SUI NORTHERN GAS PIPELINES LIMITED

Half Yearly Accounts (Un-Audited)
For the Period Ended December 31, 2017

INVESTMENT IN GROWTH
OUR CURRENCY TO SUCCESS

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Corporate Information

BOARD OF DIRECTORS

Mr. Muhammad Saeed Mehdi	Chairman
Mr. Amjad Latif	Managing Director
Mr. Shahid Mahmood	Director
Mr. M. Jalal Sikandar Sultan	Director
Mr. Ahmad Aqeel	Director
Mirza Mahmood Ahmad	Director
Mr. Manzoor Ahmed	Director
Mian Misbah-ur-Rehman	Director
Mr. Mohammad Aamir Qawi	Director
Mr. Mohammad Jehanzeb Khan	Director
Qazi M. Saleem Siddiqui	Director
Mr. Mustafa Ahmad Khan	Director
Mr. Sajjad Hussain	Director
Mr. Shoaib Mir	Director

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT COMMITTEE

Mr. Manzoor Ahmed	Chairman
Mr. Mohammad Aamir Qawi	Member
Mr. Mohammad Jehanzeb Khan	Member
Mr. Shoaib Mir	Member
Mr. Mustafa Ahmad Khan	Member
Qazi M. Saleem Siddiqui	Member
Mr. Sajjad Hussain	Member
Mr. Ahmad Aqeel	Member

FINANCE & PROCUREMENT COMMITTEE

Mirza Mahmood Ahmad	Chairman
Mr. Amjad Latif	Managing Director
Mr. Shahid Mahmood	Member
Mr. M. Jalal Sikandar Sultan	Member
Mian Misbah-ur-Rehman	Member
Mr. Mohammad Jehanzeb Khan	Member
Mr. Shoaib Mir	Member
Mr. Ahmad Aqeel	Member

HR & NOMINATION COMMITTEE

Mr. Muhammad Saeed Mehdi	Chairman
Mr. Amjad Latif	Managing Director
Mr. Shahid Mahmood	Member
Mr. M. Jalal Sikandar Sultan	Member
Mian Misbah-ur-Rehman	Member
Mr. Manzoor Ahmed	Member
Mirza Mahmood Ahmad	Member
Mr. Mustafa Ahmad Khan	Member
Mr. Ahmad Aqeel	Member

UNACCOUNTED FOR GAS (UFG) CONTROL COMMITTEE

Qazi M. Saleem Siddiqui	Chairman
Mr. Amjad Latif	Managing Director
Mirza Mahmood Ahmad	Member
Mr. Mohammad Aamir Qawi	Member
Mr. Mustafa Ahmad Khan	Member
Mr. Shoaib Mir	Member
Mr. Sajjad Hussain	Member

RISK MANAGEMENT COMMITTEE

Mr. Ahmad Aqeel	Chairman
Mr. Amjad Latif	Managing Director
Mirza Mahmood Ahmad	Member
Mr. Manzoor Ahmed	Member
Mian Misbah-ur-Rehman	Member
Mr. Mohammad Aamir Qawi	Member
Qazi M. Saleem Siddiqui	Member
Mr. Sajjad Hussain	Member

CHIEF FINANCIAL OFFICER
Mr. Saghir-ul-Hassan Khan

COMPANY SECRETARY / SECRETARY TO COMMITTEES OF THE BOARD
Miss Wajiha Anwar

AUDITORS
A.F. Ferguson & Co.
Chartered Accountants

LEGAL ADVISORS
M/s. Surridge & Beecheno
M/s. Salim Baig & Associates

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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, 2017. It is a matter of great pride that your Company is sustaining its momentum from previous year and has earned Rs 5,562 million profit before tax during half year ended December 31, 2017, as against profit before tax of Rs 5,171 million in the corresponding period. Your Company's profit after tax is Rs 3,859 million for the period under review, while profit after tax of Rs 3,603 million was declared for the corresponding period. Resultantly, the Earnings per share of the Company is Rs. 6.08 as against the Earnings per share of Rs. 5.68 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. Moreover, no disallowance on account of Provision for doubtful debts has been witnessed as against Rs 270 million during the preceding period. Due to continuous effort the increasing trend in unaccounted for gas(UFG) has been arrested, consequently, the UFG for the second quarter has been decreased from 10.98% in the first quarter of FY 2017-18 to 10.69% for the half year of FY 2017-18.

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 173.66 KMs Transmission Lines with diameters ranging from 8" to 42" including the contract lines. In addition to Transmission Lines, 295 KMs of Distribution mains were commissioned up to 2nd quarter of FY 2017-18 for enhancing system capacity, supplying gas 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 1100-1200 MMCFD RLNG has been injected into system. The Company has completed / commissioned (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 spur line job for supply of 200 MMCFD RLNG to Punjab Power Plant near Trimmu Barrage of 1400 MW capacity on 100 % cost sharing basis. The works on the project has been initiated. Detailed engineering and material tendering is in progress. Project shall be completed by September 2018. The Government of Pakistan has now decided to import further 1200 MMCFD LNG 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 for which there is an immediate need for the development of 1.2 BCFD pipeline capacity from Karachi to Lahore. In the light of GOP's this decision, both Sui Companies have also been advised to lay / ensure the required pipeline infrastructure to carry additional 1200 MMCFD LNG from terminals to be built at Karachi port to Lahore in their franchise area i.e. from Karachi port to Sawan by SSGC and from Sawan to Lahore by Sui Northern Gas Pipelines Limited. Company has planned to lay separate 42"dia x 770 KM pipeline from Sawan to Lahore to transport further 1200 MMCFD RLNG for which survey & design works and material procurement tendering process have already been initiated as an advance action. After the completion of ongoing

system augmentation project, your Company shall be able to build up 1500 MMCFD additional pipeline capacity as compared to recently completed pipeline infrastructure capacity of 1200 MMCFD. Your Company has also completed infrastructure required to supply 700 MMCFD RLNG to new RLNG based power plants being constructed in Punjab. However, after the completion of recently awarded 42"dia x 770 KM Pipeline Project along with 89,500 HP compression, your Company shall be able to transport further 1200 MMCFD RLNG from Sawan to Lahore. The Board of Directors has already granted conceptual approval of the project. Recently, Economic Coordination Committee (ECC) of the cabinet has also approved the financial model of the Project. At present the Company is seeking capacity utilization of the pipeline from Ministry of Energy (Petroleum Division). We are also bringing business plan of the project in the Board.

