166453151		Pakistan	Business	House No. B-101, Block 3, Gulistan-E-Johar, Karachi East Karachi, Sindh Pakistan		Chief Executive				
MUHAMMAD YOUSUF MANIAR	S/O Muhammad Yousuf Maniar	4220168838279		Pakistan	Business	A 21 A 1 Sunset Boulevard DHA Phase 2 Clifton Cantt Karachi Sindh Pakistan		Director And Subscriber	Appointed		1	Electronically signed by MUHAMMAD
MUHAMMAD ELI ANI	S/O Fazal Eliani	4220174681055		Pakistan	Business	260/2, 32nd Street Khayaban-E-Khalid Phase VIII, D.H.A., Karachi Karachi		Director And Subscriber	Appointed		1	Electronically signed by MUHAMMAD
SUI SOUTHERN GAS COMPANY LIMITED through	S/O Fazal Eliani	4220174681055	6000760	Pakistan	Business	SSGC House Street No 4B Shah Sultan Road Block 14 Gulshan E Iqbal Karachi		Subscriber (Company)	Other		1000000000	Electronically signed by SUI SOUTHERN

*Add details as applicable

**Applicable on subscribers other than natural persons

***Please also mention names of other companies where directorship is held.

****Signature of subscribers and consent to act as director or chief executive as the case may be. In case of online submission, the document will be signed electronically

2.9 Details of Nominee (only in case of single member company- Nominee shall not be a person other than relatives of the member- namely, a spouse, father, mother, brother, sister and son or daughter)

Name of Nominee	<input type="text"/>
N/C of Nominee	<input type="text"/>
Residential address of Nominee	<input type="text"/>
Telephone number of Nominee	<input type="text"/>
Email address of Nominee	<input type="text"/>
Relationship of Nominee with subscriber	<input type="text"/>
Signature of nominee	<input type="text"/>

Section - E - If the company intends to adopt tables contained in First Schedule to the Companies Act, 2017 (XIX of 2017) as its articles of association

- ☐ Table A- Part I (Articles of association of company limited by shares)
- ☐ Table A- Part II (Articles of association of single member company limited by shares)

Section - F - The company limited by shares in case it has not adopted articles contained in First Schedule to the Act company limited by guarantee and unlimited company shall attach the articles of association.

PART- III

Declaration under section 16

3.1 Declarant's Name

Mr. MUHAMMAD IMRAN MANIAR

3.2 Declarant Profession / Designation

☐ Authorized Intermediary

☒ a person named in the articles as Director of the proposed company

3.3 Declaration

I do hereby solemnly and sincerely declare that:
a) I have been authorized as declarant by the subscribers;
b) all the requirements of the Companies Act, 2017, and the regulations made there under in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with;
c) necessary information about the ultimate beneficial owners of the proposed company, if any, as specified in regulation 9, has been obtained and is available on record;
d) I make this solemn declaration conscientiously believing the same to be true.

3.4 Declarant Signature

3.5 Registration No of authorized intermediary, if applicable

3.6 Date(dd/mm/yyyy)

08/09/2022

ENCLOSURES

- (i) Original paid bank challan evidencing payment of fee;
(ii) Memorandum of Association;
(iii) Articles of Association, where applicable;
(iv) Copies of valid CNIC/NICOP of the subscribers, directors/ chief executive officer or copy of Passport in case of a foreigner;
(v) Copy of valid CNIC/NICOP of Nominee only in case of single member company or copy of Passport in case of a foreigner;
(vi) Copy of valid CNIC of witness in case of physical filing;
(vii) NOC/Letter of intent/ License (if any) of the relevant regulatory authority in case of specialized business;
(viii) Authority letter for filing of documents for the proposed company on behalf of the subscribers as per requirement of clause (v) of sub-regulation (2) of regulation 5;
(ix) Copy of valid CNIC/Passport of person duly authorized by the Board of directors of a body corporate which is a subscriber. Further, along with copy of Board resolution along with and attendance sheet duly authorizing the representative. In case of a subscriber which is a limited liability partnership, copy of valid NIC/ Passport of designated partner empowered to act as such, along with copy of instrument empowering him;
(x) In case the subscriber is a foreign company or a foreign body corporate, the profile of the company, detail of its directors, their nationality and country of origin, certified copy of its charter, statute or memorandum and articles etc.
(xi) In case of foreign subscriber/ officer, an undertaking on stamp paper of requisite value duly signed, notarized and witnessed to the effect that in case name of subscriber/ officer is not security cleared by MoI, the subscriber/ officer and the company, shall take immediate steps for replacement and shall transfer shares if any, held by the subscriber.

THE COMPANIES ACT, 2017

(Private Company Limited by Shares)

MEMORANDUM OF ASSOCIATION

OF

SSGC ALTERNATE ENERGY (PRIVATE) LIMITED



- I. The name of the company is **SSGC Alternate Energy (Private) Limited**.
- II. The Registered Office of the Company will be situated in the Province of Sindh.
- III. (i) The principle line of business of the company shall be to carry on all or any of the business of producing, purifying, buying, storing, supplying, distributing, transporting, transmitting, processing, regasifying, selling and exporting sources of conventional energy and alternate energy, including but not limited to, bio-gas or bio-methane, hydrogen as fuel source, fuel gas produced from coal gasification, natural gas or liquefied natural gas, wind energy, tidal energy, geo-thermal energy, and any other energy or petroleum related sources or products in suitable form, to be utilised for lighting, heating, motive power, generation of electricity, or for any other purpose whatsoever, together with carrying on the business of producing, buying, distributing, transporting, transmitting and selling electricity generated by making use of conventional and alternate energy sources and designing, manufacturing, buying, storing, supplying, distributing, transporting any or all devices, apparatus, tools, cables, batteries and all associated equipment relevant to the generation of electricity by making use of conventional and alternate energy sources, and to install suitable plants and set up energy projects for the purpose and any related purpose and to enter into any arrangements or agreements with any entity or persons whatsoever for the purpose of or in connection with, any of the objects of the company.
- (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all steps and actions in connection therewith or ancillary thereto.
- (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, *Modaraba* management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of

security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.

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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.




IV. The liability of the members is limited.

V. The authorized capital of the company is Rs. 20,000,000 (Rupees Twenty Million only) divided into 2,000,000 (Two Million) ordinary shares of Rs. 10 (Rupees Ten only) each with power to enhance, reduce or consolidate the share capital and to divide the shares of the company into different classes and kinds subject to the provisions of the Companies Act, 2017.

...Digital Certified True Copy...

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

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Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's / Husband's Name in full	Nationality(ies) with any former Nationality	Occupation	Usual residential address in full or the registered / principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and words)	Signature s
 SOUTHERN GAS COMPANY LIMITED Through MR. MUHAMMAD AMIN	0000760	Not Applicable.	Pakistan	Public Limited Company	SSGC House, Sir Shah Suleman Road, Block-14, Gulshan-E-Iqbal, Karachi	1,999,998 (One million nine hundred ninety-nine thousand nine hundred ninety-eight) shares	
MR. MUHAMMAD IMRAN MANIAR	42201-6983827-9	Muhamamd Yousuf Maniar	Pakistani	Service / Professional Executive	A-21-A/1, Sunset Boulevard, DHA Phase 2, Clifton Cantt, District Karachi South Pakistan	1 (One) share.	
MR. MUHAMMAD AMIN	42201-7468105-5	Mr. Fazal Ellahi	Pakistani	Service / Professional Executive	250/2, 32 nd Street, Khayaban-E-Khalid, Phase VIII, D.H.A., Karachi	1 (One) share.	
Total number of shares taken (in figures and words)						2,000,000 (Two million) shares	

Dated the 30th day of August, 2022

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- k) "Debenture" means debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a mortgage or charge on the assets of the company or not.
- l) "Directors" mean the Directors of the Company appointed from time to time pursuant to these Articles including Alternate Directors.
- m) "Dividend" means the distribution of profits of the Company to its Members.
- n) "Member" means a subscriber to the Company's Memorandum who is deemed to have agreed to become a Member of the Company, and/or any person to whom shares are allotted, or who becomes the holder of any Class or kind of shares of the Company, and whose name is entered in the Register of Members, is a member of the Company.
- o) "Memorandum" means the Memorandum of Association of the Company as originally framed or as altered from time to time in accordance with the provisions of the Act.
- p) "Month" means a calendar month according to the Gregorian calendar.
- q) "Office" means the registered office of the Company.
- r) "Person" shall include a natural person, a body corporate and a person which is not a natural person.
- s) "Proxy" means a person appointed by a Member as a proxy of such Member to attend, speak and vote at a meeting of the Company on behalf of such Member.
- t) "Register" means the register of Members to be kept pursuant to Section 119 of the Act.
- u) "Seal" means the common seal of the Company.
- v) "Section" means a section of the Act.
- w) "Special Resolution" has the meaning assigned thereto by clause (66) of sub-section (1) of Section 2 of the Act.

"In writing" and "written" includes printing, typewriting and lithography and, where permitted or specified by the Board, and also includes transmission, including but not limited to facsimiles, telex, downloading through computers, electronic mail, other modes of representing or reproducing words in a visible form and any usual substitutes.

Words importing the singular number include the plural number and *vice versa*.

Words importing the masculine gender only include the feminine gender and words or expressions contained in the Articles but not defined herein, shall bear the same meaning as in the Act.


PRIVATE COMPANY:

3. The Company is a private company within the meaning of clause (49) of sub-section 1 of Section 2, and accordingly:



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- (a) the right to transfer the shares in the Company is restricted in the manner given hereunder;
 - (b) the number of Members in the Company is restricted to fifty excluding the persons who are in the employment of the Company; Provided that where two or more persons hold one or more shares in the Company jointly they shall be treated as a single Member; and
 - (c) no invitation shall be issued to the public to subscribe for the shares or debentures of the Company.

CAPITAL:

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- 4. The Authorised Capital of the Company is the amount set out in clause V of the Memorandum divided into the number of ordinary shares of Rs.10 (Rupees Ten) each set out in that clause.

ISSUE OF SHARES:

- 5. Subject to the provisions of the Act and Article 7 below, the shares shall be under the control of the Board who may allot or otherwise dispose of the same or any of them to such persons, on such terms and conditions, and at such time as the Board thinks fit, and at a premium or at par or (subject to the provisions of the Act) at a discount, and for such consideration as the Board thinks fit.
- 6. The Board shall, as regards any allotment of shares, duly comply with the provisions of Section 83 as may be applicable.
- 7. Subject to Section 83, where at any time the Board decides to increase the issued capital of the Company by issuing any further shares, such shares shall be offered to the Members in proportion to the existing shares held by each Member, and such offer shall be made by notice specifying the number of shares to which the Member is entitled, and limiting a time not being less than fifteen days and not exceeding thirty days from the date of offer within which the offer, if not accepted, shall be deemed to have been declined and after the expiration of such time, or on receipt of information from the Member to whom such notice is given that he declines to accept the shares offered, the Board may dispose of the same in such manner as it may consider most beneficial to the Company.

SHARES IN PAYMENT FOR PROPERTY:

- 8. Subject to the provisions of the Act and the Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied, or for services rendered to the Company in the conduct of the business or affairs, and any shares which may be so allotted shall be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares.

EVIDENCE OF MEMBERSHIP:


- 9. Any application for subscription signed by or on behalf of an applicant or subscriber for shares in the Company, followed by an allotment of any shares therein, shall, be an acceptance of shares within the meaning of the Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the Register shall for the purpose of the Articles be a Member.

TRUST NOT RECOGNISED:

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10. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any shares as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any trust or equity or benami, equitable, contingent or other claim to or interest in such shares, on the part of any other person whether or not it shall have express or implied notice thereof.

CERTIFICATES

MEMBER'S RIGHT TO CERTIFICATE:

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11. Every Member shall be entitled without payment to one certificate issued in physical form or in book-entry form for all the shares registered in his name, or upon paying such fee as the Board may from time to time determine, to several Certificates, each for one or more shares. Every certificate of shares shall specify the number and denote the number of shares in respect of which it is issued, and the amount paid thereon, such certificate shall be issued under Seal, and shall bear the signature of one Director and shall be counter-signed by the Secretary or by a second Director, or by some other person appointed for that purpose by the Board. The Directors, may by resolution determine, either generally or in any particular case, that the signature of any Director(s) may be affixed by some mechanical means in the mode and manner specified in such resolution. Provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

ISSUE OF DUPLICATE CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED CERTIFICATE:

12. If the original certificate is defaced or mutilated or torn or rendered useless, then upon production thereof to the Board, it may order the same to be cancelled and may issue a duplicate of a certificate in lieu thereof, and if any certificate is lost or destroyed, then on proof thereof, to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a duplicate of a certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. The duplicate of a certificate may be issued on such terms and fee as may be prescribed by the Board including payment of expenses incurred by the Company in investigating title.

TRANSFER AND TRANSMISSION

EXECUTION OF TRANSFER:

13. The instrument of transfer of any share 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. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

TRANSFER:

14. The instrument of transfer of any share shall be in writing in the usual common form or in the form appearing in the next Article 15 or as near thereto as circumstances will admit.

FORM OF TRANSFER:

15. **SSGC Alternate Energy (Private) Limited.**

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"I/We, _____, son/daughter/wife of _____, and of _____ being a _____ national, (hereinafter called the "Transferors") in consideration of the sum of _____ of _____ (_____) paid to me/us by _____, son/daughter/wife of _____, of _____ national(s) of _____ (hereinafter called "The Transferee(s)") do hereby transfer to the said Transferee(s) _____ share(s) numbered _____ in the undertaking called **SSGC Alternate Energy (Private) Limited** to hold the same unto the said Transferee(s), his (or her or their) executors, administrators and assigns, subject to the several conditions on which I/we held the same immediately before the execution hereof, and I/we, the said Transferee(s), do hereby agree to take the said share(s) subject to the conditions aforesaid.

AS WITNESS my/our hands this _____ day of _____, _____

Witness
Signature _____
Full Address _____
Name, CNIC Number _____

Signature Transferor(s) _____
Full Name, Father's/Husband's Name
CNIC Number (in case of foreigner, Passport Number) Nationality, Occupation and usual Residential Address.

Witness
Signature _____
Full Address _____
Name, CNIC Number _____

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

The Board may from time to time alter or vary the transfer form.

WHEN REGISTER MAY BE CLOSED:

16. The Board shall have power on due notice (given in the manner prescribed in the Act) to close the Register of Transfers for such period(s) of time not exceeding thirty days in any year.

TRANSMISSION OF SHARES OF DECEASED MEMBER:

17. In the case of the death of a shareholder, the survivor, where the deceased was a joint holder, and (subject as herein-after provided), where the deceased was a sole or only surviving holder, the executors or administrators of the deceased holding a Grant of Probate or Letters of Administration or the nominees of the deceased appointed under Section 79, or any person or persons mentioned in any Succession Certificate effective in Pakistan shall be the only persons recognised by the Company as having any title to the shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability, (whether sole or joint), in respect of any share solely or jointly held by him. In any case in which such a Grant of Probate or Letters of Administration or Succession Certificate to the estate of a deceased sole or only surviving holder has not been obtained or a nomination was not made by the deceased as above mentioned, the Board may, but shall not be bound to, recognise the title of any person claiming to



be entitled to the deceased holder's share on production by such claimant of any other evidence of title as the Board may deem sufficient, and upon the claimant furnishing such indemnity, if any as the Board may require.

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RESTRICTION ON TRANSFER:

18. The Board may decline to register any transfer of shares to a person of whom they do not approve, and may also decline to register any transfer of shares on which the Company has a lien. If the Board refuses to register a transfer of any shares it shall within fifteen days or where the transferee is a central depository, within five days from the date on which the transfer was lodged with the Company send to the transferee and the transferor notice of the refusal.



RIGHT OF THE SURVIVOR TO BE REGISTERED AS A MEMBER OR TO TRANSFER SHARES:

19. Any person becoming entitled to a share in consequence of the death or insolvency of a Member shall, upon such evidence being produced as may from time to time be required by the Board, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or insolvent person could have made, but the Board shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or insolvent person before the death or insolvency.

RIGHT OF SURVIVOR TO RECEIVE DIVIDENDS AND OTHER ADVANTAGES:

20. A person becoming entitled 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 was the registered holder of the share, except that he shall not before being registered as a Member in respect of the share, be entitled in respect of it to exercise any rights conferred by membership in relation to meetings of the Company.

COMPANY NOT TO BE LIABLE:

21. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit.

ALTERATION OF CAPITAL

POWER TO INCREASE AUTHORISED CAPITAL:

22. The Company may from time to time by Special Resolution increase the authorised share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

CONDITIONS OF:

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23. Except and so far as otherwise provided by the conditions of issue or by the Articles, any capital raised by the creation of new shares shall be considered part of the authorised capital and shall be subject to the provisions herein contained with reference to transfer and transmission, voting and otherwise.

