

Sui Northern Gas Pipelines Limited



Half Yearly Accounts (Un-Audited)
For the Period Ended December 31, 2018

SUSTAINABLE

GROWTH



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Corporate Information

As on July 24, 2019

BOARD OF DIRECTORS

Syed Dilawar Abbas	Chairman
Mr. Mahmood Zia Ahmad	Managing Director
Mr. Ahmad Aqeel	Director
Sardar Ahmad Nawaz Sukhera	Director
Mr. Himayat Ullah Khan	Director
Mirza Mahmood Ahmad	Director
Mr. Manzoor Ahmed	Director
Mian Misbah-ur-Rehman	Director
Qazi Mohammad Saleem Siddiqui	Director
Mr. Mustafa Ahmad Khan	Director
Mr. Naveed Kamran Baloch	Director
Ms. Roohi Raees Khan	Director
Mr. Sher Afgan Khan	Director
Dr. Sohail Razi Khan	Director

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

Mr. Manzoor Ahmed	Chairman
Mr. Ahmad Aqeel	Member
Mr. Himayat Ullah Khan	Member
Qazi Mohammad Saleem Siddiqui	Member
Mr. Mustafa Ahmad Khan	Member
Mr. Naveed Kamran Baloch	Member
Ms. Roohi Raees Khan	Member
Dr. Sohail Razi Khan	Member

FINANCE & PROCUREMENT COMMITTEE

Mirza Mahmood Ahmad	Chairman
Mr. Mahmood Zia Ahmad	Managing Director
Mr. Ahmad Aqeel	Member
Sardar Ahmad Nawaz Sukhera	Member
Mian Misbah-ur-Rehman	Member
Ms. Roohi Raees Khan	Member
Mr. Sher Afgan Khan	Member
Dr. Sohail Razi Khan	Member

HR & NOMINATION COMMITTEE

Syed Dilawar Abbas	Chairman
Mr. Mahmood Zia Ahmad	Managing Director
Mr. Ahmad Aqeel	Member
Mirza Mahmood Ahmad	Member
Mr. Manzoor Ahmed	Member
Mian Misbah-ur-Rehman	Member
Mr. Mustafa Ahmad Khan	Member
Mr. Sher Afgan Khan	Member

UNACCOUNTED FOR GAS (UFG) CONTROL COMMITTEE

Qazi Mohammad Saleem Siddiqui	Chairman
Mr. Mahmood Zia Ahmad	Managing Director
Sardar Ahmad Nawaz Sukhera	Member
Mr. Himayat Ullah Khan	Member
Mirza Mahmood Ahmad	Member
Mr. Mustafa Ahmad Khan	Member
Mr. Naveed Kamran Baloch	Member
Mr. Sher Afgan Khan	Member

RISK MANAGEMENT COMMITTEE

Mr. Ahmad Aqeel	Chairman
Mr. Mahmood Zia Ahmad	Managing Director
Sardar Ahmad Nawaz Sukhera	Member
Mirza Mahmood Ahmad	Member
Mr. Manzoor Ahmed	Member
Mian Misbah-ur-Rehman	Member
Qazi Mohammad Saleem Siddiqui	Member
Dr. Sohail Razi Khan	Member

CHIEF FINANCIAL OFFICER

Mr. Saghir-ul-Hassan Khan

COMPANY SECRETARY / SECRETARY TO COMMITTEES OF THE BOARD

Mr. Imtiaz Mehmood

AUDITORS

EY Ford Rhodes
Chartered Accountants

SHARE REGISTRAR

Central Depository Company of Pakistan Limited
Mezzanine Floor, South Tower, LSE Plaza,
19-Kayaban-e-Aiwan-e-Iqbal,
Lahore-54000
Tel: [+92-42] 36362061-66
Fax: [+92-42] 36300072
Website: www.cdcsrsl.com

LEGAL ADVISORS

M/s. Surridge & Beecheno

REGISTERED OFFICE

Gas House, 21-Kashmir Road,
P.O. Box No. 56, Lahore-54000, Pakistan
Tel: [+92-42] 99201451-60, 99201490-99
Fax: [+92-42] 99201369, 99201302
Website: www.sngpl.com.pk



DIRECTORS' REVIEW

We feel immense pleasure to present the un-audited financial statements of the Company for the 2nd quarter and half year ended December 31, 2018. It is a matter of great pride that your Company is sustaining its momentum from previous year and has earned Rs 8,405 million profit before tax during half year ended December 31, 2018, as against profit before tax of Rs 5,562 million in the corresponding period. Your Company's profit after tax is Rs 5,714 million for the period under review, while profit after tax of Rs 3,859 million was declared for the corresponding period. Resultantly, the Earnings per share of the Company is Rs 9.01 as against the Earnings per share of Rs 6.08 for the last period.

The increase of profit in the period under review is attributable to increase in return on assets, due to increase in capitalization as a result of timely completion of projects of vital national importance during previous years. Moreover, due to continuous efforts, the increasing trend in Unaccounted For Gas(UFG) has been arrested, resultantly, the UFG percentage for period under review has decreased to 9.39 % as compared to 10.69% for the corresponding period. Accordingly, the UFG disallowance has also reduced to Rs 2,029 million as compared to Rs 3,667 million in the corresponding period. However, despite best efforts, your company is still facing UFG losses on Transmission and Distribution Network in Law & Order Affected, Oil & Gas Producing Southern Districts (Karak, Hangu, Kohat etc.) of KPK Province. In order to address this menace, the Company has planned to upgrade the Karak Office to execute different UFG control activities, as a result of which, the overall position of the UFG losses will further reduce.

The success of your company is reflection of wise guidance and right direction of the Board. This has become possible with the help of dedication, commitment and team work of all tiers of the Management, executives and all staff members. We are confident that this success journey of your Company will continue and will also be able to maintain its pace for making further success stories in the ensuing years.

PROJECTS

Projects Department has completed / commissioned 36.59 KM Transmission Lines with diameters 6" to 12" and 245.87 KM Distribution Lines with diameters 1" to 16" by the 2nd Quarter of FY 2018-19 for enhancing system capacity, supplying gas to new towns and improving pressure to customers for achieving customer satisfaction. In view of acute energy crisis prevailing in the country, Government of Pakistan aggressively pursued the import of 1200 MMCFD LNG into the country to meet shortfall in gas supplies and so far 1000-1100 MMCFD RLNG has been injected into system. The Company has completed / commissioned the following:

- (i) its system augmentation project for the transportation of 1200 MMCFD RLNG into its system.
- (ii) spur lines laying jobs of three power plants at Bhikki, Haveli Bahadur Shah and Balloki of consolidated 3600 MW capacity for supplying 200 MMCFD RLNG to each power plant.
- (iii) the pipeline infrastructure development works for supplying gas to Nandipur power plant.

Moreover, SNGPL is also undertaking 24" dia x 93 KM spur line job for supply of 200 MMCFD RLNG to Punjab Power Plant near Trimmu Barrage, District Jhang, of 1400 MW capacity on 100 % cost sharing basis. The works on the project have been initiated which are likely to be completed by August 2019.

Your Company has also completed infrastructure required to supply 700 MMCFD RLNG to new RLNG based power plants constructed in Punjab. After the completion of system



augmentation Project, your Company has been able to transport 1200 to 1500 MMCFD RLNG gas into the system.

BUSINESS DEVELOPMENT

The Company is engaged in various pipeline construction projects of national and multinational companies. SNGPL is undertaking pipeline engineering and construction jobs of MOL Pakistan's flow line / trunk lines and Fiber Optic Cable in District Kohat / Hangu for different gas fields of MOL Pakistan like Maramzai, Manzalai, Mamikhel, Makori Deep-1, Tolanj West and Makori for the last fifteen years. MOL Pakistan has played a very vital role in strengthening the gas input supplies. MOL Pakistan is presently working on Mardankhel-3 well and has awarded the project of 8" dia x 7.5 KM pipeline laying from Mardankhel-3 well to Mardankhel-1 flow line for onward processing at CPF which is under progress. The completion of Mardankhel-3 project will inject additional 10-15 MMCFD gas into SNGPL's system that would be quite instrumental in reducing the energy deficiency in the country. Lately, SNGPL has also completed MOL Pakistan's pipeline construction jobs of 6" dia x 6 Km & 12"/10" dia x 22 KM pipeline for Mardankhel-2 & Mardankhel-1 wells respectively, which has resulted in injection of additional 40-50 MMCFD gas into SNGPL's system.

FUTURE OUTLOOK

As per direction of Government of Pakistan, SNGPL has planned new 42" dia x 770 KM pipeline project to build another 1200 MMCFD pipeline capacity in its franchise areas from Sawan to Lahore for upcoming LNG terminals in the country keeping in view the diminishing indigenous gas supply resources for meeting the increasing gas demand of all sectors, whereas pipeline from Karachi to Sawan shall be built by SSGC. Your company is also engaged in supplying 200 MMCFD gas to new RLNG based Power Plant, being constructed near Trimmu, District Jhang in Punjab. However, after the completion of new project i.e. 42" dia x 770 KM Pipeline Project along with 89,750 HP compression, your Company shall be able to transport further 1200 MMCFD RLNG from Sawan to Lahore. The Board of Directors has granted conceptual approval of the project. Economic Coordination Committee (ECC) of the cabinet has also approved the financial model of the Project. At present, the Company has sought GOP (Petroleum Division)'s guarantee of necessary arrangements for entire capacity utilization of the project.