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. Lately, SNGPL has completed MOL Pakistan's job of 12"/10" dia x 22 KM pipeline for Mardankhel-1 well head and with the completion of this job, additional 40 MMCFD gas has been injected into SNGPL's system. MOL Pakistan has commissioned two more wells i.e. Mardankhel-2 and Mardankhel-3 and have awarded the job of engineering and construction of 8"/ 6" dia x 25 KMs long flow / trunk lines for well heads of Mardankhel -2 and Mardankhel-3 wells along with laying of fiber optic cable and tie-in works for above mentioned wells which is the hall mark of quality / time consciousness of our work. Your Company has started construction works on this project and shall complete in next three-four months time frame. The completion of this project will not only inject 30 MMCFD gas into SNGPL's System but would be quite instrumental in reducing the energy deficiency in the country.

ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the Government of Pakistan, Ministry of Energy (Petroleum Division), Oil and Gas Regulatory Authority, other Government & 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

(Amjad Latif)
Managing Director

(Muhammad Saeed Mehdi)
Chairman-BOD

Lahore.
February 24, 2018

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Sui Northern Gas Pipelines Limited ("the Company") as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity together with explanatory notes forming part thereof, for the half year then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

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 information 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 condensed interim financial information for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Emphasis of Matter

We draw attention to note 11.1 to the attached condensed interim financial information which 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 this matter.

Chartered Accountants,

Lahore, February 26, 2018

Name of engagement partner: Asad Aleem Mirza

Condensed Interim Balance Sheet (Un-audited)
As at December 31, 2017

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital 1,500,000,000 (June 30, 2017: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid up share capital 634,216,665 (June 30, 2017; 634,216,665) ordinary shares of Rs 10 each		6,342,167	6,342,167
Revenue reserves		3,356,188	4,253,626
		9,698,355	10,595,793
NON-CURRENT LIABILITIES			
Long term financing:			
-Secured	4	56,365,000	49,359,799
-Unsecured	5	479,406	504,067
Security deposits		41,329,985	38,566,630
Deferred credit		52,934,023	47,168,154
Employee benefits		9,276,100	14,681,746
		160,384,514	150,280,396
CURRENT LIABILITIES			
Trade and other payables	6	182,827,455	131,735,106
Interest / mark-up accrued on loans and other payables		26,931,116	25,212,533
Short term borrowing-secured		996,912	999,258
Current portion of long term financing	7	8,087,745	5,363,722
		218,843,228	163,310,619
CONTINGENCIES AND COMMITMENTS	8	-	-
		388,926,097	324,186,808

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

Condensed Interim Balance Sheet (Un-audited)
As at December 31, 2017

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	176,078,104	164,102,403
Intangible assets		88,705	89,214
Deferred taxation		4,433	1,310,341
Long term investment		4,900	4,900
Long term loans		668,915	474,539
Employee benefits		1,259,214	1,088,593
Long term deposits and prepayments		14,659	11,389
		178,118,930	167,081,379
CURRENT ASSETS			
Stores and spare parts		3,897,938	3,830,991
Stock-in-trade	10	18,386,199	10,270,890
Trade debts	11	61,923,862	57,817,321
Loans and advances	12	660,343	1,496,789
Trade deposits and short term prepayments	13	487,747	160,909
Accrued interest		15,860	10,546
Other receivables	14	88,988,154	65,907,599
Sales tax recoverable		23,910,079	11,373,489
Income tax receivable		2,492,773	2,589,113
Cash and bank balances	15	10,044,212	3,647,782
		210,807,167	157,105,429
		388,926,097	324,186,808

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

Condensed Interim Profit and Loss Account (Un-audited)

for the Quarter and Half Year Ended December 31, 2017

	Note	Quarter ended		Half year ended	
		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
		(Rupees in thousand)			
Gas sales		89,728,607	79,486,986	178,792,815	151,945,335
Add / (Less) : Differential margin / (Gas development surcharge)		21,115,347	(1,625,773)	25,730,073	367,941
		110,843,954	77,861,213	204,522,888	152,313,276
Less: Cost of gas sales	16	104,196,039	74,992,308	193,813,316	145,594,380
Gross profit		6,647,915	2,868,905	10,709,572	6,718,896
Add: Other Income	17	2,332,798	4,677,055	5,483,794	6,650,683
		8,980,713	7,545,960	16,193,366	13,369,579
Less:					
Selling cost		1,231,425	1,194,635	2,364,961	2,398,729
Administrative expenses		1,855,761	1,372,494	3,225,060	2,511,686
Other operating expenses	18	830,910	184,919	977,460	312,953
		3,918,096	2,752,048	6,567,481	5,223,368
Operating profit		5,062,617	4,793,912	9,625,885	8,146,211
Less: Finance cost	19	2,241,819	1,622,058	4,064,216	2,975,559
Profit before taxation		2,820,798	3,171,854	5,561,669	5,170,652
Less: Taxation	20	880,222	968,008	1,702,482	1,567,647
Profit for the period		1,940,576	2,203,846	3,859,187	3,603,005
Earnings per share - basic and diluted (Rupees)		3.06	3.47	6.08	5.68

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

Condensed Interim Statement of Comprehensive Income (Un-audited) for the Quarter and Half Year Ended December 31, 2017

	Quarter ended		Half year ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Rupees in thousand)			
Profit for the period	1,940,576	2,203,846	3,859,187	3,603,005
Other comprehensive income for the period:				
Items that will not be reclassified to profit and 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 be reclassifed to proft and loss:	-	-	-	-
Total comprehensive income for the period	1,940,576	2,203,846	3,859,187	3,603,005

