

# CORPORATE INFORMATION





I go now to the wilderness to be a part of it; to accept my place in the world and its place in me; to grow into reality as a tree grows into the rain, to conform to the Earth as a stream conforms to the stones of its bed. To live. To aspire. To be.

**WILLIAM ASHWORTH**



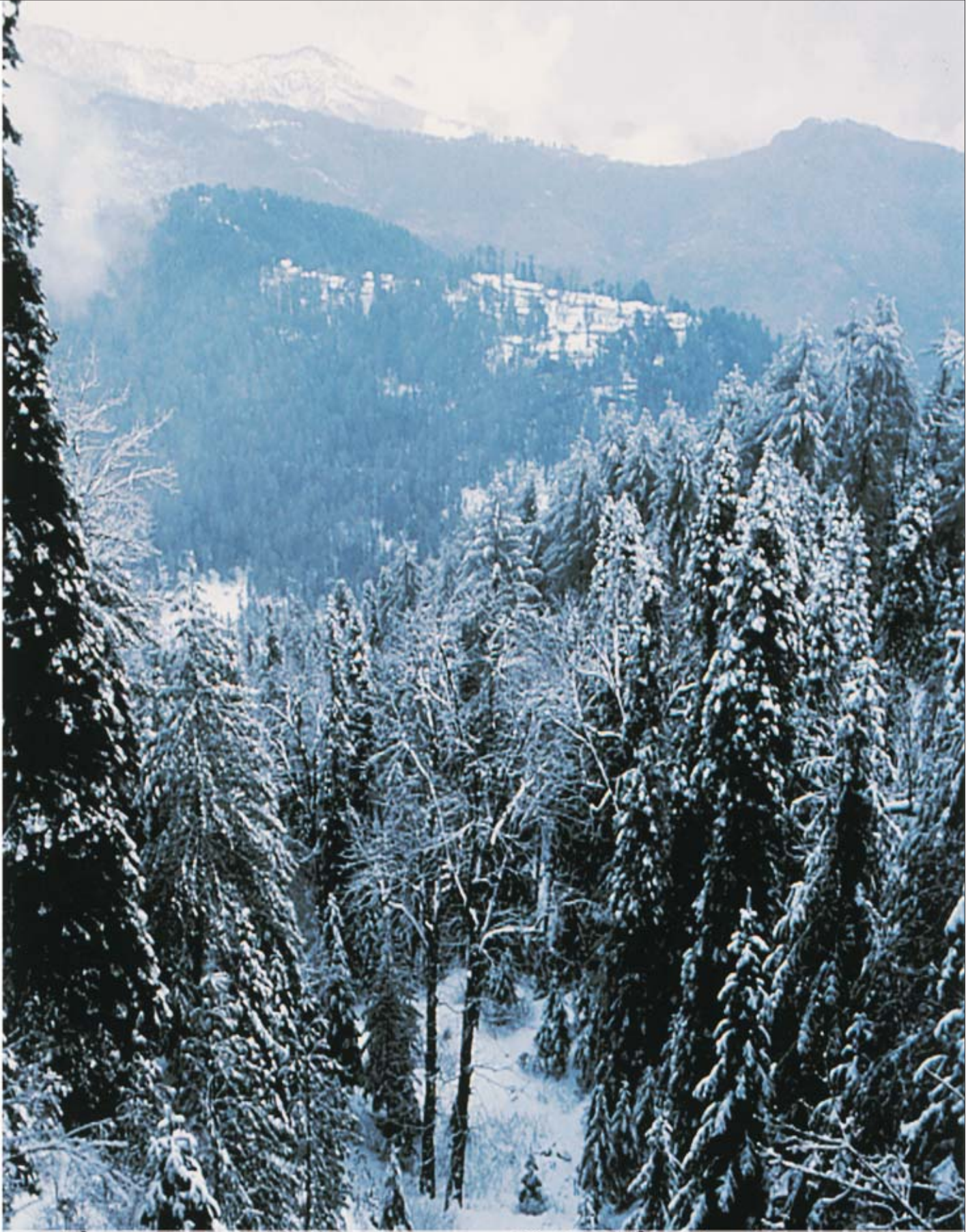


## profile...

Sui Northern Gas Pipelines (SNGPL) was incorporated as a private limited company in 1963 and converted into a public limited company in January 1964 under the Companies Act 1913, now Companies Ordinance 1984, and is listed on all the three stock exchanges of Pakistan.