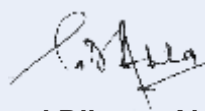
ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the Government of Pakistan, Ministry of Energy (Petroleum Division), Oil & Gas Regulatory Authority, other Government and Non-Government Institutions related to the Company for their sustained support and the employees of the Company for their dedication and hard work during the period under review.

On behalf of the Board



(Mahmood Zia Ahmad)
Managing Director/CEO



(Syed Dilawar Abbas)
Chairman-BOD

Lahore

Dated: July 24, 2019



INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Sui Northern Gas Pipelines Limited as at December 31, 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and selected notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to the following matters:

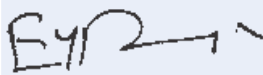
- i) Note 13.2 to the condensed interim financial statements explains that the Company has recognized revenue of Rs 23,828 million from July 01, 2017 to December 31, 2018 out of which Rs 6,660 million has been recognized during the period on account of 'Take or Pay' arrangements with certain consumers. These amounts have been disagreed and disputed by the said consumers. The matter has been referred to an Expert for determination under the dispute resolution mechanism specified in the respective Gas Sales Agreements. Subsequent to the period end, the Company has filed claims against these Customers to the Expert on March 15, 2019 and the arbitration proceedings are in progress. Based upon the advice of the Company's legal counsel on this matter, the Company believes that its claims are valid and it expects a favorable outcome.
- ii) Note 13.1 to the attached condensed interim financial statements explains that the settlement of amounts, receivable from and payable to Government and certain Government owned and other entities, is dependent upon the resolution of inter-corporate circular debt and increase in gas prices by the Government of Pakistan.

Our conclusion is not qualified in respect of the above matters.

Other Matter

The figures of condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2018 and 2017 have not been reviewed as we are required to review only the cumulative figures for the half year ended 31 December 2018. Accordingly, we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Sajjad Hussain Gill.



Chartered Accountants

Lahore

Date: July 26, 2019



Condensed Interim Statement of Financial Position (Un-audited)

As at December 31, 2018

as at December 31, 2018

		Un-audited December 31, 2018	Audited June 30, 2018
	Note	(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 1,500,000,000 ordinary shares of Rs 10 each (June 30, 2018 1,500,000,000 ordinary share of Rs 10 each)		15,000,000	15,000,000
Issued, subscribed and paid up share capital 634,216,665 (June 30, 2018: 634,216,665) ordinary shares of Rs 10 each		6,342,167	6,342,167
Revenue reserves		13,577,053	12,334,514
Shareholders' equity		19,919,220	18,676,681
NON-CURRENT LIABILITIES			
Long term financing:			
-Secured	4	44,475,000	50,420,000
-Unsecured	5	353,533	415,232
Security deposits		46,063,231	43,782,459
Deferred credit		58,370,869	57,854,554
Deferred taxation		2,483,470	1,676,766
Employee benefits		7,537,083	7,617,333
		159,283,186	161,766,344
CURRENT LIABILITIES			
Trade and other payables	6	278,156,576	233,679,577
Unpaid dividend		4,471,227	-
Unclaimed dividend		105,780	111,462
Interest and mark-up accrued on loans and other payables	7	39,112,329	31,363,988
Short term borrowing-secured	8	2,947,624	3,986,546
Current portion of long term financing	9	12,178,661	11,572,645
		336,972,197	280,714,218
CONTINGENCIES AND COMMITMENTS			
	10		
		516,174,603	461,157,243

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


(Saghir-ul-Hassan Khan)
Chief Financial Officer



Condensed Interim Statement of Financial Position (Un-audited)

As at December 31, 2018

at December 31, 2018

		Un-audited December 31, 2018	Audited June 30, 2018
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	191,890,629	190,609,690
Intangible assets		97,578	116,432
Long term investment		4,900	4,900
Long term loans		817,422	818,832
Employee benefits		2,525,322	2,488,638
Long term deposits and prepayments		26,152	24,527
		195,362,003	194,063,019
CURRENT ASSETS			
Stores and spare parts		4,625,535	3,832,525
Stock in trade	12	8,064,206	31,404,569
Trade debts	13	113,274,525	66,314,600
Loans and advances	14	1,925,053	1,260,945
Trade deposits and short term prepayments	15	559,240	226,212
Accrued interest		17,941	16,585
Other receivables	16	150,843,830	122,338,162
Sales tax recoverable		34,338,036	33,513,780
Income tax receivable		1,041,600	1,111,813
Cash and bank balances	17	6,122,634	7,075,033
		320,812,600	267,094,224
		516,174,603	461,157,243

(Mahmood Zia Ahmad)
Managing Director/CEO

(Syed Dilawar Abbas)
Chairman-BOD



Condensed Interim Statement of Profit or Loss (Un-audited)

for the Six Months Period Ended December 31, 2018

	Note	Three Months Quarter Ended		Six Months Half Year Ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
		(Rupees in thousand)			
Gas sales	18	193,287,295	85,794,934	351,322,411	176,011,081
Differential margins	19	29,848,418	25,049,020	32,033,408	28,511,807
		223,135,713	110,843,954	383,355,819	204,522,888
Less: Cost of gas sales	20	211,518,078	104,196,039	363,602,703	193,813,316
Gross profit		11,617,635	6,647,915	19,753,116	10,709,572
Add: Other Operating Income	21	4,113,428	2,332,798	8,048,963	5,483,794
Less: Operating Expenses		15,731,063	8,980,713	27,802,079	16,193,366
Selling cost		2,013,741	1,231,425	3,773,323	2,364,961
Administrative expenses		2,001,226	1,855,761	3,554,208	3,225,060
Other operating expenses	22	1,316,549	830,910	1,700,663	977,460
		5,331,516	3,918,096	9,028,194	6,567,481
Operating profit		10,399,547	5,062,617	18,773,885	9,625,885
Less: Finance cost	23	5,776,647	2,241,819	10,369,097	4,064,216
Profit before taxation		4,622,900	2,820,798	8,404,788	5,561,669
Taxation	24	1,504,937	880,222	2,691,022	1,702,482
Profit for the period		3,117,963	1,940,576	5,713,766	3,859,187
Earnings per share - basic and diluted (Rupees)		4.92	3.06	9.01	6.08

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


(Saghir-ul-Hassan Khan)
Chief Financial Officer


(Mahmood Zia Ahmad)
Managing Director/CEO


(Syed Dilawar Abbas)
Chairman-BOD



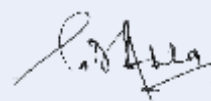
Condensed Interim Statement of Comprehensive Income (Un-audited) for the Six Months Period Ended December 31, 2018

	Three Months December 31, 2018	Quarter Ended December 31, 2017	Six Months December 31, 2018	Half Year Ended December 31, 2017
	(Rupees in thousand)			
Profit for the period	3,117,963	1,940,576	5,713,766	3,859,187
Other comprehensive income for the period:				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans - net	-	(2,603,061)	-	(2,603,061)
Tariff adjustment with respect to remeasurement of IAS-19	-	2,603,061	-	2,603,061
Items that may subsequently reclassified to profit or loss:	-	-	-	-
Total comprehensive income for the period	3,117,963	1,940,576	5,713,766	3,859,187

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


(Saghir-ul-Hassan Khan)
Chief Financial Officer


(Mahmood Zia Ahmad)
Managing Director/CEO


(Syed Dilawar Abbas)
Chairman-BOD



Condensed Interim Statement of Cash Flows (Un-audited)

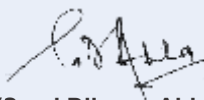
for the Six Months Period Ended December 31, 2018

	Note	December 31, 2018	December 31, 2017
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	25	17,486,192	16,459,259
Finance cost paid		(2,667,608)	(2,615,769)
Income taxes paid		(1,814,105)	(303,537)
Employee benefits paid/contributions paid		(1,183,652)	(4,689,784)
Security deposits received		2,280,772	2,763,355
Receipts against Government grants and consumer contributions		1,758,275	7,022,112
Long term loans to employees		(6,135)	(254,340)
Long term deposits and prepayments		(1,625)	(3,270)
Net cash generated from operating activities		15,852,114	18,378,026
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(10,524,293)	(19,593,151)
Capital expenditure on Intangible assets		(25,176)	(25,433)
Proceeds from sale of property, plant and equipment		47,622	34,867
Return on bank deposits		154,875	151,938
Net cash used in investing activities		(10,346,972)	(19,431,779)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finances - unsecured		(267,937)	(2,755)
Proceeds from long term financing - secured		-	12,150,200
Repayment of long term financing - secured		(5,145,000)	(2,457,499)
Dividend paid		(5,682)	(2,237,417)
Net cash (outflow) / inflow from financing activities		(5,418,619)	7,452,529
Net increase in cash and cash equivalents		86,523	6,398,776
Cash and cash equivalents at the beginning of the period		3,088,487	2,648,524
Cash and cash equivalents at the end of the period	25.2	3,175,010	9,047,300