POWER TO REDUCE SHARE CAPITAL:

24. The Company may by Special Resolution reduce its share capital in any manner and with and subject to confirmation by the court and/or any other consent as required by law.



POWER TO SUB-DIVIDE OR CONSOLIDATE SHARES:

25. Subject to Section 89, the Company may in general meeting by Special Resolution alter the conditions of its Memorandum as follows:
- (a) consolidate and divide all and any part of its share capital into shares of larger amount than its existing shares;
 - (b) sub-divide shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, subject nevertheless to the provisions of the Act in that behalf;

POWER TO CANCEL SHARES NOT TAKEN:

- (c) cancel shares which at the date of such general meeting 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 shares so cancelled.

POWER TO BORROW

POWER OF THE BOARD:

26. The Board may from time to time borrow any moneys for the purposes of the Company from the Members or from any other persons, firms, companies, corporations, Government Agencies, institutions or banks, or the Directors may themselves lend moneys or provide finance to the Company.

GIVING OF SECURITIES:

27. The Board may borrow moneys and secure payment thereof in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, debentures, or by mortgage or charge or other security on the whole or any part of the property, assets and rights of the Company, (both present and future), including its undertaking.

CONDITIONS OF BONDS, ETC:

28. Any bonds, debentures or other securities issued or to be issued by the Company shall be under the control of the Board which may issue them upon such terms and conditions and in such manner and for such consideration as shall be considered by the Board to be for the benefit of the Company.

ISSUE AT DISCOUNT:

29. Any bonds, debentures or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings,

convertibility into shares, attending and voting at general meetings of the Company, appointment of Directors, and otherwise subject, however, to the approval of the Members in a general meeting of the Company.

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INDEMNITY TO DIRECTORS:

30. If the Directors or any of them or any employee of the Company shall become personally liable for the payment of any sum primarily due from the Company, the Board may indemnify the Directors or such employees for the same.

GENERAL MEETINGS

GENERAL MEETING WHEN TO BE HELD:

31. 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 calendar year within a period of one hundred and twenty days following the close of its financial year.

EXTRAORDINARY GENERAL MEETING:

32. All general meetings of the Company other than an Annual General Meeting shall be called Extraordinary General Meetings.

WHO MAY CALL EXTRA-ORDINARY GENERAL MEETINGS:

33. An Extraordinary General Meeting may be called as provided by Section 133.

NOTICE OF MEETINGS:

34. 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 general meeting and, in case of special business, all material facts concerning such business, shall be given in a manner provided by the Act for the general meetings to such persons as are, under the Act or the Articles, entitled to receive such notices from the Company.

SPECIAL BUSINESS:

35. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheet and the reports of Directors and Auditors, the election of Directors, the appointment of, and the fixing of the remuneration of the Auditors. Where it is proposed to pass a Special Resolution at a general meeting, notice of the general meeting shall specify the intention to propose the Resolution as a Special Resolution.

OMISSION TO GIVE NOTICE:

36. In a case in which notice of any general meeting is given to the shareholders individually, the accidental omission to give notice to any of the shareholders or the accidental non-receipt thereof shall not invalidate the proceedings at any such general meeting.



PROCEEDINGS AT GENERAL MEETING

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QUORUM:

37. (a) Provided that at least two Members are present in person, Members representing not less than twenty-five (25%) per cent of the total voting power in the Company either on their own account or as proxies or through video-link shall be a quorum for a general meeting. No business shall be transacted at any general meeting unless the quorum requisite is present at the time when the general meeting proceeds to business.
- (b) (1) Except for the businesses specified under Article 35 to be conducted in the Annual General Meeting, namely the declaration of dividend, the consideration of the accounts, balance sheet and the reports of Directors and Auditors, the election of Directors, the appointment of, and the fixing of the remuneration of the Auditors, the Members of the 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.
- (2) Any resolution passed under sub-section (1), shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held.
- (3) A resolution shall not be deemed to have been duly passed, unless the resolution has been circulated, together with the necessary papers, if any, to all the Members.
- (4) A Members' agreement to a written resolution, passed by circulation, once signified, may not be revoked.
- (5) The resolution passed by circulation shall be noted at subsequent meeting of the Members and made part of the minutes of such meeting.

WHO TO PRESIDE IN GENERAL MEETING:

38. The Chairman shall be entitled to take the chair at every general meeting. If there is no Chairman or if at any general meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may elect a Director as Chairman and if none of the Directors is present or being present is unwilling to act as Chairman, the Members present shall choose one of the Members to be the Chairman.

ADJOURNMENT OF GENERAL MEETING FOR LACK OF QUORUM:

39. If within half an hour after the time appointed for the holding of a general meeting a quorum is not present, the general meeting if convened on the requisition of the Members, shall be dissolved, and in every other case it shall stand adjourned to the same day in the week following at the same time and place. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Member or Members present personally or through video-link or by proxy being not less than two shall be a quorum and may transact the business for which the meeting was called.

ADJOURNMENT BY CHAIRMAN:

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

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VOTING ON RESOLUTIONS BY SHOW OF HANDS AND WHEN POLL DEMANDED:

41. At any general meeting a Resolution put to the vote of the general meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the results of the show of hands) demanded by at least one Member present in person or through video-link or by proxy if not less than seven Members are personally present or by two Members present in person or through video-link or by proxy if more than seven Members are personally present or by the Chairman of the general meeting, or by any Member or Members present in person or through video-link or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or by any Member or Members present in person or through video-link or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid up on all the shares conferring that right, and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the books of the proceedings of the Company shall be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of or against such Resolution.



POLL:

42. If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the Chairman of the general meeting directs, and either at once or after an interval or adjournment of not more than fourteen days from the day on which the poll is demanded and the results of the poll shall be the resolution passed at the general meeting at which the poll was held. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

POLL ON ELECTION OF CHAIRMAN AND ADJOURNMENT:

43. Any poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith and a poll demanded on any other question shall be taken at such time, not more than fourteen days from the day on which it is demanded, as the chairman of the meeting may direct.

EFFECT OF POLL:

44. The demand for a poll shall not prevent the continuation of a general meeting for the transaction of any business, other than the question on which the poll was demanded.

MINUTES:

45. Minutes shall be made in books provided for the purpose of all resolutions and proceedings at general meetings, and any such Minutes if signed by any person purporting to have been the Chairman of the general meeting or next following general meeting shall be receivable as evidence of the facts therein stated without further proof.

MINUTE BOOKS:

46. The Books containing Minutes of proceedings of general meetings of the Company shall be kept at the Office and shall during business hours (subject to reasonable restrictions as the Board may from time to time impose but so that no less than two hours each day is allowed for inspection) be open to the inspection of any Member without charge.

VOTES OF MEMBERS

VOTE OF MEMBERS:

47. Except as provided in Article 62 hereof, upon a show of hands every Member entitled to vote and present in person or through video-link or by proxy shall have one vote, and upon a poll every Member entitled to vote and present in person or through video-link or by proxy shall have one vote for every share held by him.

RIGHT TO VOTE OF JOINT HOLDERS:

48. In case of joint-holders, the vote of the senior who tenders a vote, whether in person or through video-link or by proxy, 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.

REPRESENTATIVES OF CORPORATE MEMBERS:

49. A company or other body corporate which is a Member of the Company may, by resolution of its Board authorize any of its official or any other persons to act as its representative at any general meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the company which he represents as if he were an individual shareholder of the Company.

VOTING BY MEMBER OF UNSOUND MIND:

50. 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 video-link, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

POLL BY PROXY:

51. On a poll votes may be given either personally or through video-link or by proxy.

PROXY:

52. Every proxy shall be appointed in writing under the hand of the appointer or of his Attorney duly authorised under a power of attorney or if such appointer is a company or corporation under the Common Seal of the company or corporation or the hand of its Attorney who may be the appointer. A proxy need not be a Member. A proxy shall have such right as respects speaking and voting at a general meeting as are available to a Member personally present at the general meeting. A Member shall not be entitled to appoint more than one proxy to attend any one general meeting. If any Member appoints more than one proxy for any one general meeting and more than one instruments of proxy are deposited with the Company, all such instruments shall be rendered invalid.

IRREVOCABLE PROXY:



53. Any proxy declared expressly on its face to be irrevocable shall not be revoked or be deemed revoked by the Member giving such proxy without the consent of the proxy-holder, whether by attendance at any general meeting held during the period of such proxy or by any other action on his part whatsoever or otherwise during the term of such proxy if such proxy is furnished to and filed with the records of the Company, and the Company shall be bound to recognise and give effect to such proxy in accordance with the terms thereof.

PROXY TO BE DEPOSITED AT THE OFFICE:

54. No person shall act as proxy unless the instrument of his appointment and the power of attorney, if any, under which it is signed, shall be deposited at the Office at least forty-eight hours before the time for holding the general meeting at which he proposed to vote.

FORM OF PROXY:

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

"I/We _____ of _____
in the district of _____ being a Member of SSGC
Alternate Energy (Private) Limited hereby appoint
_____ of _____
as my/our proxy to attend and vote for me/us
and on my/our behalf at the (statutory, annual, extraordinary, as the case may be)
general meeting of the Company to be held on the _____ day of _____, 20____ and at any adjournment thereof."

VALIDITY OF PROXY:

56. 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.

VALIDITY OF VOTE:

57. No objection shall be made to the validity of any vote except at the general meeting or at the poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll.

CHAIRMAN TO DECIDE:

58. If any question is raised, the Chairman of the general meeting shall decide on the validity of every vote tendered at such meeting in accordance with these Articles. In the case of any equality of votes, whether on a show of hands or on a poll, the Chairman shall have and exercise a casting vote.

DIRECTORS

59. The number of Directors of the Company shall not be less than two (2) Directors. The Board shall fix the number of elected Directors of the Company not later than thirty-five (35) days before the convening of the general meeting at which Directors are to be elected, and the number of directors so fixed shall not be



changed except with the prior approval of the general meeting of the Company in which election is to be held.

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FIRST DIRECTORS:

60. The following persons shall be the first directors of the Company, so, however, that the number of directors shall not in any case be less than that specified in section 154 and they shall hold office until the election of directors in the first annual general meeting:

1. Muhammad Imran Maniar
2. Amin Rajput



TERM OF OFFICE, REMOVAL AND CASUAL VACANCIES FIRST DIRECTORS TO RETIRE:

61. The first Directors of the Company shall stand retired from office at the first Annual General Meeting of the Company.

ELECTION OF DIRECTORS:

62. (i) After the first appointment of Directors, the number of elected Directors fixed by the Board under Article 59 shall be elected to office by the Members in general meeting in the following manner, namely:
- a Member shall have such number of votes as is equal to the product of the number of voting shares or securities held by him and the number of Directors to be elected
 - a Member may give all his votes to a single candidate, or divide them between more than one of the candidates in such manner as he may choose; and
 - the candidate who gets the highest number of votes shall be declared elected as Director and then the candidate who gets the next highest number of votes shall be so declared, and so on until the total number of Directors to be elected has been so elected.
- (ii) Where the number of candidates is equal to or less than the number of Directors to be elected it will not be necessary to hold an election as laid down in clause (i) of this Article 62 and all the candidates shall be deemed to have been elected under this Article.

TERM OF OFFICE:

63. A Director elected under Article 62 shall hold office for a period of three years, unless he earlier resigns, vacate office due to fresh election of directors under Section 162, becomes disqualified from becoming a Director or otherwise ceases to hold office. A retiring Director shall be eligible for re-election. An election of Directors in the manner prescribed by the preceding Article shall be held once in every three years.

REMOVAL:

64. The Company may remove a Director by following the procedure mentioned in Section 163.

CONTINUING DIRECTORS TO ACT:

65. The continuing Directors may act notwithstanding any vacancy in their body, but if the minimum falls below the number fixed by Article 59 hereof, the Directors shall not, except for the purpose of filling a vacancy in their number or of convening a general meeting, act so long as the number remains below the minimum.

FILLING CASUAL VACANCY:

66. Any casual vacancy occurring among the directors may be filled up by the directors and the person so appointed shall hold office for the remainder of the term of director in whose place he / she is appointed.
67. A person shall be eligible for appointment against casual vacancy, subject to Section 153.

REMUNERATION OF DIRECTORS:

67. Every Director (including an Alternate Director) shall be entitled to be paid as remuneration for his services for attending meetings of the Board or of Committees of Directors, a fee in such amount as may be fixed from time to time by the Board. Each Director (including each Alternate Director), shall be entitled to be reimbursed for his reasonable expenses incurred in consequence of his attendance at meetings of the Directors, or of Committees of Directors.

EXTRA REMUNERATION MAY BE PAID TO A DIRECTOR:

68. Any Director who devotes special attention to the business of the Company, (including holding the office of the Chairman) or who otherwise performs services which, in the opinion of the Board, are outside the scope of the statutory duties of a Director may be paid such extra remuneration as may be determined by the Members in their General Meeting.

SHARE QUALIFICATION

SHARE QUALIFICATION FOR DIRECTORS:

69. A Director must be a Member, unless he represents the Government, an institution (including a multi-national company), a person which is not a natural person or an authority which is a Member on the Board, or is a whole time working Director, or a Chief Executive, or a person representing a creditor on the Board.

GENERAL POWERS OF COMPANY VESTED IN DIRECTORS:

70. The control of the Company shall be vested in the Board and the business of the Company shall be managed by the Board, which 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 by these Articles required or by a Special Resolution required to be exercised by the Company in general meeting. The Board may grant power(s) of attorney to any person to act on behalf of the Company in matters which could lawfully be delegated to such attorney by the Board and the Company.

POWER TO OBTAIN FINANCES AND GIVING OF SECURITIES:

71. The Board may exercise all the powers of the Company to borrow and mortgage or charge its undertaking, property and assets, (both present and future), and to issue debentures and other securities, whether outright or as collateral security for

any debt, liability or obligation of the Company, or of any third party, subject, however, to the condition that borrowing from any party other than the Company's Members would need approval by the Members through their Special Resolution.

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MINUTE BOOKS

72. (i) The Board shall cause minutes to be made in books provided for the purpose :

- (a) of all appointments of officers made by the Directors;
- (b) of the names of Directors present at each meeting of the Board and of any Committee of the Directors;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Board, and of Committee of Directors;

and every Director (including Alternate Director) present at any meeting of Board shall sign his name in a Book to be kept for the purpose.

Provided that all records related to the proceedings through video link may be maintained and made part of the relevant minute books as per provisions of the Act

- (ii) Any such minutes of any meeting of the Board or of a Committee of Directors or of the Company, if signed or purporting to be signed by the Chairman of such meeting, or of the next succeeding meeting, shall be receivable as evidence of the matters stated in such minutes.
- (iii) A copy of the minutes of the meetings of the Board shall be furnished to every Director within fourteen (14) days of the date of the meeting.

POWERS TO PAY PENSIONS, ETC:

73. The Board may pay and agree to pay pensions or other retirement, superannuation, death or disability benefits or allowances to any person in respect of any Director or former Director who may hold or may have held any executive office or employment under the Company, or any subsidiary company of the Company, or its holding company, (if any), and for the purpose of providing any such pensions or other benefits or allowances, may contribute to any scheme or fund and may make payments towards insurances or trusts in respect of such persons.

DIRECTORS TO COMPLY WITH THE ACT:

74. 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 mortgage and charges 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 notification of any changes therein.

PROCEEDINGS OF DIRECTORS

MEETINGS OF DIRECTORS:





75. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate meetings of the Board as they think fit. A Resolution moved at any meeting of Directors shall be passed by a simple majority vote. In the case of an equality of votes, the Chairman shall have a casting or second vote. The Chief Executive or a Director may at any time, and the Chief Executive shall on the written requisition of a Director summon a meeting of the Board. Unless otherwise decided by the Board, at least six clear days notice must be given to all Directors to summon a meeting of the Board, and such notice shall set forth the purpose or purposes for which such meeting is summoned. With the consent of all the Directors entitled to receive notice of a meeting, or to attend or vote at any such meeting, a meeting of the Board may be convened by shorter notice than specified in this Article. Any Director may waive notice of the time, place and purpose of any meeting of Directors either before, at or after such meeting.

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QUORUM OF DIRECTORS' MEETINGS AND POWERS:

76. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Articles vested in or exercisable by the Board generally. At least one-third (1/3rd) of the total number of directors or two Directors, whichever is higher, personally present or through video-link shall constitute a quorum. Subject to the quorum requirement mentioned hereunder, the meeting of the Board could also be held through audio or video conference.

