



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

**Registrar**

No. NEPRA/R/LAG-266/ 15471-75

September 15, 2017

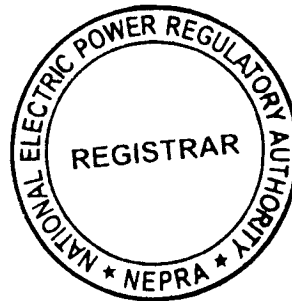
Mr. Muhammad Mudassir Iqbal,  
Head - Energy Business,  
Alliance Sugar Mills (Private) Limited,  
3 - B, Nisar Road, Nisar Colony,  
Lahore Cantt.

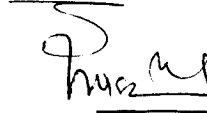
**Subject: Approval of the Authority in the matter of Request of Alliance Sugar Mills (Private) Limited (ASMPL) for Transfer of Generation Licence to Alliance Power (Private) Limited (APPL)**

*Reference: ASMPL's application vide letter dated March 03, 2017 (received on March 07, 2017).*

Enclosed please find herewith Approval of the Authority in the matter of request of ASMPL for transfer of Generation Licence No. IGSPL/46/2014 to APPL along with revised Face Sheet as approved by the Authority under Section 27 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XI. of 1997).

Encl: As above



  
15 09 17  
(Syed Safeer Hussain)

Copy to:

1. Chief Executive Officer, NTDC, 414-WAPDA House, Lahore
2. Chief Executive Officer, CPPA-G, ENERCON Building, Sector G-5/2, Islamabad.
3. Chief Executive Officer, Sukkur Electric Supply Company (SEPCO), Old Thermal Power Station, Sukkur.
4. Director General, Sindh Environmental Protection Agency, Plot No. ST 2/1, Sector 23, Korangi Industrial Area, Karachi

**National Electric Power Regulatory Authority**  
**(NEPRA)**

**Approval of the Authority**  
**in the Matter of Request of Alliance Sugar Mills (Private)**  
**Limited for Transfer of Generation Licence**

**September 15, 2017**  
**Case No. LAG-266**

**(A). Background**

(i). Alliance Sugar Mills (Private) Limited (ASMPL) applied for the grant of generation licence for its 30 MW bagasse based generation facility/Co-Generation Power Plant Located at KLP Road, Rasheedabad, Tehsil Ubauro, District Ghotki, in the Province of Sindh.

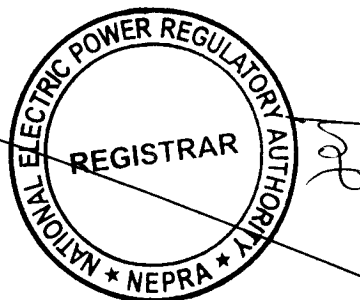
(ii). The Authority after going through the process as stipulated in the relevant rules and regulations granted generation licence (No. IGSPL/46/2014 dated October 02, 2014) to ASMPL under Section-15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act").

**(B). Request for Transfer**

(i). Later on, ASMPL through its letter dated March 03, 2017 informed that to avail tax exemptions, it has incorporated a new Special Purpose Vehicle (SPV) in the name of Alliance Power (Private) Limited (APPL). Further, ASMPL has requested to transfer its above mentioned generation licence to the SPV as stipulated in Section-27 of the NEPRA Act.

**(C). Findings/Decision of the Authority**

(i). Section-27 of the NEPRA Act prohibits any licensee to surrender, assign or transfer its licence to any person unless the prior approval of the Authority has been sought.



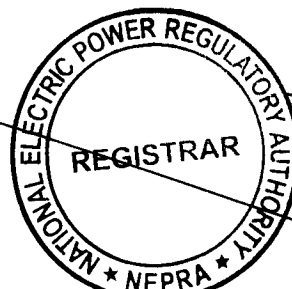
(ii). In consideration of the above, the Authority observes that ASMPL has provided certificate of incorporation, memorandum and articles of association and Form-29 of the newly formed SPV along with Form-A (Annual Return of the company having Capital Share) of ASMPL duly certified by Securities and Exchange Commission of Pakistan. The review of their documents reveals that memorandum of association of SPV contain business of power generation as one of its objectives. The Authority has analyzed the submissions of company which revealed that ASMPL and APPL have common directorship.