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


(Saghir-ul-Hassan Khan)
Chief Financial Officer


(Mahmood Zia Ahmad)
Managing Director/CEO


(Syed Dilawar Abbas)
Chairman-BOD



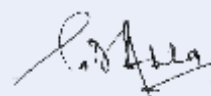
Condensed Interim Statement of Changes in Equity (Un-audited) for the Six Months Ended December 31, 2018

	Share Capital	Revenue Reserves			Total share holders' equity	
		General Reserve	Dividend Equalization Reserve	Unappropriated (Loss) / Profit	Total	
	(Rupees in thousand)					
Balance as at July 01, 2017 (Audited)	6,342,167	4,127,682	480,000	(354,056)	4,253,626	10,595,793
Total transactions with owners, recognised directly in equity						
Final dividend for the year ended June 30, 2017 @ Rupees 6.00 per share	-	-	-	(3,805,300)	(3,805,300)	(3,805,300)
Interim dividend for the first quarter ended September 30, 2017 @ Rupees 1.50 per share	-	-	-	(951,325)	(951,325)	(951,325)
	-	-	-	(4,756,625)	(4,756,625)	(4,756,625)
Total comprehensive income from July 01, 2017 to December 31, 2017	-	-	-	3,859,187	3,859,187	3,859,187
Balance as at December 31, 2017 (Un-audited)	6,342,167	4,127,682	480,000	(1,251,494)	3,356,188	9,698,355
Balance as at July 01, 2018 (Audited)	6,342,167	4,127,682	480,000	7,726,832	12,334,514	18,676,681
Total transactions with owners, recognised directly in equity						
Final dividend for the year ended June 30, 2018 @ Rupees 5.55 per share	-	-	-	(3,519,902)	(3,519,902)	(3,519,902)
Interim dividend for the first quarter ended September 30, 2018 @ Rupees 1.50 per share	-	-	-	(951,325)	(951,325)	(951,325)
	-	-	-	(4,471,227)	(4,471,227)	(4,471,227)
Total comprehensive income from July 01, 2018 to December 31, 2018	-	-	-	5,713,766	5,713,766	5,713,766
Balance as at December 31, 2018 (Un-audited)	6,342,167	4,127,682	480,000	8,969,371	13,577,053	19,919,220

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


(Saghir-ul-Hassan Khan)
Chief Financial Officer


(Mahmood Zia Ahmad)
Managing Director/CEO


(Syed Dilawar Abbas)
Chairman-BOD



Selected Notes to and forming part of the Condensed Interim Financial Statements (un-audited) for the Six Months Period Ended December 31, 2018

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Sui Northern Gas Pipelines Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now Companies Act, 2017) and listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is the purchase, transmission, distribution and supply of natural gas. The registered office of the Company is situated at 21 Kashmir Road, Lahore. The Company's pipe coating plant is situated at Uch Sharif, Bahawalpur. The addresses of other regional offices of the Company are as follows:

Region	Address
Abbottabad	Jub Pul. PO Jhangi, Main Manshera Road, Abbottabad.
Bahawalpur	6-A-D, Model Town-A, Bahawalpur.
Faisalabad	Sargodha Road, Faisalabad.
Gujranwala	M.A. Jinnah Road, Gujranwala.
Sialkot	Wahid Road, Malkay Kalan, Off. Marala Road, Sialkot.
Gujrat	State life building, 120 & 121. G.T. Road, Gujrat.
Islamabad	Plot No. 28-30, I-9 Industrial Area, Islamabad.
Rawalpindi	Al-Mansha Plaza, Opp. LESCO Office, Main G.T. Road, Rawalpindi.
Lahore (East and West)	21-Industrial Area, Gulberg-III, Lahore.
Multan	Piran Ghaib Road, Multan.
Peshawar	Plot No. 33, Sector B-2M, Hayatabad, Peshawar.
Mardan	Riffat Mehal, Near Mardan Industrial Estate, Main Nowshera Road.
Sahiwal	79-A, 79-B, Canal Colony, Sahiwal.
Sargodha	H. No. 15, Muslim Town, Sargodha.
Sheikupura	Main Sargodha Road, Near Punjab College, Sheikupura.
Wah	Gudwal Link Road, Wah Cantt.

- 1.2 These condensed interim financial statements are presented in Pak Rupee, which is the company's functional and presentation currency.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.
- 2.3 These condensed interim financial statements do not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2018.

3. ACCOUNTING POLICIES AND ESTIMATES

- 3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2018 except for the following:

IFRS 15 Revenue from Contracts with Customers

The Company has adopted IFRS 15 from July 01, 2018. IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 18 Transfer of Assets from Customers and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognize revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an Company's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the Company's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalized as an asset and



amortized over the contract period.

The standard requires companies to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Key changes in accounting policies resulting from application of IFRS 15

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct goods or services to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

- (i) Revenue from gas sales is recognized on the basis of gas supplied to consumers at the rates fixed by Oil and Gas Regulatory Authority (OGRA). Accruals are made to account for the estimated gas supplied between the date of last meter reading and the year end.
- (ii) Meter rentals are recognized on a monthly basis, at specified rates by OGRA for various categories of consumers.
- (iii) Interest on gas sales arrears and surcharge on late payment is calculated from the date the billed amount is overdue and recognized when it is probable that economic benefits will flow to the entity.
- (iv) Return on bank deposits is accrued on a time proportion basis by reference to the principal outstanding and applicable rate of return.
- (v) Take or Pay income is recognized when the consumers are unable to consume the committed volume of gas by the agreed date as per the terms of Gas Supply Agreement (GSA) with the consumer.
- (vi) Income on the construction contracts is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation. The Company uses percentage of completion method to determine the inflow of economic benefits.
- (vii) Income on the Urgent fee is recognized when the performance obligation as per the terms of contract agreed with consumer is completed.

The adoption of revenue recognition standard did not have a material impact on amounts in statement of profit or loss, statement of other comprehensive income, statement of cash flows or earnings per share for the prior period as the Company's main business is sale of gas which includes only one performance obligation i.e. supply of gas.

IFRS 9 Financial Instruments

IAS 39 (Financial Instruments: Recognition and Measurement) has been replaced after the adoption of IFRS 9 (Financial Instruments). However, allowed by SECP vide its S.R.O 299 (I)/2007, the effective date for the applicability will be for the reporting period/year ending on or after June 30, 2019 (earlier application is permitted). The management is in the process of assessing the possible impact of this standard on its financial statements.

Standards, Interpretations and Amendments to Approved Accounting Standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective Date (Annual Periods Beginning on or after)
IFRS 16 - Leases	01 January 2019
IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)	01 January 2019
IAS 28 - Long-term Interests in Associates and Joint Ventures-(Amendments)	01 January 2019
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:



	Standard or Interpretation	Effective Date (Annual Periods Beginning on or after)
	IFRS 1 - First time Adoption of International Financial Reporting Standards	01 July 2009
	IFRS 14 - Regulatory Deferral Accounts	01 January 2016
	IFRS 17 – Insurance Contracts	01 January 2021
3.2	The preparation of this condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense i.e. Workers' Profit Participation Fund and Taxation which are subject to final adjustments in the annual audited financial statements. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements for the year ended June 30, 2018.	

	Note	Un-audited December 31, 2018	Audited June 30, 2018
		(Rupees in thousand)	
4. LONG TERM FINANCING - SECURED			
From banking companies			
Local currency - Syndicate term finance I	4.1	8,190,000	9,360,000
Local currency - Syndicate term finance II	4.2	26,449,778	28,213,097
		34,639,778	37,573,097
Other loans			
Islamic finance under musharaka arrangement	4.3.1	2,062,500	2,750,000
Islamic finance under musharaka arrangement	4.3.2	4,200,000	4,800,000
Islamic finance under lease arrangement for LNG Project Phase-II	4.3.3	13,862,722	14,786,903
Islamic finance under musharaka arrangement	4.3.4	1,600,000	1,600,000
		56,365,000	61,510,000
Less: Current portion shown under current liabilities	9	(11,890,000)	(11,090,000)
		44,475,000	50,420,000

4.1 Syndicate term finance-I

Lender	Mark-up rate	No. of instalments	Maturity date
Syndicate of banks	Six months KIBOR +0.70% per annum	10 half yearly instalments	May 19, 2022

This loan has been obtained from a syndicate of banks (with Bank Alfalah acting as the Agent and United Bank Limited acting as the Security Trustee) and is secured by a first pari passu created by way of hypothecation over all present and future movable fixed assets of the Company (excluding land and building) to the extent of Rs 15,600,000 thousand (June 30, 2018: Rs 15,600,000 thousand). The effective mark-up charged during the period ranges from 7.21 % to 10.60% per annum (June 30, 2018: 7 % to 7.21% per annum).



