



AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017



REVIEW REPORT TO THE MEMBERS

ON THE STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE AND PUBLIC SECTOR COMPANIES (CORPORATE GOVERNANCE) RULES, 2013

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance and Public Sector Companies (Corporate Governance) Rules, 2013 (both herein referred to as 'Codes') prepared by the Board of Directors of Sui Northern Gas Pipelines Limited for the year ended June 30, 2017 to comply with the regulation No. 5.19 of the listing regulation of Pakistan Stock Exchange where the Company is listed and provisions of Public Sector Companies (Corporate Governance) Rules, 2013.

The responsibility for compliance with the Codes is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Codes and report if it does not and to highlight any non-compliance with the requirements of the Codes. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Codes.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Codes require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors, upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the codes as applicable to the Company for the year ended June 30, 2017.



A. F. Ferguson & Co.
Chartered Accountants

Engagement Partner: Asad Aleem Mirza

Lahore
November 2, 2017

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Sui Northern Gas Pipelines Limited as at June 30, 2017 and the related profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement, together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) In our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the changes resulted on initial application of standards, amendments, or an interpretation to the existing standards as stated in note 2.2.1 to the annexed financial statements, with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of the company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at June 30, 2017 and of the profit, total comprehensive income, changes in equity and its cash flows for the year then ended; and
- (d) in our opinion no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Emphasis of matter

We draw attention to note 25.3 to the financial statements which explains that the settlement of certain 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 opinion is not qualified in respect of this matter.



A. F. Ferguson & Co.
Chartered Accountants

Engagement Partner: Asad Aleem Mirza

Lahore
November 2, 2017

BALANCE SHEET

AS AT JUNE 30, 2017

	Note	2017	2016
(Rupees in thousand)			
EQUITY AND LIABILITIES			
Capital and Reserves			
Authorised capital			
1,500,000,000 (2016: 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 (2016: 634,216,665)			
ordinary shares of Rs 10 each	5	6,342,167	6,342,167
Revenue reserves		4,253,626	(2,644,836)
		10,595,793	3,697,331
Non-Current Liabilities			
Long term financing:			
- Secured	6	49,359,799	34,425,000
- Unsecured	7	504,067	569,903
Security deposits	8	38,566,630	34,343,735
Deferred credit	9	47,168,154	37,405,489
Employee benefits	10	14,681,746	12,332,455
		150,280,396	119,076,582
Current Liabilities			
Trade and other payables	11	131,735,106	103,966,219
Interest / mark-up accrued on loans			
and other payables	12	25,212,533	22,142,807
Short term borrowing - secured	13	999,258	996,200
Current portion of long term financing	14	5,363,722	1,834,376
		163,310,619	128,939,602
Contingencies and Commitments	15	-	-
		324,186,808	251,713,515


The annexed notes 1 to 50 form an integral part of these financial statements.



Saghir-ul-Hassan Khan
Chief Financial Officer



Amjad Latif
Managing Director / CEO


Muhammad Saeed Mehd
Chairman

Muhammad Saeed Mehdi
Chairman

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
Gas sales	30	319,935,128	239,636,172
Add: Differential margin	31	26,373,156	11,010,416
		346,308,284	250,646,588
Less: Cost of gas sales	32	326,609,632	246,424,169
Gross profit		19,698,652	4,222,419
Other income	34	10,992,947	11,896,988
		30,691,599	16,119,407
Less:			
Selling cost	35	5,646,155	6,875,706
Administrative expenses	36	6,426,006	4,759,698
Other operating expenses	37	729,719	220,870
		12,801,880	11,856,274
Operating profit		17,889,719	4,263,133
Less: Finance cost	38	5,350,520	4,402,741
Profit / (loss) before taxation		12,539,199	(139,608)
Taxation	39	3,924,699	(263,621)
Profit for the year		8,614,500	124,013
Earnings per share			
- basic and diluted - (Rupees)	45	13.58	0.20

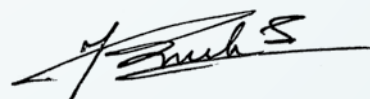
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Chief Financial Officer



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Managing Director / CEO



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Chairman

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	(Rupees in thousand)	
Profit for the year	8,614,500	124,013
Other comprehensive income / (loss) for the year		
Item that will not be reclassified to profit and loss:		
Remeasurement of defined benefit plans - net	(4,902,483)	(3,778,508)
Tariff adjustment with respect to remeasurement of IAS-19 by OGRA	2,451,000	3,778,508
	(2,451,483)	-
Tax effect	735,445	-
Items that may subsequently be reclassified to profit and loss	-	-
Total comprehensive income for the year	6,898,462	124,013

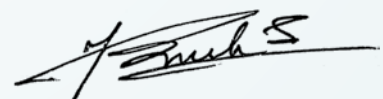
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STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2017

	Issued, subscribed and paid up capital	Reserves				Capital and reserves
Revenue reserves						
		Share capital	General reserve	Dividend equalization reserve	Un- appropriated profit/(loss)	Total
(R u p e e s i n t h o u s a n d)						
Balance as at June 30, 2015	6,342,167	4,127,682	480,000	(7,376,531)	(2,768,849)	3,573,318
Total other comprehensive income for the year	-	-	-	124,013	124,013	124,013
Balance as at June 30, 2016	6,342,167	4,127,682	480,000	(7,252,518)	(2,644,836)	3,697,331
Total other comprehensive income for the year	-	-	-	6,898,462	6,898,462	6,898,462
Balance as at June 30, 2017	6,342,167	4,127,682	480,000	(354,056)	4,253,626	10,595,793

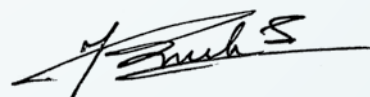
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Chairman

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	40	15,999,861	10,420,454
Finance cost paid		(3,927,765]	(2,688,511]
Taxes paid		(1,539,874]	(2,348,472]
Employee benefits / contributions paid		(5,785,604]	(4,304,037]
Increase in security deposits		4,222,895	1,891,506
Receipts against government grants and consumer contributions		12,965,344	8,051,662
Increase in long term loans		(55,625]	(65,683]
Increase in long term deposits and prepayments		(2,330]	(2,664]
Net cash generated from operating activities		21,876,902	10,954,255
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(38,765,532]	(30,420,068]
Expenditure on intangible assets		(30,810]	(107,766]
Proceeds from sale of property, plant and equipment		53,952	52,151
Return on bank deposits		265,562	257,164
Net cash used in investing activities		(38,476,828]	(30,218,519]
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing - secured		19,849,800	22,300,000
Proceeds from long term financing - unsecured		150,100	-
Repayment of long term financing - secured		(1,375,000]	(2,500,000]
Repayment of long term financing - unsecured		(160,633]	(163,556]
Unclaimed dividend paid		(410]	(581]
Net cash generated from financing activities		18,463,857	19,635,863
Net increase in cash and cash equivalents		1,863,931	371,599
Cash and cash equivalents at the beginning of the year		784,593	412,994
Cash and cash equivalents at the end of the year	40.2	2,648,524	784,593

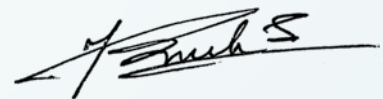
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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 listed on the Pakistan Stock Exchange Limited. 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.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP), companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with provisions of the repealed Companies Ordinance, 1984. Accordingly, approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives under the Companies Ordinance, 1984 shall prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments to published standards and interpretations that are effective in current year and are relevant to the Company's operations

The new standards amendments and interpretations that are mandatory for accounting period beginning on or after January 1, 2016 which are considered to be relevant or to have any significant impact on company's financial reporting and operations.

Amendments to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' are applicable on accounting periods beginning on or after January 01, 2016. IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The application of these amendments has no material impact on the Company's financial statements.

Annual improvements 2014 are applicable for annual periods beginning on or after January 01, 2016. The amendments include changes from the 2012-14 cycle of the annual improvements project that affect 4 standards: IFRS 5, 'Non current assets held for sale and discontinued operations' regarding methods of disposal, IFRS 7, 'Financial instruments: Disclosures' with consequential amendments to IFRS 1 regarding servicing contracts, IAS 19, 'Employee benefits' regarding discount rates and IAS 34, 'Interim financial reporting' regarding disclosure of information. The application of these amendments has no material impact on the Company's financial statements.

Amendments to IAS 1, 'Presentation of financial statements' on the disclosure initiative is applicable on annual periods beginning on or after January 01, 2016, subject to EU endorsement. These amendments are part of the IASB initiative to improve presentation and disclosure in financial reports. The application of these amendments has no material impact on the Company's financial statements.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

	Effective date (accounting periods beginning on or after)
IFRS 14, 'Regulatory deferral accounts'	January 1, 2017
IAS 7 (Amendment), 'Statement of cash flows' disclosure initiative	January 1, 2017
IAS 12 (Amendments), 'Income taxes' on recognition of deferred tax assets for unrealized losses	January 1, 2017
Annual improvements 2014-2016; IFRS 1, 'First-time adoption of IFRS'. IFRS 12, 'Disclosure of interests in other entities'. IAS 28, 'Investments in associates and joint ventures'.	January 1, 2017
IFRS 9, 'Financial instruments'	January 1, 2018
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018
IFRS 2 (Amendments), 'Share-based payments' on classification and measurement	January 1, 2018
IFRS 4 (Amendments), 'Insurance contracts' on the implementation of IFRS 9, 'Financial instruments'	January 1, 2018
IAS 40 (Amendment), 'Investment property' relating to transfers of investment property	January 1, 2018
IFRIC 22, 'Foreign currency transactions and advance consideration'	January 1, 2018
IFRS 16, 'Leases'	January 1, 2019

The above standards, amendments and interpretations are not expected to have a material impact on the company's financial statements when they become effective.

- IFRS 2 (amendment), 'Share-based payment-Group Cash-settled Share-base Payment Transactions' effective for annual period beginning on or after January 01, 2010.

The International Accounting Standard Board (IASB) amended IFRS 2 whereby an entity receiving goods or services is to apply this IFRS in accounting for group cash settled share based payment transactions in its financial statements when that entity has no obligation to settle the share-based payment transaction.

On August 14, 2009, the Government of Pakistan (GOP) launched "Benazir Employee Stock Option Scheme" (the Scheme) for employees of certain State Owned Enterprises (SOEs) and non-State Owned Enterprises where GOP holds significant investments (non-SOEs). The scheme is applicable to permanent and contractual employees who were in employment of these entities on the date of launch of the scheme, subject to completion of five years vesting period by all contractual employees and by permanent employees in certain instances.

The scheme provides for cash payments to employees on retirement or termination based on the price of shares of respective entities. To administer this scheme, GOP shall transfer 12% of its investments in such SOEs and non SOEs to a Trust Fund to be created for the purpose by each of such entities. The eligible employees would be allotted units by each Trust Fund in proportion to their respective length of service and on retirement or termination such employees would be entitled to receive such amounts from Trust Funds in exchange for the surrendered units as would be determined based on market price for listed entities or breakup value for non-listed entities. The shares relating to the surrendered units would be transferred back to GOP.

The scheme also provides that 50% of dividend related to shares transferred to the respective Trust Fund would be distributed amongst the unit-holder employees. The balance 50 % dividend would be transferred by the respective Trust Fund to the Central Revolving Fund managed by the Privatization Commission of Pakistan for payment to employees against surrendered units. The deficit, if any, in Trust Funds to meet the re-purchase commitment would be met by GOP. The Scheme developed in compliance with the stated GOP policy of empowerment of employees

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

of State Owned Enterprises need to be accounted for by the covered entities, including the Company, under the provisions of amended International Financial Reporting Standard 2 Share Based Payments. However, keeping in view the difficulties that may be faced by the entities covered under the Scheme, the Securities & Exchange Commission of Pakistan on receiving representations from some of the entities covered under the Scheme and after having consulted the Institute of Chartered Accountants of Pakistan has granted exemption to such entities from the application of IFRS 2 to the Scheme.

Had the exemption not been granted, the staff costs of the Company for the year would have been higher by Rs 2,671,575 thousand (2016: Rs 228,897 thousand) and reserves would have been higher by Rs 3,532,371 thousand (2016: Rs 860,796 thousand). However, there will be no impact on profit after taxation, EPS and retained earning as Company's management believes that this impact is a pass through item which will be eventually adjusted against gas development surcharge or differential margin as explained in note 4.20.

IFRIC 4, - 'Determining whether an Arrangement contains a Lease'. International Financial Reporting Interpretation Committee (IFRIC) of the International Accounting Standards Board (IASB) issued IFRIC 4 which requires determination of whether an arrangement is, or contains a lease based on the substance of the arrangement. According to IFRIC 4, if an arrangement conveys a right to use the asset to lessee and the fulfillment of the arrangement is dependent on the use of the specific asset then the arrangement is or contains a lease.

The Securities and Exchange Commission of Pakistan (SECP) vide its Circular No. 24/2012 dated January 16, 2012 has exempted the application of IFRIC 4 'Determining whether an Arrangement contains a Lease' for all companies. However, the SECP made it mandatory for the companies to disclose the impacts of the application of IFRIC 4 on the results of the companies. Consequently, the Company has also been exempted from the application of IFRIC 4 while preparing its financial statements.

The Company reviewed various pipeline rental agreements executed in previous years and has determined that two pipeline rental agreements relating to certain gas transmission pipelines contain embedded leases and are to be recognized as leases in terms of IFRIC 4 and IAS 17 'Leases'.

Under IFRIC 4, the consideration required to be made by the lessee i.e. Sui Northern Gas Pipelines Limited for the right to use the assets is to be accounted for as a finance lease under IAS 17. If the Company was to follow IFRIC 4 and IAS 17, the effects on the financial statements would be as follows:

	2017	2016
	(Rupees in thousand)	
Effect on profit and loss account		
Decrease/(increase) in		
Cost of sales		
Transportation charges - Sui Southern Gas Company Limited (SSGCL)	362,610	501,966
Operating expenses		
Depreciation	(150,984)	(150,984)
Finance cost		
Finance cost - leased assets	(254,784)	(276,253)
Effect on balance sheet		
Increase in		
Written down value of operating assets	(301,968)	(452,952)
Obligation under finance lease:		
Long term portion	(1,357,669)	(1,530,581)
Short term portion	(172,911)	(147,793)

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value. The Company's significant accounting policies are stated in note 4. Not all of these significant policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgment or estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

i) Employee benefits - note 4.3, 10.7 & 21.7

ii) Provision for taxation - note 4.2 & 39

iii) Useful life and residual values of property, plant and equipment - note 4.6

iv) Financial Instruments

i) Employee benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 4.3, 10.7 and 21.7.

ii) Provision for taxation

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its views on items of material nature in accordance with law, the amounts are shown as contingent liabilities.

iii) Useful life and residual values of property, plant and equipment

The Company reviews the useful lives of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of property, plant and equipment with a corresponding effect on depreciation charge and impairment.

iv) Financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using the valuation techniques based on assumptions that are dependent on market conditions existing at balance sheet date.

4. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

4.1 Deferred credit

Deferred credit represents the amount received from the consumers and the Government as contribution and grant towards the cost of supplying and laying transmission, service and main lines. Amortization of deferred credit commences upon capitalization of the related asset and is amortized over its estimated useful life, however where contributions received from consumers, after July 1, 2009, which meet the criteria as provided in IFRIC 18, are recognized as income in the year and the related expenditure is capitalized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

4.2 Taxation

Current

Provision for current tax is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing current tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except where deferred tax arises on the items credited or charged to equity in which case it is included in equity.

4.3 Employee retirement benefits

The main features of the schemes operated by the Company for its employees are as follows:

4.3.1 Defined benefit plans

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit actuarial valuation method. The future contribution rates of these funds include allowance for deficit and surplus.

4.3.1.1 Pension and gratuity funds

The Company operates an approved funded pension scheme and an approved funded gratuity scheme for executives and non-executives. In case of gratuity scheme, qualifying service period for executives and non-executives is five years and six years, respectively. Contributions to the schemes are payable on the recommendations of the actuary. The future contribution rates of these schemes include allowance for deficit and surplus.

An executive who qualifies for pension at the time of retirement from the Company and does not surrender his pension, shall be entitled to gratuity at the rate of 20 days basic salary for each completed year of service. An executive who qualifies for pension at the time of retirement from the Company and surrenders his pension, shall be entitled to gratuity at the rate of 50 days basic salary for each completed year of service. Significant assumptions used for valuation of these schemes are mentioned in note 10.7 and 21.7.

4.3.1.2 Medical and free gas facility schemes

The Company provides free gas facility to non-executives and medical facility to all employees and their dependents after their retirement. However, all executives retired up to December 31, 2000 are also entitled to avail free gas facility. Significant assumptions used for valuation of these schemes are mentioned in note 10.7 and 21.7.

4.3.1.3 Accumulating compensated absences

The Company provides annually for the expected cost of accumulating compensated absences and leave fare assistances on the basis of actuarial valuations. However, executives of the Company were not entitled to avail leave fare assistance after December 31, 2000.