AS TO PRESIDING AT DIRECTORS MEETING:

77. The Chairman shall, whenever present, preside as Chairman at each meeting of the Board, but if at any meeting the Chairman is present and not willing to act or is absent beyond ten minutes after the time fixed for holding the same, the Directors present shall within fifteen minutes of the time fixed for the meeting choose one of the Directors present to be Chairman of such meeting.

WHEN ACTS OF MEETINGS OF THE BOARD OR COMMITTEE VALID NOTWITHSTANDING DEFECTIVE APPOINTMENT ETC:

78. All acts done by any meeting of the Board or of a Committee of Directors, or by any person acting as a Director or Alternate 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 from holding office, be as valid as if every such Director or person had been duly appointed and was qualified to act. Provided that as soon as any such defect has come to notice, the Director or other person concerned shall not exercise the right of his office till the defect has been removed.

RESOLUTION BY CIRCULATION:

79. A resolution in writing signed by all the Directors (including any Alternate Director) shall be effective as if such resolution had been passed at a meeting of the Directors.

ALTERNATE DIRECTOR

POWER TO APPOINT ALTERNATE DIRECTOR:

80. Any Director not permanently resident in Pakistan or any Director so resident but intending to be absent from Pakistan for a period of not less than ninety days may, with the approval of the Board, appoint any person to be an Alternate Director of

the Company to act for him. Every such appointment shall be in writing under the hand of the Director making the appointment. An Alternate Director so appointed shall not be entitled to appoint another Director, but shall otherwise be subject to the provisions of the Articles with regard to Directors, except that he need not be a Member nor shall he require any share qualification. An Alternate Director shall be entitled to receive notices of all meetings of the Board, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointer as Director in the absence of such appointer. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointer for any reason ceases to be a Director or if and when his appointer comes or returns to Pakistan, or if the appointee is removed from office by notice in writing under the hand of the appointer.

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COMMITTEES OF DIRECTORS

COMMITTEES OF DIRECTORS:

81. The Board may from time to time delegate all, or any of their powers not required to be exercised at a meeting of the Board to a committee or committees consisting of two or more Directors as the Board thinks fit. Any committee so formed shall conform to any regulations that may be imposed upon it by the Board and shall be governed, in the exercise of the powers so delegated, by the provisions herein contained for regulating meetings and proceedings applicable to the Directors.

CHAIRMAN AND CHIEF EXECUTIVE

APPOINTMENT OF CHAIRMAN:

82. Upon the first appointment, and thereafter upon each election of Directors or whenever the office of the Chairman becomes vacant for whatsoever reason, the Directors shall (i) appoint a Director as the Chairman of the Board and (ii) determine the period for which he is to hold office.

APPOINTMENT OF CHIEF EXECUTIVE:

83. (i) The name of the first Chief Executive shall be determined by the subscribers to the Memorandum and his particulars specified under Section 197 shall be submitted along with the documents for the incorporation of the Company.
- (ii) The first Chief Executive shall, unless he earlier resigns or otherwise ceases to hold office, hold office up to the first Annual General Meeting of the Company or, if a shorter period is fixed by the subscribers at the time of his appointment, for such period.
- (iii) The terms and conditions of appointment of the Chief Executive shall be determined by the Board. The Chief Executive shall, if he is not already a Director of the Company, be deemed to be its Director and be entitled to all the rights and privileges, and subject to all the liabilities, of that office.
- (iv) The subsequent Chief Executive shall be appointed in terms of Section 187.

POWERS OF CHIEF EXECUTIVE:

84. The Chief Executive shall have overall authority over and responsibility for the management of the affairs of the Company and the conduct, and the custody and




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maintenance of its properties, assets, records and accounts in accordance with the policies and guidelines established by the Board. In addition, the Board may entrust to and confer upon a Chief Executive any of the powers exercisable by the Board (other than the powers which are required to be compulsorily exercised under the Act by the Board at its meeting) upon such terms and conditions and with such restrictions as it may think fit, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

DISQUALIFICATION OF DIRECTORS

VACATION OF OFFICE OF DIRECTORS:

85. The office of a Director shall ipso facto be vacated if:

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- (a) he becomes ineligible to be appointed a Director on any one or more of the grounds enumerated as follows, that is to say, he:
 - (i) is a minor;
 - (ii) is of unsound mind;
 - (iii) has applied to be adjudicated as an insolvent and his application is pending;
 - (iv) is an undischarged insolvent;
 - (v) has been convicted by a court of law for an offence involving moral turpitude;
 - (vi) has been debarred from holding such office under any provision of the Act;
 - (vii) is lacking fiduciary behaviour and a declaration to this effect has been made by the Court under Section 212 at any time during the preceding five years;
 - (viii) does not hold NTN Number (if applicable to him);
 - (ix) is not a Member:

Provided that this clause (ix) shall not apply in the case of:

- (i) a person representing a Member which is not a natural person;
 - (ii) a whole-time Director who is an employee of the Company;
 - (iii) a Chief Executive; or
 - (iv) a person representing a creditor, or other special interests by virtue of contractual arrangements;
- (b) he absents himself from three consecutive meetings of the Directors or from all the meetings of the Directors for a continuous period of three months, whichever is the longer, without leave of absence from the Directors; The appointment of an Alternate Director will constitute leave of absence from the Board to the Director for whom such alternate is appointed during such Director's absence;

- (c) he or any firm of which he is a partner or any private company of which he is a director:
 - (i) without the sanction of the Company in a general meeting accepts or holds any office of profit under the Company other than that of Chief Executive or a legal or technical adviser or a banker; or
 - (ii) accepts a loan or guarantee from the Company in contravention of the provisions of the Act;
- (d) he resigns his office by notice in writing to the Company;
- (e) he, being a Director who is an employee of the Company, ceases to be an employee of the Company for whatsoever reason;
- (f) he, being an employee of an affiliate of the Company, ceases to be an employee of the Company's affiliate; or
- (g) he does not hold or ceases to hold the share qualification, if any, necessary for his appointment.

THE SEAL

CUSTODY OF SEAL:

86. 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. .

DIVIDENDS AND RESERVES

DECLARATION OF DIVIDENDS AND RESTRICTIONS ON AMOUNT THEREOF:

87. The Company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the Board.

INTERIM DIVIDEND:

88. The Board may from time to time pay to the Members such interim dividends as appear to be justified by the profits of the Company.

DIVIDEND OUT OF PROFITS ONLY:

89. No dividends shall be paid otherwise than out of profits of the year, or any other undistributed profits from prior years.

DISTRIBUTION OF DIVIDENDS:

90. The profits distributed as dividends shall be distributed among the shareholders and all dividends shall be declared and paid according to the amounts paid on the shares.



POWER OF BOARD TO CREATE RESERVE:

91. The Board may before recommending any dividend, set aside out of the profits of the Company such sum as it thinks proper as a reserve or reserves, which shall, at the discretion of the Board, be applicable for meeting contingencies, or for equalising dividends, or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, in the like discretion, either be employed in the business of the Company or be invested in such investments, (other than shares of the Company), as the Board may from time to time think fit.



RECEIPTS FOR DIVIDENDS BY JOINT HOLDERS:

92. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividends payable on the share.

NO INTEREST ON DIVIDENDS:

93. No dividend shall bear interest against the Company. The dividend shall be paid within the period laid down in the Act.

PAYMENT BY POST:

94. (a) Any dividend may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or in the case of joint holders to any one of such joint holders at his registered address, or to such person and at such address as the Member or person entitled or such joint holders, as the case may be, may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, or to the order of such other person as the Member or person entitled or such joint holders, as the case may be, may direct.
- (b) Unclaimed dividends may be invested or otherwise used by Board for the benefit of the Company until claimed.

CARRYING FORWARD OF PROFITS:

95. The Directors may carry forward any profits which they may think prudent not to distribute without setting them aside as a reserve.

CAPITALISATION

CAPITALISATION OF RESERVES:

96. Any general meeting may, upon recommendation of the Board, by ordinary resolution resolve that any undistributed profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special accounts or representing premiums received on the issue of shares and standing to the credit of the share premium account and other free reserves be capitalised. Such capitalised undistributed profits and reserves shall be distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend, and in the same proportions, on the footing that they become entitled thereto as capital. All or any part of such capitalised fund may be applied on behalf of such shareholders for payment in full or in part either at par or at such premium as the resolution may provide, for any unissued shares or debentures of the Company which shall be distributed accordingly, and such distribution or

payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

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ACCOUNTS

97. The Directors shall cause to be kept proper books of account as required under Section 220.
98. The books of accounts shall be kept at the Office or at such other place as the Directors shall think fit and shall be open to inspection by the Directors during business hours.
99. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations 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 authorized by the Directors or by the Company in general meeting.
100. The Directors shall, as required by the Sections 223 and 226, cause to be prepared and to be laid before the Company in a general meeting such financial statements duly audited and reports as are referred to in the said Sections.
101. The financial statements and other reports referred above in Article 100 shall be made out in every year and laid within a period of one hundred and twenty days in the Annual General Meeting following the close of financial year of the Company. The financial statements shall be accompanied by a report of the auditors of the Company and the report of Directors.
102. 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.

AUDIT

103. Once at least in every year the accounts of the Company shall be examined and the correctness of the financial statements ascertained by the Auditor of the Company.
104. The first Auditor, who is to be appointed within ninety days of the date of incorporation of the Company, any subsequent Auditor or any Auditor to fill any casual vacancy may be appointed by the Directors on such remuneration as they may determine. In any other case, the Auditor will be appointed and his remuneration will be fixed by the Company in general meeting. The first Auditor and the subsequent Auditor so appointed shall retire on the conclusion of the first annual general meeting or next annual general meeting respectively.

WINDING UP

105. (1) In the case of Members' voluntary winding up, with the sanction of a Special Resolution of the Company, and, in the case of Creditors' voluntary winding up, of a meeting of the Creditors, the liquidator shall exercise any of the powers given by sub-section (1) of section 337 of the Act to a liquidator in a winding up by the Court including inter-alia divide amongst the members, in specie or kind, the whole or any part of

the assets of the company, whether they consist of property of the same kind or not.

- (2) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- (3) The Liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.



NOTICES

106. (1) The Company may give any notice to a Member personally or by sending it by post to him 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 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.
- (2) Where a notice has been sent by post, service of 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 would be delivered in the ordinary course of post.
107. The Company may give a notice 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.
108. Notice of every general meeting shall be given in the manner hereinbefore authorised in Article 106 and 107 to:
 - (i) every Member except those Members who (having no registered address within Pakistan) have not supplied to the Company an address within Pakistan for the giving of notice to them;
 - (ii) 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 general meeting; and
 - (iii) the Auditors of the Company for the time being.
109. A Notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency in accordance with Section 55.
110. If a Member has no registered address in Pakistan and has not supplied to the Company an address for the giving of notices to him, then a notice may be given to him in accordance with Section 55.

SECRECY

111. Every Director, Secretary, Auditor, Trustee, Member of a committee, Officer, Servant, agent, Accountant, or other person employed in the business of the Company shall observe strict secrecy representing all transactions of the Company, and the state of account with individuals and in matters relating

thereto and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or the company in general meeting or by a court of law, and except so far as may be necessary in order to comply with any of the provisions herein contained

INDEMNITY

112. Every Chairman, Chief Executive, Director, officer or agent for the time being of the Company may be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal arising out of his dealings in relation to the affairs of the Company, except those brought by the Company against him, in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 492 in which relief is granted to him by the Court.



SSGC Alternate Energy (Private) Limited
 Wholly owned subsidiary of Sui Southern Gas Company Limited
 St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
 75300, Pakistan

Ref No. AE/ Gas/OGRA-8

Date: 24-July-2023

Mr. Abdul Malik Sherani (on leave)
Law Officer
 Oil and Gas Regulatory Authority
 54 – B, Fazal ul Road,
 Blue Area,
 Islamabad.

Sr. Register (in EPL)
 AR
 26/7

Subject: APPLICATION FOR GRANT OF LICENSE TO UNDERTAKE REGULATED ACTIVITY OF "SALE OF NATURAL GAS/RLNG".

Dear Sir,

We acknowledge with thanks the receipt of your letter bearing reference No: OGRA-6(1)-SSGCAE/NG.2022 dated 10-July-2023 on the captioned matter and we place the requisite information / data as requested by your good self under the Natural Gas Regulatory Authority (Licensing) Rules, 2002 (the Rules), in seriatim as under:

- (i) We undertake to deposit, the requisite processing fee of Rs.500,000/- as required pursuant to Schedule-II of the Natural Gas Regulatory Authority (Licensing) Rule, 2002., once the formal approval of the Board of Directors is granted, it is anticipated that the requisite Processing Fees will be submitted in a short while.
- (ii) Pursuant to Rule 4(3) (a) digitally certified copy of the Memorandum and Articles & Association of SSGC Alternate Energy ("SSGC-AE") are once again enclosed".
- (iii) It is submitted that SSGC-AE was incorporated under the Companies Act, 2017 in Karachi on **8th September 2022**, accordingly, the relevant documentation requested pursuant to Rule 4(3)(d) due to time frame limitation are not available.
- (iv) In response to the requirement under Rule 4(3) (e) it is submitted that the application has been made by the Chief Executive Officer which is the highest corporate position within SSGC AE, hence, authorization letter is not applicable.
- (v) With respect to the data requested pursuant to Rule 4 (3) (f) and which are listed in para 3 (a) to (d) it is submitted that SSGC-AE is a wholly owned subsidiary of Sui Southern Gas Company Limited and of which all relevant documentation is available with Oil and Gas Regulatory Authority.

SSGC-AE, as wholly owned subsidiary of Sui Southern Gas Company Limited has sought the License to carry out the regulated activity of "Sale of Natural Gas/ RLNG" from the Oil and



SSGC Alternate Energy (Private) Limited

Wholly owned subsidiary of Sui Southern Gas Company Limited
 St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
 75300, Pakistan

Gas Regulatory Authority ("OGRA"). For the sake of clarity, it is submitted that SSGC-AE pursuant to the Clause 9.4 of Petroleum Policy 2012 which stipulates that "E&P companies operating in Pakistan will be allowed to contract with gas transmission and distribution companies and third parties, other than residential and commercial consumers, for the sale of their share of gas in Pakistan at negotiated prices in accordance with the applicable laws, rules, and regulations". Natural Gas molecules so procured will be transported to the Customers entry points under the regime of Pakistan Gas Network Code for Use of Gas Pipeline Transportation System, 2018 read in conjunction with OGRA Gas (Third Party Access) Rules, 2018, through the Transmission and/or Distribution Networks already laid by the two natural gas utility companies (i.e. SSGC and SNGPL).

- (vi) Kindly note that clarification under Rule 4(3) (g) is not applicable in the present case as the scope of activities of SSGC-AE, in so far as Indigenous Gas is concerned which is to procure indigenous Natural Gas from the Unallocated Gas Fields and its sale to Customers at CMSs in accordance with the Terms and Conditions of the Gas Sale Agreement between itself (SSGC AE) and the perspective Customers.

Natural Gas molecules so procured will be transported to the Customers entry points under the regime of Pakistan Gas Network Code for Use of Gas Pipeline Transportation System, 2018 read in conjunction with OGRA Gas (Third Party Access) Rules, 2018, through the Transmission and/or Distribution Networks already laid by the two natural gas utility companies (i.e. SSGC and SNGPL).

- (vii) In response to the condition under Rule 4(3) (i) at present, qualified, well experienced professional and highly trained resources are deputed from Sui Southern Gas Company Limited in addition to the full time resources. Whereas, all details pertaining to Sui Southern Gas Company ("SSGC") the Holding Company are already available with the Authority. Moreover, additional resources would be added as per requirement and the details regarding the same would be reported to the Authority as and when such resources are engaged by SSGC-AE.
- (viii) In respect of Rule 4(3)(j), SSGC-AE's senior Management and the team enjoys a rich and unparalleled heritage of technical, operational and financial expertise of natural gas transportation, distribution and sale.
- (ix) The provisions of Rule 4(3) (k) pertaining to the scenario whereby any of 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, the same is not applicable in the instant case.
- (x) There are no pending applications, petitions or filing filed by SSGC-AE. It may please be noted that the current Application for carrying out the regulated activity "Sale of Natural Gas

SSGC Alternate Energy (Private) Limited

Wholly owned subsidiary of Sui Southern Gas Company Limited
St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
75300, Pakistan

/ RLNG". The earlier application for Integrated License to undertake Regulated Activity of Construction and Operation of Transmission & Distribution Gas Pipelines and Sale of Natural Gas" stands withdrawn.