4.2 Syndicate term finance II

Lender	Mark-up rate	No. of instalments	Maturity date
Syndicate of banks	Six months KIBOR +1.10% per annum	16 Half yearly Instalments	June 8, 2026

This loan has been obtained from a syndicate of banks (with Habib Bank Limited acting as the Agent) and is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed Regassified Liquefied Natural Gas (RLNG) assets of the Company to the extent of Rs 35,870,000 thousand (June 30, 2018: Rs 35,870,000 thousand) relating to the project and a sovereign guarantee of the Government of Pakistan. The effective mark-up charged during the period ranges from 8.04 % to 11.67% per annum (June 30, 2018: 7.26 % to 8.03% per annum).

4.3 Arrangements under Islamic financing

Lender	Mark-up rate	No. of instalments	Maturity date
4.3.1 Syndicate of banks	Six months KIBOR + 0.55% per annum	8 Half yearly Instalments	June 30, 2020

This loan has been obtained from a syndicate of banks (with Al Baraka Bank Limited acting as the Investment Agent) and is secured by a first pari passu charge created by way of hypothecation over movable fixed assets of the Company (excluding land and building) to the extent of Rs 7,333,333 thousand (June 30, 2018: Rs 7,333,333 thousand). The effective mark-up charged during the period ranges from 7.59 % to 11.35% per annum (June 30, 2018: 6.69 % to 7.59% per annum).

Lender	Mark-up rate	No. of instalments	Maturity date
4.3.2 Syndicate of banks	Six months KIBOR + 0.70% per annum	10 half yearly instalments	May 19, 2022

This loan has been obtained from a syndicate of banks (with Bank Alfalah acting as the Investment Agent) and is secured by a first pari passu charge created by way of hypothecation over movable fixed assets of the Company (excluding land and building) to the extent of Rs 8,000,000 thousand (June 30, 2018: Rs 8,000,000 thousand). The effective mark-up charged during the period ranges from 7.21 % to 10.60% per annum (June 30, 2018: 7 % to 7.21% per annum).

Lender	Mark-up rate	No. of instalments	Maturity date
4.3.3 Syndicate of banks	Six months KIBOR + 1.10% per annum	16 half yearly instalments	June 8, 2026

This loan has been obtained from a syndicate of banks (with Habib Bank Limited acting as the Agent) and is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed RLNG assets of the Company to the extent of Rs 18,800,000 thousand (June 30, 2018: Rs 18,800,000 thousand) relating to the project and the sovereign guarantee of Government of Pakistan. The effective mark-up charged during the period ranges from 8.04 % to 11.67% per annum (June 30, 2018: 7.26 % to 8.03% per annum).

Lender	Mark-up rate	No. of instalments	Maturity date
4.3.4 Allied Bank Limited	Six months KIBOR - 0.12% per annum	4 half yearly instalments	28 September 2019

This loan has been obtained from Allied Bank Limited and is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed assets of the Company (excluding Assets of RLNG Project) to the extent of Rs 3,094,667 thousand (June 30, 2018: Rs 3,094,667 thousand). The effective mark-up charged during the period ranges from 6.44 % to 8.16% per annum (June 30, 2018: 6.05 % to 6.44 % per annum).



	Note	Un-audited December 31, 2018	Audited June 30, 2018
(Rupees in thousand)			
5. LONG TERM FINANCING - UNSECURED			
Other loans - Local currency:		642,194	897,877
Less: Current portion shown under current liabilities	9	(288,661)	(482,645)
		353,533	415,232

5.1 These loans carry effective mark-up at variable rates which ranges from 6.55% per annum to 14.24% per annum (June 30, 2018: 6.55% per annum to 14.47% per annum).

	Note	Un-audited December 31, 2018	Audited June 30, 2018
(Rupees in thousand)			
6. TRADE AND OTHER PAYABLES			
Creditors for:			
Gas	6.1 & 6.2	255,358,833	207,456,506
Supplies		1,154,515	1,400,122
Accrued liabilities		8,399,896	11,675,679
Provident fund		106,986	42,439
Gas infrastructure development cess payable	6.3	-	439,868
Interest free deposits repayable on demand		301,791	727,809
Earnest money received from contractors		147,347	130,463
Mobilization and other advances		3,036,879	3,184,518
Advances from customers		8,478	7,925
Due to customers		91,937	68,066
RLNG differential margin	6.4	600,756	4,012,899
Gas swapping deferral account	6.5	6,614,192	2,640,675
Workers' profit participation fund		2,334,966	1,892,608
		278,156,576	233,679,577

6.1 Included in trade payables is an amount of Rs 43,180,017 thousand (June 30, 2018: Rs 12,350,792 thousand) and Rs 9,797,628 thousand (June 30, 2018: Rs 10,222,060 thousand) due to Pakistan State Oil (PSO) and Pakistan LNG Limited (PLL) respectively representing payable against Liquefied Natural Gas (LNG) supplied by them. In this regard, the agreement for the supply of LNG between the parties has not yet been finalized and is under negotiation. The management believes that any liability or adjustment that may arise on the finalization of the agreement will have a prospective effect.

6.2 This includes an amount payable to Government owned gas suppliers amounting to Rs 181,484,069 thousand (June 30, 2018: Rs 138,142,072 thousand) as further explained in note 13.1

6.3 The Honorable Islamabad High Court vide its decision dated January 31, 2013, declared Gas Infrastructure Development Cess Act (GIDC), 2011 as ultra vires to the Constitution and directed the Company to adjust the amount already received on this account in the future bills of the petitioners. However, in response to an appeal filed by the Ministry of Energy, the Honorable Islamabad High Court vide its decision dated March 18, 2013, directed that neither the appellant shall recover the disputed amount from the respondents, nor the amount which has become payable to the respondents on the basis of impugned judgement shall be paid back to the respondents.



An order on the subject matter was also passed by the Peshawar High Court vide its judgment dated June 13, 2013 whereby the Court declared the GIDC Act 2011 as ultra vires to the Constitution. An appeal was filed in the Supreme Court of Pakistan, which vide its order dated December 30, 2013 suspended the judgment of Peshawar High Court. On December 31, 2013, OGRA issued a notification directing levy of GIDC at revised rates.

In September 2014, a GIDC Ordinance was issued by President of Pakistan, pursuant to which, on directions of OGRA, the Company charged GIDC from its consumers with effect from September 2014. The Ordinance was superseded by GIDC Act 2015 passed by Parliament of Pakistan. The Act ratified the preceding GIDC Act 2011 and GIDC Ordinance 2014 and its provisions. However, a special Committee has been constituted by the Parliament to decide on previous arrears of GIDC due from customers and to make recommendations for removal of any anomalies in the GIDC Act. Based on the report of the sub-committee of the special committee requisite amendment in GIDC Act 2015 had already been laid in the Senate through GIDC amendment Bill and the same was referred to the Senate Standing Committee on Energy. However, a number of consumers of the Company contested and have obtained stay order from various Courts against recovery of GIDC. During the FY 2017-18, certain amendments were introduced in GIDC Act, 2015 through GIDC (Amendment) Act, 2018, which inter alia include change in effective date for applicability of mark-up on delayed payments of GIDC and a settlement option for CNG consumers for GIDC payable pertaining to the period January 1, 2012 and May 21, 2015, subject to agreement with the Company.

Furthermore, principal amount of GIDC amounting to Rs 142,339,742 thousand (June 30, 2018: Rs 130,606,731 thousand) is recoverable from consumers and payable to Government of Pakistan. These financial statements do not reflect the said amounts since the provisions of the GIDC Act require the Company to pay GIDC as and when the same is collected from consumers. Furthermore, such consumers have obtained stay orders against recovery of the same and consequently in view of the legal advisors of the Company, the Company is not liable to pay such amounts until the same are recovered. Both the principal amount and sales tax on GIDC will be shown as payable as and when these balances are collected from consumers.

	Un-audited December 31, 2018	Audited June 30, 2018
	(Rupees in thousand)	
6.4 RLNG differential margin		
Opening balance	4,012,899	4,192,208
Recognized for the period/year	(3,412,143)	(179,309)
Closing balance	600,756	4,012,899

The balance of RLNG Margin Account represents the aggregate difference between the margin earned by the Company from the purchase and sale of RLNG based on the notified rates and the RLNG margin guaranteed to the Company till December 31, 2018. The settlement of this amount is expected to materialize in the shape of adjustment to future sale price of RLNG by the OGRA.

	Note	Un-audited December 31, 2018	Audited June 30, 2018
		(Rupees in thousand)	
6.5 Gas swapping deferral account			
Opening balance		2,640,675	-
Recognized for the period/year		(5,940,535)	2,640,675
		(3,299,860)	2,640,675
RLNG margin on sale of stock to SSGCL	6.5.2	9,914,052	-
		6,614,192	2,640,675



6.5.1 A gas swapping mechanism was allowed by the Economic Coordination Committee ("ECC") of the Cabinet Division vide its decision dated May 11, 2018, which was endorsed by OGRA vide Final Revenue Requirement decision of the Company for financial year 2017-18 dated January 15, 2019 (FRR 17-18), for swapping of natural gas and RLNG for the purpose of gas load management. The necessary volumetric adjustments and financial impact is to be made on a cost neutral basis in the sale price of RLNG. The balance of gas swapping deferral account represents the difference of average cost of RLNG and the prescribed price of system gas (used by OGRA in determination of deferral account) of the swapped volumes. During the period ended December 31, 2018, 7,295,174 MMBTUs of RLNG has been sold as Indigenous gas. This amount will be adjusted upon directional changes in gas swapping and / or tariff adjustments in future periods to be determined by the OGRA.