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

Condensed Interim Cash Flow Statement (Un-audited)

for the Half Year Ended December 31, 2017

	Note	Half year ended	
		December 31, 2017	December 31, 2016
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	21	16,459,259	3,954,961
Finance cost paid		(2,615,769)	(2,097,623)
Taxes paid		(303,537)	(865,934)
Employee benefits /contributions paid		(4,689,784)	(1,978,966)
Increase in security deposits		2,763,355	1,534,655
Receipts against government grants and consumer contributions		7,022,112	4,087,956
Increase in long term loans		(254,340)	(67,121)
Increase in long term deposits and prepayments		(3,270)	(910)
Net cash generated from operating activities		18,378,026	4,567,018
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(19,593,151)	(18,868,663)
Expenditure on intangible assets		(25,433)	-
Proceeds from disposal of property, plant and equipment		34,867	7,529
Return on bank deposits		151,938	135,424
Net cash used in investing activities		(19,431,779)	(18,725,710)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finances - unsecured		(2,755)	(32,123)
Proceeds from long term financing - secured		12,150,200	14,099,800
Repayment of long term financing - secured		(2,457,499)	(687,500)
Dividend paid		(2,237,417)	(132)
Net cash generated from financing activities		7,452,529	13,380,045
Net increase / (decrease) in cash and cash equivalents		6,398,776	(778,647)
Cash and cash equivalents at the beginning of the period		2,648,524	784,593
Cash and cash equivalents at the end of the period	21.2	9,047,300	5,946

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

Condensed Interim Statement of Changes in Equity (Un-audited)
for the Half Year Ended December 31, 2017

	Issued, subscribed and paid up capital	Reserves				Capital and reserves
		Revenue Reserves				
	Share Capital	General Reserve	Dividend Equalization Reserve	Unapprop-riated (Loss) / Profit	Total	Total
	(Rupees in thousand)					
Balance as at June 30, 2016 (Audited)	6,342,167	4,127,682	480,000	(7,252,518)	(2,644,836)	3,697,331
Profit for the half year ended December 31, 2016	-	-	-	3,603,005	3,603,005	3,603,005
Other comprehensive income for the half year ended December 31, 2016	-	-	-	-	-	-
Balance as at December 31, 2016 (Un-audited)	6,342,167	4,127,682	480,000	(3,649,513)	958,169	7,300,336
Profit for the half year ended June 30, 2017	-	-	-	5,011,495	5,011,495	5,011,495
Other comprehensive loss for the half year ended June 30, 2017	-	-	-	(1,716,038)	(1,716,038)	(1,716,038)
Balance as at June 30, 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)
Profit for the half year ended December 31, 2017	-	-	-	3,859,187	3,859,187	3,859,187
Other comprehensive income for the half year ended December 31, 2017	-	-	-	-	-	-
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

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

1. THE COMPANY AND ITS OPERATIONS

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 is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 21-Kashmir Road, Lahore. The principal activity of the Company is the purchase, transmission, distribution and supply of natural gas.

This condensed interim financial information is presented in Pak Rupee, which is the Company's functional and presentation currency.

2. BASIS OF PREPARATION

2.1 During the year ended June 30, 2017, the Companies Ordinance, 1984 (hereinafter referred to as the 'Ordinance') was repealed after the enactment of the Companies Act, 2017. However, as allowed by the Securities and Exchange Commission of Pakistan ('SECP') vide Circular No. 23 of 2017 dated October 4, 2017 in continuation of SECP's earlier Circular No. 17 of 2017 dated July 20, 2017 and clarification by Institute of Chartered Accountants of Pakistan vide Circular No. 17 of 2017 dated October 6, 2017, companies whose financial year and interim financial period closes on or before December 31, 2017, shall prepare financial statements in accordance with the provisions of the Ordinance. Accordingly, this condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

2.2 This condensed interim financial information is un-audited and is 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 This condensed interim financial information does not include all the information required for annual financial statements including financial risk management information and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2017.

3. ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2017.

3.1.1 **Standards, amendments and interpretations to existing standards effective in current period**

Certain standards, amendments and interpretations to approved accounting standards are effective for the accounting periods beginning on or after January 01, 2017 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in this condensed interim financial information.

3.1.2 **Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company**

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2018 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information.

3.2 Judgments and estimates used by the management in the preparation of this condensed interim financial information are same as those applied to the annual financial statements for the year ended June 30, 2017, except for estimation of income tax expense as referred in note 3.3 below.

3.3 Income tax expense is recognised based on management's best estimate of the weighted average income tax rate expected for the full financial year.

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
4. LONG TERM FINANCING - SECURED			
Local currency - Syndicate term finance I	4.1	10,530,000	11,700,000
Local currency - Syndicate term finance II	4.2	28,213,097	21,718,375
		38,743,097	33,418,375
Islamic finance under musharaka arrangement	4.3	3,437,500	4,125,000
Islamic finance under musharaka arrangement for RLNG Project Phase-I	4.4	5,400,000	6,000,000
Islamic finance under lease arrangement for LNG Project Ph-II	4.5	14,786,903	10,731,424
Islamic finance under musharaka arrangement	4.6	1,600,000	-
		63,967,500	54,274,799
Less: Current portion shown under current liabilities	7	7,602,500	4,915,000
		56,365,000	49,359,799

4.1 **Local currency-Syndicate term finance-I**

Lender	Mark-up rate	No. of instalments	Maturity date
Bank Alfalah Limited (Agent)	Six month KIBOR+ 0.70% per annum	10 half yearly intallments	May 19, 2022

This is secured by a first parri passu charge created by way of hypothecation over moveable fixed assets of the Company (excluding land and building) to the extent of Rs 15,600,000 thousand (June 30, 2017: Rs 15,600,000 thousand).

4.2 **Local currency-Syndicate term finance-II**

Lender	Mark-up rate	No. of instalments	Maturity date
Habib Bank Limited (Agent)	Six month KIBOR+ 1.10% per annum	16 Half yearly Instalments	June 8, 2026

This is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed Re-gasified Liquefied Natural Gas (RLNG) assets of the Company to the extent of Rs 35,870,000 thousand relating to the project. (June 30, 2017: Rs 35,870,000 thousand) and the sovereign guarantee of Government of Pakistan.