Executives and non-executives of the Company are entitled to accumulate the unutilized privilege leaves up to 60 and 90 days, respectively. Such accumulation is encashable only at the time of retirement or leaving the service of the Company.

The most recent valuations were carried out as on June 30, 2017 using the projected unit credit method. Significant assumptions used for valuation of these schemes are mentioned in note 10.7.

4.3.2 Defined contribution plan

The Company operates an approved defined contribution provident fund for all permanent employees. Equal monthly contributions are made by the employees and the Company to the fund.

4.4 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade payables and other costs payable are initially recognised at cost which is the fair value of the consideration to be paid in future for goods and/ or services, whether or not billed to the Company and subsequently measured at amortised cost using the effective interest method.

4.5 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.6 Property, plant and equipment

Cost

Property, plant and equipment except for freehold and leasehold land are stated at cost less accumulated depreciation and impairment loss, if any. Freehold and leasehold land are stated at cost less impairment loss, if any. Capital work-in-progress is stated at cost less impairment loss, if any. Cost in relation to certain assets signifies historical cost and borrowing cost referred to in Note 4.9.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

Depreciation

Depreciation is charged to income on the straight line method so as to write off the cost of an asset over its estimated useful life at the rates given in Note 16.1. Depreciation on additions is charged from the month in which an asset is put to use while no depreciation is charged for the month in which an asset is disposed off.

The assets' residual value and estimated useful lives are reviewed at each financial year and adjusted if impact on depreciation is significant. The Company's estimate of the residual value and useful lives of its operating assets as at June 30, 2017 has not required any adjustment as its impact is considered insignificant.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

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Pipelines uplifted during the year are deleted from operating fixed assets. 60% to 65% of the written down value of the uplifted pipelines representing cost of pipelines and fittings is transferred to capital work-in-progress after considering their reuse capability. The balance of the written down value representing construction overheads is charged to income.

4.7 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprises purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition an intangible asset is carried at cost less accumulated amortization at the rates given in Note 17.1 and impairment loss, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortization method is reviewed and adjusted, if appropriate, at each balance sheet date.

4.8 Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in profit and loss account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit and loss account.

4.9 Borrowing cost

Mark-up, interest, profit and other charges on long term financing are capitalized for the period up to the date of commissioning of the respective assets acquired out of the proceeds of such borrowings. All other mark-up, interest, profit and other charges are charged to income during the year.

4.10 Investments

a) Investment in associate

Investment in associate, on which the Company has significant influence but not control, is accounted for using the equity method of accounting wherein the Company's share of underlying net assets of the investee is recognized as the carrying amount of such investment. Difference between the amounts previously recognized and the amount calculated at each year end is recognized as share of profit of associate. Distributions received out of such profits shall be credited to the carrying amount of investment in associated undertaking.

b) Investments held-to-maturity

Investment with fixed or determinable payments and fixed maturity and where the Company has positive intent and ability to hold investments to maturity are classified as investments held-to-maturity. These are initially recognized at cost inclusive of transaction costs and are subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

c) Investments available-for-sale

All investments classified as available-for-sale are initially recognized at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value. Unrealized gains or losses from changes in fair value are recognized in equity. Realized gains and losses are taken to profit and loss account.

d) Investments at fair value through profit or loss

An investment is classified at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sale decisions based on their fair value in accordance with the Company's investment strategy. All investments classified as investments at fair value through profit and loss are initially measured at cost being fair value of consideration given. At subsequent dates these investments are measured at fair value, determined on the basis of prevailing market prices, with any resulting gain or loss recognized directly in the profit and loss account.

4.11 Stores and spare parts

These are valued at monthly moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon till the balance sheet date. The Company reviews stores and spare parts for possible impairment on an annual basis and provision is made for obsolescence.

4.12 Stock-in-trade

Stock of gas in pipelines is valued at the lower of cost determined on annual average cost and net realizable value. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

Stock of gas held with third parties is valued at lower of annual average cost and net realizable value. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make the sale.

4.13 Trade and other receivables

Trade debts and other receivables are carried at original invoice amount. Debts considered irrecoverable are written off and provision is made for debts considered doubtful of recovery. No provision is made in respect of active consumers considered good.

4.14 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts, other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values and finances under mark-up arrangements. Finances under mark-up arrangements are included in current liabilities on the balance sheet.

4.15 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of gas in the ordinary course of the Company's activities. The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company and specific criteria has been met for each of the Company's activities as described below:

- (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 recognized from the date the billed amount is overdue and when it is probable that economic benefits will flow to the entity.

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FOR THE YEAR ENDED JUNE 30, 2017

- (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 it is likely that the consumers may not be able to consume gas in future by an agreed date over and above the committed gas supply.

4.16 Foreign currency transactions

The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Transactions in foreign currency during the year are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at functional currency using rate of exchange prevailing at the balance sheet date. All differences are taken to the profit and loss account. All non-monetary items are translated into rupees at exchange rates prevailing at the date of transaction or on the date when fair values are determined.

4.17 Borrowings

Borrowings are recognized initially at fair value (proceeds received), net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Finance costs are accounted for on an accrual basis and are shown as accrued finance cost to the extent of the amount remaining unpaid.

4.18 Financial instruments

Financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the profit and loss account for the year.

Financial instruments carried on the balance sheet include loans and advances, deposits, interest accrued, trade debts, other receivables, cash and bank balances, long term financings, short term borrowings, interest / mark-up accrued and trade and other payables. All financial assets and liabilities are initially measured at cost, which is the fair value of consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value or cost as the case may be. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.19 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when the Company has a legally enforceable right to offset the recognized amount and the Company intends to settle either on a net basis or to realize the asset and to settle the liability simultaneously.

4.20 Gas development surcharge / Differential margin

Under the provisions of license for transmission and distribution of natural gas granted to the Company by OGRA, the Company is required to earn an annual return of not less than 17.50% per annum 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. Any deficit or surplus on account of this is recoverable from or payable to the Government of Pakistan as differential margin or gas development surcharge.

4.21 Construction contracts

Contract costs are recognized when incurred.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

The Company uses the percentage of "completion method" to determine the appropriate amount to recognize in a given period. The stage of completion is measured with reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract.

4.22 Dividend and other appropriations

Dividend to the shareholders is recognized in the period in which it is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

5. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2017	2016		2017	2016
(Number of shares)			(Rupees in thousand)	
121,146,000	121,146,000	Ordinary shares of Rs 10 each issued as fully paid for cash	1,211,460	1,211,460
3,329,000	3,329,000	Ordinary shares of Rs 10 each issued as fully paid for consideration other than cash	33,290	33,290
509,741,665	509,741,665	Ordinary shares of Rs 10 each issued as fully paid bonus shares	5,097,417	5,097,417
634,216,665	634,216,665		6,342,167	6,342,167

5.1 Ordinary shares of the Company held by undertakings associated to the Company, only by virtue of common directorship are as follows:

	2017	2016
	(Number of Shares)	
Sui Southern Gas Company Limited	2,414,174	2,414,174
MCB Bank Limited	-	42,242,764
	2,414,174	44,656,938

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	Note	2017	2016
		(Rupees in thousand)	
6. LONG TERM FINANCING - SECURED			
Local currency - Syndicate term finance:			
Syndicate term finance I	6.1.1	11,700,000	11,700,000
Syndicate term finance II	6.1.2	21,718,375	9,848,948
		33,418,375	21,548,948
Islamic mode of financing:			
Islamic finance under Musharaka arrangement	6.2.1	4,125,000	5,500,000
Islamic finance under Musharaka arrangement for LNG Project Phase I	6.2.2	6,000,000	6,000,000
Islamic finance under lease arrangement for LNG Project Phase II	6.2.3	10,731,424	2,751,052
		20,856,424	14,251,052
Current portion shown under current liabilities	14	(4,915,000)	(1,375,000)
		49,359,799	34,425,000

6.1 Local currency - Syndicate term finance

6.1.1 Syndicate term finance I

Lender	Note	Mark-up rate	No. of installments	Repayment commencement date	Maturity date
Syndicate of banks	6.1.1	Six month KIBOR + 0.70% per annum	10 half yearly installments	November 19, 2017	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 parri passu charge 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 (2016: Rs 15,600,000 thousand).

6.1.2 Syndicate term finance II

Lender	Note	Mark-up rate	No. of installments	Repayment commencement date	Maturity date
Syndicate of banks	6.1.2	Six month KIBOR + 1.10% per annum	16 half yearly installments	December 8, 2018	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 (2016: Rs 35,870,000 thousand) relating to the project and a sovereign guarantee of the Government of Pakistan. During the year, the Company made further drawdowns of Rs 11,869,427 thousand. As per the agreement, the Company is entitled to drawdown remaining facility of Rs 14,151,674 thousand on or before June, 2018.

6.2 Arrangements under Islamic financing

Lender	Note	Mark-up rate	No. of installments	Repayment commencement date	Maturity date
Syndicate of banks	6.2.1	Six month KIBOR+ 0.55% per annum	8 half yearly installments	December 30, 2016	June 30, 2020
Syndicate of banks	6.2.2	Six month KIBOR + 0.70% per annum	10 half yearly installments	November 19, 2017	May 19, 2022
Syndicate of banks	6.2.3	Six month KIBOR + 1.10% per annum	16 half yearly installments	December 8, 2018	June 8, 2026

- 6.2.1 This loan has been obtained from a syndicate of banks (with Al Baraka Bank 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 (2016: Rs 7,333,333 thousand).
- 6.2.2 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 (2016: Rs 8,000,000 thousand), as given in note 16.1.5.
- 6.2.3 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 (2016: Rs 18,800,000 thousand) relating to the project and the sovereign guarantee of Government of Pakistan. During the year, the Company made further drawdowns of Rs 7,980,373 thousand. As per the agreement, the Company is entitled to make drawdowns of the remaining facility of Rs 8,068,526 thousand by June, 2018.

	Note	2017	2016
		(Rupees in thousand)	
7. LONG TERM FINANCING - UNSECURED			
Local currency loans	7.1	952,789	1,029,279
Current portion shown under current liabilities	14	(448,722)	(459,376)
		504,067	569,903
7.1 Loans			
Government - Development loans	7.1.1	774,710	888,466
Related parties	7.1.2	-	16,584
Industrial consumers	7.1.3	178,079	124,229
		952,789	1,029,279

- 7.1.1 These have been obtained from the Provincial Governments of Punjab and Khyber Pakhtunkhwa (KPK) for supply of gas to new towns. Loans aggregating to Rs 504,976 thousand (2016: Rs 546,427 thousand) carry mark-up at the rate of 5% (2016: 5%) per annum and Rs 269,734 thousand (2016: Rs 342,039 thousand) carry mark-up at the rate of six month State Bank of Pakistan's (SBP) treasury bills plus 1.2% (2016: six month SBP treasury bills plus 1.2%) on the outstanding balance or part thereof. The fair value of loans from Provincial Governments are estimated as present value of all future cash flows discounted using Pakistan Investment Bonds (PIBs) rate prevailing at the time of initial recognition of respective loans.
- 7.1.2 This loan has been repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

- 7.1.3 These have been obtained from certain industrial consumers for laying of gas pipelines and carry mark-up at the rate of 1.5% (2016: 1.5%) per annum on the outstanding balance or part thereof and are repayable over a period of 10 years with a grace period of 2 years. Loans from industrial consumers are estimated as present value of all future cash flows discounted using 1.1% (2016: 1.1%) above State Bank of Pakistan's cut off yield rates prevailing at the time of initial recognition of these loans.

	2017	2016
	(Rates %)	
7.1.4 The effective interest rates are as follows:		
Government - Development loans	8.00 to 14.47	6.22 to 14.47
Industrial consumers and related parties	4.94 to 14.24	2.88 to 14.24

	Note	2017	2016
		(Rupees in thousand)	
8. SECURITY DEPOSITS			
Consumers	8.1 & 8.2	38,472,602	34,256,992
Contractors - Houseline	8.3	94,028	86,743
		38,566,630	34,343,735

- 8.1 Consumers' deposits represent security received against amount due from consumers on account of gas sales. These are repayable on cancellation of contract for supply of gas or on submission of bank guarantee in lieu of security deposits. Interest is payable at the rate of KIBOR minus 3% (2016: 5% for industrial and commercial consumer and 2% for bulk domestic) per annum on deposits from all consumers, other than domestic, aggregating to Rs 20,794,965 thousand (2016: Rs 18,435,176 thousand). However, for one consumer with a deposit of Rs 1,091,995 thousand (2016: Rs 1,091,995 thousand) interest rate is 1% above 3 months SBP treasury bills cut off rate subject to a floor of 7% (2016: 3 months SBP treasury bills cut off rate subject to a floor of 7%) per annum.
- 8.2 These include security deposits from related parties amounting to Rs 3,372 thousand (2016: Rs 25,216 thousand).
- 8.3 No interest is payable on the deposits from houseline contractors. These are refundable on cancellation of contract or dealership agreement.

	Note	2017	2016
		(Rupees in thousand)	
9. DEFERRED CREDIT			
Consumer contribution against:			
- Completed jobs		24,697,401	23,342,890
- Jobs-in-progress		3,179,995	7,706,182
		27,877,396	31,049,072
Government grants against:			
- Completed jobs		24,225,446	17,377,626
- Jobs-in-progress		22,463,899	13,120,890
		46,689,345	30,498,516
		74,566,741	61,547,588
Less: Accumulated amortization:			
Opening balance		24,142,099	21,352,978
Loan from Provincial Government - Initial Recognition		6,818	24,397
Amortization for the year	34	3,249,670	2,764,724
		27,398,587	24,142,099
		47,168,154	37,405,489
10. EMPLOYEE BENEFITS			
Pension fund - Non Executive staff		10,416,352	7,129,377
Medical fund - Executive staff		40,547	1,016,317
Medical fund - Non Executive Staff		538,779	1,033,801
Gratuity fund - Executive staff		2,889,523	2,199,239
Gratuity fund - Non Executive staff		617,046	328,669
Compensated absences - Executive staff		105,581	158,193
Compensated absences - Non Executive staff		73,918	298,523
Free gas facility fund - Non Executive staff		-	168,336
		14,681,746	12,332,455

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FOR THE YEAR ENDED JUNE 30, 2017

10.1	Note	(Rupees in thousand)									
		Pension Fund - Non Executive Staff		Medical Fund - Executive Staff		Medical Fund - Non Executive Staff		Gratuity Fund - Executive Staff		Gratuity Fund - Non Executive Staff	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Reconciliation of payable to employee benefit plans:											
	Present value of defined benefits obligations	15,982,635	15,982,635	3,986,990	3,635,345	8,784,355	7,674,632	3,041,965	2,351,765	4,898,981	3,888,553
	Fair value of plan assets	(10,830,151)	(8,853,258)	(3,946,443)	(2,619,048)	(8,245,576)	(6,440,831)	(152,442)	(152,526)	(4,281,935)	(3,559,884)
	Net liabilities	10,416,352	7,129,377	40,547	1,016,317	538,779	1,033,801	2,889,523	2,199,239	617,046	328,669
Movement in net liability											
	Opening liability	7,129,377	4,183,818	1,016,317	1,128,799	1,033,801	156,201	2,199,239	1,438,826	328,669	99,134
	Transfer of funds	(18,200)	7,000	-	-	-	-	(100,000)	(50,000)	-	(7,000)
	Change for the year	1,164,400	855,174	251,622	239,442	422,003	321,178	386,191	250,752	216,590	188,141
	Remeasurements charged to OCI	3,914,042	2,640,706	(121,116)	390,871	244,297	642,175	542,382	677,841	614,306	283,762
	Contribution paid	(1,773,267)	(557,321)	(1,106,276)	(742,795)	(1,161,322)	(1,057,753)	(138,289)	(118,180)	(542,519)	(235,368)
		10,416,352	7,129,377	40,547	1,016,317	538,779	1,033,801	2,889,523	2,199,239	617,046	328,669
Amounts recognized in profit and loss account											
	Current service cost	508,912	444,765	202,988	159,915	374,423	310,329	167,781	108,504	210,562	190,456
	Interest on obligation	1,647,394	1,271,028	376,974	310,561	799,152	654,255	233,715	159,958	394,930	348,609
	Expected return on plan assets	(991,906)	(860,619)	(328,340)	(231,034)	(751,572)	(643,406)	(115,305)	(117,710)	(388,902)	(350,924)
	Net actuarial losses recognized in the year	-	-	-	-	-	-	-	-	-	-
	Total included in employee benefit expense	1,164,400	855,174	251,622	239,442	422,003	321,178	386,191	250,752	216,590	188,141
	Actual return on plan assets	771,760	682,011	311,395	85,225	570,745	513,151	13,436	12,865	434,169	237,689
Changes in the present value of defined benefit obligation											
	Opening defined benefit obligation	15,982,635	12,405,311	3,635,345	2,995,622	7,674,632	6,283,881	2,351,765	1,636,505	3,888,553	3,461,211
	Current service cost	508,912	444,765	202,988	159,915	374,423	310,329	167,781	108,504	210,562	190,456
	Interest cost	1,647,394	1,271,028	376,974	310,561	799,152	654,255	233,715	159,958	394,930	348,609
	Remeasurements charged to OCI	3,693,896	2,462,098	(138,061)	245,062	63,470	531,920	540,513	672,996	659,573	170,528
	Benefits paid	(586,334)	(600,567)	(90,276)	(75,795)	(127,322)	(105,753)	(251,809)	(226,198)	(254,637)	(282,251)
	Closing defined benefit obligation	21,246,303	15,982,635	3,986,990	3,635,345	8,784,355	7,674,632	3,041,965	2,351,765	4,898,981	3,888,553
Changes in the fair value of plan assets											
	Opening fair value of plan assets	8,853,258	8,221,493	2,619,048	1,864,823	6,440,831	6,127,680	152,526	197,679	3,559,884	3,342,077
	Expected return	991,906	860,619	328,340	231,034	751,572	643,406	15,305	17,710	388,902	350,924
	Remeasurements charged to OCI	(220,146)	(178,088)	(116,945)	(146,809)	(180,827)	(130,255)	(1,849)	(4,845)	45,267	(113,235)
	Contributions by employer	1,773,267	557,321	1,106,276	742,795	1,161,322	1,057,753	138,289	118,180	542,519	235,368
	Benefits paid	(586,334)	(600,567)	(90,276)	(75,795)	(127,322)	(105,753)	(251,809)	(226,198)	(254,637)	(282,250)
	Transfer of funds	18,200	(7,000)	-	-	-	-	100,000	50,000	7,000	-
		10,830,151	8,853,258	3,946,443	2,619,048	8,245,576	6,440,831	152,442	152,526	4,281,935	3,559,884