6.5.2 During the period, the OGRA vide its decision dated November 20, 2018 which was further clarified on February 04, 2019, has directed that this stock to be sold to SSGCL on historical weighted average cost. Thereafter, SSGCL shall record sales as per relevant applicable OGRA notified rates. The gain / loss owing to the difference between the current and historical rates shall be passed on to the Company within a month of sale of RLNG stock by SSGCL to its consumers and is to be realized / adjusted in form of future price adjustments of the Company's RLNG consumers.

7 INTEREST AND MARK-UP ACCRUED ON LOANS AND OTHER PAYABLES

Accrued mark-up / interest on:

Long term financing - secured

Long term financing - unsecured

Short term borrowing - secured

Deposits from customers

Late payment of gas creditors and gas development surcharge

Un-audited
December 31,
2018

Audited
June 30,
2018

(Rupees in thousand)

498,680

365,245

230,599

300,233

77,099

45,661

1,768,014

1,320,833

36,537,937

29,332,016

39,112,329

31,363,988

7.1 This includes an amount of Rs 35,898,824 (June 30, 2018: Rs 28,872,418) payable to Government owned gas suppliers on account of late payment surcharge on delayed payments as further explained in note 13.1.

Note

Un-audited
December 31,
2018

Audited
June 30,
2018

8 SHORT TERM BORROWING - secured

(Rupees in thousand)

Allied Bank Limited

8.1

2,440,292

2,348,352

Bank Alfalah Limited

8.2

507,332

1,638,194

2,947,624

3,986,546

8.1 This is a short term running finance facility of Rs 4,000,000 thousand (June 30, 2018: Rs 4,000,000 thousand). This facility carries mark-up at the rate of 3 months KIBOR per annum (June 30, 2018: 3 months KIBOR per annum) on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs 1,333,330 thousand (June 30, 2018: Rs 1,333,330 thousand) and ranking charge over current assets of the Company to the extent of Rs 4,000,000 thousand (2018: Rs 4,000,000 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the period ranges from 6.92% to 8.32% per annum (June 30, 2018: 6.29% to 6.50%) per annum.



- 8.2 This is a short term running finance facility from Bank Alfalah Limited amounting to Rs 2,500,000 thousand (June 30, 2018: Rs 2,500,000 thousand). This facility carries mark-up at the rate of 3 months KIBOR per annum (June 30, 2018: 3 months KIBOR per annum) on the balance outstanding. This is secured by way of ranking charge over current assets of the Company to the extent of Rs 3,333,334 thousand (June 30, 2018: Rs 3,333,334 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the period ranges from 6.93% to 8.88% per annum (June 30, 2018: 6.41% per annum).

	Note	Un-audited December 31, 2018	Audited June 30, 2018
9	CURRENT PORTION OF LONG TERM FINANCING	(Rupees in thousand)	
Long term financing - secured	4	11,890,000	11,090,000
Long term financing - unsecured	5	288,661	482,645
		12,178,661	11,572,645

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no significant change in contingencies from the preceding audited financial statements of the Company for the year ended June 30, 2018.

	Un-audited December 31, 2018	Audited June 30, 2018
10.2 Commitments:	(Rupees in thousand)	
a) Capital Commitments		
Property, plant and equipment	992,246	636,879
Intangible assets	28,776	29,307
Stores and spares	18,854,509	18,141,502
	19,875,531	18,807,688
b) Other Commitments	563,479	684,443



	Note	Un-audited December 31, 2018	Audited June 30, 2018
(Rupees in thousand)			
11. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
Tangible			
Opening book value		171,406,578	140,804,573
Additions during the period/year	11.1	7,084,787	47,760,232
		178,491,365	188,564,805
Book value of assets disposed off during the period/year	11.2	(235)	(3,010)
Book value of assets transferred to CWIP during the period/year		-	(38,221)
Depreciation charged during the period/year		(9,355,551)	(17,116,996)
		(9,355,786)	(17,158,227)
Closing book value		169,135,579	171,406,578
Capital work in progress (CWIP)	11.3	22,755,050	19,203,112
		191,890,629	190,609,690
11.1 Additions during the period / year			
Freehold land		-	345,869
Buildings and civil construction on freehold land		4,550	156,673
Buildings on leasehold land		-	10,855
Transmission system		569,097	17,957,963
Distribution systems		3,952,383	19,833,525
Consumer meter and town border stations		1,866,826	6,856,534
Telecommunication system and facilities		8,792	110,170
Plant and machinery, compressor stations and equipment		293,897	1,334,154
Furniture and equipment		46,964	66,133
Computers and ancillary equipment		131,579	290,363
Transport vehicles		191,129	746,173
Tools and accessories		19,570	51,820
		7,084,787	47,760,232
11.2 Disposals during the period / year			
Transport vehicles		221	1,902
Plant and machinery		14	48
Computers and ancillary equipment		-	182
Furniture and equipment		-	878
		235	3,010
11.3 Capital work-in-progress			
Transmission system		2,815,026	2,076,420
Distribution system		9,725,511	8,718,932
Stores and spares including in transit Rs 611,809 thousand (June 30, 2018: Rs 1,325,451 thousand)		9,789,065	7,819,285
Advances for land		425,448	588,475
		22,755,050	19,203,112



	Note	Un-audited December 31, 2018	Audited June 30, 2018
12. STOCK IN TRADE		(Rupees in thousand)	
- Gas in pipelines		3,379,952	3,211,724
- Gas in Floating Storage and Regasification Unit	12.1	4,684,254	1,672,953
- Held with third parties	6.5.2	-	26,519,892
		8,064,206	31,404,569

12.1 This represents gas purchased by the Company that is yet to be delivered by Engro Elengy Terminal (Private) Limited ('EETL').

	Note	Un-audited December 31, 2018	Audited June 30, 2018
13. TRADE DEBTS		(Rupees in thousand)	
Considered good:			
Secured		50,637,783	40,870,650
Unsecured	13.1	62,636,742	25,443,950
	13.2	113,274,525	66,314,600
Considered doubtful		22,411,883	21,202,850
		135,686,408	87,517,450
Less: Provision for doubtful debts		(22,411,883)	(21,202,850)
		113,274,525	66,314,600

13.1 Included in trade debts are amounts receivable from Government owned power generation companies and independent power producers of Rs 31,785,498 thousand (June 30, 2018: Rs 27,294,107 thousand) along with interest thereon of Rs 15,262,974 thousand (June 30, 2018: Rs 15,155,518 thousand) due to delayed payments. While trade and other payables (refer note 6) include an amount of Rs 181,484,069 thousand (June 30, 2018: Rs 138,142,072 thousand) due to Pakistan Petroleum Limited (PPL), Sui Southern Gas Company Limited (SSGCL), Oil and Gas Development Company Limited (OGDCL) and Government Holding (Private) Limited on account of gas purchases along with interest on delayed payments of Rs 31,797,092 thousand (June 30, 2018: Rs 24,770,686 thousand), interest on delayed payment of Gas Development Surcharge of Rs 4,101,732 thousand (June 30, 2018: Rs 4,101,732 thousand) is payable to Government of Pakistan, the settlement of these amounts is dependent upon the resolution of inter-corporate circular debt by the Government of Pakistan.

13.2 In aggregate, the Company has recognized revenue of Rs 23,838 million under Take or Pay ("ToP") arrangements from July 01, 2017 to December 31, 2018 out of which Rs 6,660 million has been recognized during the period. This comprises of Rs 12,184 million from M/s Quaid-e-Azam Thermal Power (Private) Limited ("QATPL") and Rs 11,654 million from M/s National Power Parks Management Company Limited ("NPPMCL") (collectively referred to as Government Power Producers ("GPPs")).

The Company entered into Gas Supply Agreements ("GSAs") for supply of RLNG to GPPs. Under clause 3.6 of the respective GSAs, the GPPs shall take and if not taken, pay for the unutilized gas on account of Take or Pay ("ToP") arrangements. If the GPPs do not fully utilize the ToP quantity, they can request the Company to divert any unutilized quantity to other power plants, after seeking their consent. In case the power plants refuse or the Company, due to technical constraints or other reasons, is unable to supply the unutilized quantity to the power plants, it can divert that quantity to any of its consumers. The amounts recovered from these consumers, after deduction of any additional charges incurred by the Company in arranging the sale is required to be paid to the GPPs. The revenue of Rs 23,838 million is recorded net of amounts billed by the Company to such other consumers.