- (xi) In respect of Rule 4(3)(h), it is submitted that being a wholly owned subsidiary of Sui Southern Gas Company Limited, SSGC-AE enjoys a rich and unparalleled heritage of technical and financial expertise relevant regulated activities.
- (xii) With respect to information sought pursuant to Rule 4(3)(m)(i),(ii) & (iii) it is submitted that as a first step, SSGC-AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules
- Proposed estimated volume of natural gas to be transmitted is anticipated to be 60 MMCFD;
 - Proposed estimated volume of natural gas to be distributed is anticipated to be 60 MMCFD,
 - Proposed estimated volume of natural gas to be sold is expected to start from ~50 MMSCFD which will be peaking at 100 MMCFD in expedited time-frame,
- (xiii) As your good self is aware that indigenous gas production in country is continuously declining, thus causing a significant gap in demand and supply at SSGC network, supply reduced by ~35% in last 5- years. A number of gas fields remain unallocated/ unutilized due to unviability of E&P business at prescribed prices coupled with Hyper-volatility in energy markets post COVID-19 and recent Eurasian Conflict. Import substitution has become essential, thus utilization of untapped indigenous energy resources is of paramount importance.

SSGC-AE will market unallocated gas volumes at negotiated prices under 'OGRA Gas (Third Party Access) Rules, 2018 and Pakistan Gas Network Code. The Procurement of Gas from E&P Companies has been done through open tenders under the Public Procurement Rules 2004, as amended from time to time in a transparent manner in which number of the E&P participated. Copies of the advertisements are enclosed.

Gas has been procured at a negotiated price from one E&P Company after the assessment of the profile and a term sheet has been duly initialed by the Parties. whereas, negotiations with the other local E&P Company are at an advanced stage.

The sale of gas to customers from the un-allocated gas fields will be at negotiated price for which tender/(s) will be floated.

- (xiv) In response to the clarification sought under Rule 4 (3) (n) kindly note that currently SSGC-AE is not venturing in the LNG Business and its main focus is on procurement of NATURAL Gas from E&P Companies and in this connection SSGC-AE has initialed a Term Sheet with the local E&P Company for supply of indigenous gas. Please find enclosed herewith a copy of the self-explanatory letter from the Office of the Directorate General of Gas, Ministry of

SSGC Alternate Energy (Private) Limited

Wholly owned subsidiary of Sui Southern Gas Company Limited
St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
75300, Pakistan

Energy (Petroleum Division) bearing reference No: NG(II) -16(1)/22-misc-pt dated 7 October 2022 (copy enclosed).

As for the Customer/(s) formal negotiations are underway with power sector; CNG Sector and Captive Power.

- (xv) In response to the query under Rule 4(5)(b), the current prospective sources of supply of Natural Gas are located within the territorial jurisdiction of the provinces of SINDH and BALUCHISTAN. Whereas, the quality of supplied Natural Gas will be meeting the specification criteria as generally available in Pakistan, and such procured Natural Gas will meet standards of pipeline quality gas so as, not to jeopardize the pipeline integrity.
- (xvi) In response to the query under Rule 4(5) (c), it is submitted that being a wholly owned subsidiary of SSGC, SSGC-AE, shall apply the same standard of Health Safety Environment ("HSE"). SSGC's Integrated Management System (IMS) includes all SSGC operations including transmission and distribution of natural gas, construction of high pressure transmission and low pressure distribution systems.

Please feel free to contact the undersigned if your good-self require further in-put or clarification.

Kind regards,

Yours Sincerely,



IMRAN MANIAR

Director

Encls:

1. Digital Certified Certificate of Incorporation
2. Digital Certified Memorandum of Association
3. Digital Certified Article of Association
4. Copies of the advertisements (refer above point No. xiii)
5. Letter from the Office of the DG-Gas, MoE (Petroleum Division) reference No: NG(II) -16(1)/22-misc-pt dated 7 October 2022 (refer above point No. xiv)

**SSGC****SSGC-AE**

Procurement of Natural Gas from Unallocated Sources - Submission of Profiles

SSGC Alternate Energy (SSGC-AE), a wholly owned subsidiary of Sui Southern Gas Company Limited ("Procuring Agency") hereby invites interested licensed/ authorised Exploration and Production (E&P) companies/entities ("E&P Companies") to submit their profiles (as detailed below), in pursuance of procurement of unallocated natural gas volumes from respective fields/ sources under rule 42 d (ii) of the Public Procurement Rules, 2004, as amended from time to time.

E&P Companies may submit detailed profiles along with draft Gas Sales Purchase Agreement (GSPA) within fifteen working days of the publication of this advertisement (i.e. 11-11-2022-1100 hrs). Assessment of profiles may lead to formal invitation to discuss and/ or to enter into a contractual arrangement with the Procuring Agency regarding procurement of unallocated natural gas.

SSGC-AE may request for further details in respect of the profiles, as may be required. SSGC-AE shall have the discretionary right to cancel or amend this invitation or any proceeds arising thereat at any stage.

Contents to be Covered in Profiles

Introductory	Technical Specifications	Commercial
<ul style="list-style-type: none"> E&P Company's origin, history and reference of past projects. Incorporation and operating status in Pakistan. Contact details including physical addresses of registered/ principal offices, landline telephone numbers, email addresses and mobile phone numbers of key personnel. Operational, managerial and technological competencies. Membership of national and international bodies. 	<ul style="list-style-type: none"> Current and expected lease status. Production profiles - minimum and maximum. Description of processing facility and turnaround requirements. Coordinates of field gate. Supply Pressure and Temperature. Detailed composition analysis (mole%) including Hydrocarbons (C_1 to C_6), higher hydrocarbons (lumped as C_6+), Oxygen, Nitrogen, H_2S, Carbon dioxide, Water Content. Complete property data of gas including but not limited to Density, Specific Gravity, Gross and Net Calorific Value, Wobbe Index, Hydrocarbon Dew Point. 	<ul style="list-style-type: none"> Proposed Price of Gas in PKR/ MMBTU at: <ul style="list-style-type: none"> field gate location of nearest transmission pipeline of gas transportation company(ies). Price shall remain fixed for the effective period of prospective GSPA. Detailed description elaborating the reasons owing to which the offered gas volumes remained unallocated. If applicable, a chronology of field development history and interaction with the competent authority (ies) with regards to allocation efforts to be provided. Proposed technical/ financial plan to meet the procurement requirements.

Sealed Bids/Offer can be submitted in person or by courier on or before above referred date & time at

Tender Room, Ground Floor, CRD Building, Head Office Complex, Sir Shah Suleman Road,

Gulshan-e-Iqbal, Karachi-75300, Pakistan

PID(K)1084/22

PRESS CLIPPING

Express Tribune 5

Karachi

26/11/2022

Page No

Place

Dated



Sui Southern Gas Company Limited



Procurement of Natural Gas from Unallocated Sources - Submission of Profiles

Advertisement No. 02/2022



SSGC Alternate Energy (SSGC-AE), a wholly owned subsidiary of Sui Southern Gas Company Limited ("Procuring Agency") hereby invites interested licensed/ authorized Exploration and Production (E&P) companies/entities ("E&P Companies") to submit their profiles (as detailed below), in pursuance of procurement of unallocated natural gas volumes from respective fields/sources under rule 42 d (ii) of the Public Procurement Rules, 2004, as amended from time to time.

E&P Companies may submit detailed profiles along with proposed draft Gas Sales Purchase Agreement (GSPA) within ten (10) working days of the publication of this advertisement (i.e. by 09-12-2022 - 1600hrs). Assessment of profiles may lead to formal invitation to discuss and/ or to enter into a contractual arrangement with the Procuring Agency regarding procurement of unallocated natural gas. Profiles for the unallocated sources which have already been submitted against the earlier advertisement dated 22-10-2022 and 23-10-2022 remain valid and need not to be re-submitted. However, such interested firms are free to submit profiles for other unallocated sources.

SSGC-AE may request for further details in respect of the profiles, as may be required. SSGC-AE shall have the discretionary right to cancel or amend this invitation or any proceeds arising thereof at any stage.

Contents to be Covered in Profiles

Introductory	Technical Specifications	Commercial
<ul style="list-style-type: none"> E&P Company's origin, history and reference of past projects. Incorporation and operating status in Pakistan. Contact details including physical addresses of registered/ principal offices, landline telephone numbers, email addresses and mobile phone numbers of key personnel. Operational, managerial and technological competencies. Membership of national and international bodies. 	<ul style="list-style-type: none"> Current and expected lease status. Production profiles - minimum and maximum. Description of processing facility and turn-around requirements. Coordinates of field gate. Supply Pressure and Temperature. Detailed composition analysis (mole%) including Hydrocarbons (C_1 to C_4), higher hydrocarbons (lumped as C_5+), Oxygen, Nitrogen, H_2S, Carbon dioxide, Water Content. Complete property data of gas including but not limited to Density, Specific Gravity, Gross and Net Calorific Value, Wobbe Index, Hydrocarbon Dew Point. 	<ul style="list-style-type: none"> Proposed Price of Gas in PKR/ MMBTU at: <ul style="list-style-type: none"> (i) field gate (ii) location of nearest transmission pipeline of gas transportation company(ies). Price shall remain fixed for the effective period of prospective GSPA. Detailed description elaborating the reasons owing to which the offered gas volumes remained unallocated. If applicable, a chronology of field development history and interaction with the competent authority (ies) with regards to allocation efforts to be provided. Proposed technical/ financial plan to meet the procurement requirements.

PID(K)1490/22

Sealed Bids: Offers should reach through in person submission or by courier on or before above stated date and time at Tender Room, Ground Floor, C.R.D. Building, Head Office Complex, Sir Shah Sultan Road, Gulshan-e-Iqbal, Karachi 75300, Pakistan.

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5000 (10/9)

No.NG (II)-16(1)/22-Misc-pt
Government of Pakistan
Ministry of Energy (Petroleum Division)
Directorate General of Gas
First Floor, Petroleum House, G-5/2

Islamabad, the 07th October, 2022

The Managing Director,
Sui Southern Gas Company Limited,
Karachi

Subject: PURCHASE OF GAS BY SSGCL ALTERNATE ENERGY (PRIVATE) LIMITED
FROM UNALLOCATED GAS FIELDS

Dear Sir,

I am directed to refer to M/s SSGCL's letter No. AE/Gas/09-22-01 dated 20-09-2022 on the subject cited above and to state that the new entity has to work by remaining within its Article of Association. The matter related to allocation of gas and allied matters would be processed as per the prevailing policies /guidelines of the Government.

Yours Sincerely,



(Faiza Tariq)
Deputy Director (NG-II)

- CC:
- i. SA to Secretary, Petroleum Division.
 - ii. PS to Additional Secretary(P), Petroleum Division
 - iii. PA to DG(PC), Petroleum Division
 - iv. PA to DG (Gas) Petroleum Division

COMPANIES (INCORPORATION) REGULATIONS, 2017
[See Section 16 of the Act and Regulation 5]

Inc. Form - II



Close

APPLICATION FOR COMPANY INCORPORATION

PART - I

1.1 Name of the Company	SSGC ALTERNATE ENERGY (PRIVATE) LIMITED		
1.2 Fee Payment Details	1.2.1 Challan No	E-2022-1153908	
	1.2.2. Challan Amount (Rs.)	550.0	

PART - II

Section - A - Company Information

2.1 Correspondence Address*				
City	District	Province		
Telephone Number	Email Address			
Mobile Number				

* Information regarding Correspondence address is to be provided only if company does not have a place at its registered office at the time of incorporation of the company.

2.2 Registered office Address, if any	SSGC HOUSE, STREET NO. 4B SHAH SULAIMAN ROAD, BLOCK 14 GULSHAN E IQBAL, Karachi, Gulshan Town, KARACHI EAST, Sindh			
City	District	Province	Sindh	
Telephone Number	02135835101	Website (if any)		
Mobile Number	03002476167	Email Address	s.ahmad@ma.com.pk	

2.3 Principal line of business (Brief object as per clause 3(i) of the Memorandum may be mentioned)	ALTERNATE ENERGY
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Section - B - Capital Structure

	Class / Kind	Face Value	No of Shares	Total Amount
2.4 Authorized Capital	Ordinary	10	2,000,000	20,000,000
2.5 Paid Up Capital	Ordinary	10	2,000,000	20,000,000

Section - C - Special Business Information*

(Applicable in case of Banking Company, Non-banking Finance Company, Insurance company, Modular management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of security guards and any other business restricted under any other law or as may be notified by the commission.)

2.6 Nature of business in case of specialized business requiring license / permission / approval (please specify and also attach NOC / approval of the relevant authority)

N/A

*Additional documents will be required by the registrar

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Section - D - Company subscribers, directors, chief executive officer and in case of single member company, nominee

2.7 State Number of directors fixed by subscribers:

(Please note that as per law a company must have minimum director as follows)

Kind of company	Minimum number of directors required by law	No. of proposed directors
Single Member Company	01	
Private Limited Company	02	2
Public Limited Company	03	

2.8 Details of subscribers, directors and chief executive officer *

Name And Surname (Present and former) in Full	Father/Husband Name in Full	CNIC/NICOP (In Case of Pakistani National) or Passport No (In Case of Foreigner)	***Incorporation/Registration No	Nationality (with former nationality and nationality of the origin, if different)	***Occupation	Residential Address/Registered Office Address Or Principle Office (In Case of a Subscriber Other Than A Natural Person)	NTN (In Case of Director/Subscriber/CE/C) Where Applicable	Designation (Director/Subscriber/CE/C) Please specify	Nature of Directorship (appointed/nominee/independent/other)	Name of Entity Nominating the Director	No. of Shares Subscribed (For Subscribers)	****Signatures
Syed Muhammad Asad Rizvi	S/O Syed Muhammad Kazim Raza Rizvi	4220188453151		Pakistan	Business	House No. B-100, Block 3, Gulshan-E-Johar, Karachi East Karachi, Sindh Pakistan		Chief Executive				
MUHAMMAD IMRAN MANIAR	S/O Muhammad Yousuf Maniar	4220168838279		Pakistan	Business	A21 A1 Sunset Boulevard DHA Phase 2 Clifton Cantt Karachi Sindh Pakistan		Director And Subscriber	Appointed		1	Electronically signed by MUHAMMAD IMRAN MANIAR
MUHAMMAD MIRAN	S/O Fazal Elahi	4220174881055		Pakistan	Business	250/2, 32nd Street, Khayaban-E-Khalid, Phase VII, D.H.A., Karachi Karachi		Director And Subscriber	Appointed		1	Electronically signed by MUHAMMAD MIRAN
SUI SOUTHERN GAS COMPANY LIMITED through	S/O Fazal Elahi	4220174881055	0000760	Pakistan	Business	SSGC House Street No 48 Shah Sultan Road Block 14 Gulshan E Jhail Karachi		Subscriber (Company)	Other		1996093	Electronically signed by SUI SOUTHERN

*Add details as applicable

**Applicable on subscribers other than natural persons

***Please also mention names of other companies where directorship is held.

****Signature of subscribers and consent to act as director or chief executive as the case may be. In case of online submission, the document will be signed electronically

2.9 Details of Nominee (only in case of single member company- Nominee shall not be a person other than relatives of the member- namely, a spouse, father, mother, brother, sister and son or daughter)

Name of Nominee	<input type="text"/>
NIC of Nominee	<input type="text"/>
Residential address of Nominee	<input type="text"/>
Telephone number of Nominee	<input type="text"/>
Email address of Nominee	<input type="text"/>
Relationship of Nominee with subscriber	<input type="text"/>
Signature of nominee	<input type="text"/>

Section - E - If the company intends to adopt tables contained in First Schedule to the Companies Act, 2017 (XIX of 2017) as its articles of association

- ☐ Table A- Part I (Articles of association of company limited by shares)
- ☐ Table A- Part II (Articles of association of single member company limited by shares)

Section - F - The company limited by shares in case it has not adopted articles contained in First Schedule to the Act company limited by guarantee and unlimited company shall attach the articles of association.

PART- III

Declaration under section 16

3.1 Declarant's Name

Mr MUHAMMAD IMRAN MANIAR

3.2 Declarant Profession / Designation

☐ Authorized Intermediary

☒ a person named in the articles as Director of the proposed company

3.3 Declaration

I do hereby solemnly and sincerely declare that:
a) I have been authorized as declarant by the subscribers;
b) all the requirements of the Companies Act, 2017, and the regulations made there under in respect of matters precedent to the registration of the said Company and incidental thereto have been complied with;
c) necessary information about the ultimate beneficial owners of the proposed company, if any, as specified in regulation 9, has been obtained and is available on record;
d) I make this solemn declaration conscientiously believing the same to be true.