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10.6 Plan assets comprise:

Pension fund - Non executive staff				
	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	9,056,434	83.62	7,363,339	83.17
NIT units	566,462	5.23	402,974	4.55
Pakistan Investment Bonds	934,200	8.63	973,018	10.99
Cash at bank	197,241	1.82	38,155	0.43
Others	75,814	0.70	75,772	0.86
	10,830,151	100.00	8,853,258	100.00
Medical fund - Executive staff				
	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	3,499,546	88.68	2,137,140	81.59
NIT units	32,109	0.81	23,707	0.91
Pakistan Investment Bonds	407,299	10.32	448,583	17.13
Cash at bank	7,489	0.19	9,618	0.37
	3,946,443	100.00	2,619,048	100.00
Medical fund - Non Executive staff				
	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Mutual funds	-	-	177,007	2.67
Certificates of deposits	7,485,091	90.77	5,496,904	82.77
NIT Units	239,739	2.91	-	-
Pakistan Investment Bonds	501,051	6.08	939,941	14.15
Cash at Bank	19,695	0.24	26,979	0.41
	8,245,576	100.00	6,640,831	100.00
Gratuity fund - Executive staff				
	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	111,755	73.31	110,162	72.22
Pakistan Investment Bonds	10,499	6.89	10,503	6.89
Cash at bank	30,188	19.80	31,861	20.89
	152,442	100.00	152,526	100.00

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Gratuity fund - Non executive staff

	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Mutual funds	-	-	440,152	12.36
Certificates of deposits	3,263,954	76.23	2,570,167	72.20
NIT Units	574,465	13.42	-	-
Pakistan Investment Bonds	327,764	7.65	545,347	15.32
Cash at bank	95,894	2.24	4,218	0.12
Others	19,858	0.46	-	-
	4,281,935	100.00	3,559,884	100.00

Accumulating compensated absences - Executive staff

	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	401,308	87.34	140,603	47.60
Pakistan Investment Bonds	56,576	12.31	147,848	50.06
Cash at bank	1,600	0.35	6,914	2.34
	459,484	100.00	295,365	100.00

Accumulating compensated absences - Non executive staff

	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	910,002	87.49	576,221	85.25
Pakistan Investment Bonds	122,191	11.75	97,186	14.38
Cash at bank	7,916	0.76	2,468	0.37
	1,040,109	100.00	675,875	100.00

Free gas facility fund - Non executive staff

	2017 Fair value		2016 Fair value	
	(Rupees in thousand)	%	(Rupees in thousand)	%
Certificates of deposits	-	-	3,682,521	90.43
NIT units	-	-	61,555	1.51
Pakistan Investment Bonds	-	-	288,997	7.10
Cash at bank	-	-	11,490	0.28
Others	-	-	27,834	0.68
	-	-	4,072,397	100.00

10.7 Principal actuarial assumptions used (expressed as weighted average)

	Pension fund			
	2017		2016	
	Executive	Non-executive	Executive	Non-executive
Expected increase in salaries	10.75%	10.75%	10.25%	10.25%
Discount rate	10.75%	10.75%	10.50%	10.50%
Expected rate of return per annum on plan assets	10.75%	10.75%	10.50%	10.50%

	Medical fund			
	2017		2016	
	Executive	Non-executive	Executive	Non-executive
Discount rate	10.75%	10.75%	10.50%	10.50%
Expected rate of growth per annum in average cost of facility	10.75%	10.75%	10.50%	10.50%
Increase in average cost of post retirement medical facility	9.75%	9.75%	9.50%	9.50%
Expected rate of return per annum on plan assets	10.75%	10.75%	10.50%	10.50%

	Gratuity fund			
	2017		2016	
	Executive	Non-executive	Executive	Non-executive
Expected increase in salaries	10.75%	10.75%	10.25%	10.25%
Discount rate	10.75%	10.75%	10.50%	10.50%
Expected rate of return per annum on plan assets	10.75%	10.75%	10.50%	10.50%

	Accumulating compensated absences			
	2017		2016	
	Executive	Non-executive	Executive	Non-executive
Expected increase in salaries	10.75%	10.75%	10.25%	10.25%
Discount rate	10.75%	10.75%	10.50%	10.50%
Expected rate of return per annum on plan assets	10.75%	10.75%	10.50%	10.50%

	Free gas facility fund			
	2017		2016	
	Executive	Non-executive	Executive	Non-executive
Discount rate	10.75%	10.75%	10.50%	10.50%
Expected rate of growth per annum in average cost of facility	9.75%	9.75%	9.50%	9.50%
Expected rate of return per annum on plan assets	10.75%	10.75%	10.50%	10.50%

10.8 Calculations are based on mathematical model which takes into account the yield at maturity of the existing investment present at the beginning of the financial year. The model also considers the expected return on the reinvestment of the maturity proceeds in similar instruments (based on their yield as at the valuation date) up till the life of the related obligation.

10.9 The effect of one per cent movement in assumed medical cost trend rates would have the following effects:

	2017		2016	
	1% Increase	1% (decrease)	1% Increase	1% (decrease)
(Rupees in thousand)				
Effect on the aggregate of the service cost and interest cost	111,486	(89,678)	103,875	(83,369)
Effect on defined benefit obligation	2,064,902	(1,692,571)	1,828,152	(1,483,829)

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FOR THE YEAR ENDED JUNE 30, 2017

10.10 Deficit / (Surplus) for current and previous four years

Pension fund - Non executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	21,246,503	15,982,635	12,405,311	8,906,681	8,269,243
Plan assets	(10,830,151)	(8,853,258)	(8,221,493)	(6,788,487)	(6,022,584)
Deficit	10,416,352	7,129,377	4,183,818	2,118,194	2,246,659
Experience adjustment on plan liabilities	3,537,355	2,462,098	2,506,973	(641,577)	1,609,897
Experience adjustment on plan assets	(220,146)	(178,608)	(163,675)	127,229	59,467
Medical fund - Executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	3,986,990	3,635,365	2,995,622	2,419,576	1,927,289
Plan assets	(3,946,443)	(2,619,048)	(1,866,823)	(1,686,613)	(1,399,741)
Deficit	40,547	1,016,317	1,128,799	732,963	527,548
Experience adjustment on plan liabilities	(143,468)	245,062	199,385	112,686	(38,656)
Experience adjustment on plan assets	(16,945)	(145,809)	(47,483)	(2,188)	4,032
Medical fund - Non executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	8,784,355	7,674,632	6,283,881	4,462,941	3,708,128
Plan assets	(8,245,576)	(6,640,831)	(6,127,680)	(5,585,434)	(5,030,626)
Deficit / (Surplus)	538,779	1,033,801	156,201	(1,122,493)	(1,322,498)
Experience adjustment on plan liabilities	63,469	531,920	1,092,243	33,247	(750,743)
Experience adjustment on plan assets	180,827	130,255	(211,788)	280	114,485
Gratuity fund - Executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	3,041,965	2,351,765	1,636,505	1,526,403	1,247,535
Plan assets	(152,442)	(152,526)	(197,679)	(192,891)	(363,632)
Deficit	2,889,523	2,199,239	1,438,826	1,333,512	883,903
Experience adjustment on plan liabilities	(24,105)	672,996	8,495	329,839	87,895
Experience adjustment on plan assets	(1,869)	(4,845)	(27,152)	(16,016)	71,412
Gratuity Fund - Non executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	4,898,981	3,888,553	3,461,211	2,539,324	2,505,633
Plan assets	(4,281,935)	(3,559,884)	(3,362,077)	(3,054,105)	(2,699,007)
Deficit / (Surplus)	617,046	328,669	99,134	(514,781)	(193,374)
Experience adjustment on plan liabilities	866,656	170,528	658,320	(113,055)	729,168
Experience adjustment on plan assets	45,267	(113,235)	(30,048)	145,799	92,899

	Accumulating compensated absences - Executive staff				
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	565,065	453,558	370,910	252,811	140,038
Plan assets	(459,484)	(295,365)	(203,101)	(181,205)	(115,697)
Deficit	105,581	158,193	167,809	71,606	24,341
Experience adjustment on plan liabilities	(29,788)	58,573	95,040	102,841	1,336
Experience adjustment on plan assets	(33,189)	17,260	(2,567)	53,360	1,822

	Accumulating compensated absences - Non Executive staff				
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	1,114,027	974,398	896,716	633,644	424,289
Plan assets	(1,040,109)	(675,875)	(396,829)	(359,082)	(323,572)
Deficit	73,918	298,523	499,887	274,562	100,717
Experience adjustment on plan liabilities	107,699	17,667	197,174	169,224	121,374
Experience adjustment on plan assets	(21,430)	(19,431)	(10,729)	(54,465)	(5,650)

	Free gas facility fund - Non executive staff				
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Defined benefit obligation	4,185,392	4,240,733	3,966,458	3,791,581	2,818,446
Plan assets	(4,503,541)	(4,072,397)	(2,067,563)	(1,885,591)	(1,610,259)
(Surplus) / Deficit	(318,149)	168,336	1,898,895	1,905,990	1,208,187
Experience adjustment on plan liabilities	(611,522)	(233,903)	(471,401)	326,409	877,202
Experience adjustment on plan assets	173,278	(170,378)	(72,583)	9,425	14,803

	Note	2017	2016
		(Rupees in thousand)	
10.11 Estimated future contributions			
Pension fund - Non executive staff		623,404	517,659
Medical fund - Executive staff		40,547	1,016,317
Medical fund - Non executive staff		695,149	1,033,801
Gratuity fund - Executive staff		140,782	135,743
Gratuity fund - Non executive staff		259,648	207,063
Accumulating compensated absences - Executive staff		11,403	158,193
Accumulating compensated absences - Non Executive staff		73,929	298,523
Free gas facility - Non executive staff		-	168,336
		1,844,862	3,535,635
10.12 The charge for the year has been allocated as follows:			
Distribution cost	33	1,291,001	1,073,426
Selling cost	35	642,416	519,753
Administrative expenses	36	706,668	564,419
Project work in progress		48,570	116,121
		2,688,655	2,273,719

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
11. TRADE AND OTHER PAYABLES			
Creditors for:			
- gas	11.1 & 11.2	108,421,743	92,579,558
- supplies	11.3	1,544,219	2,546,140
Accrued liabilities		11,469,551	6,115,810
Gas Infrastructure Development Cess (GIDC)	11.5	726,054	-
Interest free deposits repayable on demand		789,898	195,095
Earnest money received from contractors		70,474	46,318
Mobilization and other advances		3,351,528	1,652,075
Due to customers	42	12,605	1,139
Advances from customers		5,348	338,154
RLNG margin	11.6	4,192,208	-
Workers' Profit Participation Fund (WPPF)	11.7	1,078,113	418,155
Unclaimed dividend		73,365	73,775
		131,735,106	103,966,219

11.1 These include Rs 88,266,821 thousand (2016: Rs 67,398,223 thousand) payable to related parties.

11.2 Included in trade payables is an amount of Rs 8,705,787 thousand (2016: Rs 13,011,370 thousand) due to Pakistan State Oil (PSO) representing payable against Liquefied Natural Gas (LNG) supplied by PSO. In this regard, the agreement for the supply of LNG between the parties has not yet been finalized and is under negotiation. Additional liability or adjustment, if any, that may arise would be recorded accordingly on the finalization of the agreement.

11.3 These include Nil (2016: Rs 7 thousand) payable to related parties.

	2017	2016
	(Rupees in thousand)	
11.4 Provident fund		
(i) Size of the fund	10,299,634	9,712,133
(ii) Cost of Investment made	9,812,406	9,423,728
(iii) Fair value of Investment	10,299,634	9,712,133
(iv) Percentage of investment made	100%	100%

11.4.1 Breakup of Investments

	2017		2016	
Note	Percentage	Amount	Percentage	Amount
		(Rs in thousand)		(Rs in thousand)
- Term deposit receipts - schedule banks	84.64	8,718,000	76.02	7,383,092
- Mutual funds	11.00	1,132,134	9.06	879,541
- Pakistan Investment Bonds	4.36	449,500	14.92	1,449,500
11.4.2	100.00	10,299,634	100.00	9,712,133

11.4.2 Investments out of provident fund have been made in accordance with the provision of section 218 of the Companies Act, 2017. The figures are based on the un-audited financial statements of the Fund.

11.5 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, 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 to its consumers with effect from September 2014. The Ordinance was superseded by GIDC Act 2015 (The Act) 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. The Committee is yet to submit its report on the matter. Subsequently, a number of consumers of the Company have obtained stay order from various Courts against recovery of GIDC.

Furthermore, principal amount of GIDC amounting to Rs 106,775,096 thousand (2016: Rs 89,926,568 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. The current payable amount of Rs 726,054 thousand represents GIDC collected from consumers which has been deposited in the Government treasury subsequent to June 30, 2017.

- 11.6 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 till June 30, 2017. The resolution / settlement of this balance is dependant upon decision of Federal Government / OGRA.

	Note	2017	2016
		(Rupees in thousand)	
11.7	Workers' Profit Participation Fund		
	Balance at the beginning of the year	418,155	418,155
	Allocation for the year	37 659,958	-
		1,078,113	418,155
12.	INTEREST AND MARK-UP ACCRUED ON LOANS AND OTHER PAYABLES		
	Accrued mark-up / interest on:		
	Long term financing - secured	289,702	185,635
	Long term financing - unsecured	269,774	263,799
	Short term borrowing - secured	8,544	8,591
	Deposits from customers	1,187,569	1,205,964
	Late payment of gas creditors	23,456,944	20,478,818
	12.1	25,212,533	22,142,807

- 12.1 This includes Rs 19,211,141 thousand (2016: Rs 16,244,972 thousand) payable to related parties.

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13. SHORT TERM BORROWING - SECURED

13.1 Running finances - secured

Short term running finance facility amounting to Rs 1,000,000 thousand obtained from a commercial bank carries mark-up at the rate of 3 months KIBOR plus 0.15% per annum (2016: 3 months KIBOR plus 0.15% per annum) on the balance outstanding. This is secured by way of first pari passu hypothecation charge on all present and future current assets of the Company to the extent of Rs 1,333,330 thousand (2016: Rs 1,333,330 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the year ranged from 6.19% to 6.27% (2016: 6.50% to 7.16%) per annum.

13.2 Letters of credit and bank guarantees

Facilities of Rs 100,000 thousand (2016: Rs 100,000 thousand) for opening letters of credit and Rs 100,000 thousand (2016: Rs 100,000 thousand) for guarantees are available with the Company as a sub-limit of facility referred in note 13.1. Both facilities have not been availed during the years ended June 30, 2017 and June 30, 2016. The facility for opening of letters of credit is secured by lien over trade documents and the facility for guarantees is secured by way of first pari passu charge over present and future fixed assets i.e. plant and machinery of the Company to the extent of Rs 666,670 thousand (2016: Rs 666,670 thousand).

The Company has additional facilities for opening letters of credit amounting to Rs 31,731,450 thousand (2016: Rs 37,364,960 thousand) out of which Rs 11,945,120 thousand (2016: Rs 9,441,200 thousand) remained unutilized at the end of the year. These are secured by lien over trade documents.

Aggregate facilities for guarantees and letters of credit are additionally secured by charges on assets of the Company.