The Company has also partially recovered the ToP amounts by encashment of Standby Letter of Credit of NPPMCL for a net amount of Rs 10,384 million and withdrawal of Rs 3,265 million from the Escrow Account of QATPL against the invoices raised under ToP arrangement. The net receivable balance as at period end amounts to Rs 10,189 million (June 30, 2018: Rs 3,529 million). The GPPs disputed the invoices under ToP arrangements on various grounds and filed a writ petition with the Honorable Lahore High Court ("LHC"). The LHC on June 22, 2018 directed that the disputed invoices should be dealt with in accordance with the dispute resolution mechanism



available in the GSAs. In light of Section 18.1 of the GSAs, various attempts were made to settle this dispute by mutual discussions but the matter remained unresolved. As required under section 18.2 of the GSAs, the dispute has thereafter been referred to an Expert, after mutual agreement of the parties involved, on October 09, 2018.

Subsequent to the period end, the legal advisor of the Company has filed claims against GPPs to the Expert on March 15, 2019 and the arbitration proceedings are in progress. Based upon the advice of the Company's legal counsel on this matter, the Company believes that it has reasonably good arguments in its favor and it expects a favorable outcome.

Besides the above proceedings, the Company, under the terms of the license granted to it by the OGRA, the guidelines issued by the Federal Government vide decision of the Economic Coordination Committee of the Cabinet ("ECC") dated May 11, 2018, and as per determination of Final Revenue Requirement of the Company for FY 2017-18 ("FRR 2017-18") dated January 15, 2019, operates under a fixed rate of return regime. The management believes that in case the decision of the Expert is not in favor of the Company or is partially in favor of the Company, and the Company has exhausted its legal remedies available under the law, the matter will be taken up with the OGRA for determining the cost of the same to the Company in its revenue requirement decision, therefore, the Company is not exposed to any significant loss upon the conclusion of this matter.

	Note	Un-audited December 31, 2018	Audited June 30, 2018
		(Rupees in thousand)	
14. LOANS AND ADVANCES			
Loans to employees - considered good		179,676	169,024
Advances - considered good:			
- Employees		1,136,351	630,375
- Suppliers and Contractors		609,026	461,546
Advances to suppliers and contractors - considered doubtful		3,227	3,227
Less: Provision for doubtful advances		3,227	3,227
		-	-
		1,925,053	1,260,945
15. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits and short term prepayments		286,526	126,588
Less: Provision for doubtful deposits		(22,290)	(22,290)
		264,236	104,298
Add: Current portion of long term prepayments		295,004	121,914
		559,240	226,212
16. OTHER RECEIVABLES			
Excise duty recoverable		108,945	108,945
Less: Provision for doubtful recoverable		(108,945)	(108,945)
		-	-
Differential margin recoverable	16.1	150,797,782	122,176,517
Due from customers		1,438	1,438
Current account with SSGCL		17,176	17,132
Others		27,434	143,075
		150,843,830	122,338,162

- 16.1 An amount of Rs 150,797,782 thousand (June 30, 2018: Rs 122,176,517 thousand) is receivable from Government of Pakistan on account of differential margin. The recoverability of this amount is dependent upon settlement by the Government of Pakistan directly or indirectly inter alia including increase in future gas prices.



		Un-audited December 31, 2018	Audited June 30, 2018		
Note		(Rupees in thousand)			
17 CASH AND BANK BALANCES					
Deposit accounts	17.1	5,600,187	5,821,947		
Current accounts		506,379	1,248,816		
		6,106,566	7,070,763		
Cash in hand		16,068	4,270		
		6,122,634	7,075,033		
17.1	Included in deposit accounts are amounts deposited by the Company in separate bank account(s) for funds released by the Government as grant, to finance the distribution development projects, being the Government share of cost. Withdrawal from this account(s) is made on periodic basis to the extent of projects approved and sanctioned therefrom and until then, these funds amounting to Rs 5,317,306 thousand (June 30, 2018: Rs 5,426,673 thousand) are not used for the normal treasury operations of the Company. Any profit earned thereon is credited to the funds instead of accounting for as Company's income.				
		Three months quarter ended	Six months half year ended		
		Un-audited December 31, 2018	Un-audited December 31, 2017	Un-audited December 31, 2018	Un-audited December 31, 2017
		(Rupees in thousand)			
18. GAS SALES					
Gross sales - Indigenous gas		66,703,426	39,217,367	121,274,819	87,428,643
Gross sales - RLNG		150,605,451	58,217,327	278,796,765	113,205,362
		217,308,877	97,434,694	400,071,584	200,634,005
Sales tax - Indigenous gas		(15,600,040)	(4,878,876)	(34,371,246)	(12,095,963)
Sales tax - RLNG		(8,421,542)	(6,760,884)	(14,377,927)	(12,526,961)
		(24,021,582)	(11,639,760)	(48,749,173)	(24,622,924)
		193,287,295	85,794,934	351,322,411	176,011,081
19. DIFFERENTIAL MARGINS					
Differential margin on indigenous gas		15,452,873	21,115,347	28,621,265	25,730,073
Differential margin on RLNG		14,395,545	3,933,673	3,412,143	2,781,734
		29,848,418	25,049,020	32,033,408	28,511,807
20. COST OF GAS SALES					
Opening stock of gas in pipelines		55,660,518	13,538,876	31,404,569	10,270,890
Gas purchases:					
- Southern system		28,878,039	17,570,009	46,689,610	35,240,169
- Northern system		21,644,310	28,767,063	41,152,733	44,183,261
- RLNG		111,958,457	57,682,820	244,093,485	106,684,894
- Cost equalization adjustment		-	(1,521,911)	-	3,558,050
		162,480,806	102,497,981	331,935,828	189,666,374
- Gas swapping deferral account		(6,051,416)	-	(5,940,535)	-
		212,089,908	116,036,857	357,399,862	199,937,264
Less:					
Gas internally consumed		1,156,416	1,114,504	2,237,810	1,961,755
Closing stock of gas in pipeline		8,064,206	18,386,199	8,064,206	18,386,199
		9,220,622	19,500,703	10,302,016	20,347,954
Distribution Cost		8,648,792	7,659,885	16,504,857	14,224,006
		211,518,078	104,196,039	363,602,703	193,813,316



		Three months	quarter ended	Six months	half year ended
		Un-audited December 31, 2018	Un-audited December 31, 2017	Un-audited December 31, 2018	Un-audited December 31, 2017
21. OTHER OPERATING INCOME		(Rupees in thousand)			
Income from financial assets					
Interest income on late payment of gas bills	2,572,783	522,622	4,761,624	2,203,668	
Gain on initial recognition of financial liabilities at fair value	980	1,528	2,508	3,056	
Interest on staff loans and advances	19,437	14,645	38,777	27,866	
Reversal of provision for doubtful debt	-	135,167	-	135,167	
Return on bank deposits	76,625	70,153	156,231	157,252	
	2,669,825	744,115	4,959,140	2,527,009	
Income from assets other than financial assets					
Net gain on sale of fixed assets	53	7,960	47,387	34,491	
Meter Rentals and service income	505,029	434,039	899,006	936,351	
Amortization of deferred credit	655,964	692,158	1,239,454	1,253,187	
Insurance claims	1,664	2,573	3,623	3,376	
	1,162,710	1,136,730	2,189,470	2,227,405	
Others					
Sale of tender documents	2,305	2,096	3,426	3,797	
Sale of scrap	6,774	83,481	78,493	87,935	
Liquidated damages recovered	50,657	39,683	305,161	56,098	
Gain on construction contracts	10,775	54,500	10,775	54,500	
Non delivery charges recovered	-	-	237,503	-	
Bad debt recoveries	1,966	2,678	1,269	4,952	
Urgent fee for new meter connections	197,432	265,429	249,867	506,594	
Miscellaneous	10,984	4,086	13,859	15,504	
	280,893	451,953	900,353	729,380	
	4,113,428	2,332,798	8,048,963	5,483,794	
22. OTHER OPERATING EXPENSES					
Workers' Profit Participation Fund	243,311	148,463	442,357	292,719	
Exchange loss on gas purchases	1,150,793	632,611	1,240,214	634,681	
Loss on initial recognition of financial assets at fair value	(77,555)	49,836	18,092	50,060	
	1,316,549	830,910	1,700,663	977,460	
23. Included in finance cost is an amount of Rs 7,205,921 thousand (December 31, 2017: Rs 1,839,580 thousand) in respect of late payment surcharge on account of overdue payables for gas purchases.					
		Three months	quarter ended	Six months	half year ended
		Un-audited December 31, 2018	Un-audited December 31, 2017	Un-audited December 31, 2018	Un-audited December 31, 2017
24. TAXATION		(Rupees in thousand)			
Current tax	985,324	(69,374)	1,884,318	396,574	
Deferred tax	519,613	949,596	806,704	1,305,908	
	1,504,937	880,222	2,691,022	1,702,482	