The Company took over the existing Sui-Multan system (349 kms of 16 inch and 129 kms of 10 inch diameter pipeline) from *Pakistan Industrial Development Corporation (PIDC)* and Dhulian-Rawalpindi-Wah system (132 kms of 6 inch diameter pipeline) from *Attock Oil Company Limited*. The Company's commercial operations commenced by selling an average of 47 MMCFD gas in two regions viz. Multan and Rawalpindi, serving a total number of 67 consumers.

SNGPL is the largest integrated gas Company with an existing transmission system of 6,195 kms and distribution system of 46,871 kms. The Company serves more than 2.7 million consumers in North Central Pakistan through an extensive network in Punjab and NWFP. The Company has over 43 years of experience in operation and maintenance of high-pressure gas transmission and distribution systems. It has also expanded its activities to undertake the planning, designing and construction of pipelines, both for itself and other organizations.



*We need wilderness whether or not we ever set foot in it. We need a refuge even though we may never need to go there....We need the possibility of escape as surely as we need hope.*

**EDWARD ABBEY**





sngpl...

**PERFORMANCE THAT RAISES STANDARDS**

*'It is an immutable law in business that words are words, explanations are explanations, promises are promises, but only performance is reality.'*

Harold S. Geneen

## THE MANAGEMENT

A. Rashid Lone	<b>Managing Director</b>
M. Azam Khan	<b>Deputy Managing Director</b>
Abrar Ahmed	<b>Senior General Manager (Engineering Services)</b>
Pervaiz Azeez Khan	<b>Senior General Manager (Human Resource)</b>
Mujahid Anwar	<b>Senior General Manager (Distribution)</b>
Hasnath Aziz Banth	<b>Senior General Manager (Projects)</b>
Khalid Walid Sharaq	<b>Senior General Manager (Transmission)</b>
Imdad Hussain	<b>Senior General Manager (Consumer Services)</b>
Nadeem Shahryar	<b>Senior General Manager (Corporate Planning &amp; Development)</b>

Shah Muhammad Chaudhry FCA, **Chief Financial Officer**

Uzma Adil Khan FCA, **Company Secretary,**  
**Secretary to Sub - Committees of the Board**

### JOINT AUDITORS

Ford Rhodes Sidat Hyder & Co., **Chartered Accountants**  
Riaz Ahmad & Co., **Chartered Accountants**

### LEGAL ADVISORS

M/s. Surridge & Beecheno  
M/s. Salim Baig and Associates

### SHARES REGISTRAR • REGISTERED OFFICE

M/s. Hameed Majeed Associates (Pvt) Ltd.,  
H.M.House, 7 Bank Square, Lahore.  
Telephones: 092.42.7235081-82  
Facsimile: 092.42.7358817

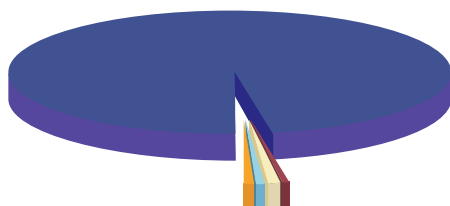
Gas House  
21 Kashmir Road,  
P.O. Box No.56,  
Lahore 54000, Pakistan.  
Telephones: 092.42.9201451-60 & 9201419  
Facsimile: 092.42.9201369 & 9201302  
E-mail: info@sngpl.com.pk  
website: www.sngpl.com.pk

# M I L E S T O N E S

1964 – 1969	<b>Project I</b>	Extension of Sui-Multan section to Faisalabad and Lahore and then linked with Dhulian-Rawalpindi-Wah system to form a common grid.
1970 – 1971	<b>Project II</b>	Increased system capacity from 170 MMCFD to 250 MMCFD.
1971 – 1973	<b>Project III</b>	Supplies of gas further extended to major cities in the NWFP.
1974 – 1981	<b>Project IV</b>	Erection of 2 x 100 MMCFD purification banks at Sui, installation of 34,700 HP compression stations.
1985 – 1991	<b>Project V</b>	Increased system capacity to 450 MMCFD, constructed purification bank of 120 MMCFD capacity at Sui.
1989 – 1998	<b>Project VI</b>	1200 km pipeline laid and 53,370 HP additional compression stations installed.
2001 – 2003	<b>Project VII</b>	560 km pipeline laid and 25,000 HP additional compression stations installed.
2003 – 2005	<b>Project VIII</b>	803 km transmission pipeline laid to increase system capacity upto 1630 MMCFD.
2005 – 2006	<b>Gas Supply to Lilla Town</b>	Completed a pilot project (Phase-I) for supply of gas to Lilla Town through CNG by establishing Mother-Daughter system.
	<b>Gas Supply to Murree</b>	Completed a project for supply of gas to Murree.
2006 – 2008	<b>Project IX</b>	Being undertaken to absorb additional gas supply from newly discovered gas fields.