	Note	2017	2016
		(Rupees in thousand)	
14. CURRENT PORTION OF LONG TERM FINANCING			
Long term financing - secured	6	4,915,000	1,375,000
Long term financing - unsecured	7	448,722	459,376
		5,363,722	1,834,376

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 Taxation

- A demand of Rs 67,998 thousand (2016: Rs 67,998 thousand) relating to excess compensation for delayed refunds for assessment years 1988-89, 1990-91, 1991-92 and 1996-97 was raised by the Additional Commissioner of Income Tax by rectifying the orders previously issued under section 171 of the repealed Ordinance. In this regard, while disposing off the appeal filed before ATIR against the order of CIT(A), the ATIR has remanded back the matter of curtailment of compensation on delayed payment/adjustment of refund pertaining to assessment year 1988-89, 1991-92 and 1996-97 for verification of underlying facts afresh. However, no provision has been made in these financial statements as the management is confident of a favorable outcome.
- During the year ended June 30, 2012 Income Tax Authorities raised demands of Rs 8,207,290 thousand, Rs 7,366,587 thousand and Rs 2,715,174 thousand for Tax Year 2011, 2010 and 2006 respectively, on account of disallowance of Cost Equalization Adjustment, Gas Development Surcharge (GDS) while adding back consumers' contribution and Government grants. Company's appeal against the amendment orders were disposed off by Commissioner Inland Revenue (Appeals) (CIRA) substantially in Company's favor and except for the issue of admissibility of GDS and tax credit referred above, all other material disallowances were removed. Both the tax authorities and company preferred appeals against order of CIRA before ATIR. During the financial year

ended June 30, 2015, while disposing off Company's appeal, ATIR upheld Company's contention in respect of admissibility of GDS whereas the tax credit under section 65B of Income tax ordinance 2001 was not allowed. Furthermore Appeal filed by the Income Tax Department with respect to other issues have been decided in Company's favor. However, Tax Authorities have filed an appeal against the decision of ATIR with regards to GDS before Honorable Lahore High Court which is pending adjudication. No provision regarding the above explained issues has been made in these financial statements as management considers that Company's stance is based on meritorious grounds and will be upheld by higher appellate forums.

- c) During the year ended June 30, 2013, Income Tax Authorities raised demands of Rs 17,207,333 thousand and Rs 6,880,501 thousand for Tax Year 2012 and 2007 respectively on similar grounds to those raised in tax years 2011, 2010 and 2006 as mentioned above. During the year ended June 30, 2016, Company's appeal against the amendment orders were disposed off by CIR (Appeals) substantially in Company's favor and except for the issue of admissibility of GDS and tax credit referred above, all other material disallowances were removed. Both Tax authorities and the Company preferred appeals against order of CIR (Appeals) before Appellate Tribunal Inland Revenue (ATIR). While disposing off Company's appeal, ATIR has upheld Company's contention in respect of admissibility of GDS, whereas the tax credit under section 65B of Income Tax Ordinance 2001 has not been allowed. Furthermore Appeal filed by the department with respect to other issues has been decided in the Company's favor. However, Tax Authorities and the Company have filed appeals against the decision of ATIR with regards to GDS and Tax credit under section 65B of Income tax ordinance, 2001 before Honorable Lahore High Court which are pending adjudication. No provision regarding the above has been made in these financial statements as the management considers that the Company's stance is based on meritorious grounds and will be upheld by the Honorable Lahore High Court.
- d) During the year ended June 30, 2016, Income Tax Authorities raised demands of Rs 16,146,541 thousand for Tax Year 2013 on similar grounds as mentioned in (b) above with the addition of inadmissibility of UFG and recoverability of shortfall (as determined by OGRA) from consumers. Subsequent to the year end, Company's appeal against the amendment orders were disposed of by CIR (Appeals) substantially in Company's favor and except for the issues of inadmissibility of UFG and recoverability of shortfall(as determined by OGRA) from consumers and tax credit under section 65B of Income Tax Ordinance, 2001 referred above, all other material disallowances were removed. The Company preferred appeal against order of CIR (Appeals) before ATIR with respect to the issues decided against the Company. The appeal filed before ATIR is pending adjudication and consequently no provision has been made in these financial statements as the management is confident of a favorable outcome.
- e) Subsequent to the year ended June 30, 2017, Income Tax Authorities raised demand of Rs 23,401,212 thousand for Tax Year 2014 principally on similar grounds to those mentioned in (d) above with the addition of inadmissibility of consumer contribution. The Company is in process of filing an appeal with CIR(A) against this demand. However, no provision has been made in these financial statements as the management is confident of a favourable outcome.
- f) The Company filed appeals before the Customs, Excise and Sales Tax Appellate Tribunal against the orders of Collector of Sales Tax (Appeals) regarding various issues including but not limited to apportionment of input tax, admissibility of input tax on natural gas lost in ruptures, etc. amounting to Rs 45,549 thousand (2016: Rs 45,549 thousand). Subsequently, Company's appeal against the orders of collector of Sales Tax (Appeals) was disposed off by ATIR in company's favor. However, the department has filed an appeal against the decision of ATIR in Honorable Lahore High Court. Pending the outcome of appeal, no provision against Sales tax refundable has been recognized in the financial statements based on the opinion of legal counsel of the Company.
- g) During the year 2011 Sales Tax authorities raised a demand of Rs 406,650 thousand (2016: Rs 406,650 thousand) and Rs 736,000 thousand (2016: Rs 736,000 thousand) for the years 2008 and 2009 respectively on account of inadmissibility of input sales tax in respect of gas lost over and above UFG benchmark fixed by OGRA. In this

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regard an appeal filed by the company with CIR(A) in respect of the year 2008 and 2009 was decided against the company. The Company filed an appeal against the orders of CIR (Appeals) with ATIR for the year 2008 and 2009 respectively which was decided against the Company. Subsequently, the Company filed an appeal with Honorable Lahore High Court, which is pending adjudication. No provision has been made in these financial statements as Company's Management is confident of favorable outcome of the appeals.

- h) During the year ended June 30, 2014, Sales Tax authorities raised a demand of Rs 555,938 thousand for the Tax year 2010 on account of inadmissibility of input sales tax in respect of gas lost over and above UFG benchmark fixed by OGRA. Similarly, during the year ended June 30, 2016 the authorities raised a demand of Rs 2,185,953 thousand for the Tax year 2013 on account of inadmissibility of input sales tax in respect of gas lost over and above UFG benchmark fixed by OGRA. In this regard, appeals were filed by Company with Commissioner Inland Revenue (Appeals) which were decided against the Company. The Company filed appeals against the orders of CIR(A) with ATIR which are pending adjudication. No provision has been made in these financial statements as Company's management is confident of favorable outcome of appeals.
- i) During the year ended June 30, 2016, Income Tax authorities raised a demand of Rs 128,322 thousand as a result of Order passed U/S 161/205 of Income Tax Ordinance 2001. This demand was raised on pretext of non-withholding of tax under Section 152(2A) of Income Tax Ordinance 2001 by the Company. An appeal filed by the Company with CIR(Appeals) was decided against the Company, following which the Company filed an appeal with ATIR against the said decision of CIR(A), which is pending adjudication. No provision has been made in these financial statements as the Company is confident of favorable outcome of the appeals.

15.1.2 Others

Claims against the Company not acknowledged as debts amount to Rs 2,365,218 thousand (2016: Rs 1,414,716 thousand).

- a) Included in claims against the Company not acknowledged as debt are claims by the contractors, suppliers and consumers aggregating Rs 84,313 thousand (2016: Rs 84,313 thousand). This also includes a penalty of Rs 1,000 thousand (2016: Rs 1,000 thousand) imposed by SECP for delay in dissemination of price sensitive information to KSE. The Company has filed an appeal in the Lahore High Court against the said decision. Pending the outcome of these matters/claims, which are being adjudicated, no provision has been made in these financial statements as the Company is confident of favorable outcome.
- b) Included in claims against the Company not acknowledged as debt is the claim of employees union for bonus amounting to Rs 255,200 thousand (2016: Rs 255,200 thousand), which has been decided by National Industrial Relations Commission (NIRC) against the Company. The Lahore High Court while admitting Company's writ petition for regular hearing has suspended the order of the NIRC, subject to Company's furnishing an undertaking in respect of the bonus amount. The Company has filed an appeal with the Honorable Supreme Court of Pakistan on September 19, 2001 on the grounds that order of NIRC is without jurisdiction and is therefore void. The appeal filed by the Company has been decided against the Company by the Honorable Supreme Court of Pakistan. The Company has filed a review petition with Honorable Supreme Court of Pakistan, which has not been so far fixed for hearing. No provision has been made in these financial statements for the amount of bonus as the Company's legal advisor is of the view that there is a reasonably fair chance that the case will be decided in favor of the Company.
- c) The Company furnished indemnity bonds to the Collector of Customs to avail the exemption under SRO 367(1)/94 in respect of custom duty and sales tax on certain imported items amounting to Rs 195,731 thousand (2016: Rs 195,731 thousand). Liabilities in respect of indemnity bonds may arise on items not consumed within five years from the date of receipt. Such liability, if any, will be treated as part of the cost of such items.
- d) During the financial years 2010-12, the Company had entered into gas supply agreements (GSA) with M/s Saif Power Limited, Sapphire Electric and Orient Power (hereinafter referred to as "the claimants") for the supply of

a daily contracted quantity of gas during a firm delivery period in a given year i.e. from March 1st to November 30th each year. During certain periods of the year, the company could not supply the contracted quantity of gas to the claimants due to force majeure events such as ruptures in the pipelines and other sabotage/ terrorism activities in certain gas wells. Such force majeure events were rejected by claimants contesting that they did not fall under the definition "force majeure" as per the GSAs. The total claim of all claimants including ancillary costs is Rs 764,401 thousand (2016: Rs 764,401 thousand). The case was referred to London Court of International Arbitration vide separate arbitration proceedings for each of the claimants. The arbitrator has decided these cases in favor of claimants vide its decision dated March 9, 2016. The Company filed an appeal with the Honorable Lahore High Court against the said decision. The appeal was dismissed by the Honorable Lahore High Court. The Company has now filed an appeal with the Honorable Supreme Court against the said decision, which is pending adjudication. The management is of the view that there are meritorious grounds to defend the Company's claims and consequently no provision has been made in these financial statements. Furthermore, in case the company exhausts its legal remedies available under law, the matter will be taken with the Oil and Gas Regulatory Authority for determining the cost of the same to the Company. Pending the same, the financial impact can not be determined till OGRA makes a final determination on the matter.

- e) During the financial year 2006-2007, the Company entered into gas supply agreement with M/s Orient Power Limited (the Buyer) for supply of daily contracted load of 38 MMCF on firm basis till June 30, 2011. The agreement contained a clause of Take or Pay under which the buyer was required to pay the full amount of committed load if they fail to off take at least 50% of the aforementioned contracted load.

During the financial year 2009-2010, the Buyer failed to utilize the said percentage of the contracted load and the Company, as per the agreement invoiced the Buyer Rs 590 million under the Take or Pay clause of the agreement. The Buyer disputed the invoice from the Company and consequently, both parties, under the dispute resolution clause of the said agreement, referred the dispute to London Court of International Arbitration (LCIA). LCIA has accepted the stance of the Company and ruled in favor of the Company in respect of amount already charged under the Take and Pay arrangement along with LPS of Rs 104 million. In addition, LCIA has also ruled that the Company shall charge Late Payment Surcharge (LPS) on the outstanding principal amount from the Buyer at 6% of the outstanding balance instead of the 18% per annum for default within the first year and 24% after the end of first year.

The Company, in order to obtain enforcement of the award by LCIA, filed an enforcement petition in the Honorable Lahore High court, while the buyer has filed an objection petition in the civil court challenging the award. In order to enforce this award from LCIA, the Company has filed an enforcement petition with the Honorable Lahore High Court whereas the Buyer has also filed an objection petition in the Civil Court challenging the award. Pending the outcome of both petitions, no provision has been recorded in these financial statements against the principal amount receivable of Rs 590 million and aggregate remaining LPS of Rs 325 million as the Company is confident that the eventual decision will be in its favor.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

15.2 Commitments

a) Capital commitments

Capital expenditure contracted at the balance sheet date but not yet incurred is as follows:

	Note	2017	2016
(Rupees in thousand)			
Property, plant and equipment		1,142,075	2,429,284
Intangible assets		25,295	25,379
Stores and spares		23,222,388	22,320,749
		24,389,758	24,775,412
b) Other commitments		833,625	916,637
16. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	16.1	140,804,573	108,788,233
Capital work-in-progress	16.2	23,297,830	27,211,818
		164,102,403	136,000,051

16.1

Reconciliation of the carrying amounts at the beginning and end of the year is as follows:

Operating Fixed Assets															
	Freehold land	Leasehold land	Buildings and civil construction on freehold land	Buildings on leasehold land	Transmission system	Distribution system	Consumer meter and border stations	Telecommunication system and facilities	Compressor stations and equipment	Plant and machinery	Furniture and equipment	Transport Vehicle	Tools and accessories	Computers and ancillary equipment	Total
(R u p e e s i n t h o u s a n d)															
Net Carrying Value basis															
At 30 June 2017															
	1,745,640	392	856,523	-	30,292,087	44,387,413	18,664,664	450,873	4,923,117	5,639,597	307,542	859,750	40,878	619,757	108,788,233
	141,212	-	81,664	-	26,755,903	8,365,255	5,149,471	99,243	3,672,046	866,249	130,394	105,066	22,995	301,884	45,691,382
Disposals															
	-	-	-	-	-	-	(283,457)	(19,566)	-	(129,738)	(2,935)	(64,215)	-	(42,027)	(541,938)
	-	-	-	-	-	-	283,457	19,566	-	129,544	2,935	59,087	-	41,957	536,546
Depreciation charge															
	-	-	(76,349)	-	(3,614,684)	(4,247,479)	(3,079,566)	(103,014)	(605,386)	(1,318,903)	(93,484)	(329,423)	(25,780)	(175,582)	(13,669,650)
	1,886,852	392	861,838	-	53,433,306	48,505,189	20,734,569	447,102	7,989,777	5,186,749	344,452	630,265	38,093	745,989	140,804,573
Gross Carrying Value basis															
At 30 June 2017															
	1,886,852	392	2,030,400	8,461	94,504,440	86,325,054	42,457,752	2,893,690	14,983,029	11,579,368	780,040	2,681,216	335,867	1,700,825	262,167,386
	-	-	(1,168,562)	(8,461)	(41,071,134)	(37,819,865)	(21,723,183)	(2,446,588)	(6,993,252)	(6,392,619)	(435,588)	(2,050,951)	(297,774)	(954,836)	(121,362,813)
	1,886,852	392	861,838	-	53,433,306	48,505,189	20,734,569	447,102	7,989,777	5,186,749	344,452	630,265	38,093	745,989	140,804,573
	-	-	6%	6%	6-10%	6%	6-10%	15%	6-20%	10-20%	15-20%	25%	33.3%	15%	
Net Carrying Value basis															
At 30 June 2016															
	1,617,789	392	682,698	-	22,165,673	41,863,535	17,700,396	162,194	4,490,443	2,385,330	93,959	497,721	30,583	401,570	92,092,283
	127,851	-	244,587	-	10,921,988	6,536,612	3,407,070	350,116	884,554	4,064,856	278,476	686,130	32,236	368,251	27,902,727
Disposals															
	-	-	-	-	(2,464)	-	(257,033)	(4,977)	(856)	(44,225)	(2,472)	(68,071)	-	(44,093)	(424,191)
	-	-	-	-	2,464	-	257,033	4,959	296	44,012	2,400	66,790	-	43,687	421,641
Depreciation charge															
	-	-	(70,762)	-	(2,795,574)	(4,012,734)	(2,442,802)	(61,419)	(451,320)	(810,376)	(64,821)	(322,820)	(21,941)	(149,658)	(11,204,227)
	1,745,640	392	856,523	-	30,292,087	44,387,413	18,664,664	450,873	4,923,117	5,639,597	307,542	859,750	40,878	619,757	108,788,233
Gross Carrying Value basis															
At 30 June 2016															
	1,745,640	392	1,948,736	8,461	67,748,537	77,959,799	37,591,738	2,814,013	11,310,983	10,842,857	652,581	2,640,365	312,872	1,440,968	217,017,942
	-	-	(1,092,213)	(8,461)	(37,456,450)	(33,572,386)	(18,927,074)	(2,363,140)	(6,387,866)	(5,203,260)	(345,039)	(1,780,615)	(271,994)	(821,211)	(108,229,709)
	1,745,640	392	856,523	-	30,292,087	44,387,413	18,664,664	450,873	4,923,117	5,639,597	307,542	859,750	40,878	619,757	108,788,233
	-	-	6%	6%	6-10%	6%	6-10%	15%	6-20%	10-20%	15-20%	25%	33.3%	15%	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

16.1.1 Freehold land at cost of Rs 1,390,000 thousand (2016: Rs 1,338,692 thousand) is subject to restriction under The Land Acquisition Act, 1894 and can not be sold by the Company without the prior approval from the respective Provincial Governments.

16.1.2 The cost of assets as at June 30, 2017 include fully depreciated assets amounting to Rs 47,986,703 thousand (2016: Rs 44,382,885 thousand).