	Note	Un-audited December 31, 2018	Un-audited December 31, 2017
		(Rupees in thousand)	
25. CASH GENERATED FROM OPERATIONS			
Profit before taxation		8,404,788	5,561,669
Adjustment for non-cash charges and other items			
Depreciation - Owned assets		9,355,551	7,968,098
Amortization of intangible assets		44,030	25,942
Employee benefits		1,013,392	1,572,599
Amortization of deferred credit		(1,239,454)	(1,253,187)
Finance cost		10,369,097	4,064,216
Return on bank deposits		(156,231)	(157,252)
Gain on sale of fixed assets		(47,387)	(34,491)
Provision for doubtful debts		1,209,033	-
Reversal of provision for doubtful debts		-	(135,167)
Loss on initial recognition of financial assets at fair value		18,092	50,060
Gain on initial recognition of financial liabilities at fair value		(2,508)	(3,056)
Amortization of difference between initial and maturity amount		(21,198)	(16,427)
Working capital changes	25.1	(11,461,013)	(1,183,745)
		17,486,192	16,459,259
25.1 Working capital changes (Increase) / decrease in current assets			
Stores and spare parts		(793,009)	(66,947)
Stock-in-trade		23,340,363	(8,115,309)
Trade debts		(48,168,958)	(3,971,374)
Loans and advances		(653,456)	862,777
Trade deposits and prepayments		(333,028)	(326,838)
Other receivables		(29,329,924)	(38,142,498)
Increase in current liabilities		(55,938,012)	(49,760,189)
Trade and other payables		44,476,999	48,576,444
		(11,461,013)	(1,183,745)
25.2 Cash and cash equivalents			
Cash and bank balances		6,122,634	10,044,212
Short term running finance		(2,947,624)	(996,912)
		3,175,010	9,047,300

26. INCORPORATION OF TARIFF REQUIREMENTS

- 26.1 OGRA vide its decision dated June 21, 2018 on the Estimated Revenue Requirement ('ERR') of the Company for the year 2018-19 decided in consultation with the Federal Government and other licensees in the natural gas sector to revise the tariff regime including the rate of return which is to be based on Weighted Average Cost of Capital ('WACC') from the financial year 2018-19 in place of the existing rate of return of 17.5% of the average operating assets. Weighted Average Cost of Capital ('WACC') was computed at 17.43% for financial year 2018-19 and onwards, however, the same will automatically reset if the reference figure changes by $\pm 2\%$. As per the revised tariff regime, the Company is required to earn an annual return of not less than Weighted Average Cost of Capital ('WACC') on the value of its average fixed assets in operation (net of deferred credit), before corporate income taxes, interest and other charges on debt and after excluding interest, dividends and other non operating income and before incorporating the effect of efficiency benchmarks prescribed by OGRA.
- 26.2 During the period, the Company could not meet the benchmarks prescribed by Oil and Gas Regulatory Authority (OGRA) and as a result the return for the period on the aforesaid basis works out to be 13.93% (December 31, 2017: 11.70%). Among other disallowances, the Company has also incorporated the effect of Unaccounted for Gas (UFG), which represents the volume difference of gas purchases and sales, amounting to Rs 2,029,392 thousand (December 31, 2017: Rs 3,666,968 thousand), which is in excess of the UFG benchmark of 6.991% as determined by OGRA in Final Revenue Requirements (FRR) for FY 2017-18.



		Un-audited December 31, 2018	Un-audited December 31, 2017
27. TRANSACTIONS WITH ASSOCIATES AND RELATED PARTIES			
27.1 Transactions during the period		(Rupees in thousand)	
Gas sales		143,206,318	9,571,239
Purchase of materials		536,942	8,830
Purchase of gas		243,893,035	159,754,873
Service charges		17,139	12,050
Profit received on bank deposits		14,643	6,992
Transportation charges		111,286	92,358
Transmission charges		2,863	1,783
Insurance expenses		133,383	164,999
Insurance claims received		9,142	20,360
Dividend paid		-	1,578,362
Contributions to defined contribution plans		233,673	219,010
Contributions to defined benefit plans		1,066,719	1,638,870
Remuneration and benefits paid to key management personnel		1,483,217	7,747,761
27.2 Period end balances		Un-audited December 31, 2018	Audited June 30, 2018
		(Rupees in thousand)	
Receivable from related parties		61,217,862	25,566,781
Payable to related parties		257,622,882	207,203,045

28. EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the Company in its meeting held on July 24, 2019 has proposed an interim cash dividend of Rs Nil per share (December 31, 2017: Nil), amounting to RsNil (December 31, 2017: Rs Nil) for the year ended June 30, 2019.

29. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. Following major reclassification has been made during the period:

Description	Reclassified		Rupees in thousand
	From	To	
Differential margin on RLNG	Gas sales	Differential margins	2,781,734

30. GENERAL

Figures have been rounded off to nearest thousand of rupees, unless otherwise stated.

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on July 24, 2019 by the Board of Directors of the Company.


(Saghir-ul-Hassan Khan)
Chief Financial Officer


(Mahmood Zia Ahmad)
Managing Director/CEO


(Syed Dilawar Abbas)
Chairman-BOD



توسیع کاروبار (Business Development)

آپ کی کمپنی، دیگر ملکی و کثیر الملکی کمپنیوں کیلئے مختلف پائپ لائنز کے تعمیری منصوبہ جات میں مصروف عمل ہے۔ MOL، SNGPL پاکستان لیہ میڈ کے مختلف گیس کنوؤں جیسا کہ مرم زئی، منزلی، مای خیل اور مکوڑی کیلئے ضلع کوہاٹ، ہنگو میں بہاؤ / ٹرنک لائنز اور فائبر آپٹک کیبل (FOC) کی انجینئرنگ اور تعمیری ذمہ داریاں، پچھلے پندرہ سالوں سے نبھا رہی ہے۔ گیس کی فراہمی کو مستحکم کرنے میں MOL پاکستان ایک بہت اہم کردار ادا کر رہی ہے۔ MOL پاکستان فی الحال مردان خیل-3 کنوئیں پر کام کر رہی ہے اور کمپنی کو 8 انچ قطر کی 7.5 کلومیٹر طویل بہاؤ لائن بچانے کیلئے منصوبہ تفویض کیا ہے تاکہ مردان خیل-3 سے مردان خیل-1 پر CPF، جس پر کام جاری ہے، میں مزید پروسیسنگ کے لیے گیس کو لایا جائے۔ مردان خیل-3 منصوبے کی تکمیل پر 1 سے 1.5 کروڑ مکعب فٹ گیس روزانہ کمپنی کے نظام میں شامل ہو جائے گی جو کہ ملک میں جاری تخفیف توانائی میں کمی کے لیے کافی مددگار ثابت ہوگی۔ حال ہی میں، آپ کی کمپنی MOL پاکستان کے مردان خیل 1 اور 2 منصوبوں کے لیے پائپ لائن کی تعمیر کے حوالے سے بالترتیب "6 قطر کی 6 کلومیٹر اور 10/12 قطر کی 2.2 کلومیٹر طویل پائپ لائن کی تعمیر کا کام سرانجام دے چکی ہے، جس کے نتیجے میں 4 سے 5 کروڑ مکعب فٹ اضافی گیس روزانہ SNGPL کے نظام میں شامل ہو چکی ہے۔

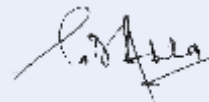
پیش بینی (Future Outlook)

حکومت پاکستان کی ہدایات پر، بتدریج کم ہوتے ہوئے گیس ذرائع اور تمام شعبہ جات میں بڑھتی ہوئی طلب کے پیش نظر نئے LNG ٹرمینلز کی وساطت سے 1 ارب 20 کروڑ مکعب فٹ گیس روزانہ لانے کے لیے کمپنی نے ساوان سے لاہور تک مزید ایک نئی "42 قطر اور 770 کلومیٹر طویل پائپ لائنز کو اپنے دائرے کار میں تعمیر کا منصوبہ تیار کر لیا ہے جبکہ سوئی سدرن کراچی سے ساوان تک پائپ لائن کی تعمیر کرے گی۔ نظام میں اس توسیعی منصوبے کی تکمیل کے بعد، آپ کی کمپنی اپنے نظام کے ذریعے 1.2 ارب سے 1.5 ارب مکعب فٹ گیس روزانہ نقل و حمل کے قابل ہو گئی ہے۔ آپ کی کمپنی نے پنجاب میں زیر تعمیر RLNG کی بنیاد پر نئے بجلی کے پیداواری کارخانوں کو 70 کروڑ مکعب فٹ گیس روزانہ کی ترسیل کے لیے پائپ لائن کی تعمیر کا مکمل کر لیا ہے۔ آپ کی کمپنی RLNG کی بنیاد پر تعمیر ہونے والے، پنجاب، ضلع جھنگ میں تریبوں کے مقام پر، نئے بجلی پیداواری پلانٹ کو 20 کروڑ مکعب فٹ گیس روزانہ کی ترسیل کے لیے پائپ لائن کی تعمیر کے لیے مصروف عمل ہے۔ تاہم، ساوان سے لاہور تک، نئے منصوبے کی تکمیل کے بعد جو کہ "42 قطر اور 770 کلومیٹر طویل پائپ لائنز اور 89,750 ہارس پاور کپریشن پر مشتمل ہے، آپ کی کمپنی مزید 1 ارب 20 کروڑ مکعب فٹ گیس روزانہ کی نقل و حمل کے قابل ہوگی۔ بورڈ آف ڈائریکٹرز نے اس منصوبے کی ابتدائی منظوری دے دی ہے۔ معاشی رابطہ کمیٹی برائے کابینہ نے بھی منصوبے کی مالیاتی منظوری دے دی ہے۔ فی الحال کمپنی حکومت پاکستان (پیٹرولیم ڈویژن) کی جانب سے منصوبے کی مکمل صلاحیت کے استعمال کیلئے ضروری اقدامات کی ضمانت حاصل کرنے میں کوشاں ہے۔