## COMPOSITION OF REVENUE EARNED

During the Year Ended June 30, 2006



- 96.79% ■ Gas sales
- 0.67% ■ Rental and service income
- 0.48% ■ Surcharge and interest on gas sales arrears
- 0.42% ■ Amortisation of deferred credit
- 1.64% ■ Other operating income

## APPLICATION OF REVENUE EARNED

During the Year Ended June 30, 2006



- 1.84% ■ Gas development surcharge
- 82.52% ■ Cost of gas sold
- 9.69% ■ Operating expenses
- 1.06% ■ Finance cost
- 0.31% ■ Other charges
- 1.25% ■ Taxation
- 1.79% ■ Dividend and bonus shares
- 1.54% ■ Unappropriated profit

## BALANCE SHEET SUMMARY

(Rupees in thousand)

Paid up share capital  
Revenue reserves  
Deferred credit  
**Non-Current liabilities**  
Long term loans outstanding  
- Local  
- Foreign  
- Banking companies  
Long term security deposits  
Deferred liabilities - taxation  
Deferred liabilities - others  
Current Liabilities

Represented by:  
- Non - Current Assets  
- Current Assets

## PROFIT AND LOSS - SUMMARY

### INCOME

Sales  
Add/(Less) differential margin/(development surcharge)  
Net Sales  
Cost of Gas sold

### Gross profit

Rental and service income  
Surcharge and interest on gas sales arrears  
Amortization of deferred credit  
Operating profit/(Loss)-LPG  
Other operating income

### EXPENDITURE

Operating expenses  
Finance cost  
Other operating charges

## PROFIT BEFORE TAXATION

### TAXATION

### PROFIT AFTER TAXATION

### Earnings per share (Basic)/(Rupees)

DIVIDEND (%)  
BONUS SHARES (%)