4.3 Islamic Finance under musharaka arrangement

Lender	Mark-up rate	No. of instalments	Maturity date
Albaraka Bank (Pakistan) Limited (Investment Agent)	Six month KIBOR+ 0.55% per annum	8 Half yearly Instalments	June 30, 2020

Assets under musharaka agreement are secured by a first parri 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, 2017: Rs 7,333,333 thousand) in respect of assets held under musharaka arrangement.

4.4 Islamic finance under Musharaka arrangement for RLNG Project Phase - I

Lender	Mark-up rate	No. of instalments	Maturity date
Bank Alfalah Limited (Investment Agent)	Six month KIBOR+ 0.70% p.a.	10 Half yearly Instalments	May 19, 2022

Assets under musharaka agreement are secured by a first parri 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, 2017: Rs 8,000,000 thousand).

4.5 Islamic Finance under lease arrangement for RLNG project Phase - II

Lender	Mark-up rate	No. of instalments	Maturity date
Habib Bank Limited (Agent)	Six month KIBOR+ 1.10% p.a.	16 Half yearly Instalments	June 8, 2026

This 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, 2017: Rs 18,800,000 thousand) relating to the project and the sovereign guarantee of Government of Pakistan.

4.6 Islamic finance under Musharaka arrangement

Lender	Mark-up rate	No. of instalments	Maturity date
Allied Bank Limited	Six month KIBOR - 0.12% p.a. subject to floor of 3% and cap of 25%	2 half yearly Installments	September 27, 2019

This 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. 3,103,179 thousand.

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
5. LONG TERM FINANCING - UNSECURED			
Local currency loans	5.1	964,651	952,789
Less: Current portion shown under current liabilities	7	485,245	448,722
		479,406	504,067

5.1 These loans carry mark-up at variable rates which range from 1.50% per annum to 14.47% per annum (June 30, 2017: 1.50% per annum to 14.47% per annum).

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
6. TRADE AND OTHER PAYABLES			
Creditors for:			
Gas	6.1	163,761,021	108,421,743
Supplies		2,176,318	1,544,219
Accrued liabilities		6,631,727	11,469,551
Gas Infrastructure Development Cess (GIDC)	6.2	625,949	726,054
Payable to provident fund		138,925	-
Interest free deposits repayable on demand		810,231	789,898
Earnest money received from contractors		63,526	70,474
Mobilization and other advances		3,217,672	3,351,528
Advances from customers		6,737	5,348
RLNG Margin	6.3	1,410,476	4,192,208
Due to customers		21,468	12,605
Workers' Profit Participation Fund		1,370,832	1,078,113
Unclaimed dividend		73,241	73,365
Dividend payable		2,519,332	-
		182,827,455	131,735,106

6.1 Included in trade payables is an amount of Rs 20,541,433 thousand (June 30, 2017 : Rs 8,705,787 thousand) and Rs 5,049,184 thousand (June 30, 2017 : Nil) 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 agreements for supply of LNG between the parties have not yet been finalized and are under negotiation. Additional liability or adjustment, if any, that may arise would be recorded accordingly on the finalization of the agreements.

6.2 During the year ended June 30, 2013, the Honorable Islamabad High Court vide its decision dated January 31, 2013, declared Gas Infrastructure Development Cess Act, 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, 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 judgment 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 by 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 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. The Committee is yet to submit its report on the matter. Subsequently, a number of consumers of the Company contested have obtained stay order from various Courts against recovery of GIDC.

Furthermore, GIDC amounting to Rs 120,144,543 thousand (June 30, 2017 : Rs 106,775,096 thousand) is recoverable from consumers and payable to Government of Pakistan. This condensed interim financial information does 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. Consequently, the same will be shown as payable as and when the balance is collected from consumers.

6.3 This represents the aggregate difference between the margin on the ring fenced RLNG sales earned by the Company based on the notified RLNG selling rates and actual cost of purchase of RLNG as against the RLNG margin allowed to the Company by OGRA. The resolution / settlement of this balance is dependant upon decision of Federal Government / OGRA.

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
7. CURRENT PORTION OF LONG TERM FINANCING			
Long term financing - secured	4	7,602,500	4,915,000
Long term financing - unsecured	5	485,245	448,722
		8,087,745	5,363,722

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no significant change in contingencies from the preceding audited financial statements of the company for the year ended June 30, 2017 except for the following:

During the period ended December 31, 2017 Income Tax Authorities raised a demand of Rs 128 million for Tax Year 2006 relating to compensation on delayed refund of Rs 368 million which was originally received by the Company from FBR under section 171 of Income Tax Ordinance 2001. An appeal against this was filed with CIR(A) on the grounds that the section 39(1)CC of Income Tax Ordinance, 2001 was incorporated through Finance Act, 2012 which cannot be applied retrospectively. The appeal was dismissed by CIR(A) in favour of Income Tax Department. Consequently, the Company filed an appeal against the decision of CIR(A) with ATIR on the same grounds as mentioned before. ATIR accepted the Company's contention and decided the issue in favour of the Company. The decision of ATIR was challenged by the Income Tax Department in Honorable Lahore High Court who also decided the case against the Company. The Company has challenged the decision of the Honorable

Lahore High court before the Honorable Supreme Court of Pakistan which is pending adjudication. No provision has been made in this condensed interim financial information as the management is confident of favorable outcome of the appeal.

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
8.2 Commitments:			
a) **Capital Commitments**			
Property, plant and equipment		291,548	1,142,075
Intangible assets		26,055	25,295
Stores and spares		21,268,600	23,222,388
		21,586,203	24,389,758
b) **Other Commitments**			
Other		485,072	833,625
9. Property, plant and equipment			
Opening book value		140,804,573	108,788,233
Add: Additions during the period	9.1	17,154,973	45,691,382
		157,959,546	154,479,615
Less:			
Disposals during the period (at book value)	9.2	376	5,392
Depreciation charged during the period		7,968,098	13,669,650
		7,968,474	13,675,042
Closing book value		149,991,072	140,804,573
Capital work-in-progress	9.3	26,087,032	23,297,830
		176,078,104	164,102,403