اظہار تشکر (Acknowledgements)

ڈائریکٹرز، حکومت پاکستان، وزارت توانائی (پیٹرولیم ڈویژن)، اوگرا اور متعلقہ سرکاری وغیرہ سرکاری اداروں کی مسلسل حمایت اور قدر افزائی اور دوران عرصہ کمپنی کے تمام ملازمین کی محنت اور خدمات پر مشکور و ممنون ہیں۔

منجانب بورڈ



(سید لاودھار)

چیرمین - بورڈ آف ڈائریکٹرز



(محمد ضیاء احمد)

مینجنگ ڈائریکٹر / منتظم اعلیٰ

(نوٹ: اردو متن میں کسی اہم بات کی صورت میں انگریزی متن کو ترجیح دی جائے۔)

لاہور

تاریخ: 24 جولائی، 2019



Sui Northern Gas Pipelines Limited

ڈائریکٹرز جائزہ (Directors' Review)

ہم ہمسرت، دوسری سہ ماہی اور نصف سال مختتمہ 31 دسمبر 2018ء کیلئے غیر پڑتال شدہ مالیاتی گوشوارا جات پیش کر رہے ہیں۔ یہ بات باعث فخر ہے کہ آپ کی کمپنی نے گزشتہ سال سے کامیابی کا تسلسل برقرار رکھا ہے اور نصف سال مختتمہ 31 دسمبر 2018ء کے دوران قبل از محصول 8 ارب 40 کروڑ سے زائد منافع حاصل کیا جبکہ گزشتہ اسی مدت کے دوران حاصل ہونے والا قبل از محصول منافع 5 ارب 56 کروڑ روپے تھا زریں نظر مدت میں آپ کی کمپنی نے 5 ارب 71 کروڑ روپے کا بعد از محصول منافع حاصل کیا جبکہ گزشتہ اسی مدت میں یہ منافع 3 ارب 86 کروڑ روپے تھا نتیجتاً فی حصہ منافع بھی گزشتہ اسی مدت کے دوران ہونے والے 6 روپے 8 پیسے منافع سے بڑھ کر 9 روپے 1 پیسہ ہو گیا۔

زریں نظر مدت میں منافع میں اضافہ کا سبب، اثاثہ جات پر شرح ادائیگی میں اضافہ ہے جو کہ گزشتہ سالوں میں انتہائی اہم قومی اہمیت کے حامل منصوبہ جات کی بروقت تکمیل کے نتیجے میں سرمایہ کاری میں اضافے کا سبب بنا۔ مزید برآں، مسلسل کاوشوں کی بناء پر، غیر محسوب برائے گیس (UFG) کے بڑھتے ہوئے رجحان پر قابو پایا گیا، نتیجتاً زریں نظر مدت میں غیر محسوب برائے گیس کی شرح گزشتہ اسی مدت کی 10.69% کی شرح سے کم ہو کر اب 9.39% تک آگئی ہے اور غیر محسوب برائے گیس کی مدت میں ملنے والی عدم اجازت گزشتہ اسی مدت کے 3 ارب 66 کروڑ کے مقابلے میں کم ہو کر اب 2 ارب 3 کروڑ تک آگئی ہے۔ تاہم، آپ کی کمپنی اپنی بہترین کاوشوں کے باوجود، خیر، پختہ نحوہ کے تیل و گیس پیداواری جنوبی اضلاع (کرک، ہنگو، کوہاٹ وغیرہ) میں اب بھی محدود اسن واماں کی وجہ سے تکنیکی و ترسیلی نظام پر غیر محسوب برائے گیس نقصانات کا سامنا کر رہی ہے۔ اس صورت حال سے نمبر آزا ہونے کیلئے کمپنی نے کرک آفس کے استعداد کار میں اضافہ کا منصوبہ تیار کیا ہے تاکہ غیر محسوب برائے گیس کے حوالے سے مختلف کارروائیوں کو بروئے کار لایا جاسکے، اس کے نتیجے میں غیر محسوب برائے گیس نقصانات میں مزید کمی آئے گی۔

گزشتہ سال کے دوران سابقہ پڑتال کنندگان نے کمپنی کی طرف سے حکومتی بجلی پیداواری اداروں سے "حصول یا ادائیگی" کی بنیاد پر حاصل وصولیات کو آمدن ظاہر کرنے پر اپنے تحفظات کا اظہار کیا تھا۔ اُن کے خیال میں اس معاملے میں بے یقینی شامل ہے اور "حصول یا ادائیگی" کی بنیاد پر وصولیاتی کا کمپنی کی طرف اندراج، مروجہ مالیاتی اظہار سے انحراف ہے۔ تاہم موجودہ پڑتال کنندگان نے اس معاملے پر طریقہ کار برائے پڑتال کے تفصیلی جائزے، جس میں سابقہ پڑتال کنندگان سے ملاقات اور اُن کے کام کا جائزہ لیتے ہوئے اس نتیجے پر پہنچنے کے یہ معاملہ اہم نوعیت کا ہے تاہم تحفظات کے اظہار کے بجائے معاملہ صرف جائزہ رپورٹ میں بحیثیت قابل توجہ شامل ہونا چاہیے انہوں نے 31 دسمبر 2018ء کیلئے جائزہ رپورٹ کا اجراء بغیر تحفظات کے کیا۔

آپ کی کمپنی کی یہ کامیابی بورڈ کی درست سمت اور بہترین رہنمائی کی مظہر ہے۔ یہ سب انتظامیہ، افسران اور سٹاف ممبرز کی ہر سطح پر اجتماع کاوشوں، لگن اور عزم سے ممکن ہوا۔ ہم پُر امید ہیں کہ کامیابی کا یہ سفر جاری و ساری رہے گا اور آپ کی کمپنی آنے والے وقت میں اسی رفتار کو برقرار رکھتے ہوئے نئی تاریخ رقم کرے گی۔

منصوبہ جات (Projects)

ثعبہ منصوبہ جات نے اطمینان صارفین کے مد نظر، گیس پریشور اور نظام کی صلاحیت میں بہتری اور نئے قصبہ جات کو گیس کی فراہمی کے لیے مالی سال 19-2018 کی دوسری سہ ماہی تک 6 سے 12 انچ قطر کی 36.59 کلومیٹر طویل ترسیلی اور 1 سے 16 انچ قطر کی 245.87 کلومیٹر طویل تقسیمی پائپ لائنز کو مکمل و فعال کیا۔ ملک میں جاری شدید توانائی بحران کے تناظر میں، حکومت پاکستان گیس فراہمی میں کمی کو پورا کرنے کیلئے 120 کروڑ مکعب فٹ روزانہ قدرتی گیس کی بلا تعطل درآمد کے لیے پورا انتظامات کر رہی ہے اور اب تک 110-100 کروڑ مکعب فٹ روزانہ گیس نظام میں شامل ہو رہی ہے۔

کمپنی نے درج ذیل امور مکمل اور فعال کر دیئے ہیں:

(اول) نظام میں توسیع منصوبہ کے ذریعے 1 ارب 20 کروڑ مکعب فٹ گیس کی ترسیل۔

(دوم) مجموعی طور پر 3,600 میگا واٹ صلاحیت کے حامل بجلی پیداوار کے تین اداروں بھکھی، جوہلی بہادر شاہ اور بلوکی 20 کروڑ مکعب فٹ روزانہ فی پلانٹ کی بنیاد پر گیس کی فراہمی کیلئے گیس پائپ لائن کی تنصیب۔

(سوم) نندی پور پاور پلانٹ کیلئے پائپ لائن کی تنصیب کا کام۔

مزید برآں، آپ کی کمپنی نے تربیوں بیراج کے نزدیک زیر تکمیل 1400 میگا واٹ صلاحیت کے پنجاب پاور پلانٹ کیلئے 100 فیصد اشتراکی لاگت کی بنیاد پر 24 انچ قطر کی 93 کلومیٹر پائپ لائن کی تنصیب کی بھی ذمہ داری اٹھائی ہے۔ اس منصوبہ پر کام کا آغاز کر دیا گیا ہے جو کہ اُمید ہے کہ اگست 2019ء تک مکمل ہو جائے گا۔

آپ کی کمپنی پنجاب میں RLNG کی بنیاد پر تعمیر شدہ بجلی پلانٹس کو 70 کروڑ مکعب فٹ RLNG گیس روزانہ کی فراہمی کے لیے بھی کام مکمل کر لیا گیا ہے۔ نظام میں توسیع منصوبہ کی تکمیل کے بعد، آپ کی کمپنی 1 ارب 20 کروڑ سے 1 ارب 50 کروڑ مکعب فٹ RLNG گیس روزانہ کی نقل و حمل کے قابل ہو چکی ہے۔



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