3.4 Declarant Signature

3.5 Registration No of authorized intermediary, if applicable

3.6 Date(dd/mm/yyyy)

08/09/2022

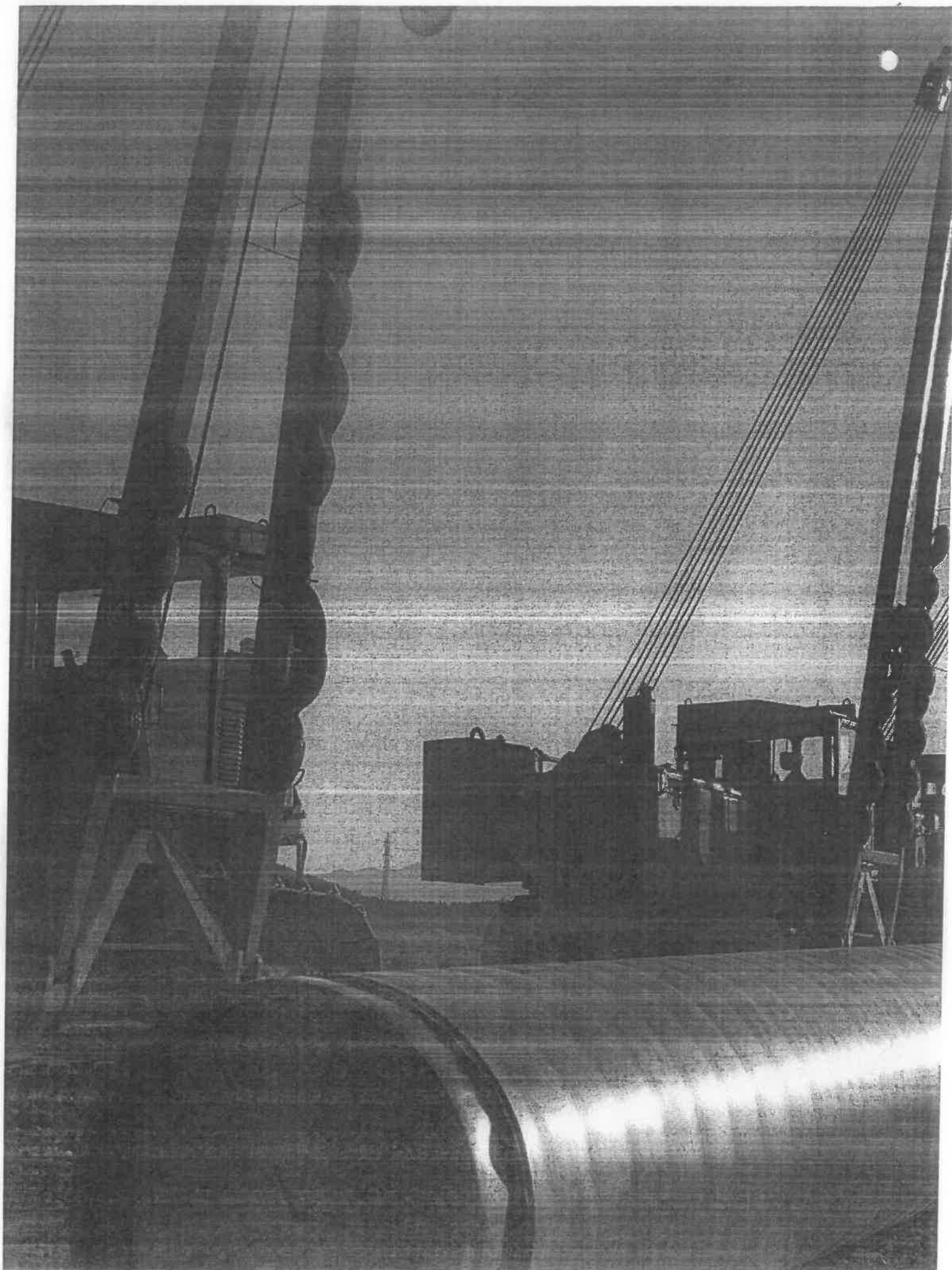
ENCLOSURES

- (i) Original paid bank challan evidencing payment of fee;
(ii) Memorandum of Association;
(iii) Articles of Association, where applicable;
(iv) Copies of valid CNIC/NICOP of the subscribers/directors/chief executive officer or copy of Passport in case of a foreigner;
(v) Copy of valid CNIC/NICOP of Nominee only in case of single member company or copy of Passport in case of a foreigner;
(vi) Copy of valid CNIC of witness in case of physical filing;
(vii) NOC/Letter of intent/ License (if any) of the relevant regulatory authority in case of specialized business;
(viii) Authority letter for filing of documents for the proposed company on behalf of the subscribers as per requirement of clause (vi) of sub-regulation (2) of regulation 6;
(ix) Copy of valid CNIC/Passport of person duly authorized by the Board of directors of a body corporate which is a subscriber. Further, along with copy of Board resolution along with and attendance sheet duly authorizing the representative. In case of a subscriber which is a limited liability partnership, copy of valid NIC/ Passport of designated partner empowered to act as such, along with copy of instrument empowering him;
(x) In case the subscriber is a foreign company or a foreign body corporate, the profile of the company, detail of its directors, their nationality and country of origin, certified copy of its charter, statute or memorandum and articles etc.
(xi) In case of foreign subscriber officer, an undertaking on stamp paper of requisite value duly signed, notarized and witnessed to the effect that in case name of subscriber/officer is not security cleared by MoI, the subscriber/officer and the company, shall take immediate steps for replacement and shall transfer shares if any, held by the subscriber.



**PERSEVERE
PROGRESS
PROSPER**

ANNUAL REPORT 2021





ABOUT THE COVER

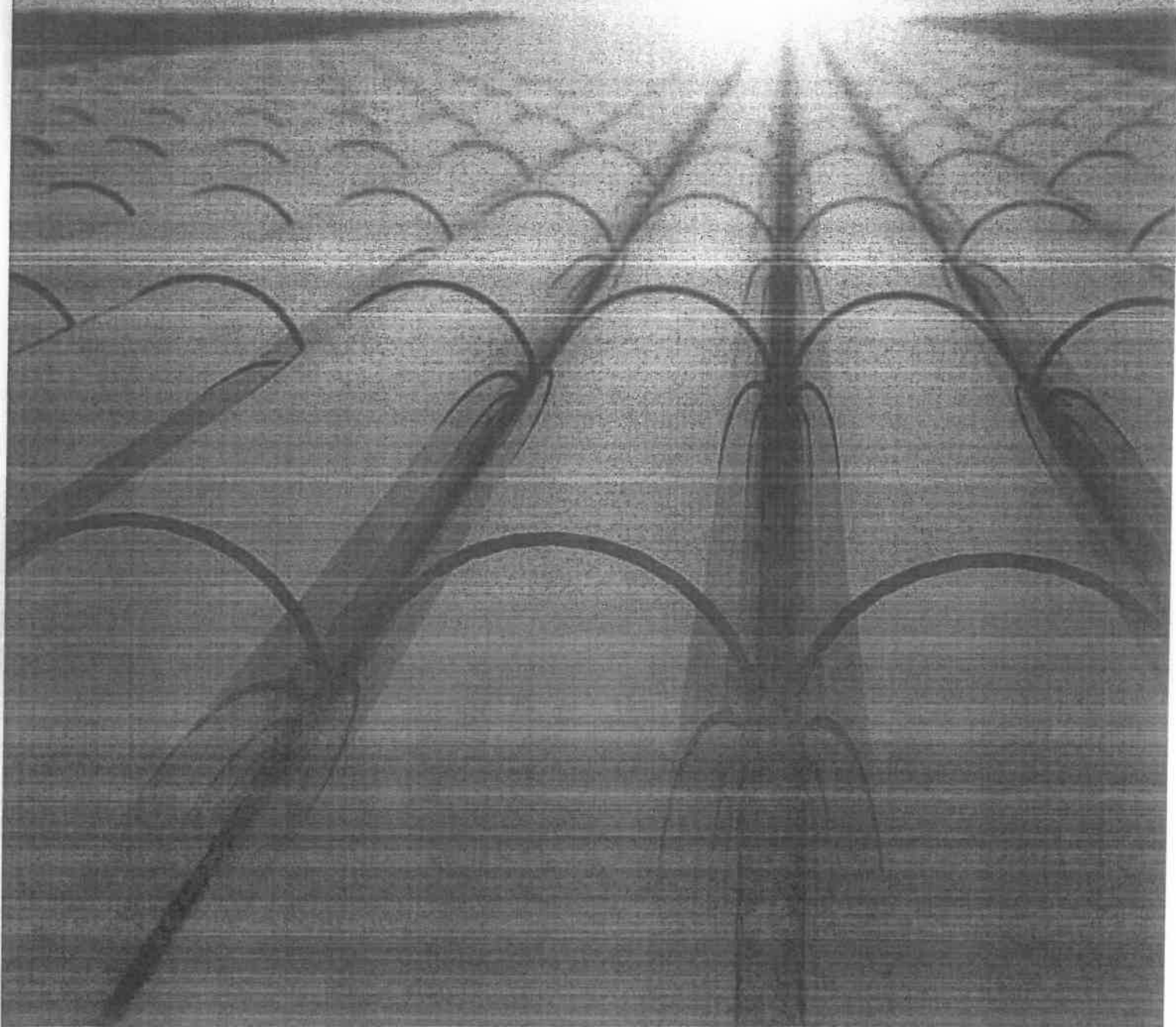
The last several years have been taxing for the Company. A number of internal and external factors have been contributing to a negative financial bottom line. The good news is that the Company and its people did not let tough times get in its way as they persevered relentlessly to rejuvenate and recuperate. The cover page reflects just that – relentless commitment to do the right thing, not just for the Company itself, but for its more than 3 million customers across Sindh and Balochistan.

VISION

To be a model utility providing quality service by maintaining a high level of ethical and professional standards and through optimum use of resources.

MISSION

To meet the energy requirements of customers through reliable, environment-friendly and sustainable supply of natural gas, while conducting business professionally, efficiently, ethically and with responsibility to all our stakeholders, community and the nation.



COMPANY INFORMATION BOARD OF DIRECTORS

AS ON JUNE 30, 2021

Dr. Shamshad Akhtar

Chairperson (Independent, Non-Executive Director)

Mr. Muhammad Raziuddin Monem

Director (Independent, Non-Executive Director)

Mr. Faisal Bengali

Director (Independent, Non-Executive Director)

Ms. Nida Rizwan Farid

Director (Independent, Non-Executive Director)

Mr. Mathar Niaz Rana

Director (Non-Executive Director)

Mr. Hassan Mehmood Yousufzai

Director (Non-Executive Director)

Dr. Ahmed Mujtaba Memon

Director (Non-Executive Director)

Dr. Sohail Razi Khan

Director (Independent, Non-Executive Director)

Mr. Manzoor Ali Shaikh

Director (Non-Executive Director)

Mr. Zuhair Siddiqui

Director (Independent, Non-Executive Director)

Mr. Ayaz Dawood

Director (Independent, Non-Executive Director)

Managing Director (Executive Director)

Mr. Imran Maniar

Company Secretary

Mr. Shoaib Ahmed

Auditors

M/s. BDO Ebrahim & Co., Chartered Accountants

Registered Office

SSGC House

Sir Shah Suleman Road,

Gulshan-e-Iqbal, Block-14,

Karachi - 75300, Pakistan.



Contact Details

Ph: +92-21-9902-1000-50

Fax: +92-21-9923-1702

Email: info@ssgc.com.pk

Web: www.ssgc.com.pk

 ssgc.official |  ssgc_official

Share Registrar

CDC Share Registrar Services Limited,

CDC House, 99-B, Block B, S.M.C.H.S.

Main Shahrah-e-Faisal, Karachi, Pakistan.

Ph: 021-111-111-500 | **Fax:** 021-34326034

Legal Advisor

M/s Orr, Dignam & Co. Advocates

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CORE VALUES

TEAMWORK EXCELLENCE
INTEGRITY

TRANSPARENCY
RESPONSIBILITY
TO STAKEHOLDERS
CREATIVITY

BOARD OF DIRECTORS AND COMMITTEES

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BOARD OF DIRECTORS

AS ON JUNE 30, 2021



Dr. Shamshad Akhtar
Chairperson



Mr. Muhammad Raziuddin Monem
Director



Mr. Faisal Bengali
Director



Ms. Nida Rizwan Farid
Director



Mr. Mathar Niaz Rana
Director



Mr. Hassan Mehmood Yousufzai
Director



Dr. Ahmed Mujtaba Memon
Director



Dr. Sohail Razi Khan
Director



Mr. Manzoor Ali Shaikh
Director



Mr. Zuhair Siddiqui
Director



Mr. Ayaz Dawood
Director



Mr. Imran Maniar
Managing Director
(Executive Director)

PRESENT BOARD OF DIRECTORS



Dr. Shamshad Akhtar Chairperson

Dr. Shamshad Akhtar has had a broad-based development career in leading national and multilateral organizations spanning over 39 years. She served as the Governor of State Bank of Pakistan from 2006 to 2009, Under Secretary General of the Economic and Social Commission of the Asia and Pacific (UNESCAP), Senior Special Advisor on Economics and Finance and Assistant Secretary General UN, the UN Secretary General's G20 Sherpa and Vice President, Middle East and North Africa (MENA) at The World Bank. She was also Senior Special Advisor to the President of Asian Development Bank (ADB). In 2018, Dr. Shamshad Akhtar served as Federal Minister of Finance, Revenue, Economic Affairs, Statistics Division, Planning and Development as well as Industry and Commerce areas in Pakistan's caretaker government. Dr. Shamshad has advised various governments and the private sector in specific areas of development, governance, poverty, privatization, and public-private partnerships in numerous sectors. As Governor of State Bank of Pakistan, she was nominated Asia's Best Central Bank Governor by the Emerging Markets Group in 2006 and Bankers Trust in 2007. She was also amongst Asian Wall Street Journal's top ten Women Business Leaders in 2008. Dr. Shamshad is a Chairperson of Karandaaaz, a not-for-profit Company that focuses on fostering economic growth and creating jobs through financial inclusion of unbanked individuals and unserved enterprises, with a special focus on women and youth. She was a Post-Doctoral Fellow and U.S. Fulbright Scholar at Department of Economics, Harvard University. The learned Doctor is also a PhD Economics from University of Paisley, UK, Masters of Arts with Degree in Development Economics from the University of Sussex, UK and MSc (Economics) from the University of Islamabad and Bachelor of Arts (Economics) from the University of Punjab.



**FINANCIAL STATEMENTS
OF
SUI SOUTHERN GAS COMPANY LIMITED
FOR THE YEAR ENDED
JUNE 30, 2022**

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.



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Sarwar Shahed Road
Karachi-74200
Pakistan

Mr. Imran Maniar
Managing Director
Sui Southern Gas Company Limited
ST-4/B, Block-14, Sir Shah Suleman Road
Gulshan-e-Iqbal
Karachi, 75300

14 March, 2023
S-211/AA-0912/22

DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Dear Sir,

We are writing to communicate to you matters which have been identified so far in relation to our audit of the draft financial statements of Sui Southern Gas Company Limited (the Company) for the year ended June 30, 2022. These unaudited draft financial statements, which have been initialed by us for the purpose of identification only, being presented to you, have been prepared by management solely for the submission to the Oil and Gas Regulatory Authority (OGRA) for the purpose of determination of Final Revenue Requirement (FRR) of the Company for the year ended June 30, 2022.

We draw your attention to the following matters which may have an impact on the draft financial statements and our report to the members, at the time of issuing statutory financial statements. As per past practice, management will finalize the financial statements after OGRA determines the Revenue Requirements of the Company for the year ended June 30, 2022.

We also understand that the determination of OGRA on Motion for Review (MFR) of FRR for the year 2021 and Final Revenue Requirements for the financial year 2022 may have an impact on certain amounts and disclosures reported and presented respectively in the draft financial statements.

1. RESPONSIBILITIES OF THE AUDITORS AND THE MANAGEMENT IN RELATION TO THE COMPANY'S DRAFT FINANCIAL STATEMENTS

The responsibilities of the independent auditors in a usual examination of draft financial statements which are stipulated in section 249 of the Companies Act, 2017 and International Standards on Auditing. While the auditors are responsible for forming and expressing their opinion on the financial statements upon its finalization, the responsibility for preparation of such statements is primarily that of the Company's management.

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BDO Ebrahim & Co. Chartered Accountants

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The management's responsibilities include the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. The audit of draft unconsolidated financial statements does not relieve the management of its responsibilities.

2. FINAL REVENUE REQUIREMENTS

While determining the guaranteed return of the Company, management has considered 17.43% per annum return on net average operating fixed assets of the Company (net of deferred credit) for the year, excluding financial and other non-operating expenses and non-operating income in accordance with the OGRA's new Tariff Regime for Regulated Natural Gas Sector in Pakistan dated June 01, 2018.