### NUMBER OF EMPLOYEES

- Operation  
- Project

### GAS SALES (MMCF)

### CONSUMERS (IN NUMBERS)

### CUSTOMERS (IN NUMBERS)

- Industrial  
- Commercial  
- Domestic

## TRANSMISSION AND DISTRIBUTION SYSTEM (in Kilometers)

Transmission mains  
Distribution mains and services

2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
4,991,866	4,991,866	4,991,866	4,991,866	4,991,866	4,991,866	4,340,753	3,774,568	3,282,233	2,854,116
10,116,826	7,892,142	5,861,970	3,564,492	2,648,937	1,760,485	1,923,646	1,963,131	2,029,932	2,072,595
16,663,770	10,279,438	8,098,044	4,328,300	3,980,851	3,820,602	3,194,350	2,783,107	2,500,395	2,356,586
3,428,613	4,068,020	3,036,539	3,711,707	4,506,818	5,197,566	2,229,817	5,015,173	4,565,991	4,606,081
2,045,483	2,536,780	2,992,191	3,414,091	3,805,052	4,167,517	4,525,551	4,880,544	5,009,957	4,010,543
1,949,084	3,473,672	5,035,759	5,471,154	4,254,384	2,211,682	2,898,603	2,395,092	3,088,776	2,449,330
5,865,779	5,279,975	4,441,952	3,744,461	3,301,454	3,040,623	1,670,921	1,338,108	1,117,849	981,395
6,046,992	6,112,252	5,546,779	4,986,297	4,551,906	4,128,560	3,326,809	2,625,629	2,336,798	2,109,262
312,654	381,719	1,989,201	1,560,203	1,075,325	799,157	560,076	404,797	805,811	1,039,993
25,815,502	19,998,166	14,930,469	11,528,019	12,511,306	13,119,164	15,053,938	14,805,272	18,923,300	14,897,282
<b>77,236,569</b>	<b>65,014,030</b>	<b>56,924,770</b>	<b>47,300,590</b>	<b>45,627,899</b>	<b>43,237,222</b>	<b>39,724,464</b>	<b>39,985,421</b>	<b>43,661,042</b>	<b>37,377,183</b>
43,789,649	40,659,914	37,173,812	33,774,911	30,527,631	29,216,137	29,360,967	29,580,315	29,390,576	27,024,483
33,446,920	24,354,116	19,750,958	13,525,679	15,100,268	14,021,085	10,363,497	10,405,106	14,270,466	10,352,700
<b>77,236,569</b>	<b>65,014,030</b>	<b>56,924,770</b>	<b>47,300,590</b>	<b>45,627,899</b>	<b>43,237,222</b>	<b>39,724,464</b>	<b>39,985,421</b>	<b>43,661,042</b>	<b>37,377,183</b>
107,897,291	84,710,404	64,276,145	45,649,496	42,005,148	36,522,243	26,569,704	20,577,266	18,738,847	17,353,964
(2,046,177)	(1,333,069)	(70,064)	(3,189,416)	(4,084,195)	(2,442,668)	(1,019,657)	(1,665,855)	984,977	1,918,815
105,851,114	83,377,335	64,206,081	42,460,080	37,920,953	34,079,575	25,550,047	18,911,411	19,723,824	19,272,779
91,986,318	71,192,390	52,627,542	31,349,357	28,549,844	24,849,097	16,626,517	11,088,152	12,328,687	12,597,882
13,864,796	12,184,945	11,578,539	11,110,723	9,371,109	9,230,478	8,923,530	7,823,259	7,395,137	6,674,897
744,955	699,036	638,648	635,260	585,016	589,680	529,600	283,644	236,881	205,786
534,470	646,662	526,729	491,890	475,570	110,493	383,223	669,988	673,309	214,675
472,879	397,671	359,145	333,994	312,849	278,447	235,877	206,219	186,590	168,825
-	-	-	-	(3,192)	(13,807)	(6,426)	7,671	3,546	8,116
1,828,399	918,747	406,283	422,831	455,736	182,221	138,817	86,714	116,310	81,761
<b>17,445,499</b>	<b>14,847,061</b>	<b>13,509,344</b>	<b>12,994,698</b>	<b>11,197,088</b>	<b>10,377,512</b>	<b>10,204,621</b>	<b>9,077,495</b>	<b>8,611,773</b>	<b>7,354,060</b>
10,799,936	9,289,124	8,679,258	8,061,605	6,832,948	6,484,892	6,050,798	4,761,582	4,602,373	4,321,699
1,180,203	1,054,730	968,918	1,531,471	1,398,174	1,440,695	2,716,947	3,462,516	3,258,039	2,353,395
346,300	241,730	196,791	194,555	201,727	122,602	71,900	42,689	38,277	34,168
<b>12,326,439</b>	<b>10,585,584</b>	<b>9,844,967</b>	<b>9,787,631</b>	<b>8,432,849</b>	<b>8,048,189</b>	<b>8,839,645</b>	<b>8,266,787</b>	<b>7,898,689</b>	<b>6,709,262</b>
5,119,060	4,261,477	3,664,377	3,207,067	2,764,239	2,329,323	1,364,976	810,708	713,084	644,798
1,396,816	1,525,499	1,366,899	1,193,301	877,414	992,754	838,276	385,174	327,630	144,312
<b>3,722,244</b>	<b>2,735,978</b>	<b>2,297,478</b>	<b>2,013,766</b>	<b>1,886,825</b>	<b>1,336,569</b>	<b>526,700</b>	<b>425,534</b>	<b>385,454</b>	<b>500,486</b>
<b>7.46</b>	<b>5.48</b>	<b>4.60</b>	<b>4.03</b>	<b>3.78</b>	<b>2.68</b>	<b>1.21</b>	<b>1.13</b>	<b>1.17</b>	<b>1.75</b>
30	30	25	22	20	17	-	-	-	-
10	-	-	-	-	-	15	15	15	15
6,852	6,904	7,070	7,240	7,417	7,607	7,716	7,808	7,836	8,018
249	264	259	208	182	96	86	142	302	258
7,101	7,168	7,329	7,448	7,599	7,703	7,802	7,950	8,138	8,276
571,481	537,086	452,338	341,643	321,957	308,111	284,338	253,104	231,556	231,023
2,723,225	2,516,795	2,340,872	2,208,968	2,113,847	2,021,857	1,922,289	1,782,600	1,672,548	1,573,771
3,773	3,271	2,881	2,669	2,548	2,475	2,672	2,337	2,316	2,764
43,919	41,358	38,842	37,471	37,622	39,128	40,675	38,869	37,231	35,862
2,641,273	2,437,541	2,263,875	2,133,554	2,038,403	1,944,980	1,843,662	1,706,114	1,598,256	1,500,184
2,688,965	2,482,170	2,305,598	2,173,694	2,078,573	1,986,583	1,887,009	1,747,320	1,637,803	1,538,810
6,195	6,121	5,776	5,759	5,405	5,122	5,217	5,112	4,920	4,687
46,964	42,285	38,284	35,814	34,093	32,825	31,477	29,954	28,661	26,848