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
9.1 Additions during the period / year			
Freehold land		85,716	141,212
Buildings and civil construction on freehold land		24,939	81,664
Transmission system		8,161,282	26,755,903
Distribution systems		5,145,037	8,365,255
Consumer meter and town border stations		2,476,498	5,149,471
Telecommunication system and facilities		52,530	99,243
Compressor stations and equipment		165,876	3,672,046
Plant and machinery		249,841	866,249
Furniture and equipment		27,536	130,394
Computers and ancillary equipment		136,804	301,884
Transport vehicles		619,448	105,066
Tools and accessories		9,466	22,995
		17,154,973	45,691,382
9.2 Disposals during the period			
Transport vehicles		-	5,128
Plant and machinery		46	194
Computers and ancillary equipment		1	70
Furniture and equipment		329	-
		376	5,392
9.3 Capital work-in-progress			
Transmission system		7,496,698	5,950,447
Distribution system		9,926,855	8,840,635
Stores and spares including in-transit Rs 1,402,360 thousand (June 30, 2017: Rs 759,424 thousand)		8,214,213	8,057,089
Advances for land and other capital expenditure		449,266	449,659
		26,087,032	23,297,830
10. STOCK-IN-TRADE			
- Gas in pipelines		2,581,430	1,205,578
- Held with third parties	10.1	15,804,769	9,065,312
		18,386,199	10,270,890

10.1 This represents gas purchased by the Company that is yet to be delivered by Engro Elengy Terminal (Private) Limited (EETL) and Sui Southern Gas Company Limited (SSGCL).

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
11. TRADE DEBTS			
Considered good			
- Secured		44,891,042	42,803,096
- Unsecured	11.1	17,515,909	15,216,042
Accrued gas sales		(483,089)	(201,817)
		61,923,862	57,817,321
Considered doubtful		21,194,859	21,330,027
		83,118,721	79,147,348
Provision for doubtful debts		(21,194,859)	(21,330,027)
		61,923,862	57,817,321

11.1 Included in trade debts are amounts receivable from Government owned power generation companies and independent power producers of Rs 8,033,094 thousand (June 2017: Rs 15,900,153 thousand) along with interest thereon of Rs 13,628,552 thousand (June 2017: Rs 12,143,639 thousand) due to delayed payments. While trade and other payables referred to in note 6 include an amount of Rs 95,271,758 thousand (June 2017: Rs 76,007,263 thousand) due to Pakistan Petroleum Limited, Sui Southern Gas Company Limited (SSGCL), Oil and Gas Development Company Limited and Government Holding (Private) Limited on account of gas purchases along with interest on delayed payments of Rs 20,976,167 thousand (June 2017: Rs 19,211,141 thousand), interest on delayed payment of Gas Development Surcharge of Rs 4,101,732 thousand (June 2017: 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. Further an amount of Rs 88,885,704 thousand (June 2017: Rs 65,758,692 thousand) is receivable from Government of Pakistan on account of Differential Margin, the settlement of this amount is dependent upon increase in gas prices duly notified by OGRA, with the approval of Government of Pakistan.

11.2 Included in trade debts is an amount of Rs 732,121 thousand (June 2017: Rs 855,241 thousand) on account of RLNG transported to Pak Arab Fertilizer Limited at the rate of 57 Cents / MMBTU during the financial years 2015 & 2016 alongwith LPS of Rs 335,620 thousand (June 2017: Rs. 260,515 thousand). In April 2017, a petition was filed by Pak Arab Fertilizer Limited against imposition of transportation charges by SNGPL with Honourable Lahore High Court (LHC) inter-alia on the grounds that the rate of transportation charges is arbitrary, unilateral and disproportionate as related costs were already recovered by the Company through its annual revenue requirement determined by OGRA. Consequently, the entire amount of transportation charges billed by SNGPL alongwith LPS has been withheld by Pak Arab Fertilizer Limited. The Company has submitted its detailed reply to LHC, which is pending adjudication. No provision has been made in this condensed financial informaltion as the Company is of the view that there are meritorious grounds for a favourable outcome of the case.

	Note	Un-audited December 31, 2017	Audited June 30, 2017
		(Rupees in thousand)	
12. LOANS AND ADVANCES			
Loans due from employees - considered good		149,562	123,231
Advances - considered good:			
- Employees		86,283	1,213,955
- Suppliers and Contractor		424,498	159,603
		660,343	1,496,789
Advances to suppliers and contractors - considered doubtful		3,227	3,227
Provision for doubtful receivables		(3,227)	(3,227)
		-	-
		660,343	1,496,789
13. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits and short term prepayments		301,612	98,476
Provision for doubtful deposits		(22,290)	(22,290)
		279,322	76,186
Current portion of long term prepayments		208,425	84,723
		487,747	160,909
14. OTHER RECEIVABLES			
Excise duty recoverable		108,945	108,945
Provision for doubtful recoverable		(108,945)	(108,945)
		-	-
Differential margin receivable		88,885,704	65,758,692
Due from customers		47,724	106,333
Current account with SSGCL		17,132	17,132
Others		37,594	25,442
		88,988,154	65,907,599
		88,988,154	65,907,599
15. CASH AND BANK BALANCES			
At banks:			
- On deposit accounts	15.1	9,506,330	3,034,713
- On current accounts		518,509	611,069
		10,024,839	3,645,782
In hand		19,373	2,000
		10,044,212	3,647,782

15.1 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 distribution development projects being the Government's 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 Rupees 6,031,474 thousand (June 30,2017: Rupees 1,665,450 thousand) are not used for the normal treasury operations of the Company. Any profit earned there on is credited to the funds instead of accounting for as Company's income.