Under the new tariff regime, effective from the month of July 2018, the management has claimed a 50% share of income from the sale of LPG and NGL, gas condensate, and profit from meter manufacturing plant in accordance with OGRA decision on ERR for financial year 2019 dated June 21, 2018. Consequent to the change in tariff regime, management has excluded 50% of average fixed assets earmarked for the generation of income from the sale of gas condensate, and meter manufacturing for the determination of guaranteed return.

OGRA in its decision dated November 24, 2022, has disallowed certain expenses and return on assets amounting to Rs. 63,312 million. These disallowances amount include UFG, RLNG volume handling claims up to FY 2020-21, impairment loss against financial assets, prior period claims and others amounting to Rs. 1,052 million, Rs. 52,552 million, Rs. 1,322 million, Rs. 8,246 million and Rs. 140 million respectively. The Company has already filed MFR dated December 23, 2022 with OGRA.

3 MATTER THAT MAY IMPACT OUR AUDIT OPINION

3.1 Receivables from K-Electric Limited (KE)

Trade debts include Rs. 29,652 million (2021: Rs. 30,931 million) receivable from K-Electric Limited (KE) against the sale of indigenous gas, which is overdue as at June 30, 2022.

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As disclosed in note 30.1 of the draft financial statements, the Company filed a suit against KE in the High Court of Sindh in November 2012, for recovery of Rs. 55,705 million including outstanding dues amounting to Rs. 45,705 million on account of the supply of gas at the time when the case was filed. KE has also filed a case against the Company in the High Court of Sindh for recovery of damages/losses of Rs. 61,614 million as KE claimed that the Company had not supplied the committed quantity of natural gas to KE. However, the legal counsel of the Company is of the view that the claim of KE is not valid and is not as per the terms of the agreement.

As at June 30, 2022, the aggregate legal claim of the Company from KE amounts to Rs. 151,293 million (2021: Rs. 132,424 million). This amount has been arrived at as per the practice of the Company to charge Late Payment Surcharge (LPS) from customers who do not make timely payments. (Further details have been disclosed in para 1 of Annexure A).

Management informed us that it has been agreed during various meetings to appoint a firm of Chartered Accountants to reconcile the balances appearing in their respective books which is still pending. Further, the signed TOR dated August 07, 2018, has been shared with the management of KE by the Company, however, no response has yet been received from KE.

In view of the dispute with KE on LPS and the large accumulation of overdue amount included in the receivables, the audit report had been qualified for the financial year 2021 and we intend to include appropriate qualification in our draft audit report for the financial year 2022 as we are unable to determine the extent to which the receivable amount is likely to be recovered and time frame over which such recovery will be made.

3.2 Receivables from Pakistan Steel Mills Limited (PSML)

Trade debts includes Rs. 25,312 million (2021: Rs. 24,699 million) receivable from PSML including overdue amount of Rs. 25,231 million (2021: Rs. 24,622 million).

As disclosed in note 30.2 of the draft financial statements, the Company filed a suit in the High Court of Sindh in April 2016, for recovery of its aggregate claim amounting to Rs. 41,354 million up to February 2016 along with LPS. PSML has filed its counterclaim of Rs. 38,660 million approximately on account of losses due to low gas pressure provided to PSML from March 2015 to December 2016.



As at June 30, 2022, the aggregate legal claim of the Company from PSML amounts to Rs. 82,214 million (2021: Rs. 74,417 million). This amount has been computed in accordance with the Company's policy to charge Late Payment Surcharge (LPS) from customers who do not make timely payments. (Further details have been disclosed in para 2 of Annexure A)

Currently Privatization Commission, Ministry of Industries & Production (MoIP) and Ministry of Energy (MoE) are working on a revival plan of PSML, SSGC is actively working with the team while safeguarding the interest of SSGC. Settlement through transfer / Lease of PSML's land to SSGC is under Legal and Financial due diligence..

Considering the adverse financial condition and dispute on LPS by PSML and large accumulation of overdue amounts, the audit report had been qualified for the financial year 2021 and we intend to include appropriate qualification in our draft audit report for the financial year 2022 as we are unable to determine the extent to which such receivable amount is likely to be recovered and the time frame over which such recovery will be made.

3.3 LPS receivable from SNGPL and WAPDA entities

During the year, the Company has recognized LPS income amounting to Rs. 1,136 million (2021: Rs. 1,136 million) and Rs. 383 million (2021: Rs. 327 million) from SNGPL and WAPDA entities, respectively. The LPS accrued as at June 30, 2022, as disclosed in note 33 to the draft financial statements, is Rs. 10,957 million (2021: Rs. 9,821 million) and Rs. 5,101 million (2021: Rs. 4,718 million) from SNGPL and WAPDA entities respectively.

The management has been charging LPS to these entities from the year 2009, however, no amount has been received so far.

A significant portion of such receivables includes overdue amounts, which have been considered good by the management and classified as current assets in the draft financial statements.

Due to disputes with SNGPL and WAPDA and large accumulation of their respective overdue amounts, in this regard we intend to include appropriate qualification in our draft audit report for the year ended June 30, 2022 on similar lines as the audit report for the year ended June 30, 2021 as we are unable to determine the extent to which the interest accrued amount is likely to be recovered and time span over which such recovery will be made.

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3.4 Receivable from Habibullah Coastal Power Company (Private) Limited (HCPCL)

As disclosed in note 34.2 and 34.2.1 of the draft financial statements, HCPCL invoked arbitration against the Company as per the article of Gas Sale Agreement (GSA) for short supply of gas by the Company and errors in previous billing to claim Rs. 3,067 million. In the instant arbitral proceedings, the Company filed a counter claim against HCPCL of Rs. 9,117 million which represented a claim on account of failing to take or pay for the gas made available to HCPCL, outstanding gas deposit and unpaid gas bills.

The decision of arbitration proceeding was issued by the International Court of Arbitration in favor of HCPCL, and the Company was required to pay to HCPCL as a final reward for Liquidated Damages (LDs), Interest on LDs and Legal & Professional charges which were adjusted by HCPCL against running gas bills raised by the Company. (Further details of the matter are disclosed in para 3 of Annexure A).

Earlier in January 2018, the Company approached Ministry of Energy (Petroleum Division) regarding waiver of LDs claimed by WAPDA / CCPA-G from HCPCL against non-supply of Electricity to WAPDA which was being passed to the Company by HCPCL. The matter was submitted to Economic Coordination Committee of the Cabinet (ECC) of the Federal Cabinet who in its meeting held on February 07, 2018 approved in principle, the proposal regarding waiver of liquidated damages claimed by CPPA-G to HCPCL till June 30, 2017 with the direction to Petroleum Division to work out modalities in consultation with stakeholders. Accordingly, LDs were recorded as receivable from HCPCL.

As a tripartite agreement between parties is under discussion hence, in absence of any agreement between the relevant stakeholders, there is no contractual rights to receive cash or financial assets from HCPCL and the requirements of IFRS 9 are not met. Accordingly, the audit report had been qualified for the financial year 2021 in this respect and we intend to include appropriate qualification in our audit report for the financial year 2022.

4. MATTERS THAT WE MAY CONSIDER AS KEY AUDIT MATTER IN AUDIT REPORT

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Below are the Key audit matters that may be incorporated in our audit report.

- Revenue including Final Revenue Requirement (FRR)
- IT system and control
- Contingencies in respect of claims and litigations
- Employee benefits obligation



5. MATTERS THAT MAY REQUIRE EMPHASIS IN THE AUDIT REPORT

5.1 Jamshoro Power Company Limited (JPCL)

Jamshoro Power Company Limited (JPCL) lodged an aggregate claim amounting to Rs. 144,120 million which includes Rs. 44,990 million on account of the short supply of gas and due to utilization of alternate fuel amounting to Rs. 99,130 million under the provisions of an agreement dated April 10, 1995, between the Company and JPCL and Rs. 5.79 million for the alleged low Gas Calorific Value (GCV) measurement for the period from January 2002 to December 2002 and for the month of February 2003 as compared to the actual GCV billed by the Company.

The Ministry of Petroleum and Natural Resources (the ministry) vide its letter dated April 25, 2017, also directed that the outstanding issues pertaining to the claims by JPCL shall be resolved and the Ministry has proposed that a committee be constituted comprising of members from two companies and the other concerned Ministries to resolve the matter as it involves parties who represent/relate to the Government of Pakistan.

No provision has been made against the said claims as management is confident that ultimately these claims will not be payable. Further, management believes that in case the matter is decided against the Company, the entire amount will be claimed from OGRA in the determination of revenue requirements of the Company.

Due to the significance of the matter, we intend to highlight this as an emphasis of the matter paragraph in our draft audit report.

5.2 Impact on Sales tax and income tax refunds due to UFG disallowance

The tax authorities have issued notices for various tax years up to the tax year 2019, in respect of disallowance of UFG expense and input tax pertaining to UFG over and above the benchmark set by the OGRA amounting to Rs. 43,983 million and 13,110 million respectively. (Further details have been disclosed in para 4 of Annexure A).

We understand that the above matter is of significant importance for the financial viability of the Company since based on the above issue, the tax authorities have also withheld the tax refunds (Income tax and Sales tax) of the Company, which aggregate to Rs. 57,007 million as at June 30, 2022 (2021: Rs. 57,061 million).

Due to the significance of the matter, we may consider to highlight this as an emphasis of the matter paragraph in our draft audit report.

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5.3 Recognition of Late Payment Surcharge expense on payment basis to Government Controlled Extraction and Production (E & P) Companies

As disclosed in note 19.1 of the draft financial statements, the Company has been accounting for LPS income from KE and PSML on a receipt basis on the basis of professional opinions obtained from the firm of Chartered Accountants and a legal counsel in the light of prevailing accounting pronouncements and legal parlance, with effect from July 1, 2012. However, LPS expense on outstanding bills of Government Controlled E & P Companies i.e. Oil and Gas Development Company Limited (OGDCL), Pakistan Petroleum Limited (PPL), and Government Holding (Private) Limited (GHPL) was being recognized on accrual basis to comply with the requirements of the Accounting Standards.

Therefore, management approached the Ministry of Petroleum & Natural Resources (MP & NR) who vide its letter dated January 03, 2017 allowed similar treatment of its LPS payable to Government Controlled E & P Companies due to special and unusual circumstances arising from the circular debt effective from July 01, 2012.

Accordingly, it has been decided that the Company will recognize LPS income and LPS expense on actual receipt and payment basis. As of the reporting date, the unrecognized accrued markup works out to be Rs. 131,988 million. (Further details have been disclosed in para 5 of Annexure A)

Due to the significance of the matter, we intend to highlight this as an emphasis of the matter paragraph in our draft audit report.

5.4 Unaccounted for Gas (UFG) and RLNG Volume Handling Claims

The Company had accumulated losses as at June 30, 2021. These losses were mainly attributable to a high percentage of UFG and its disallowance over and above the limit allowed by OGRA, disallowance of bad debts over and above the limit allowed by OGRA, and dismissal of the Company's petitions pertaining to Sindh High Court.

As disclosed in note 39.1.2 of the draft financial statements, UFG has been determined at 7.48% including RLNG volume handling based on the Key Monitoring indicators (KMI's) set by OGRA through its letter dated February 28, 2018 for determining guaranteed return of the Company for the current year.



Management has considered RLNG volumes while determining the gas volume available for sale and claimed an amount of Rs. 17,653 million in FRR petition for the financial year 2022 for volume handled during the year. The actual UFG of the Company would be 15.69% excluding RLNG volume handled during the year.

As per the UFG study report finalized by the firm of Chartered Accountants, the revised UFG allowance formula is gas volume purchased during the reporting period X factor [Base rate 5% + 2.6% based on KMI achievement]. Based on Independent Auditor's certificate issued by M/s. Crowe Hussain Chaudhury & Co. Chartered Accountants, management has claimed 96% achievement of the KMI's set by the OGRA resulting in a UFG benchmark / allowance of 7.50% (5% + 2.5%).

The RLNG volume handling claimed in FRR 2021 as tabulated below has been completely disallowed by OGRA through its decision dated November 24, 2022 on the ground that the Company's stance is technically unjustifiable. OGRA further stated that the dedicated pipeline is now operational therefore, the issue of handling RLNG (of SNGPL) by the Company in its distribution system and its impact on UFG, if any, no longer exists. Management has claimed RLNG Volume handling in its FRR FY 2022 as follows:

Description	Financial Year	Amounts in millions
RLNG Volume handling claimed	2021-22	17,653
	2020-21	14,230
	2019-20	12,967
	2018-19	13,051
	2017-18	8,066
	2016-17	4,238
Total		70,205

Economic Coordination Committee (ECC) in its meeting dated May 11, 2018, approved the summary submitted by the Petroleum Division under which the Company is allowed UFG based on RLNG handling basis (volumetric basis) in the sale price of RLNG in the form of distribution loss due to swapping arrangements and consumption of RLNG in its franchise area. The Company has pursued the same matter through the Ministry of Energy (Petroleum Division) to the Government via letter dated March 01, 2019.

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However, management believes that the amount disallowed by OGRA in its determination of FRR for year 2017, 2018, 2019, 2020, 2021 and 2022 in respect of RLNG volume handling is recoverable from OGRA and have claimed the same in the draft financial statements which amount to Rs. 70,205 million including current year RLNG volume handling claim.

If RLNG volume handling claims are disallowed by OGRA in the FRR determination for the year 2022, there would be a significant adverse impact on the results of operations and financial position of the Company. Hence, we would have to evaluate the validity of the going concern assumption.

6. OTHER OBSERVATIONS

6.1 Long outstanding Other Receivables / Deposits

During the course of audit, we have observed that the following amounts have been long outstanding.

Description	Amount Rupees in million
Receivable against Sale of Condensate	42.11
Recoverable From GOP In C/W Ziarat Earthquake Gas Loss	390.19
Debtors for Sale of IT Resources	11.31
Insurance deposits / Road restoration deposits	1.90
Total	445.51

Subsequent to year end, the Company has raised a credit note to M/s. Attock Refinery Limited to settle receivable against Sale of Condensate who has agreed to pay the balance of Rs. 10.9 million after consulting OGRA.

We recommend that management should take appropriate action to recover these balances from respective parties or consider these to write off.

6.2 Non-Renewal of Gas Transportation Agreements (GTA)

The Company entered into agreements with Oil and Gas Development Company Limited (OGDCL) and Sul Northern Gas Pipelines Limited (SNGPL) to use the Company's transmission pipelines for the distribution of gas. The terms of the agreements entered are for a substantial portion of the useful economic lives of the related assets. These agreements expired on June 30, 2013, and June 30, 2017 respectively. (Further details have been disclosed in para 6 of Annexure A).

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BDO Ebrahim & Co. Chartered Accountants

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Ref No. AE/ Gas/RA/16
Date: 1-September-2023

The Senior Registrar
Oil and Gas Regulatory Authority
54 – B, Fazal ul Road,
Blue Area,
Islamabad.

Attn. **Dr. Abdul Basit Qureshi**

**Subject: APPLICATION FOR GRANT OF LICENSE TO UNDERTAKE REGULATED ACTIVITY
OF "SALE OF NATURAL GAS"**

Dear Sir,

We are in receipt of the letter from Oil and Gas Regulatory Authority's (the Authority) letter bearing reference No: OGRA-6(1)-SSGCAE/NG.2022 dated 29 August 2023 on the captioned matter, addressed to the Chief Executive, SSGC Alternate Energy (Private) Limited (SSGC-AE). The contents of which have been noted and we respond to the same in seriatim as under:

- (i) Term Sheets with two of the E&P companies are at final stages of discussions for initialing and will be taken to next step with the acquisition of the requested license.

The negotiations with the Transporter (Sui Southern Gas Company Limited ("SSGC") for Third Party Access under the Pakistan Gas Network Code 2018., for use of Gas Pipeline Transportation System are in advance stages, as soon as OGRA issues the license to undertake the "Sale of Gas", we will enter into an Access Agreement with SSGC, which is a condition precedent from and on behalf of SSGC.

However, as a next step, SSGC-AE will issue a tender for the sale of gas on reverse competitive bidding basis wherein the 'highest compliant bidder' will be determined for execution of gas sales agreement. Therefore, pipeline access agreement cannot be furnished at this point in time because the location of the above referred 'highest compliant bidder' is not known.

- (ii) Following is the list of the fields and other relevant information that have been offered to SSGC-AE by various Exploration and Production Companies pursuant to the advertisements published in widely circulating Newspapers under the Public Procurement Rules 2004. In response to the referred tenders, five firms including major E&P companies namely OGDCL, PPL, PEL, Greesham and ENI submitted offers for the supply of

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SSGC Alternate Energy (Private) Limited

Wholly owned subsidiary of Sui Southern Gas Company Limited
St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
75300, Pakistan

unallocated gas from 10 gas fields having an equivalent aggregate volume of ~100 MMcfd.