16.1.3 The depreciation charge for the year has been allocated as follows:

	Note	2017	2016
		(Rupees in thousand)	
Distribution cost	33	12,154,509	10,354,902
Administrative expenses	36	248,051	211,324
	40	12,402,560	10,566,226
Transmission system		1,166,672	558,331
Construction contracts		28,827	9,561
Distribution system		71,591	70,109
		1,267,090	638,001
	16.1	13,669,650	11,204,227

16.1.4 Detail of owned assets disposed off during the year is as follows:

	2017						
Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on sale	Mode of disposal	Sold to
	(Rupees in thousand)						
Transport Vehicles							
Toyota Corolla GLI	1,728	1,476	252	283	31	Company Policy	Mr. Ali Khan Rana (Company's Employee)
Honda Civic Oriel	2,454	1,738	716	728	12	Company Policy	Mr. Syed Zahid Hussain (Company's Employee)
Toyota Corolla GLI	1,809	1,018	791	810	19	Company Policy	Mr. Muhammad Iftikhar (Company's Employee)
Suzuki Cultus	1,058	595	463	485	22	Company Policy	Mr. Ejaz Ahmed (Company's Employee)
Suzuki Cultus	1,045	522	523	567	44	Company Policy	Mr. Farrukh Habib (Company's Employee)
Honda Civic VT125SR 1.8	2,724	341	2,383	2,414	31	Company Policy	Mr. Dr Zafar Alvi (Company's Employee)
Computers and equipment							
Laptop Fujitsu E544	91	28	63	64	1	Company Policy	Mr. Muhammad Ejaz Ahmed (Company's Employee)
Plant and machinery							
UPS	254	195	59	2	(57)	Negotiation	Mr. Muhammad Ramzan
Other assets with book value less than Rs 50,000							
	530,775	530,633	142	48,599	48,457		
Total	541,938	536,546	5,392	53,952	48,560		

2016							
Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss) on sale	Mode of disposal	Sold to
(Rupees in thousand)							
Transport vehicles							
Toyota Corolla GLI	1,809	528	1,281	1,308	27	Company Policy	Mr. Muhammad Akram Arain (Company's Employee)
Plant and machinery							
Walk through metal detector gate	520	403	117	8	(109)	Negotiation	M/s. S. Mart (Lahore)
Furniture and equipment							
Tent size 14x14	100	28	72	95	23	Insurance claim	National Insurance Company
Other assets with book value less than Rs 50,000							
	421,762	420,682	1,080	50,740	49,660		
Total	424,191	421,641	2,550	52,151	49,601		

- 16.1.5 Transmission lines includes assets held by the Company on behalf of and in trust for the investors under the musharaka arrangements with Bank Alfalah Limited (Lead Bank) entered into by the Company. Assets held under these musharaka arrangement are as follows:

Musharaka arrangements

	2017		2016	
	Cost	Book value	Cost	Book value
(Rupees in thousand)				
36" Dia 34.95 Km Harrapa 110.25 Km - 120.25 Km Sahiwal Line	1,621,741	835,197	1,621,741	932,501
24" Dia 81.42 Miles Sawan - Qadirpur Line	997,609	154,629	997,609	214,486
36" Dia 43.49 Miles Qadirpur - Bhong Line	989,327	153,346	989,327	212,705
24" Dia 67.77 Km Sahiwal - Phool Nagar (1st Segment)	830,062	377,678	830,062	427,482
24" Dia 23.30 Km Kohat - Dakhni Line (1st Segment)	1,256,278	1,023,867	1,256,278	1,099,243
24" Dia 39.01 Km Manzalai - Kohat Line	655,227	321,061	655,227	360,375
30" Dia 31.5 Miles MP6 - AV30 (P6) Kabirwala / Ali Pur	609,570	-	609,570	-
24" Dia 52.00 Km Down Stream Balloki to Dawood Hercules Line	599,875	335,930	599,875	371,922
36" Dia 22.78 Miles AV7 A3 (P-7)	537,929	51,103	537,929	83,379
30" Dia 35.40 Km All - Chanab Crossing	513,753	141,282	513,753	172,107
36" Dia 20.66 Miles Sidhani- AC 7 D/S	486,421	104,581	486,421	133,766
36" Dia 31.93 Km AV20-AC6	481,939	120,453	481,939	149,369
36" Dia 25.48 Km AC4 - AV15	407,217	111,985	407,217	136,418
36" Dia 18.60 Miles A4 AC4 (P-7)	450,064	42,756	450,064	69,760
24" Dia 23.71 Km D/H Offtake (MP 59.9) - B - 3 Loopline	451,643	259,695	451,643	286,793
36" Dia 16.75 Miles Q AC1X-AC7	439,664	94,528	439,664	120,908
24" Dia 10.10 Km Dakhni - FC - 1 Line (1st Segment)	1,104,516	900,181	1,104,516	966,452
30" Dia 29.16 Km CC1 - CC4	432,300	118,883	432,300	144,821
36" Dia 25.93 Km AV29 - A8 - AV30	450,632	123,924	450,632	150,962
30" Dia 16.30 Miles AV29 - A8 (P6)	396,566	-	396,566	-
36" Dia 13.82 Miles AC6-AV - 29 (P-7)	383,026	36,387	383,026	59,369
36" Dia 16.42 Miles AV 40 - AC 8 Line	371,390	48,256	371,390	70,540
36" Dia 13.04 Miles A3 AV10 (P-7)	368,308	34,989	368,308	57,088
30" Dia 21.24 Miles CS - CV25	357,557	-	357,557	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

Musharaka arrangements

	2017		2016	
	Cost	Book value	Cost	Book value
	(Rupees in thousand)			
36" Dia 14.66 Miles A6 AV - 22	351,991	75,678	351,991	96,797
36" Dia 13.11 Miles AV - 20 - MP130 (P-7)	327,276	22,888	327,276	42,524
30" Dia 19.61 Miles CS - CV10	317,078	-	317,078	-
24" Dia 20.48 Km All - BV - 3	255,920	63,963	255,920	79,318
36" Dia 8.76 Miles AV 10MP 11.57 (P-7)	250,067	17,488	250,067	32,492
30" Dia 12.76 Miles A8 - AV31 Add Loop	248,085	-	248,085	-
30" Dia 14.15 Miles CV74 - CV9	240,483	31,247	240,483	45,676
30" Dia 15.95 Miles AIO	240,089	-	240,089	-
24" Dia 25.63 Km Kohat Darra Adam Khel Line	235,399	122,408	235,399	136,532
36" Dia 9.93 Miles MP 173 - A6	222,876	28,959	222,876	42,332
24" Dia 10.31 Km Kohat - D/S Dara Adamkhel Line	219,507	108,656	219,507	121,827
24.92" 16" Dia Kamra Noshir	196,057	-	196,057	1,948
24" Dia 18.46 Km BC1 - B2	193,743	53,279	193,743	64,904
24" Dia 10.38 Km Phool Nagar - Balloki Line	182,430	80,269	182,430	91,215
36" Dia 9.44 Miles MP 112.54 - A4	176,862	22,980	176,862	33,592
36" Dia 4.78 Miles Q MP - 173 A6 AV20	155,737	33,483	155,737	42,828
24" Dia 3.08 Km River Ravi Crossing At Balloki	137,612	82,567	137,612	90,824
30" Dia 6.80 Km MP 160 - CC3 Line	97,760	24,434	97,760	30,299
24" Dia 6.21 Miles Sui MP6 (NT)	83,633	5,849	83,633	10,867
24" Dia 16 Km MP28.33 - BC1	79,079	28,468	79,079	33,213
24" Dia 1.12 Km Attock Crossing	39,319	16,907	39,319	19,266
30" Dia Construction of AC - A11	11,315	791	11,315	1,470
24" Dia 24.48 Km AC4 - AV15 Line	6,762	2,401	6,762	2,806
	19,461,694	6,213,426	19,461,694	7,241,176

	Note	2017	2016
		(Rupees in thousand)	
16.2 Capital work-in-progress			
Transmission system		5,950,447	8,169,557
Distribution system		8,840,635	5,150,737
Stores and spare parts held for capital expenditure	16.2.1	8,057,089	13,585,905
Advances for land and other capital expenditure		449,659	305,619
		23,297,830	27,211,818
16.2.1 Stores and spare parts held for capital expenditure			
Stores and spare parts [including in-transit Rs 759,424 thousand (2016: Rs 2,663,830 thousand)]		8,135,499	13,662,743
Less: Provision for obsolescence		78,410	76,838
		8,057,089	13,585,905

17. INTANGIBLE ASSETS

This represents computer softwares and ERP system.

	Note	2017	2016
		(Rupees in thousand)	
Balance as at beginning of the year			
Cost		647,942	538,834
Accumulated amortization		(529,013)	(492,706)
Net book value		118,929	46,128
Movement during the year			
Additions		30,810	109,108
Amortization charge for the year	36, 40	(60,525)	(36,307)
Balance as at year end			
Cost		678,752	647,942
Accumulated amortization		(589,538)	(529,013)
Net book value		89,214	118,929
Rate of amortization		33.33%	33.33%

18. DEFERRED TAXATION

The deferred taxation asset comprises timing differences relating to:

Deductible temporary differences

Provision for doubtful debts	6,439,717	6,179,262
Unpaid trading liabilities	4,492,626	3,557,643
Carried forward tax losses	2,874,483	3,780,077
Minimum and alternate corporate tax available for carry forward	4,595,536	2,872,125
Unamortized balance of employee loans at fair value	27,374	36,260
	18,429,736	16,425,367

Taxable temporary differences

Accelerated tax depreciation	(17,119,395)	(14,193,296)
	1,310,341	2,232,071

The gross movement in net deferred tax liability during the year is as follows:

	Note	2017	2016
		(Rupees in thousand)	
Opening balance		2,232,071	1,858,991
(Charged) / credited to profit and loss account	39	(1,657,175)	373,080
Credited to other comprehensive income		735,445	-
Closing balance		1,310,341	2,232,071

19. LONG TERM INVESTMENT**Available for sale**

Inter State Gas Systems (Private) Limited		
490,000 (2016: 490,000) ordinary shares of Rs 10 each	4,900	4,900

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

20. LONG TERM LOANS - CONSIDERED GOOD

	Note	Employee welfare		House Building		Motorcycle/ Scooter		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
(Rupees in thousand)									
Due from:									
Executives	20.1	-	-	5,709	4,168	-	-	5,709	4,168
Other employees		566,370	499,224	4,699	8,755	20,992	19,341	592,061	527,320
		566,370	499,224	10,408	12,923	20,992	19,341	597,770	531,488
Amount due within one year:									
Executives	26	-	-	1,290	982	-	-	1,290	982
Other employees	26	108,307	95,916	1,589	5,554	12,045	12,669	121,941	114,139
		108,307	95,916	2,879	6,536	12,045	12,669	123,231	115,121
		458,063	403,308	7,529	6,387	8,947	6,672	474,539	416,367

20.1 Reconciliation of balance due from executives:

Opening balance	-	-	4,168	4,561	-	-	4,168	4,561
Disbursements/ reclassification	-	-	2,597	845	-	-	2,597	845
	-	-	6,765	5,406	-	-	6,765	5,406
Repayments/adjustments	-	-	(1,056)	(1,238)	-	-	(1,056)	(1,238)
Closing balance	-	-	5,709	4,168	-	-	5,709	4,168

20.2 House building are repayable in 10 years, while motorcycle / scooter loans are repayable in 3 years. Interest at the rate ranging between 1% and 10% (2016: 1% and 10%) per annum is charged on these loans. Loans to employees are secured by deposit of title deeds and joint registration of vehicles in the name of the Company and the employees.

20.3 The maximum amount due from the Chief Executive and Executives at any month end during the year was Nil (2016: Nil) and Rs 5,709 thousand (2016: Rs 4,875 thousand), respectively.

20.4 Fair values of long term loans to employees are estimated at the present value of all future cash flows discounted using rate prevailing on Regular Income Certificates for the relevant year.

20.5 Effective interest rates on the above loans range between 6.55% to 13.44% (2016: 7.61% to 13.44%) per annum.

	Note	2017	2016
(Rupees in thousand)			
21. EMPLOYEE BENEFITS			
Pension fund - Executive staff		558,834	643,596
Free gas facility fund - Executives		211,610	62,825
Free gas facility fund - Non Executive staff		318,149	-
	21.1	1,088,593	706,421

21.1 Reconciliation of receivable from employee benefit plans:

	Note	Pension fund - Executive staff		Free gas facility fund - Executives		Free gas facility fund - Non executives		Total	
		2017	2016	2017	2016	2017	2016	2017	2016
		(Rupees in thousand)							
Fair value of plan assets	21.5	2,323,610	1,984,447	312,865	169,010	4,503,541	-	7,140,016	2,153,457
Present value of funded obligations	21.4	(1,764,776)	(1,340,851)	(101,255)	(106,185)	(4,185,392)	-	(6,051,423)	(1,447,036)
Net assets	21.9	558,834	643,596	211,610	62,825	318,149	-	1,088,593	706,421

21.2 Movement in net assets

Note	Pension fund - Executive staff		Free gas facility fund - Executives		Free gas facility fund - Non executives		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
(Rupees in thousand)								
Opening asset	643,596	(151,919)	62,825	(23,599)	(168,336)	-	538,085	(175,518)
Transfer of funds	(118,200)	(50,000)	-	(27,834)	-	-	(118,200)	(77,834)
Credit / (charge) for the year 21.3	21,863	(128,143)	6,856	(815)	(190,304)	-	(161,585)	(128,958)
Remeasurements chargeable in OCI	(283,800)	729,923	136,984	83,400	438,244	-	291,428	813,323
Contribution paid	295,375	243,735	4,945	31,673	238,545	-	538,865	275,408
	558,834	643,596	211,610	62,825	318,149	-	1,088,593	706,421

21.3 Amounts recognized in profit and loss account are as follows:

Note	Pension fund - Executive staff		Free gas facility fund - Executives		Free gas facility fund - Non executives		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
(Rupees in thousand)								
Current service cost	55,017	122,363	-	-	185,153	-	240,170	122,363
Interest on obligation	137,979	190,826	10,890	15,461	441,573	-	590,442	206,287
Expected return on plan assets	(214,859)	(185,046)	(17,746)	(14,646)	(436,422)	-	(669,027)	(199,692)
Total included in employee benefit (income) / expense 21.2	(21,863)	128,143	(6,856)	815	190,304	-	161,585	128,958
Actual return on plan assets	215,514	141,806	143,855	44,357	263,144	-	622,513	186,163

21.4 Changes in the present value of defined benefit obligation are as follows:

Note	Pension fund - Executive staff		Free gas facility fund - Executives		Free gas facility fund - Non executives		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
(Rupees in thousand)								
Opening defined benefit obligation	1,340,851	1,833,957	106,185	150,086	4,240,733	-	5,687,769	1,984,043
Service cost	55,017	122,363	-	-	185,153	-	240,170	122,363
Interest cost	137,979	190,826	10,890	15,461	441,573	-	590,442	206,287
Remeasurements charged to OCI	284,455	(773,163)	(10,875)	(53,689)	(611,522)	-	(337,942)	(826,852)
Benefits paid	(53,526)	(33,132)	(4,945)	(5,673)	(70,545)	-	(129,016)	(38,805)
Closing defined benefit obligation 21.1	1,764,776	1,340,851	101,255	106,185	4,185,392	-	6,051,423	1,447,036

21.5 Changes in the fair value of plan assets are as follows:

Note	Pension fund - Executive staff		Free gas facility fund - Executives		Free gas facility fund - Non executives		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
(Rupees in thousand)								
Opening fair value of plan assets	1,984,447	1,682,038	169,010	126,487	4,072,397	-	6,225,854	1,808,525
Expected return	214,859	185,046	17,746	14,646	436,422	-	669,027	199,692
Remeasurements charged to OCI	655	(43,240)	126,109	29,711	(173,278)	-	(46,514)	(13,529)
Contributions by employer	295,375	243,735	4,945	31,673	238,545	-	538,865	275,408
Benefits paid	(53,526)	(33,132)	(4,945)	(5,673)	(70,545)	-	(129,016)	(38,805)
Amount transferred from pension fund to gratuity fund	(118,200)	(50,000)	-	(27,834)	-	-	(118,200)	(77,834)
21.6	2,323,610	1,984,447	312,865	169,010	4,503,541	-	7,140,016	2,153,457

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21.6 Plan assets comprise of:

Pension fund - Executive staff				
	2017		2016	
	Fair value (Rupees in thousand)	%	Fair value (Rupees in thousand)	%
Mutual Fund	-	-	157,171	7.92
Certificate of deposit	1,818,166	78.25	1,637,006	82.49
Pakistan Investment Bonds	201,728	8.68	164,227	8.28
NIT Units	212,874	9.16	-	-
Cash at Bank	90,842	3.91	26,043	1.31
	2,323,610	100.00	1,984,447	100.00

Free gas facility fund - Executives				
	2017		2016	
	Fair value (Rupees in thousand)	%	Fair value (Rupees in thousand)	%
Certificate of deposit	253,361	80.98	80,541	47.65
Pakistan Investment Bonds	53,708	17.17	106,220	62.85
Cash at Bank	5,796	1.85	10,083	5.97
Others	-	-	(27,834)	(16.47)
	312,865	100.00	169,010	100.00

Free gas facility fund - Non executives				
	2017		2016	
	Fair value (Rupees in thousand)	%	Fair value (Rupees in thousand)	%
Certificate of deposit	4,158,515	92.34	-	-
NIT Units	83,370	1.85	-	-
Pakistan Investment Bonds	257,738	5.72	-	-
Cash at Bank	3,918	0.09	-	-
	4,503,541	100.00	-	-

21.7 Principal actuarial assumptions used (expressed as weighted average)

	Pension fund - Executive staff	
	2017	2016
Expected increase in salaries	10.75%	10.25%
Discount rate	10.75%	10.50%
Expected rate of return per annum on plan assets	10.75%	10.50%

Pension fund provides pension increase in line with the pension enhancements announced by the Government. Pension increase assumption of 7.75% per annum used in the actuarial valuation is a long term economic assumption and is based on long term inflation expectation of Government which is 6% to 8% per annum.