	Note	Quarter ended		Half year ended	
		Un-audited December 31, 2017	Un-audited December 31, 2016	Un-audited December 31, 2017	Un-audited December 31, 2016
		(Rupees in thousand)			
16. COST OF GAS SALES					
Opening stock of gas	10	13,538,876	923,447	10,270,890	967,110
Gas purchases:					
- Southern system		17,570,009	14,152,045	35,240,169	31,229,050
- Northern system		28,767,063	14,278,940	44,183,261	26,938,652
- Re-gasified Liquefied Natural Gas		57,682,820	35,556,808	106,684,894	65,577,595
- Cost equalization adjustment	16.1	(1,521,911)	5,403,711	3,558,050	11,278,200
		102,497,981	69,391,504	189,666,374	135,023,497
		116,036,857	70,314,951	199,937,264	135,990,607
Less:					
Gas internally consumed		1,114,504	807,496	1,961,755	1,182,987
Closing stock of gas	10	18,386,199	792,494	18,386,199	792,494
		19,500,703	1,599,990	20,347,954	1,975,481
Distribution Cost		7,659,885	6,277,347	14,224,006	11,579,254
		104,196,039	74,992,308	193,813,316	145,594,380

16.1 In accordance with the policy guidelines issued by Government of Pakistan under section 21 of the Oil and Gas Regulatory Authority Ordinance, 2002, the Company has entered into an agreement with SSGCL for uniform pricing of gas. Under this agreement, the Company with a higher weighted average cost of gas will raise a demand to the other Company of the amount necessary to equalize the cost of gas for both companies. This amount represents differential for the equalization of cost of gas payable to SSGCL.

	Quarter ended		Half year ended	
	Un-audited December 31, 2017	Un-audited December 31, 2016	Un-audited December 31, 2017	Un-audited December 31, 2016
	(Rupees in thousand)			
17. OTHER INCOME				
Income from financial assets				
Gain on initial recognition of financial liabilities at fair value	1,528	1,704	3,056	3,409
Interest on staff loans and advances	14,645	15,104	27,866	29,683
Return on bank deposits	70,153	67,598	157,252	131,096
Reversal of provision for doubtful debts	135,167	-	135,167	-
Interest income on late payment of gas bills:				
- Other consumers	57,623	909,386	1,136,773	967,537
- Fertilizer and cement companies	104,245	385,708	188,919	468,341
- Government owned and other power generation companies	360,754	357,729	877,976	821,344
	522,622	1,652,823	2,203,668	2,257,222
	744,115	1,737,229	2,527,009	2,421,410
Income from assets other than financial assets				
Net gain on sale of fixed assets	7,960	583	34,491	7,277
Meter Rentals and repair charges	434,039	481,177	936,351	959,041
Amortization of deferred credit	692,158	1,843,442	1,253,187	2,295,596
Insurance claims	2,573	2,743	3,376	2,849
	1,136,730	2,327,945	2,227,405	3,264,763
Others				
Sale of tender documents	2,096	908	3,797	1,437
Sale of scrap	83,481	6,535	87,935	30,461
Gain on construction contracts	54,500	16,996	54,500	16,996
Liquidated damages recovered	39,683	21,817	56,098	31,090
Bad debt recoveries	2,678	2,106	4,952	3,672
Urgent fee for new meter connections	265,429	562,354	506,594	875,854
Miscellaneous	4,086	1,165	15,504	5,000
	451,953	611,881	729,380	964,510
	2,332,798	4,677,055	5,483,794	6,650,683
18. OTHER OPERATING EXPENSES				
Workers' Profit Participation Fund	148,463	166,940	292,719	272,140
Loss on initial recognition of financial assets at fair value	49,836	8,460	50,060	19,598
Exchange loss - net	632,611	9,519	634,681	21,215
	830,910	184,919	977,460	312,953

19. FINANCE COST

Included in finance cost is an amount of Rs 1,839,580 thousand (2016: Rs 1,672,819 thousand) in respect of late payment surcharge on account of overdue payables for gas purchases as referred to in note 11.1.

20. TAXATION

	Quarter ended		Half year ended	
	Un-audited December 31, 2017	Un-audited December 31, 2016	Un-audited December 31, 2017	Un-audited December 31, 2016
	(Rupees in thousand)			
Current tax				
- Current period	435,670	512,642	901,618	879,010
- Prior period	(505,044)	2,447	(505,044)	2,447
	(69,374)	515,089	396,574	881,457
Deferred tax	949,596	452,919	1,305,908	686,190
	880,222	968,008	1,702,482	1,567,647

21. CASH GENERATED FROM OPERATIONS

	Note	Un-audited December 31, 2017	Un-audited December 31, 2016
		(Rupees in thousand)	
Profit before taxation		5,561,669	5,170,652
Adjustment for non-cash charges and other items:			
Depreciation on owned assets		7,968,098	6,531,641
Amortization on intangible assets		25,942	29,179
Exchange loss - net		634,681	21,215
Employee benefits		1,572,599	1,431,737
Amortisation of deferred credit		(1,253,187)	(2,295,596)
Finance cost		4,064,216	2,975,559
Return on bank deposits		(157,252)	(131,096)
Net gain on sale of fixed assets		(34,491)	(7,277)
(Reversal) / provision for doubtful debts		(135,167)	482,074
Loss on initial recognition of financial assets at fair value		50,060	19,598
Gain on initial recognition of financial liabilities at fair value		(3,056)	(3,409)
Interest income due to the impact of IAS-39		(16,427)	(19,084)
Working capital changes	21.1	(1,818,426)	(10,250,232)
		16,459,259	3,954,961

	Un-audited December 31, 2017	Un-audited December 31, 2016
	(Rupees in thousand)	
21.1 Working capital changes		
(Increase) / decrease in current assets		
- Stores and spares parts	(66,947)	(575,763)
- Stock-in-trade	(8,115,309)	174,616
- Trade debts	(3,971,374)	243,537
- Loans and advances	862,777	(163,183)
- Trade deposits and prepayments	(326,838)	(198,033)
- Other receivables	(38,142,498)	(1,914,796)
	(49,760,189)	(2,433,622)
Increase / (decrease) in trade and other payables	47,941,763	(7,816,610)
	(1,818,426)	(10,250,232)

	Un-audited December 31, 2017	Un-audited December 31, 2016
	(Rupees in thousand)	
21.2 Cash and cash equivalents		
Cash and bank balances	10,044,212	1,002,022
Short term running finance	(996,912)	(996,076)
	9,047,300	5,946

22. INCORPORATION OF TARIFF REQUIREMENTS

22.1 Under the provisions of the license for transmission and distribution of natural gas granted to the Company by Oil and Gas Regulatory Authority (OGRA) , the Company is required to operate on an annual return of not less than 17.50% on the value of its fixed assets (net of deferred credit), before corporate income taxes, interest and other charges on debt after excluding interest, dividends and other non-operating income. Any deficit or surplus on account of this is recoverable from or payable to Government of Pakistan as Differential Margin or gas development surcharge respectively. The projected tariff from July 01, 2017 has been incorporated in the accounts for the period ended December 31, 2017 on the basis of tariff determined and prescribed by OGRA.