(iii). In addition to the above, the Authority has noted that Alternative Energy Development Board (AEDB) granted Letter of Intent (LoI) in 2014 to ASMPL for setting up a bagasse based generation facility/Co-Generation Power Plant in the Province of Sindh. According to the terms and conditions of the said LoI, assignment or transfer of LoI was not allowed without prior consent of AEDB. It is pertinent to mention that AEDB through its letter dated March 07, 2017 has also acknowledged the formation of new SPV in the name of APPL under section-32 of the Companies Ordinance, 1984 (XLVII of 1984) pursuant to section-8.9.2 of the Policy for Development of Renewable Energy for Power Generation, 2006 (the "RE policy") against LoI issued to the ASMPL.

(iv). It would be relevant to refer to section-8.9.2 of the RE policy which stipulates *"Each IPP setting up a plant meant only for supplying power to the utility grid will be required to form a company in accordance with the laws of Pakistan under the Companies Ordinance, 1984 for the specific purpose of power generation...."*. In the instant case, ASMPL formed a new company in the name of APPL and thereafter, requested for the transfer of generation licence.

(v). In view of the foregoing, the Authority hereby approves the transfer of generation licence (No. IGSP/46/2014 dated October 02, 2014) of ASMPL to APPL subject to following terms and conditions:

(a). Any rights and liabilities incurred in favour or against the ASMPL prior to transfer of this generation licence shall remain



intact and nothing in this authorization/approval shall absolve ASMPL from such liabilities;

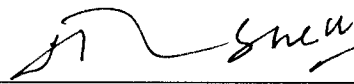
(b). After the transfer of the generation licence, all rights and liabilities including the terms and conditions of the generation licence shall now rest with APPL and APPL is required to adhere to the terms and conditions strictly in letter and spirit; and

(c). ASMPL shall comply with all applicable laws, rules and regulations, authorization and restrictions prescribed by relevant regulators and authority bodies, while transferring its generation business to APPL.

(vi). The transfer of generation licence will be subject to the provisions contained in the NEPRA Act, relevant rules and regulations framed there under.

**Authority:**

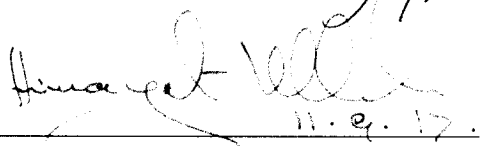
Maj. (R) Haroon Rashid  
(Member)

  
31/8/17

Syed Masood-ul-Hassan Naqvi  
(Member)

  
6/9


Himayat Ullah Khan  
(Member)

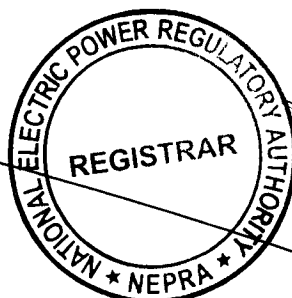
  
11.9.17.

Saifullah Chattha  
(Member/Vice Chairman)

  
12.9.2017

Tariq Saddozai  
(Chairman)

  
15/9/17



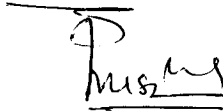
**National Electric Power Regulatory Authority  
(NEPRA)  
Islamabad – Pakistan**

<b>GENERATION LICENCE</b>
<b>No. IGSPL/46/2014</b>

In exercise of the powers conferred upon under Section-27 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, the Authority hereby approves the transfer of the Generation Licence from **Alliance Sugar Mills (Private) Limited** to **Alliance Power (Private) Limited**. The details of changes on account of the above transfer are as below:

- (i). **Change of name** of the Licensee appearing in the above mentioned Generation Licence (including the face sheet, Articles of the Generation Licence, Schedule-I & II) from **Alliance Sugar Mills (Private) Limited** to **Alliance Power (Private) Limited**;
- (ii). The **Certificate of Incorporation/Corporate Universal Identification No.** of Company given on the face sheet of the above Generation Licence may be read as 0106324, dated March 03, 2017, instead of 0076093, dated May 31, 2011;

This **Transfer of Generation Licence** is given under my hand on 15<sup>th</sup> day of **September Two Thousand & Seventeen.**

  
150917  
**Registrar**