- (iii) SSGC-AE intends to utilize the un-allocated gas fields which have remained dormant due to economic and commercial reasons which is primarily the high cost of processing required by the Exploration and Production (E&P) Companies to achieve pipeline quality parameters as defined by OGRA.

On the other hand, the natural gas market is set to welcome third party entrants with the promulgation of the OGRA (Third Party Access) Rules, 2018. In view of the rich experience and heritage available at SSGC, the company aims to contribute to the flourishing and liberalization of the de-regulated gas market while adding to the development and competitiveness of the sector. Moreover, gas from the afore-referred un-allocated fields shall be purchased on negotiated market price and sold at de-regulated prices / negotiated market price. The said is not possible for SSGC within the scheme of arrangement under the regulated environment.

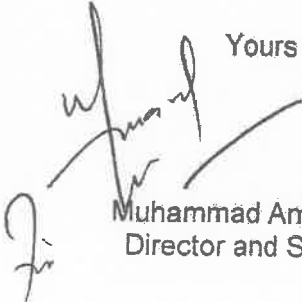
Accordingly, SSGC-AE shall operate through a separate license from OGRA as a 'shipper' from to undertake the above described business.

- (iv) Please note that SSGC Alternate Energy ("SSGC-AE") was incorporated under section 16 of the Companies Act 2017 on 18th September 2022. SSGC-AE accounts remain un-audited. We would like to enclose the final accounts of FY 2020-21 and initialed accounts of FY 2021-22 of the parent company M/s. Sui Southern Gas Company Limited. As soon the FRR of FY 2021-22 will be finalized by the Authority, quarterly accounts of the subsequent year will be shared with the authority.

In view of the above clarification, please feel free to contact us if your good-self requires any further clarity. SSGC AE will appreciate if the Authority give us an opportunity to discuss any pending issue via Zoom link to resolve in timely manner.

We look forward to a receiving a positive response.

Yours sincerely,


Muhammad Amin Rajput
Director and Subscriber

SSGC ALTERNATE ENERGY (PVT) LTD
(A wholly-owned Subsidiary of SSGCL)

FINANCIAL STATEMENTS
FROM THE DATE OF INCORPORATION TILL JUNE 30, 2023

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SSGC ALTERNATE ENERGY (PVT) LTD
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

	2023 -----Rupees-----
ASSETS	
Non-Current Assets	
Preliminary Expenditures	10,215
Current Assets	
Balance with bank	20,470,545
	20,470,545
Total Assets	20,480,760
EQUITY & LIABILITIES	
Equity	
Authorized Share Capital	20,000,000
Paid-up Share Capital	-
Unappropriated Profit/Loss	(4,166,946)
Liabilities	
Advance Against Share Capital	20,000,000
Payable to SSGC	4,647,706
	24,647,706
Total Equity & Liabilities	20,480,760



Director



Director

SSGC ALTERNATE ENERGY (PVT) LTD**STATEMENT OF PROFIT AND LOSS****FROM THE DATE OF INCORPORATION TILL JUNE 30, 2023**

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2023**-----Rupees-----**

Bank Charges	(1,695)
Salary Expenses	(4,417,939)
Legal Fees	(150,000)
Advertisement Expenses	(69,552)
	(4,639,186)
Other Income	555,577
Net income / (loss) for the year	(4,083,609)
Financial Charges	-
Net profit / (loss) before tax	(4,083,609)
Taxation	(83,337)
Net profit / (loss) after tax	(4,166,946)
Loss per share (Rs)	-

**Director****Director**

SSGC Alternate Energy (Private) Limited

Wholly owned subsidiary of Sui Southern Gas Company Limited
St-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
75300, Pakistan

Ref No. AE/GAS/RA-15
Date: 07-September-2023

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The Senior Registrar,
Oil and Gas Regulatory Authority,
54 – B, Fazal ul Road,
Blue Area,
Islamabad.

Attn. **Mr. Shahzad Iqbal**
Senior Executive Director (Gas)

**Subject: APPLICATION FOR GRANT OF LICENSE TO UNDERTAKE REGULATED ACTIVITY
OF "SALE OF NATURAL GAS"**

Dear Sir,

Further, to our letter bearing reference No: AE/GAS/RA/16 dated 1-Sep-2023 and the subsequent zoom meeting held on Monday, 4-Sep-2023 on the captioned matter and pursuant to the directions conveyed therein, we provide the following documentation for kind perusal:

- i) Enclosed herewith is the document depicting the business plan of SSGC-Alternate Energy (SSGC-AE) in connection with the **Un-Allocated Gas Fields**. Marked as "**Annexure-A**" alongside graphical representation of the same as "**Annexure-B**".
- ii) Certificate duly issued by Sui Southern Gas Company Limited evidencing negotiations for Third Party Access under the Pakistan Gas Network Code 2018 for the use of Gas Pipeline Transportation System marked as "**Annexure-C**".
- iii) List of the Gas Fields as offered by various Exploration and Production Companies in response to the advertisements published by SSGC-AE with details marked as "**Annexure-D**".
- iv) SSGC-AE is in the process of hiring a Consultant whom shall determine a "bench mark/ floor" price for the sale of Natural Gas to SSGC-AE Customers. Consequently, SSGC-AE will issue a tender for the sale of gas on reverse competitive bidding basis wherein the 'highest compliant bidder' will be determined for execution of Gas Sales Agreement. Therefore, as submitted, at this stage the Gas Sales Agreement / Memorandum of Understanding cannot be furnished at this point in time because the location of the above referred 'highest complaint bidder' is not known. However, it is expected that the consumers of SSGC-AE will be from power, captive power and general industry sectors.
- v) Relevant details as required under Rule-4(3), 4(4) and 4(5) of NGRA Licensing Rules 2002 are attached as "**Annexure-E**".

Please feel free to contact us if your good-self require further clarification. We look forward to a receiving a positive response.

Kind regards

Yours Sincerely,

Muhammad Amin Rajput
Director and Subscriber



SSGC (Gas)
SSGC (Petroleum)

13/9/23

BUSINESS PLAN – UNALLOCATED GASES

1. Introduction

Incorporated under the Companies Act, 2017, SSGC Alternate Energy (Private) Limited (SSGC-AE) is a wholly owned subsidiary of Sui Southern Gas Company Limited (SSGC).

SSGC AE's areas of business include sale and purchase of unallocated gas volumes, production and sales of biogas/ bio-methane, production, transportation and sales of nitrogen and hydrogen gases, production of gas from coal, as well as power generation from renewable and conventional sources besides other innovative and alternate businesses in and around energy sector.

SSGC-AE benefits from the rich legacy of technical and managerial competency available at SSGC.

2. Objective

To bring unallocated gases to the market at competitive and suitable rates for the benefit of E&P, Gas Marketer, Transporter and End-Consumer. This business plan is expected to be hugely beneficial in improving energy security for the country.

3. Opportunity

A number of discovered gas fields remain unallocated to the two Sui Companies primarily owing to the lack of financial viability at policy prices.

4. Purchase of Unallocated Gas

Subject to business needs, SSGC-AE will procure gas of varying quality and quantity from unallocated sources through tendering process with press publications under the provisions of Rule 42 d (i.e. Negotiated Tendering) of the Public Procurement Rules 2004, in a transparent manner through long-term contracts at negotiated rates. The purchased volumes will be delivered to SSGC-AE customers through the existing pipeline operators under Access Arrangements in accordance with OGRA TPA Rules, 2018 with the application of PGNC.

5. Processing

In cases where E&P firms are not willing to invest on gas processing to meet the required specifications, SSGC-AE can arrange processing through rental equipment or through third party service providers.

6. Payments

SSGC-AE offers flexibility of payments by either SSGC-AE or by the customers/ end-users through escrow accounts.

7. Scale of Business

SSGC-AE has received profiles offering supply of gas amounting to a cumulative volumetric rate of over 200 MMSCFD in just the first two bidding rounds conducted so far.

8. Policy Perspective

Almost all Petroleum Policies envisage sale of Gas/ Oil production to third parties. However, in some cases, it is conditional to 'Government's first-right-of-refusal'. Upon request, SSGC-AE has prepared and forwarded a 'Draft-for-Policy' to the Ministry of Energy – Petroleum Division in respect of utilization of unallocated gas fields.

9. Legal Analysis

Based on internal and external feedback and to perform due-diligence, SSGC-AE hired the services of an expert legal consultant (M/s. LMA) who have reviewed the holistic queries in this respect in a comprehensive manner and have concluded that:

- (i) E&P companies can sell gas to SSGC-AE at negotiated rates under the 'Sale to third party' provisions of Petroleum Policy(ies);
- (ii) SSGC-AE can procure natural gas volumes from the Unallocated Gas fields pursuant to rule 42 d (ii) of the Public Procurement Rules, 2004 and also in accordance with prevailing policies / guidelines of the Government of Pakistan.
- (iii) SSGC-AE can sell gas to its customers through Access Arrangements with existing pipeline operators under OGRA Third Party Access Rules 2018 with the implementation of Pakistan Gas Network Code.

10. License

In order to comply with the statutory and other codal formalities, License from OGRA has been applied for by SSGC-AE and is expected to be issued soon. Multiple rounds of queries by OGRA have been satisfactorily responded.

11. Role of MoE

The concept and business plan for marketing of unallocated gases by SSGC-AE has been shared through in-person meetings with the highest level officials at MoE as well as at the Ministerial

Level. Details of the business plan have been submitted in writing before the MoE vide SSGC's Letter to DG Gas. MoE's Response states that matters pertaining to gas allocation will be dealt as per policies/ guidelines.

12. Sale price

SSGC-AE is open to purchase unallocated gases with diversified quality, quantity and transportation expenses, therefore determination of appropriate gas sale price is a key business concern. Accordingly SSGC-AE is in process of hiring an expert consultancy firm so as to develop a rigorous model for determination of appropriate gas price/tariff.

13. Sale through Competitive Bidding

Based on the sales gas price model determined by the consultant, SSGC-AE envisages to offer gas volumes to prospective consumers on open-competitive (reverse) bidding basis i.e. the bid offering highest rate will be selected.

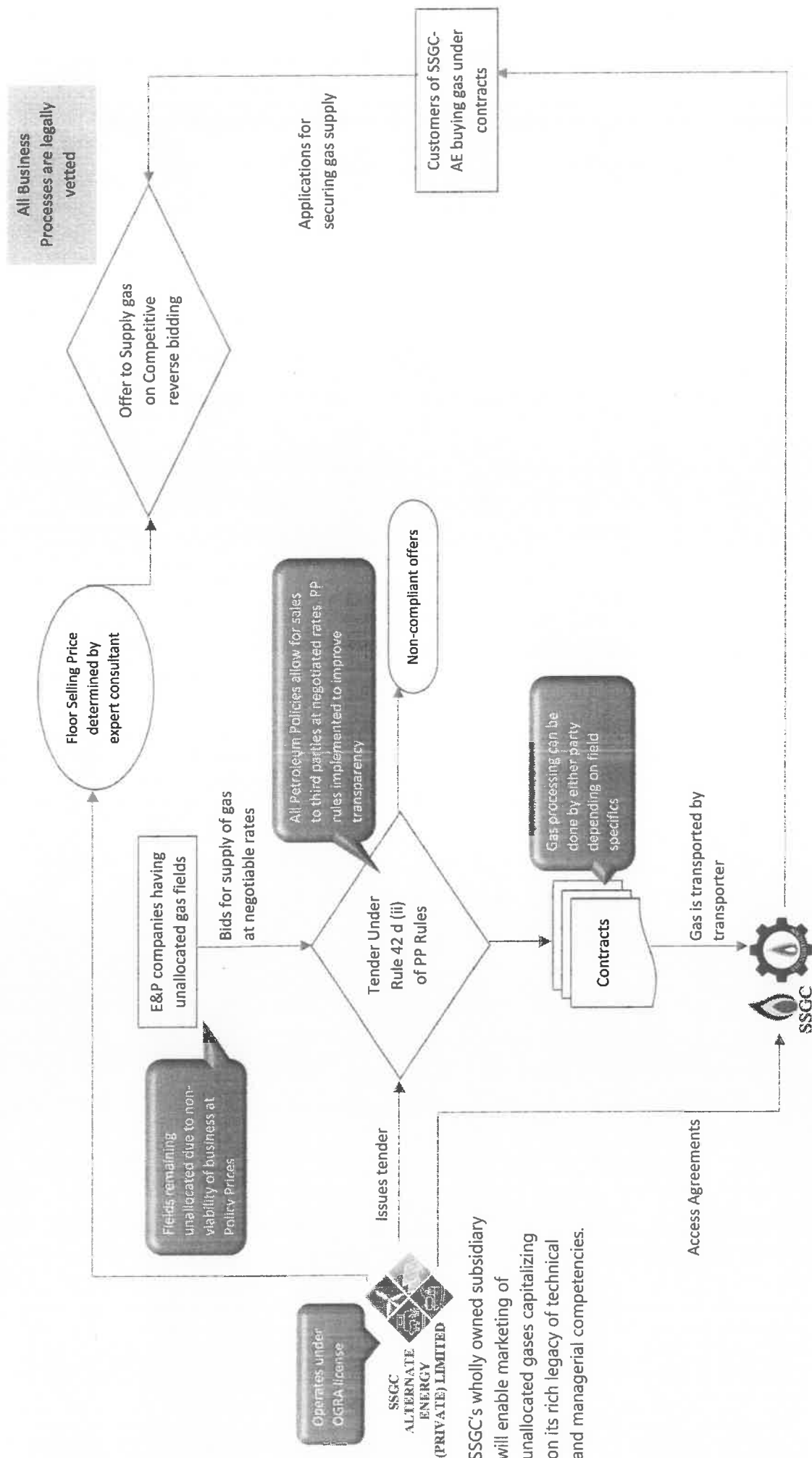
14. Gas Sale Agreements

All gas sales by SSGC-AE will be carried out under the Gas Sale Agreements to ensure and to safeguard the company's interests as well as those of its partners.

15. Gas Transportation/ Access Arrangements

SSGC-AE has initiated discussions with SSGC for formalization of 'Network Access Agreement' for transportation of SSGC-AE's gas volumes to its customers.

One-Page Explainer - Business Plan for Unallocated Gases



Annex - C



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SSGC

Sui Southern Gas Company Limited

September 4th, 2023

TO WHOM IT MAY CONCERN

It is hereby confirmed that Sui Southern Gas Company Limited ("SSGC") and SSGC Alternate Energy ("SSGC-AE") are at advanced stage of negotiations in respect of finalization of the Third Party Access (TPA) arrangement for utilization of Pipeline Network subject to SSGC-AE having a valid license issued by Oil and Gas Regulatory Authority ("OGRA") for the sale of Natural Gas.

Ghulam Moeen Butt
ASGM (Technical Services)

GHULAM MOEEN BUTT
ASGM (Technical Services)

Amex - D

UN-ALLOCATED GAS FIELDS OFFERED TO SSGC-AE

Supplier	Offered Field	Volume, MMSCFD	Field Life	Specifications
		(Start – End)	(Yrs)	
PEL	Zainab	10 – 1.6	5	OGRA compliant
ENI	Lundali	10 - 4	1	26% N2 and 50 lb/mmcsf water
OGDCL	Zin	36 - 7	25	44% CO2, 15.6% N2, 406 BTU/SCF
	Jandran & Jandran West	14 – 1.5	12	2.4% CO2, 1.4% N2, 982 BTU/SCF
	Dhodak Deep	10 - 1.7	10	26% CO2, 10.3% N2, 690 BTU/SCF
	Sara West	60 – 6.7	25	64% CO2, 23.7% N2, 127 BTU/SCF
PPL	Savi - Ragha	10 - 3	9	1% CO2, 3% N2, 1159 BTU/SCF
	Morgandh	10 - 5	7	13% CO2, 35% N2, 550 BTU/SCF
	Hatim Faiz	50 – 4.8	17	26% CO2, 30% N2, 475 BTU/SCF
	Naushero Firoz	2	6	12.5% CO2, 15.6% N2, 772 BTU/SCF
PEL	Badin-IV South	~10	Under Evaluation	OGRA compliant
Total		212- 38		

Requirement	Input
Sub Rule (3)	
(a) Attested copies of the memorandum and articles of association of the applicant;	Attested copy of applicant's Memorandum and Articles of Association are enclosed herewith.
(b) Attested copy of applicant's certificate of commencement of business;	Not applicable
(c) Attested copy of the latest yearly submission to the Registrar of Companies;	Not applicable
(d) Attested copy of the latest audited half yearly financial statement of the applicant;	SSGC-AE was incorporated under section 16 of the Companies Act, 2017 on 18 September 2022. SSGC-AE accounts remain un-audited. Kindly note that as soon as the FRR (of SSGC) for the year 2021 -22 will be finalized by the Authority, Quarterly accounts of the subsequent year will be accordingly shared with the Authority.
(e) Attested copy of the corporate authorization allowing the submission of the application;	The application has been made by the Chief Executive Officer which is the highest corporate position within SSGC AE, hence authorization letter is not applicable.
(f) In 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;	Complied.
(g) 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;	At the present stage, SSGC AE will only engage in the procurement and sale of natural gas volume as a shipper of gas under the Third Party Access Rules. Therefore, the referred consents, wherever applicable, are required by the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
(h) Details of the technical and financial expertise and resources available for carrying out the relevant regulated activities;	Being a wholly owned subsidiary of Sui Southern Gas Company Limited, SSGC AE enjoys a rich and unparalleled heritage of technical and financial expertise natural gas transportation. At present, the required qualified and well experienced resources are being deputed from Sui Southern Gas Company Limited (for which, all relevant details are already available with the Authority). Moreover, in later stages, dedicated resources would be provided and the information pertaining to same would be accordingly provided to the Authority.