22.2 The Company has also incorporated the effect of Unaccounted For Gas (UFG) amounting to Rupees 3,666,968 thousand (December 2016: Rupees 2,213,586 thousand).

	Un-audited December 31, 2017	Un-audited December 31, 2016
	(Rupees in thousand)	

23. TRANSACTIONS WITH ASSOCIATES AND RELATED PARTIES

23.1 Transactions during the period

Gas sales	9,571,239	17,479,266
Purchase of materials	8,830	56,139
Purchase of gas	65,019,172	54,370,507
Services	12,050	12,646
Profit received on bank deposits	6,992	13,647
Transportation charges	92,358	150,531
Transmission charges	1,783	2,229
Insurance expenses	164,999	103,091
Insurance claims received	20,360	36,790
Dividend paid	1,578,362	-
Contributions to defined contribution plans	219,010	164,873
Contributions to defined benefit plans	1,638,870	1,616,892
Key management personnel	7,747,761	2,299,463

	Un-audited December 31, 2017	Audited June 30, 2017
	(Rupees in thousand)	

23.2 PERIOD END BALANCES

Receivable from related parties	10,886,139	14,721,041
Payable to related parties	96,343,833	88,266,821

24. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As of reporting date, there were no Level 1, 2 or 3 assets or liabilities during prior or current period.

25. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 24, 2018 by the Board of Directors of the Company.

26. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet 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 profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.

(Saghir-ul-Hassan Khan)
Chief Financial Officer

(Amjad Latif)
Managing Director/CEO

(Muhammad Saeed Mehdi)
Chairman

گیس کو کراچی بندرگاہ پر قائم ٹرمینلز سے لاہور تک ترسیل کیلئے مطلوبہ پائپ لائن کے بچھانے کی اپنی اپنی حدود میں، جو کہ سوئی سدرن کیلئے کراچی بندرگاہ سے ساون تک اور سوئی ناردرن کیلئے ساون سے لاہور تک ہے، ہدایات جاری کی ہیں۔ کمپنی 120 کروڑ مکعب فٹ روزانہ RLNG کی ترسیل کیلئے ساون سے لاہور تک 770 کلومیٹر طویل "42 قطر کی علیحدہ پائپ لائن کا ڈیزائن اور سروے کا کام اور مٹیریل کی دستیابی کیلئے ٹینڈر کا کام پہلے ہی شروع کیا جاچکا ہے۔ نظام میں جاری توسیعی منصوبے کی تکمیل کے بعد، آپکی کمپنی حال ہی میں مکمل کردہ 120 کروڑ مکعب فٹ روزانہ صلاحیت کی حامل اضافی پائپ لائن کے بعد 150 کروڑ مکعب فٹ روزانہ کی مزید ایک اور اضافی صلاحیت کی پائپ لائن تعمیر کرنے کے قابل ہوگی۔ آپکی کمپنی نے پنجاب میں زیرِ تعمیر RLNG کی بنیاد پر نئے بجلی کے پیداواری کارخانوں کو 70 کروڑ مکعب فٹ روزانہ گیس کی ترسیل کیلئے پائپ لائن بچھانے کا کام مکمل کرلیا ہے۔ تاہم حال ہی میں تفویض شدہ "42 قطر کی 770 کلومیٹر طویل پائپ لائن ہمراہ 89.5 ہزار ہارس پاور کمپریشن کی تعمیر کی تکمیل کے بعد آپکی کمپنی ساون سے لاہور تک مزید 120 کروڑ مکعب فٹ روزانہ RLNG کی ترسیل کے قابل ہوجائے گی۔ بورڈ آف ڈائریکٹرز نے اِس منصوبے کی ابتدائی منظوری دے دی ہے۔ حال ہی میں کابینہ کی معاشی رابطہ کمیٹی نے بھی منصوبے کی مالیاتی منظوری دے دی ہے۔ اب آپکی کمپنی وزارتِ توانائی (پٹرولیم ڈویژن) سے پائپ لائن کی ترسیلی صلاحیت کی منظوری کے لیے کوشاں ہے۔ ہم بورڈ سے اِس منصوبے کے بزنس پلان کی بھی منظوری لے رہے ہیں۔

توسیعِ کاروبار (Business Development)

آپکی کمپنی، دیگر ملکی و کثیر الملکی کمپنیوں کیلئے مختلف پائپ لائنز کے تعمیری منصوبہ جات میں مصروف عمل ہے۔ MOL,SNGPL پاکستان لیمیٹڈ کے مختلف گیس کنوؤں جیسا کہ مرم زئی، منزلئی، مامی خیل، مکوڑی ڈیپ 1، مغربی تولخ اور مکوڑی کیلئے ضلع کوہاٹ/ہنگو میں بہاؤ/ٹرنک لائنز اور فائبر آپٹک کیبل (FOC) کی انجینیئرنگ اور تعمیر کی ذمہ داریاں، پچھلے پندرہ سالوں سے نبھا رہی ہے۔ گیس کی فراہمی کو مستحکم کرنے میں MOL پاکستان ایک بہت اہم کردار ادا کررہی ہے۔ حال ہی میں MOL پاکستان کی تفویض کردہ "10/12" قطر کی 22 کلومیٹر طویل پائپ لائن کی مردان خیل۔ 1 کنویں سے کمپنی کے نظام تک کی تعمیر کے کام کی تکمیل ہوئی ہے۔ اس کام کی تکمیل پر 4 کروڑ مکعب فٹ گیس روزانہ کمپنی کے نظام میں شامل ہوچکی ہے۔ MOL پاکستان نے دو مزید کنوؤں کو فعال کیا ہے جو کہ مردان خیل 2 اور 3 ہیں ان کو نظام سے متصل کرنے کے لیے "6/8" قطر کی 25 کلومیٹر طویل پائپ لائن کی مکمل انجینیئرنگ و تعمیر اور FOC بچھانے کی ذمہ داری بھی کمپنی کو تفویض کی گئی ہے جو کہ ہمارے کام کے معیار اور بروقت تکمیل پر اعتماد کا مظہر ہے۔ آپکی کمپنی نے اِس منصوبے پر تعمیراتی کام کا آغاز کردیا ہے اور تین سے چار ماہ کے دورانیہ میں یہ مکمل کرلیا جائے گا۔ اس منصوبے کی تکمیل سے نہ صرف SNGPL کے نظام میں 3 کروڑ مکعب فٹ روزانہ گیس شامل ہوگی بلکہ ملک میں جاری گیس کی کمی کے خاتمے میں مدد ملے گی۔