	Free Gas facility fund - Executive staff	
	2017	2016
Discount rate	10.75%	10.50%
Expected return of growth per annum in average cost of facility	9.75%	9.50%
Expected rate of return per annum on plan assets	10.75%	10.50%

	Free Gas facility fund - Non executive staff	
	2017	2016
Discount rate	10.75%	10.50%
Expected return of growth per annum in average cost of facility	9.75%	9.50%
Expected rate of return per annum on plan assets	10.75%	10.50%

21.8 The overall expected rate of return on assets is determined based on the market prices prevailing at that date, applicable to the period over which the obligation is to be settled.

21.9 Surplus / (deficit) for current and previous four years are as follows:

Pension Fund - Executive staff					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Plan assets	2,323,610	1,984,447	1,682,038	1,434,829	1,481,912
Defined benefit obligation	(1,764,776)	(1,340,851)	(1,833,957)	(1,173,825)	(756,856)
Surplus / (Deficit)	558,834	643,596	(151,919)	261,004	725,056
Experience adjustment on plan liabilities	31,761	(773,163)	(445,392)	78,895	86,690
Experience adjustment on plan assets	655	(43,240)	22,083	(48,083)	3,127

Free Gas Facility - Executives					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Plan assets	312,865	169,010	126,487	112,479	60,959
Defined benefit obligation	(101,255)	(106,185)	(150,086)	(145,041)	(118,584)
Surplus / (Deficit)	211,610	62,825	(23,599)	(32,562)	(57,625)
Experience adjustment on plan liabilities	11,023	(53,689)	7,161	8,149	54,938
Experience adjustment on plan assets	126,109	29,711	1,177	7,506	475

Free Gas Facility - Non Executives					
	2017	2016	2015	2014	2013
	(Rupees in thousand)				
Plan assets	4,503,541	4,072,397	2,067,563	1,885,591	1,610,259
Defined benefit obligation	(4,185,392)	(4,240,733)	(3,966,458)	(3,791,581)	(2,818,446)
Surplus / (Deficit)	318,149	(168,336)	(1,898,895)	(1,905,990)	(1,208,187)
Experience adjustment on plan liabilities	(611,522)	(233,903)	(471,401)	326,409	877,202
Experience adjustment on plan assets	173,278	(170,379)	(72,583)	9,425	14,803

	Note	2017	2016
		(Rupees in thousand)	
21.10 Estimated future contributions			
Pension fund - Executive staff		290,352	134,107
Free gas facility fund - Non executive		-	168,336
		290,352	302,443
21.11 The charge for the year has been allocated as follows:			
Distribution cost	33	79,198	38,264
Selling cost	35	32,651	18,916
Administrative expenses	36	30,988	49,015
Capital work-in-progress		18,748	22,763
		161,585	128,958

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	Note	2017	2016
(Rupees in thousand)			
22. LONG TERM DEPOSITS AND PREPAYMENTS			
Security and other deposits		11,122	8,737
Prepayments		86,222	80,471
		97,344	89,208
Less: Current portion of prepayments	27	84,723	78,917
Provision against prepayments		1,232	1,232
		85,955	80,149
		11,389	9,059
23. STORES AND SPARE PARTS			
Stores [including in-transit Rs 162,370 thousand (2016: Rs 321,077 thousand)]		2,625,058	1,896,479
Spares [including in-transit Rs 220,699 thousand (2016: Rs 196,723 thousand)]		1,247,701	1,695,424
	23.1	3,872,759	3,591,903
Less: Provision for obsolescence		41,768	44,545
		3,830,991	3,547,358

23.1 This includes stores and spare parts of Rs 1,150 thousand (2016: Rs 459 thousand) which are not in possession of the Company.

	Note	2017	2016
(Rupees in thousand)			
24. STOCK-IN-TRADE			
- Gas in pipelines		1,205,578	967,110
- Held with third parties	24.1	9,065,312	-
		10,270,890	967,110

24.1 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	2017	2016
(Rupees in thousand)			
25. TRADE DEBTS			
Considered good:			
Secured	25.1, 25.3	42,803,096	40,983,505
Unsecured	11.5, 25.1 & 25.3	15,216,042	17,124,542
Deferred gas sales		(201,817)	(228,131)
		57,817,321	57,879,916
Considered doubtful		21,330,027	20,461,845
		79,147,348	78,341,761
Provision for doubtful debts	25.2	(21,330,027)	(20,461,845)
	25.4	57,817,321	57,879,916

	Note	2017	2016
		(Rupees in thousand)	
25.1	These include amounts due from the following related parties:		
	Nishat Mills Limited	-	1,824,471
	Sui Southern Gas Company Limited	896,834	340,624
	Dawood Hercules Chemicals Limited	-	1,716,838
	D.G. Khan Cement Company Limited	-	726,718
	D.G. Khan Captive Power	-	425,678
	Sheikh CNG	901	-
	National Power Parks Management Company (Private) Limited	748,365	-
	Quaid-e-Azam Thermal Power (Private) Limited	647,532	-
	Pakarab Fertilizers Limited	-	2,644,450
	Water and Power Development Authority	12,427,409	24,816,139
		14,721,041	32,494,918
25.1.1	Ageing of related party balance		
	One to six months	5,169,908	17,667,487
	More than six months	9,551,133	14,827,431
		14,721,041	32,494,918
25.2	Provision for doubtful debts		
	Balance as on July 1	20,461,845	17,317,579
	Provision during the year 35, 40	868,182	3,144,266
	Balance as on June 30	21,330,027	20,461,845
25.3	Included in trade debts are amounts receivable from Government owned power generation companies and independent power producers of Rs 15,900,153 thousand (2016: Rs 18,388,565 thousand) alongwith interest thereon of Rs 12,143,639 thousand (2016: Rs 12,589,779 thousand) due to delayed payments. While trade and other payables referred to in note 11 include an amount of Rs 76,007,263 thousand (2016: Rs 67,398,223 thousand) due to Pakistan Petroleum Limited, Sui Southern Gas Company Limited, Oil and Gas Development Company Limited and Government Holding (Private) Limited on account of gas purchases alongwith interest on delayed payments of Rs 19,211,141 thousand (2016: Rs 16,244,972 thousand), interest on delayed payment of Gas Development Surcharge of Rs 4,101,732 thousand (2016: 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 65,758,692 thousand (2016: Rs 36,934,536 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.		
25.4	Included in trade debts is an amount of 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 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 these financial statements as the Company is of the view that there are meritorious grounds for a favourable outcome of the case.		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
26. LOANS AND ADVANCES			
Current portion of loans to employees - considered good:			
Executives	20	1,290	982
Other employees	20	121,941	114,139
		123,231	115,121
Advances - considered good:			
- Employees		1,213,955	1,129,708
- Suppliers and contractors		159,603	553,708
Advances to suppliers and contractors:			
- Considered doubtful		3,227	3,227
Less: Provision for doubtful receivables		3,227	3,227
		-	-
		1,496,789	1,798,537
27. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits and short term prepayments		98,476	56,914
Provision for doubtful deposits		(22,290)	(22,290)
		76,186	34,624
Current portion of long term prepayments	22	84,723	78,917
		160,909	113,541
28. OTHER RECEIVABLES			
Excise duty recoverable		108,945	108,945
Less: Provision for doubtful recoverable		108,945	108,945
		-	-
Differential margin recoverable	25.3 & 28.1	65,758,692	36,934,536
Due from customers	42	106,333	255,633
Current account with Sui Southern Gas Company Limited		17,132	707,683
Others		25,442	132,883
		65,907,599	38,030,735
28.1 Differential margin recoverable			
Opening balance		36,934,536	22,145,612
Differential margin determined for the year:			
- Recognized in profit and loss account		26,373,156	11,010,416
- Recognized in OCI		2,451,000	3,778,508
Closing balance		65,758,692	36,934,536

	Note	2017	2016
		(Rupees in thousand)	
29. CASH AND BANK BALANCES			
At banks:			
On deposits accounts	29.1	3,034,713	506,399
On current accounts		611,069	1,271,539
		3,645,782	1,777,938
In hand		2,000	2,855
		3,647,782	1,780,793

29.1 Rate of return on bank deposits ranges between 3.00% to 6.25% (2016: 3.00% to 8.00%) per annum.

	2017	2016
	(Rupees in thousand)	
29.2 Balance with related parties		
Askari Bank Limited	420,801	21,674
MCB Bank Limited	-	37,594
Bank of Punjab	52,659	-
JS Bank Limited	575,114	-
Soneri Bank Limited	5,731	4,139
	1,054,305	63,407

30. GAS SALES		
Gross sales - Indigenous gas	191,911,282	188,961,997
Gross sales - RLNG	172,549,912	81,020,829
	364,461,194	269,982,826
Sales tax - Indigenous gas	(26,593,104)	(21,617,691)
Sales tax - RLNG	(17,932,962)	(8,728,963)
	(44,526,066)	(30,346,654)
	319,935,128	239,636,172

31. DIFFERENTIAL MARGIN

This represents receivable from Government of Pakistan (GOP) under the provisions of license for transmission and distribution of natural gas granted to the Company by OGRA. The Company is required to earn an annual return of not less than 17.50% per annum 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.

During the year, the Company could not meet the benchmarks prescribed by Oil and Gas Regulatory Authority (OGRA) and as a result the return for the year on the aforesaid basis works out to be 12.83% (2016: 2.79%). Among other disallowances made by OGRA, 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 5,448,059 thousand (2016: Rs 7,518,134 thousand), which is in excess of the UFG benchmark of 4.5% allowed by OGRA.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
32. COST OF GAS SALES			
Opening stock of gas in pipelines		967,110	1,030,463
Gas purchases:			
Southern system		83,618,677	74,927,311
Northern system		56,554,161	53,399,576
RLNG	32.1	157,871,116	70,211,751
Cost equalization adjustment	32.2	16,278,226	29,814,588
		314,322,180	228,353,226
		315,289,290	229,383,689
Less: Gas internally consumed		2,969,980	2,007,891
Closing stock of gas in pipelines	24	1,205,578	967,110
Closing stock of gas - Held by third parties	24	9,065,312	-
		13,240,870	2,975,001
Distribution Cost	33	24,561,212	20,015,481
		326,609,632	246,424,169
32.1 Gas purchases - RLNG			
Cost of RLNG		138,798,937	66,134,905
Cost of Capacity and Utilization charges		13,690,118	4,076,846
Service Cost & Margin		5,382,061	-
		157,871,116	70,211,751
32.2	In accordance with the policy guidelines issued by the Government of Pakistan, under section 21 of the Oil & Gas Regulatory Authority Ordinance, 2002, the Company has entered into an agreement with Sui Southern Gas Company Limited (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 the companies. As a consequence of this agreement, SSGCL has raised a demand of differential of cost for the equalization of cost of gas.		
32.3	Unaccounted For Gas (UFG) in the parlance of a gas distribution and transmission company means the difference between gas purchased in volume, gas billed in volume and gas used internally by the Company for its operations. UFG results from a number of factors which inter alia comprises of gas leakages both underground and over ground, measurement errors, meter tampering, meter getting slow with time and use, illegal connections and such other connections which bypass the meters installed. However, in order to curb the rising trend of theft the Company has launched a campaign to unearth illegal networks. Volume of gas used by the non consumers of 3,792 MMCF and gas used by the law and order hit areas e.g. Gurguri etc. of 8,987 MMCF (2016: 4,716 MMCF and 8,645 MMCF) detected during this year has been deducted from UFG of the Company. The UFG for each region of SNGPL network is given below in terms of volume and percentage.		

Serial No.	Region	Number of consumers	UFG	
			MMCF	%
1	Multan	487,153	3,479	14.47
2	Bahawalpur	229,030	1,908	1.68
3	Sargodha	190,285	734	5.17
4	Faisalabad	637,226	2,182	5.11
5	Sahiwal	196,772	281	2.96
6	Sheikhupura	269,300	627	2.24
7	Lahore	1,028,499	8,082	11.71
8	Gujranwala & Sialkot	689,898	3,008	9.50
9	Gujrat	212,942	546	6.68
10	Islamabad & Rawalpindi	936,739	5,847	10.98
11	Peshawar & Mardan	571,924	11,510	14.77
12	Abbottabad	154,006	201	1.15
	Total distribution system	5,603,774	38,405	7.90
	Transmission system	-	1,142	0.17
	Total	5,603,774	39,547	8.07

	Note	2017	2016
		(Rupees in thousand)	
33. DISTRIBUTION COST			
Salaries, wages and benefits	33.1	7,367,263	5,329,677
Employees medical and welfare		624,961	543,402
Stores and spare parts consumed		593,398	372,815
Fuel and power		2,717,374	1,827,478
Repairs and maintenance		1,257,871	964,749
Rent, rates, electricity and telephone		349,636	218,030
Insurance		243,584	175,745
Travelling and conveyance		80,853	84,740
Stationery and postage		22,555	22,388
Transportation charges		597,417	605,489
Professional services		887	4,582
Security expenses		458,558	409,704
Advertisement		20,029	17,545
Depreciation	16.1.3	12,154,509	10,354,902
Others		340,996	243,986
		26,829,891	21,175,232
Allocated to fixed capital expenditure		(2,268,679)	(1,159,751)
	32	24,561,212	20,015,481

- 33.1 Included in salaries, wages and benefits are Rs 193,148 thousand (2016: Rs 141,360 thousand) in respect of the Company's contribution to the Employees Provident Fund.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
34. OTHER INCOME			
Income from financial assets			
Interest on staff loans and advances		60,357	57,620
Return on bank deposits	40	261,340	257,832
Gain on initial recognition of financial liabilities at fair value	40	49,449	24,397
		371,146	339,849
Interest income on late payment of gas bills			
- Government owned and other power generation companies	25.3	688,558	1,113,819
- Fertilizer and cement companies		791,949	344,097
- Interest income on late payment of gas bills - other consumers	34.1	2,151,494	4,087,533
		3,632,001	5,545,449
Income from assets other than financial assets			
Net gain on sale of fixed assets	40	48,560	49,601
Meter rentals and repair charges		1,926,025	1,601,265
Amortization of deferred credit	9, 39	3,249,670	2,764,724
Insurance claim	34.4	4,197	11,930
		5,228,452	4,427,520
Others			
Sale of tender documents		4,877	3,318
Sale of scrap		79,470	73,771
Liquidated damages recovered		81,271	65,258
Gain on construction contracts		144,691	133,435
Bad debt recoveries		4,093	11,482
Urgent fee for new meter connections		1,437,494	758,747
Gas transportation income		-	534,885
Miscellaneous		9,452	3,274
		1,761,348	1,584,170
		10,992,947	11,896,988
34.1 Interest Income on late payment of gas bills - other consumers			
Interest on gas sales arrears	34.2	1,053,597	3,141,428
Surcharge on late payments	34.3	1,097,897	946,105
		2,151,494	4,087,533
34.2	This represents interest charged on gas sales arrears amounting to Rs 1,053,597 thousand (2016: Rs 3,141,428 thousand) at the rate of 1.5% (2016: 1.5%) per month up to one year and thereafter 2% (2016: 2%) per month from other than domestic consumers.		
34.3	Late payment surcharge is charged to domestic consumers on over due amounts at the rate of 10% (2016: 10%) per annum.		
34.4	This represents claims received on account of rupture of gas pipelines.		

	Note	2017	2016
		(Rupees in thousand)	
35. SELLING COST			
Salaries, wages and benefits	35.1	3,805,995	2,683,620
Employees medical and welfare		305,857	271,471
Stores and spare parts consumed		1,774	1,549
Repairs and maintenance		166,886	192,366
Rent, rates, electricity and telephone		41,401	42,699
Travelling and conveyance		36,627	32,854
Stationery and postage		51,004	82,084
Dispatch of gas bills		95,109	99,574
Transportation charges		81,757	72,606
Provision for doubtful debts	25.2	868,182	3,144,266
Professional services		3,543	4,006
Gathering charges of gas bills collection data		36,660	36,632
Gas bills collection charges		405,430	380,916
Security expenses		16,762	13,895
Others		60,247	60,815
		5,977,234	7,119,353
Allocated to fixed capital expenditure		(331,079)	(243,647)
		5,646,155	6,875,706

35.1 Included in salaries, wages and benefits is Rs 98,940 thousand (2016: Rs 69,517 thousand) in respect of the Company's contribution to the Employees Provident Fund.