Requirement	Input
(i) Details of the resources and expertise to handle emergency situations arising out of natural calamities, accidental or criminal acts, or omissions, specifying which such resource are available and which are to be procured;	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules. Therefore, the referred resources and expertise are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
(j) A list of names and business addresses of the applicant's senior management, including without limitation, departmental and/or divisional heads;	The names and business addresses of the permanent senior management are under process of finalization.
(k) If any of 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.
(l) A list of all other applications, petitions or filings filed by the applicant which are pending 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 the application and of any material effect the grant or denial of this application will have on those other applications, petitions or filings;	No previous applications, petitions or filings filed by the applicant are pending before the Authority.
(m) Details of the following marketing data— (i) an estimate of the volume of natural gas to be transmitted, distributed or sold; (ii) number and consumption details of consumers; (iii) the applicant's total annual peak day natural gas requirement (iv) total past (if applicable) and expected curtailments by the applicant; and	(i) 20 MMSCFD within FY 2022-23 and up to 50 MMSCFD within FY 2023-24 (ii) Customer/ market analysis is under progress. Details as available, shall be shared with the Authority. (iii) Customer/ market analysis is under progress. Details as available, shall be shared with the Authority. (iv) Not applicable.
(n) such other information or 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 complied
<u>Sub Rule (4)</u>	At present, SSGC AE is not planning to lay or operate any transmission facilities and will only

Requirement	Input
(a) maps issued or certified by the Survey of Pakistan, drawn to an appropriate scale showing details of areas where the transmission facilities are or are proposed to be located and principal geographical features of the said area, including without limitation, details of mountains, rivers, streams, roads, buildings or construction and habitation;	engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules.
(b) details of the sources and quality of supply of natural gas including forecast of the available quantity from such sources;	At present, SSGC AE is engaging with multiple sources for unallocated gas. Details of agreements as will be materialized shall be shared with the Authority accordingly.
(c) details of how the applicant proposes to meet the safety and service obligations prescribed by the Authority;	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules. Therefore, the referred safety and service obligations are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
(d) details of the capacity and estimated throughput, of the transmission facilities, per annum for ten years following the proposed grant of the license; and	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access (TPA) Rules and Pakistan Gas Network Code 2018. Therefore, the referred capacity and throughput requirements are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
(e) Technical specifications of the transmission facilities (existing and proposed), including without limitation, specifications for the design, construction, operation and maintenance of the facilities.	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules and Pakistan Gas Network Code 2018. Therefore, the referred technical specifications obligations are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
<u>Sub Rule (5)</u> (a) maps issued or certified by the Survey of Pakistan, drawn to an applicable scale showing the territory within which the applicant wishes to distribute and sell natural gas; details of areas where the distribution facilities are or are proposed to be located giving the principal geographical features of the said area, including without limitation, details of roads, buildings or construction and habitation; and details of proposed connections and inter-connections with	SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules and Pakistan Gas Network Code 2018. Details of existing transmission networks owned by 'transporter' company (ies) are already available with the Authority.

Requirement	Input
the transmission and distribution facilities of other licensees;	
(b) details of the sources and quality of supply of natural gas including forecast of the available quantity from such sources;	At present, SSGC AE is engaging with multiple sources for unallocated gas. Details of agreements as and when be materialized shall be shared with the Authority.
(c) details of how the applicant proposes to meet the safety and service obligations prescribed by the Authority; and	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules and Pakistan Gas Network Code 2018. Therefore, the referred safety and service obligations are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.
(d) Technical specifications of the distribution facilities (existing and proposed) or pipelines for the sale of natural gas, as the case may be including without limitation, specifications for the design, construction, operation and maintenance of the facilities or pipeline, as the case may be.	At the present stage, SSGC AE will only engage in the purchase and sale of natural gas volume as a shipper of gas under the Third Party Access Rules and Pakistan Gas Network Code 2018. Therefore, the referred technical specifications obligations are applicable on the 'transporter' company. Whereas the same for the case of transporter company (ies) may already be available with the Authority.

THE COMPANIES ACT, 2017

(Private Company Limited by Shares)

MEMORANDUM OF ASSOCIATION

OF

SSGC ALTERNATE ENERGY (PRIVATE) LIMITED



- I.** The name of the company is **SSGC Alternate Energy (Private) Limited**.
- II.** The Registered Office of the Company will be situated in the Province of Sindh.
- III.**
 - (i) The principle line of business of the company shall be to carry on all or any of the business of producing, purifying, buying, storing, supplying, distributing, transporting, transmitting, processing, regasifying, selling and exporting sources of conventional energy and alternate energy, including but not limited to, bio-gas or bio-methane, hydrogen as fuel source, fuel gas produced from coal gasification, natural gas or liquefied natural gas, wind energy, tidal energy, geo-thermal energy, and any other energy or petroleum related sources or products in suitable form, to be utilised for lighting, heating, motive power, generation of electricity, or for any other purpose whatsoever, together with carrying on the business of producing, buying, distributing, transporting, transmitting and selling electricity generated by making use of conventional and alternate energy sources and designing, manufacturing, buying, storing, supplying, distributing, transporting any or all devices, apparatus, tools, cables, batteries and all associated equipment relevant to the generation of electricity by making use of conventional and alternate energy sources, and to install suitable plants and set up energy projects for the purpose and any related purpose and to enter into any arrangements or agreements with any entity or persons whatsoever for the purpose of or in connection with, any of the objects of the company.
 - (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all steps and actions in connection therewith or ancillary thereto.
 - (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, *Modaraba* management company, Stock Brokerage business, forex, real estate business, managing agency, business of providing the services of

security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.

- (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.




IV. The liability of the members is limited.

- V. The authorized capital of the company is Rs. 20,000,000 (Rupees Twenty Million only) divided into 2,000,000 (Two Million) ordinary shares of Rs. 10 (Rupees Ten only) each with power to enhance, reduce or consolidate the share capital and to divide the shares of the company into different classes and kinds subject to the provisions of the Companies Act, 2017.


..Digital Certified True Copy..

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

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's / Husband's Name in full	Nationality(ies) with any former Nationality	Occupation	Usual residential address in full or the registered / principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and words)	Signature s
 SOUTHERN GAS COMPANY LIMITED	0000760	Not Applicable.	Pakistan	Public Limited Company	SSGC House, Sir Shah Suleman Road, Block-14, Gulshan-E-Iqbal, Karachi	1,999,998 (One million nine hundred ninety-nine thousand nine hundred ninety-eight) shares	
Through MR. MUHAMMAD AMIN	42201-7468105-5	Fazal Ellahi	Pakistan	Service / Professional Executive	250/2, 32 nd Street, Khayaban-E-Khalid, Phase VIII, D.H.A., Karachi		
MR. MUHAMMAD IMRAN MANIAR	42201-6983827-9	Muhammad Yousuf Maniar	Pakistani	Service / Professional Executive	A-21-A/1, Sunset Boulevard, DHA Phase 2, Clifton Cantt, District Karachi South Pakistan	1 (One) share.	
MR. MUHAMMAD AMIN	42201-7468105-5	Mr. Fazal Ellahi	Pakistani	Service / Professional Executive	250/2, 32 nd Street, Khayaban-E-Khalid, Phase VIII, D.H.A., Karachi	1 (One) share.	
Total number of shares taken (in figures and words)						2,000,000 (Two million) shares	

Dated the 30th day of August, 2022

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

Name and surname (present & former) in full (in Block Letters)	NIC No. (in case of foreigner, Passport No)	Father's / Husband's Name in full	Nationality(ies) with any former Nationality	Occupation	Usual residential address in full or the registered / principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and words)	Signature s
 SOUTHERN GAS COMPANY LIMITED	0000760	Not Applicable.	Pakistan	Public Limited Company	SSGC House, Sir Shah Suleman Road, Block-14, Gulshan-E-Iqbal, Karachi	1,999,998 (One million nine hundred ninety-nine thousand nine hundred ninety-eight) shares	
Through MR. MUHAMMAD AMIN	42201-7468105-5	Fazal Ellahi	Pakistan	Service / Professional Executive	250/2, 32 nd Street, Khayaban-E-Khalid, Phase VIII, D.H.A., Karachi		
MR. MUHAMMAD IMRAN MANIAR	42201-6983827-9	Muhammad Yousuf Maniar	Pakistani	Service / Professional Executive	A-21-A/1, Sunset Boulevard, DHA Phase 2, Clifton Cantt, District Karachi South Pakistan	1 (One) share.	
MR. MUHAMMAD AMIN	42201-7468105-5	Mr. Fazal Ellahi	Pakistani	Service / Professional Executive	250/2, 32 nd Street, Khayaban-E-Khalid, Phase VIII, D.H.A., Karachi	1 (One) share.	
Total number of shares taken (in figures and words)						2,000,000 (Two million) shares	

Dated the 30th day of August, 2022

آئل اینڈ گیس
ریگولیشنری اتھارٹی



Oil & Gas
Regulatory Authority
Government of Pakistan

NOTICE FOR PUBLIC COMMENTS / HEARING

APPLICATION FOR GRANT OF LICENSE TO UNDERTAKE REGULATED ACTIVITY OF SALE OF NATURAL GAS/RLNG

M/s SSGC Alternate Energy (Pvt.) Limited, (SSGC-AE) Karachi (the applicant) had applied under OGRA Natural Gas (Licensing) Rules, 2002 on 09-06-2023 for grant of license to undertake Regulated activity of Sale of Natural Gas/RLNG. The applicant submitted that in the present case the scope of their activities is to procure indigenous Natural Gas from the Unallocated Gas Fields and its sale to the customers at CMSs in accordance with the Terms and Conditions of the Gas Sale Agreement between the applicant and its prospective customers. Natural Gas molecules so procured will be transported to the customers under the regime of Pakistan Gas Network Code for use of Gas Pipeline Transportation System, 2018 read in conjunction with OGRA Gas (Third Party Access) Rules, 2018, through the Transmission and /or Distribution Networks already laid by the two natural gas utility companies i.e. SSGCL and SNGPL.

After submission of the requisite data / information by the applicant, the Authority has admitted the instant application for Public Comments / Hearing. Therefore, all persons and parties who are likely to be affected by the grant of this license are hereby notified to file objections, written comments for intervention requests addressed to Senior Registrar OGRA, describing the manner in which such persons/parties may be affected by the grant of this licence and may also appear on below mentioned Public Hearing.

The intervention request shall be filed alongwith fee of Rs.500/- (bank draft) and affidavit verifying the contents of communication on or before the date of Public Hearing. Copies of the documents submitted by the applicant can be obtained on payment of prescribed charges of Rs.2/- per page from the office of Senior Registrar or can be downloaded from OGRA's official website.

In sequel to all above, OGRA has decided to hold Public Hearing in the instant matter according to date, time and venue mentioned below:

Date : October 31, 2023 (Tuesday)
Time : 10:30 a.m
Venue : Marriott Hotel Karachi

For any information required from the applicant please contact:

Syed Muhammad Saeed Rizvi
Chief Executive,,

SSGC House Sir Shah Suleman Road,
Block-14, Gulshan-e-Iqbal, Karachi, PABX: 92-21-99021000
Fax: 92-21-99231550, www.ssgc.com.pk

Senior Registrar

Oil and Gas Regulatory Authority
54-B, Fazal-e-Haq Road, Blue Area, Islamabad
Phone: 051-9244296, 051-9244090-98 (Ext-157)
Fax: 051-9244042, www.ogra.org.pk

PID(I) 2284-23

Public Service Message:

گیس لکچ جان لیوا حادثات کا سبب بن سکتی ہے احتیاطی تدابیر یقینی بنائیں اور حادثات سے بچیں

آئل اینڈ گیس
ریگولیشنری اتھارٹی
حکومت پاکستان



Oil & Gas
Regulatory Authority
Government of Pakistan

نوٹس برائے عوامی آراء/سماعت

قدرتی گیس / آرائیل این جی کی فروخت سے متعلق ریگولیشن سرگرمیوں کے لائسنس کے حصول کیلئے درخواست

میسرز ایس ایس جی سی انٹرنیٹ انرجی (پرائیویٹ) لمیٹڈ، کراچی (درخواست گزار) نے 09 جون 2023 کو قدرتی گیس / آرائیل این جی کی فروخت سے متعلق ریگولیشن سرگرمیوں کے لیے زیر تفت اور گرا قدرتی گیس (لائسنسنگ) رولز، 2002 لائسنس کے حصول کے لیے درخواست دی تھی۔ درخواست گزار کے مطابق ان کی سرگرمیوں کا دائرہ کار ان کے اور ان کے ممکنہ صارفین کے مابین گیس سیل انگریمنٹ کی شرائط و ضوابط کے مطابق غیر مختص شدہ گیس فیلڈز سے مقامی سطح پر نکلنے والی قدرتی گیس خرید کر سی ایف ایم ایس (CMSS) پر اپنے صارفین کو فروخت کرنا ہے۔ خرید کردہ قدرتی گیس مائیکرو لوز کی پاکستان گیس نیٹ ورک کوڈ برائے گیس پائپ لائن فرانسپورٹیشن سسٹم، 2018 مع اوگرا گیس (تھرو پارٹی ایکس) رولز، 2018 کے تحت دو قدرتی گیس پمپنگ سٹیشن یعنی ایس ایس جی سی ایل اور ایس ایس جی سی پی ایل کے بچائے گئے ٹرانسمیشن / ڈسٹری بیوشن نیٹ ورکس کے ذریعے صارفین کو ترسیل کی جائے گی۔

درخواست گزار کی جانب سے مطلوب پڑنا / معلومات فراہم کرنے کے بعد اتھارٹی نے درخواست کو زیر غور لاتے ہوئے منظور کر لیا ہے۔ اس لیے تمام افراد، پارٹیاں، عوام الناس، متاثرہ یا خواہشمند افراد جو ممکنہ طور پر لائسنس کے جاری ہونے سے متاثر ہو سکتے ہیں کو مدعو کیا ہے کہ وہ سینئر رجسٹرار اوگرا کو اپنے اعتراضات، تحریری رائے یا مدافعتی درخواستیں جمع کروا سکتے ہیں جس میں متاثر ہونے کی وضاحت کی جائے گی، ایسے افراد درج ذیل شیڈول کے مطابق منعقد ہونی والی عوامی سماعت پر بھی حاضر ہو سکتے ہیں۔

مدافعتی درخواستیں مع 500 روپے فیس (بینک ڈرافٹ) اور حلف نامہ جو تحریری مواد کی تصدیق کرتا ہو عوامی سماعت پر یا اس سے قبل جمع کروایا جائے۔ درخواست گزار کی جانب سے جمع کروائی گئیں دستاویزات کی نقول و فرسٹیز رجسٹرار سے بعوض 2 روپے فی صفحہ حاصل کی جاسکتی ہیں یا اوگرا کی ویب سائٹ سے ڈاؤن لوڈ کی جاسکتی ہیں۔

درج بالا معاملے پر غور کرنے کیلئے اوگرا نے درج ذیل تاریخ، وقت اور مقام پر عوامی سماعت کے انعقاد کا فیصلہ کیا ہے۔

تاریخ: 31 اکتوبر 2023 (بروز منگل)

وقت: 10:30 بجے دن

مقام: مہرہٹ ہوٹل، کراچی

درخواست گزار سے متعلق کسی بھی معلومات کیلئے رابطہ کریں:

سید محمد سعید رضوی

چیف ایگزیکٹو

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پیغام برائے عوامی آگاہی:

گیس لیکج جان لیوا حادثات کا سبب بن سکتی ہے احتیاطی تدابیر پیش بنائیں اور حادثات سے بچیں