اظہارِ تشکر (Acknowledgements)

ڈائریکٹرز، حکومت پاکستان، وزارتِ توانائی (پٹرولیم ڈویژن)، اوگرا اور متعلقہ سرکاری و غیر سرکاری اداروں کی مسلسل حمایت اور قدر افزائی اور دورانِ عرصہ کمپنی کے تمام ملازمین کی محنت اور خدمات پر مشکور و ممنون ہیں۔

منجانب بورڈ

(محمد سعید مہدی)
چیئرمین - بورڈ آف ڈائریکٹرز

(امجد لطیف)
مینیجنگ ڈائریکٹر / منتظم اعلیٰ

لاہور
تاریخ 24 فروری، 2018

(نوٹ: اُردو متن میں کسی ابہام کی صورت میں انگریزی متن کو ترجیح دی جائے۔)

ڈائریکٹرز جائزہ (Directors' Review)

ہم بمسرت، دوسری سہ ماہی اور نصف سال مختتمہ 31 دسمبر 2017ء کیلئے غیر پڑتال شدہ مالیاتی گوشوارا جات پیش کر رہے ہیں۔ یہ بات باعثِ فخر ہے کہ آپکی کمپنی نے گزشتہ سال سے کامیابی کا تسلسل برقرار رکھا ہے اور نصف سال مختتمہ 31 دسمبر 2017ء کیلئے 5 ارب 56 کروڑ روپے سے زائد کا قبل از محصول منافع حاصل کیا جو کہ گزشتہ اسی مدت میں 5 ارب 17 کروڑ روپے تھا۔ آپکی کمپنی نے 3 ارب 86 کروڑ (تقریباً) کا بعد از محصول منافع حاصل کیا جبکہ گزشتہ سال کے اس ہی عرصے کے دوران یہ منافع 3 ارب 60 کروڑ تھا۔ نتیجتاً فی حصہ آمدنی پچھلے سال اسی عرصے کے 5 روپے 68 پیسے کے مقابلے میں اب 6 روپے 8 پیسے ہے۔

زیرِ نظر عرصے کیلئے منافع میں اضافے کی اہم وجہ اثاثہ جات پر ادائیگی میں اضافہ، جو کہ انتہائی اہمیت کے حامل قومی منصوبہ جات کی بروقت تکمیل سے کیپیٹل لائزیشن میں اضافے کا سبب بنا۔ مزید برآں غیر یقینی قرضہ جات کی وصولی کی مد میں دورانِ عرصہ کسی بھی رقم کی ممانعت ہے، جبکہ پچھلے سال اسی عرصے کے دوران یہ رقم 27 کروڑ روپے تھی۔ غیر محسوب برائے گیس (UFG) کے بڑھتے ہوئے رجحان کو مسلسل کاوشوں سے قابو میں رکھا گیا ہے، لحاظہ اب UFG کی شرح پہلی سہ ماہی کی 10.98% سے کم ہو کر نصف سال 2017-18 کیلئے 10.69% ہو گئی ہے۔

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

منصوبہ جات (Projects)

شُعبہ منصوبہ جات نے 8 سے 42 انچ قطر کی (بشمول کنٹریکٹ لائنز) 173.66 کلومیٹر طویل ترسیلی پائپ لائنز زیرِ نظر مدت میں مکمل و فعال کی ہیں۔ ان ترسیلی لائینوں کے ساتھ دوسری سہ ماہی مالی سال 2017-18 تک 295 کلومیٹر طویل مرکزی تقسیمی پائپ لائنز بھی نظام کی صلاحیت میں اضافے، گیس کی رسد اور صارفین کے اطمینان کیلئے گیس پریشر میں بہتری کے حوالے سے فعال کر دی گئی ہیں۔

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 مائع گیس کی بلا تعطل درآمد کے لیئے بھرپور انتظامات کر رہی ہے اور اب تک 110-120 کروڑ مکعب فٹ روزانہ گیس نظام میں شامل ہو چکی ہے۔

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

(اول) نظام میں توسیعی منصوبہ کے ذریعے 120 کروڑ مکعب فٹ گیس کی ترسیل۔

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

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

مزید برآں، تریموں بیراج کے نزدیک زیرِ تکمیل 1400 میگاواٹ صلاحیت کے پنجاب پاور پلانٹ کیلئے 100 فیصد اشتراکی لاگت کی بنیاد پر پائپ لائن کی تنصیب کے کام کا آغاز ہو چکا ہے۔ جن کیلئے تفصیلی انجینئرنگ اور حصول میٹریل کے کام کا بھی آغاز کر دیا گیا ہے۔ یہ منصوبہ ستمبر 2018ء تک مکمل ہو جائے گا۔

حکومت پاکستان نے بتدریج کم ہوتے ہوئے مقامی گیس ذرائع اور تمام شعبہ جات میں بڑھتی ہوئی طلب کے مدنظر LNG ٹرمینلز کے ذریعے مزید 120 کروڑ مکعب فٹ روزانہ مائع گیس کی درآمد کا فیصلہ کیا ہے، جس کیلئے مزید ایک اور فوری طور پر کراچی سے لاہور 120 کروڑ مکعب فٹ روزانہ ترسیل کی حامل پائپ لائن کی ضرورت محسوس ہوئی۔ حکومت پاکستان کے اس فیصلے کی روشنی میں دونوں گیس کمپنیوں کو اپنی حدود میں اس اضافی 120 کروڑ مکعب فٹ روزانہ مائع قدرتی

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