	Note	2017	2016
		(Rupees in thousand)	
36. ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	36.1	4,584,778	3,195,743
Employees medical and welfare		325,174	293,298
Stores and spare parts consumed		68,759	79,542
Fuel and power		39,488	41,977
Repairs and maintenance		127,190	122,472
Rent, rates, electricity and telephone		115,829	115,118
Insurance		22,112	13,215
Travelling and conveyance		39,231	39,761
Stationery and postage		45,814	29,319
Transportation charges		70,920	60,918
Professional services	36.3	208,105	210,805
Loans to deceased employees written off		160	-
Security expenses		177,012	151,599
Service charges		105,273	-
OGRA fee and expenses		215,162	152,201
Advertisement		143,198	127,575
Depreciation	16.1.3	248,051	211,324
Amortization of intangible assets	17	60,525	36,307
Others		306,611	233,264
		6,903,392	5,114,438
Allocated to fixed capital expenditure		(477,386)	(354,740)
		6,426,006	4,759,698

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

36.1 Included in salaries, wages and benefits is Rs 123,485 thousand (2016: Rs 89,048 thousand) in respect of the Company's contribution to the Employees Provident Fund.

36.2 Number of employees

	2017		2016	
	As at 30 June	Average during the year	As at 30 June	Average during the year
Operations	8,764	8,792	8,819	8,842
Projects	420	402	384	333
Total	9,184	9,194	9,203	9,175

	Note	2017	2016
		(Rupees in thousand)	
36.3 Professional services			
The charges for professional services include the following			
In respect of auditors' services for:			
Statutory audit		3,420	3,300
Half yearly review and other certifications		3,547	2,920
Income tax advisory		3,259	7,986
Out of pocket expenses		600	600
		10,826	14,806

37. OTHER OPERATING EXPENSES

Exchange loss - net		42,250	186,855
Workers' profit participation fund	11.7	659,958	-
Loss on initial recognition of financial assets at fair value	40	27,511	34,015
		729,719	220,870

38. FINANCE COST

Interest and mark up including commitment charges on			
- Long term finances - secured		3,284,113	1,588,511
- Long term finances - unsecured		84,435	118,710
- Short term borrowing		34,709	44,291
- Late payment to gas suppliers and Gas Development Surcharge		2,978,126	2,902,048
- Security deposits		639,343	797,298
Bank charges	38.1	7,248	390,389
		7,027,974	5,841,247
Allocated to fixed capital expenditure		(1,677,454)	(1,438,506)
	40	5,350,520	4,402,741

38.1 This includes Nil (2016: Rs 376,223 thousand) in respect of fee for loan obtained during the year.

	2017	2016
	(Rupees in thousand)	
39. TAXATION		
Current Tax		
Current year	2,265,077	1,210,350
Prior year	2,447	(1,100,891)
	2,267,524	109,459
Deferred tax	1,657,175	(373,080)
	3,924,699	(263,621)

- 39.1 By virtue of amendments introduced through Finance Act 2017, the provisions of section 5A of the Ordinance have been amended to the effect that a listed company that derives profit for a tax year but does not distribute at least 40% of its after tax profits within six months of the end of the said tax year through cash or bonus shares, shall be liable to pay tax at the rate of 7.5% of its accounting profit before tax. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

	Note	2017 (%)	2016 (%)
39.2 Tax charge reconciliation			
Numerical reconciliation between the average effective tax rate and the applicable tax rate			
Applicable tax rate as per Income Tax Ordinance, 2001		31.00	32.00
Super tax	39.3	1.06	0.00
Tax effect of amounts that are:			
- Effect of changes in current tax of prior years		0.02	788.56
- Change in tax rate		(0.75)	0.00
- Others		(0.03)	(631.73)
		(0.76)	156.83
Average effective tax rate charged to profit and loss account		31.30	188.83

- 39.3 It represents tax expense pertaining to super tax, which has been levied at the rate of 3% for the tax year 2017 on all Companies having taxable income of Rs 500 million or above through amendments introduced in the Income Tax Ordinance, 2001 vide Finance Act, 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	Note	2017	2016
		(Rupees in thousand)	
40. CASH GENERATED FROM OPERATIONS			
Profit / (loss) before taxation		12,539,199	(139,608)
Adjustment for non-cash charges and other items:			
Depreciation on owned assets	16.1.3	12,402,560	10,566,226
Amortization on intangible assets	17	60,525	36,307
Employee benefits		2,782,922	2,168,932
Amortization of deferred credit	34	(3,249,670)	(2,764,724)
Net gain on sale of fixed assets	34	(48,560)	(49,601)
Finance cost	38	5,350,520	4,402,741
Return on bank deposits	34	(261,340)	(257,832)
Provision for doubtful debts	25.2	868,182	3,144,266
Loss on initial recognition of financial assets at fair value	37	27,511	34,015
Gain on initial recognition of financial liabilities at fair value	34	(49,449)	(24,397)
Loss on initial recognition of financial assets/ financial liabilities at fair value		(21,938)	9,618
Net interest expense due to the impact of IAS-39		(38,168)	(37,334)
Working capital changes	40.1	(14,384,371)	(6,658,537)
		15,999,861	10,420,454
40.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spare parts		(283,633)	(785,558)
Stock-in-trade		(9,303,780)	63,353
Trade debts		(805,587)	(4,828,279)
Loans and advances		309,858	(873,859)
Trade deposits and short term prepayments		(47,368)	5,372
Other receivables		(32,023,729)	(15,036,301)
		(42,154,239)	(21,455,272)
Increase in current liabilities:			
Trade and other payables		27,769,868	14,796,735
		(14,384,371)	(6,658,537)
40.2 Cash and cash equivalents			
Cash and bank balances	29	3,647,782	1,780,793
Short term borrowing		(999,258)	(996,200)
		2,648,524	784,593

41. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration including certain benefits, to the Chief Executive and executives of the Company is as follows:

	Managing Director		Executives	
	2017	2016	2017	2016
Number of persons	1	4	2,104	3,347
	(Rupees in thousand)			
Remuneration	13,901	17,170	1,983,450	2,736,043
Contribution to Provident, Pension and Gratuity fund	4,589	749	686,591	984,488
Housing and utilities	7,646	9,443	1,342,419	1,983,778
Conveyance and other allowances	56	-	929,817	2,293,475
Special allowance	2,780	3,434	2,400	360
Leave encashment	-	7,753	20,987	17,626
Club subscription	12	-	17,721	1,975
	28,984	38,549	4,983,385	8,017,745

In addition, the Chief Executive and certain executives are provided with free transport subject to certain specified limits for petrol consumption, residential telephone/mobile facilities for both business and personal use and free medical facilities.

The aggregate amount charged in the financial statements in respect of directors' fee paid to seventeen (2016: fourteen) directors was Rs 48,200 thousand (2016: Rs 30,150 thousand).

42. LONG-TERM CONSTRUCTION CONTRACTS

	Note	2017	2016
		(Rupees in thousand)	
Contract revenue for the year		405,243	38,714
Method used to determine revenue		Fixed price contract	
Method used to determine Stage of completion		cost incurred to date	
Contract cost incurred to date		1,960,364	1,740,511
Contract cost incurred during the period		219,853	226,477
Gross profit realized to date		695,333	670,710
Gross profit realized		24,624	92,237
Retention money receivable		59,241	17,676
Gross amount due from customers	28	106,333	255,633
Gross amount due to customers	11	12,605	1,139
Estimated future costs to complete projects in progress		185,215	117,059

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

43. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, other related group companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables, amounts due from directors and key management personnel are shown under receivables and remuneration of directors and key management personnel is disclosed in note 41. Other significant transactions with related parties are as follows:

	Note	2017	2016
(Rupees in thousand)			
Gas sales		23,752,405	25,173,965
Purchase of materials		90,473	1,767,809
Purchase of gas		126,219,720	122,817,143
Services		25,108	132,854
Profit received on bank deposits.		23,276	50,784
Contribution to defined contribution plan	43.1	332,528	379,652
Contribution to defined benefit plans	43.1	2,850,241	2,402,677
Transportation charges		362,610	501,966
Transmission charges		4,840	4,788
Insurance expenses		344,790	310,894
Insurance claimed received		116,410	69,864

Transaction with related parties are carried out on mutually agreed terms and conditions.

- 43.1 Contributions to the defined contribution and benefit plans are in accordance with the terms of the entitlement of employees and / or actuarial advice.

44. CAPACITY AND ACTUAL PERFORMANCE

The average daily gas transmitted during the year was 309,349 Hm³ (2016: 267,088 Hm³) against the designed capacity of 473,321 Hm³ (2016: 459,234 Hm³). The Company has no control over the rate of utilization of its capacity as the use of available capacity is dependent on off-takes by the consumers.

45. EARNINGS PER SHARE - BASIC AND DILUTED

		Note	2017	2016
Profit for the year	Rupees in thousand		8,614,500	124,013
Average ordinary shares in issue	Numbers of shares	5	634,216,665	634,216,665
Basic Earnings per share	Rupees		13.58	0.20

No figure for diluted earnings per share has been presented as the Company has not issued any instrument carrying options which would have an impact on the basic earnings per share, when exercised.

46. FINANCIAL RISK MANAGEMENT

46.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from currency exposure to the United States Dollar (USD). Currently, the Company's foreign exchange risk exposure is restricted to the amounts payable to the gas suppliers. The exchange gain / (loss) on the payment to gas suppliers is passed on to the Government, due to the reason more fully explained in note 4.20 to the financial statements.

	2017	2016
	Rupees per US Dollar	
The following significant exchange rates were applied during the year:		
Average rate	104.82	104.18
Reporting date rate	105.00	104.70

(ii) Price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity and equity price risk.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from long term financing and short term borrowing. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk. Borrowings obtained at fixed rate expose the Company to fair value interest rate risk.

At the balance sheet date, the interest rate profile of the Company's interest bearing financial instruments was:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

	2017	2016
	(Rupees in thousand)	
Fixed rate instruments		
Financial assets		
Loans to employees	597,770	531,488
Financial liabilities		
Long term financing	683,056	687,240
Security deposit	-	18,382,201
Floating rate instruments		
Financial assets		
Bank balances - deposit accounts	3,034,713	506,399
Financial liabilities		
Long term financing	54,544,532	33,390,987
Security deposit	21,886,959	1,091,995
Short term borrowing	999,258	996,200

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the balance sheet date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If floating interest rates on financial liabilities at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit after taxation for the year would have decreased / increased by Rs 469,552 thousand (2016: Rs 227,059 thousand), mainly as a result of higher / lower interest expense in the year ended June 30, 2017. This analysis is prepared assuming the amount of floating rate instruments outstanding at the balance sheet dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2017	2016
	(Rupees in thousand)	
Loans and advances	1,811,725	1,661,196
Deposits	22,108	19,723
Trade debts	57,817,321	57,879,916
Interest accrued	10,546	14,768
Other receivables	42,988	717,572
Bank balances	3,645,782	1,777,938
	63,350,470	62,071,113

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. The table below shows the bank balances held with some major counterparties at the balance sheet date:

	Rating		Agency	2017	2016
	Short Term	Long term		(Rupees in thousand)	
Banks					
MCB Bank Limited	A1+	AAA	PACRA	43,759	40,781
National Bank of Pakistan	A1+	AAA	PACRA	23,017	45,336
Habib Bank Limited	A-1+	AAA	JCR-VIS	104,093	106,541
United Bank Limited	A-1+	AAA	JCR-VIS	15,673	5,877
Allied Bank Limited	A1+	AA+	PACRA	87,513	8,611
Askari Bank Limited	A1+	AA+	PACRA	420,801	21,674
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	23,229	136,307
Bank Al-Habib Limited	A1+	AA+	PACRA	126,985	155,967
Faysal Bank Limited	A-1+	AA	JCR-VIS	2,442	10,688
Bank Alfalah Limited	A1+	AA	PACRA	1,265,653	20,993
Soneri Bank Limited	A1+	AA-	PACRA	5,731	4,139
The Bank of Punjab	A1+	AA	PACRA	52,660	48,340
Citi Bank N.A.	P-1	A1	Moody's	36,287	437
First Women Bank Limited	A2	A-	PACRA	6,055	1,716
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	3,314	1,774
Al Baraka Bank (Pakistan) Limited	A1	A	PACRA	2,145	173
Summit bank Limited	A-1	A-	JCR-VIS	2,486	785
JS Bank Limited	A1+	AA-	PACRA	575,114	2,970
Bank Islami Pakistan Limited	A1	A+	PACRA	795	108
NIB Bank Limited	A1+	AA-	PACRA	3,052	6,803
Samba Bank Limited	A-1	AA	JCR-VIS	703	459
The Bank of Khyber	A1	A	PACRA	706	857
Punjab Provincial Co-operative Bank				348	811
Sindh Bank Limited	A-1+	AA	JCR-VIS	382,153	-
Silk Bank Limited	A-2	A-	JCR-VIS	1,955	11,148
Meezan Bank Limited	A-1+	AA	JCR-VIS	400	-
				3,187,069	633,295

The Company's exposure to credit risk and impairment losses related to trade debts is disclosed as follows:

As at June 30, 2017, trade debts of Rs 34,932,338 thousand (2016: Rs 43,337,205 thousand) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2017	2016
	(Rupees in thousand)	
1 to 6 months	22,334,828	30,921,096
More than 6 months	12,597,510	12,416,109
	34,932,338	43,337,205

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

As at June 30, 2017, trade debts of Rs 21,330,027 thousand (2016: Rs 20,461,845 thousand) were impaired and provided for. The ageing analysis of these trade debts is as follows:

	2017	2016
	(Rupees in thousand)	
Up to 1 month	16,374	199,197
1 to 6 months	81,871	2,071,320
More than 6 months	21,231,782	18,191,328
	21,330,027	20,461,845

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In spite of the fact that the Company is in a negative working capital position at the year end, the management believes the liquidity risk to be low.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to their contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 and 5 years	Over 5 years
	(Rupees in thousand)				
June 30, 2017					
Long term financing	55,227,588	71,721,705	9,617,544	43,184,667	18,919,494
Trade and other payables	121,723,309	121,723,309	121,723,309	-	-
Short term borrowings	999,258	1,009,770	1,009,770	-	-
	177,950,155	194,454,784	132,350,623	43,184,667	18,919,494
June 30, 2016					
Long term financing	36,829,279	47,844,446	4,482,495	30,600,965	12,750,117
Trade and other payables	100,559,784	100,559,784	100,559,784	-	-
Short term borrowings	996,200	1,042,396	1,042,396	-	-
	138,385,263	149,446,626	106,084,675	30,600,965	12,750,117

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at June 30, 2017. The rates of mark-up have been disclosed in respective notes to the financial statements.

46.2 Fair values of financial assets and liabilities

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 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 these financial statements 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 of the current and prior period, there were no Level 1, 2 or 3 assets or liabilities during prior or current year.

46.3 Financial instruments by categories

	Loans and receivables	
	2017	2016
	(Rupees in thousand)	
As at 30 June		
Assets as per balance sheet		
Loans and advances	1,811,725	1,661,196
Trade deposits and short term prepayments	22,108	19,723
Trade debts	57,817,321	57,879,916
Interest accrued	10,546	14,768
Other receivables	42,988	717,572
Cash and bank balances	3,647,782	1,780,793
	63,352,470	62,073,968
	Financial liabilities at amortized cost	
	2017	2016
	(Rupees in thousand)	
Liabilities as per balance sheet		
Long term financing	55,227,588	36,829,279
Security deposit	38,566,630	34,343,735
Accrued mark-up	25,212,533	22,142,807
Short term borrowings	999,258	996,200
Trade and other payables	121,723,309	100,559,784
	241,729,318	194,871,805

46.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain healthier capital ratios in order to support its business and maximize shareholders' value. The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust dividend payments to the shareholders, return on capital to shareholders or issue new shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

No changes were made in the objectives, policies or processes from the previous year. The Company monitors capital using gearing ratio, which is debt divided by equity plus net debt. Debt represent long-term financing (including current portion) plus short term borrowing obtained by the Company as referred to in note 6, 7, 13 and 14. Total capital employed includes 'total equity' as shown in the balance sheet plus debt. The Company's strategy, which was unchanged from last year, was to maintain optimal capital structure in order to minimize cost of capital.

The gearing ratio as at June 30, 2017 and June 30, 2016 were as follows:

	Note	2017	2016
(Rupees in thousand)			
Debt	6, 7, 13, 14	56,226,846	37,825,479
Equity		10,595,793	3,697,331
Total capital employed		66,822,639	41,522,810
Gearing ratio		84.14%	91.10%

(a) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants in respect of the loans referred to in note 6. The Company has complied with these covenants throughout the reporting period except for covenant related to debt to equity ratio as required under the agreement for loan as referred in note 6.2.2.

47. EVENTS AFTER BALANCE SHEET DATE

The Board of Directors have proposed a final dividend for the year ended June 30, 2017 of Rs 6 per share (2016: Nil), amounting to Rs 3,805,299,990 (2016: Nil) at their meeting held on October 27, 2017 for approval of the members at the forthcoming Annual General Meeting. These financial statements do not include the effect of the above dividend that will be accounted for in the period in which it is approved.

48. DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on October 27, 2017 by the Board of Directors of the Company.

49. CORRESPONDING FIGURES

Corresponding figures have been re-classified, wherever necessary, for the purpose of comparison. However no significant reclassifications have been made during the year.

50. GENERAL

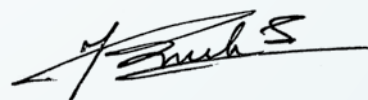
The figures have been rounded off to the nearest thousand Rupees.



Saghir-ul-Hassan Khan
Chief Financial Officer



Amjad Latif
Managing Director / CEO



Muhammad Saeed Mehdi
Chairman

جائزہ چیمبرین اور ڈائریکٹرز رپورٹ

گیس کی فراہمی کو مستحکم کرنے میں MOL پاکستان ایک بہت اہم کردار ادا کر رہی ہے۔ MOL پاکستان مزید دو کنوؤں، جو کہ مردان خیل 2 اور 3 ہیں پر کام کر رہی ہے جو کہ متوقع طور پر جلد ہی رواں کر دیئے جائیں گے اور اُمید ہے کہ ہمارے کام کے بہترین معیار / بروقت تکمیل کو سامنے رکھتے ہوئے ان کنوؤں سے آگے تک کی پائپ لائن بچھانے کے منصوبہ جات SNGPL کو ہی سوچے جائیں گے۔ بعد ازاں، MOL پاکستان نے مردان خیل -1 کنویں کیلئے 10 سے 12 انچ قطر 22 کلومیٹر لائن کا کام مکمل کر دیا ہے اور اس منصوبے کی تکمیل کے بعد SNGPL کے نظام میں 4 کروڑ مکعب فٹ روزانہ اضافی گیس آنا شروع ہو گئی ہے۔

* نظام میں آنے والی اضافی 1.2 ارب مکعب فٹ روزانہ درآمدی گیس کی نقل و حمل کیلئے ترسیلی نظام کو سرعت کے ساتھ ترقی دی جا رہی ہے۔ جو کہ آپ کی کمپنی کے اثاثہ جات کو وسعت دے گی اور اسکے شمراات براہ راست کمپنی کے اثاثہ جات / منافع کی ادائیگی پر ہوں گے۔

* منافع کے دوسرے ذرائع کیلئے مستعدی کے ساتھ تلاش جاری ہے جن میں کھوج و پیداوار برائے گیس کمپنیوں کے لیے پائپ لائنز کی انجینئرنگ و تعمیر شامل ہے۔ آپ کی کمپنی کی انتظامیہ پر اعتماد ہے کہ اس لائحہ عمل سے جس کا خلاصہ مذکورہ بالا پیش خدمت ہے، کمپنی مستقبل قریب میں اُمید افزا نتائج پیش کرے گی۔

اظہار تشکر (Acknowledgements)

ہم بورڈ کے اراکین کا تہہ دل سے شکر گزار ہیں جنہوں نے اپنی جانفشانی اور قیمتی وقت کے ساتھ کمپنی کی بہتری کیلئے نمایاں کردار ادا کیا۔ آپ کے ڈائریکٹرز، معزز حصّے داران اور صارفین کی طرف سے ملنے والی مسلسل حمایت و سرپرستی پر شکریہ ادا کرتے ہیں۔ ہم تمام ملازمین کی اُن تمام قابلِ قدر خدمات، جو انہوں نے کمپنی کو بہ طریق احسن چلانے میں ادا کی ہیں، پر مشکور ہیں۔

ہم حکومت پاکستان، وزارت توانائی (پیٹرولیم ڈویژن) اور اوگرا کی مسلسل رہنمائی و حمایت پر بھی مشکور و ممنون ہیں۔

منجانب بورڈ

(امجد لطیف)
مینجنگ ڈائریکٹر / منتظم اعلیٰ

(محمد سعید مہدی)
چیمبرین بورڈ آف ڈائریکٹرز

لاہور

27 اکتوبر 2017ء

پیش بینی (Future Outlook)

آپ کی کمپنی، صارفین کو گیس کی فراہمی میں بہتری کیلئے درج ذیل کئی اقدامات اٹھا رہی ہے:

* UFG کو قابلِ قبول حد تک لانے کیلئے ٹھوس کاوشیں کی جا رہی ہیں خصوصاً اُن علاقوں کو ہدف بنا کر جہاں تکنیکی اور عملی لحاظ سے UFG کی شرح زیادہ ہے۔

انتظامات برائے خدشات (Risk Management)

آپ کی کمپنی کو بہت سے مسائل کا سامنا ہے بشمول (مگر یہ ان تک محدود نہیں ہیں) غیر محسوب برائے گیس، UFG گیس کی قیمت برائے صارفین کے حوالے سے نقد مالیاتی مسائل اور قدرتی گیس کی رسد و طلب کی وسیع ہوتی خلیج کمپنی کی شہرت پر براہ راست اثر انداز ہو رہی ہے۔ کمپنی کی انتظامیہ بورڈ کی رہنمائی میں ان مسائل سے بہترین منصوبہ بندی بر وقت فیصلہ جات اور موثر انتظام برائے تقسیم گیس کے ذریعہ نبرد آزما ہے۔ رسد اور طلب کی وسیع ہوتی خلیج کو کم کرنے کیلئے RLNG کی نظام میں شمولیت اور بذریعہ ذرائع ابلاغ وسیع مہمات سے توانائی کی بچت کا ماحول پیدا کرنا، جیسے ٹھوس اقدامات اٹھائے جارہے ہیں۔ LPG انرکس پلانٹ جیسے متبادل مواقع پر کام کیا جا رہا ہے۔

انتظامات برائے خدشات کے حوالے سے ایک علیحدہ شعبہ بورڈ کی کمیٹی برائے خدشات کی براہ راست نگرانی میں قائم کر دیا گیا ہے جو بڑے خدشات کی نشاندہی اور ہمہ وقت بدلتے حالات کے نتیجے میں ادارے پر ہونے والے کسی بھی منفی اثرات کو مستعدی سے نبھنے کیلئے بنائی گئی تحقیقی حکمت عملیوں پر پیش رفت کا جائزہ لینے کیلئے کل وقتی کام میں مصروف ہے۔

شعبہ نظم و نسق برائے خدشات کی نشاندہی اور اس کے اثرات کی تحفیف کی حکمت عملی پر عملدرآمد کا کام سونپا گیا جس کی سنہری انتظامیہ کی طرف سے مسلسل نگرانی کی جاتی ہے۔

حصص کی صورت حال (Share Watch)

4 جولائی 2016ء کو کمپنی کے شیئرز کی خرید و فروخت 36.29 روپے سے شروع ہوئی اور 30 جون 2017ء کو 148.92 پر بند ہوئی۔ زیر نظر عرصہ کے دوران زیادہ سے زیادہ قیمت 185.00 روپے اور کم سے کم قیمت 36.25 روپے رہی۔ مالی سال ختم 30 جون 2017ء کے اختتام پر کمپنی کے حصص کی مجموعی مالیت 94,448 ملین روپے تھی۔

کاروباری توسیع (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 لیمیٹڈ کے مختلف گیس کنوؤں جیسا کہ مرم زئی، منزلی، مامی خیل اور کوڑی کیلئے ضلع کوہاٹ/ہنگو میں بہاؤ/ٹرک لائنز اور فابریک آپٹک تار کی انجینئرنگ اور تعمیر کی ذمہ داریاں، گزشتہ پندرہ سالوں سے نبھا رہی ہے۔

(روپے ہزاروں میں)

4,150,460	SN انگریزیکٹو سٹاف گریجویٹ فنڈ
10,298,882	SN ٹرسٹی پروڈیونٹ فنڈ
304,500	SNGPL سپر اینوایشن فری گیس انگریزیکٹو فنڈ
4,473,370	SNGPL سپر اینوایشن فری گیس سپورڈینٹ فنڈ
452,000	SNGPL سپر اینوایشن الینس انگریزیکٹو فنڈ
1,024,000	SNGPL سپر اینوایشن الینس سپورڈینٹ فنڈ
3,904,109	SNGPL سپر اینوایشن میڈیکل انگریزیکٹو فنڈ
8,143,239	SNGPL سپر اینوایشن میڈیکل سپورڈینٹ فنڈ
8,000	SN ملازمین حادثاتی اموات وقف فنڈ
45,635,462	ٹوٹل

(ذ) بورڈ اور کمیٹیوں کے اجلاس کی تعداد اور حاضری اس رپورٹ کے ادارتی نظم و نسق

(Corporate Governance) سے متعلقہ جُز میں بیان کر دی گئی ہیں۔

(ر) کمپنی ضوابط برائے ادارتی نظم و نسق کے تحت ڈائریکٹر ترقیتی پروگرام پر عمل ہے۔

(ز) حصے داران کی درجہ بندی اور پیٹرن برائے سال ختم 30 جون 2017ء کو بطور علیحدہ

جُز اس رپورٹ کا حصہ بنادیا گیا ہے۔

(ڈ) قرضہ جات کی ادائیگی میں کوئی کوتاہی ہوئی نہ ہی اس کا امکان ہے۔

(ڈ) ڈائریکٹر ان، منتظم اعلیٰ (CEO)، کمپنی بیکریٹری اُنکے Spouse، زیر کفالت

بچوں (اگر کوئی ہیں) نے کسی بھی حصص سے متعلقہ تجارتی سرگرمی، علاوہ وہ جو کہ قانونی طور

پر بیان کر دی گئی ہیں، میں حصہ نہیں لیا۔ اس رپورٹ کے اندر درجہ بندی برائے حصص

داران میں اُن کے حصص کی تعداد کو اگر کوئی جو وہ رکھتے ہیں بیان کر دیا گیا ہے۔

پڑتال کنندگان (Auditors)

میسرز اے۔ ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے حسابات برائے سال

17-2016 کی پڑتال کے لیے مورخہ 26 جنوری 2017ء کے سالانہ اجلاس عام

میں بطور بیرونی پڑتال کنندہ (External Auditors) تعینات کیا گیا تھا۔ اے ایف

فرگوسن اینڈ کمپنی نے اہلیت کی بنیاد پر دوبارہ تقرری کیلئے اپنی خدمات برائے سال

30 جون 2018ء کیلئے پیش کی ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے

مالی سال 30 جون 2018ء کیلئے اے ایف فرگوسن کا نام بطور آڈیٹرز دوبارہ تقرری کیلئے

تجویز کیا ہے۔

جائزہ چیمبرین اور ڈائریکٹرز رپورٹ

ترکیب بورڈ

نافذ العمل ہے۔ تمام مالیاتی گوشواروں اور محسوب اندازوں کی تیاری میں، جن کی بنیاد مناسب اور محتاط فیصلے ہیں۔

(ت) بین الاقوامی مالیاتی معیارات برائے رپورٹنگ کے تحت، جو کہ پاکستان میں نافذ العمل ہیں، مالیاتی گوشواراجات کی تیاری کی گئی ہے اور کسی بھی اخراج کو پوری وضاحت کے ساتھ بیان کر دیا گیا ہے۔

(ث) اندرونی کنٹرول کا نظام اپنی وضع کے لحاظ سے مستحکم ہے اور موثر نفاذ کے ساتھ مسلسل نگرانی میں ہے۔

(ث) اچھی روایات کے مطابق چیمبرین صاحب اور بورڈ کے دیگر ارکان کی تعیناتی اور ان کے معاوضہ جات کی ادائیگی کے طریقہ کار میں کمپنی کے بہترین مفاد کو مد نظر رکھا گیا ہے۔

(ج) بطور "ایک کامیاب ادارہ" کمپنی کی اہلیت کے تسلسل پر کوئی ابہام نہیں ہے۔ بورڈ پر اعتماد ہے کہ کمپنی کے وسائل مستقبل میں آپریشنز جاری رکھنے کیلئے کافی ہیں۔ کمپنی کے مالیاتی گوشواراجات بطور "ایک کامیاب ادارہ" کی بنیاد پر تیار کئے گئے ہیں۔

(ج) پچھلے سال کے تجارتی نتائج سے اہم متفرقات کو جیسا مناسب سمجھا گیا "جائزہ چیمبرین اور ڈائریکٹرز رپورٹ" اور گوشواراجات سے متعلقہ نوٹس جو کہ اس سالانہ رپورٹ کے ساتھ منسلک ہیں، میں پیش کر دیا گیا ہے۔

(ح) گزشتہ 6 سالہ اہم افعالی و مالیاتی اعداد و شمار اختصار کے ساتھ اس سالانہ رپورٹ کا حصہ بنادینے گئے ہیں۔

(خ) تمام وہ قانونی ادائیگیاں جو کہ 30 جون 2017ء تک قابل ادا تھی جن میں محصولات، ڈیوٹیز (Duties)، لگان اور کاروباری مصروفیات میں آنے والے اخراجات شامل ہیں، سال کے آخر تک ادا کئے جا چکے ہیں۔

(د) فنڈز برائے سبکدوش ملازمین میں کی جانے والی سرمایہ کاری کی قدر، جو کہ فنڈز کے سال ختمہ 30 جون 2017ء کے پڑتال شدہ گوشوارہ جات پر مشتمل ہے، درج ذیل ہے:

(روپے ہزاروں میں)	
2,226,374	SN سنیر شاف پینشن فنڈ
10,530,528	SN جونیئر شاف پینشن فنڈ
120,000	SN ایگزیکٹو شاف گریجویٹ فنڈ

زیر نظر سال، 21 جون 2017ء کو منعقدہ غیر معمولی اجلاس عام سے پہلے جناب محمد سعید مہدی، جناب امجد لطیف، جناب احمد عقیل، جناب ارشد مرزا، جناب فرقان بہادر خان، مرزا محمود احمد، جناب منظور احمد، میاں مصباح الرحمن، جناب محمد عامر قوی، جناب محمد جلال سکندر سلطان، جناب محمد عارف حبیب، جناب مصطفیٰ احمد خان، محترمہ نرگس گھلو، جناب نعمان وزیر، جناب نوید کامران بلوچ، جناب رضا منشاء، جناب رضوان اللہ خان، جناب شاہد یوسف اور جناب شعیب میر کمپنی کے بورڈ میں شامل تھے۔ بعد ازاں نیا بورڈ، مذکورہ بالا غیر معمولی اجلاس عام میں، جس کا دورانیہ 26 جون 2017ء سے اگلے تین سالوں تک رہے گا کے لیے، سبکدوش ہونے والے ڈائریکٹرز کی جگہ جناب محمد سعید مہدی، جناب شاہد محمود، جناب محمد جلال سکندر سلطان، جناب احمد عقیل، جناب منظور احمد، میاں مصباح الرحمن، مرزا محمود احمد، جناب محمد عامر قوی، جناب محمد جہانزیب خان، جناب نوید کامران بلوچ، قاضی محمد سلیم صدیقی اور جناب سجاد حسین بلامقابلہ منتخب ہوئے۔

احوال بعد از میرانیہ

27 اکتوبر 2017ء تک، جو کہ مالیاتی گوشواراجات کی منظوری کی تاریخ ہے، ڈائریکٹران نے کسی بھی قسم کی معلومات وصول نہیں کی جن کا تعلق منظوری تک آنے والی کسی بھی ایسی بات سے ہو جو کہ پیش کردہ گوشواروں پر اثر انداز ہو سکیں۔

ادارتی نظم و نسق

بورڈ آف ڈائریکٹرز نے ادارتی نظم و نسق کے متعلقہ اصولوں کی تعمیل کی ہے جو کہ اس رپورٹ کے تفصیلی بیان کے طور پر منسلک دی گئی ہے۔

بیان برائے ادارتی اور مالیاتی ضابطہ کار

بورڈ آف ڈائریکٹرز سال ختمہ 30 جون 2017ء کیلئے اقرار کرتے ہیں کہ:

(الف) مالیاتی گوشوارے اور ان سے متعلقہ نوٹس کمپنیز آرڈیننس 1984ء کے جدول نمبر 4 سے مطابقت رکھتے ہیں۔ ان بیانات میں کمپنی کو چلانے کیلئے ترسیلات زر (Cash Flow) اور ایکویٹی میں تبدیلیوں کو احسن طریقے سے بیان کیا گیا ہے۔

(ب) کمپنی کے حسابات کو احسن طریقے سے سنبھالا گیا ہے۔

(پ) درست محسوب حکمت عملی (Accounting Policies) تسلسل کے ساتھ

میں بہتری کو پروان چڑھایا جاسکے۔ ملازمین کے طرز عمل اور کارکردگی میں کمی کو بہتر بنانے کے لیے کمپنی ان کی حوصلہ افزائی کرتی ہے تاکہ طے شدہ معیار حاصل کیا جاسکے۔

ایک بہترین طریقے سے وضع کی گئی تادیبی پالیسی نافذ ہے جس کا بنیادی مقصد ملازمین کی طرف سے دفاتر میں کام کرنے کا اعلیٰ معیار قائم کرنا ہے تاکہ انتظامیہ اپنے اہداف کا مستقل مزاجی اور شفافیت کے ساتھ لاگو کر سکے جو یقیناً دفاتر میں موثر خدمات فراہم کرنے میں مددگار ہے۔ بدعنوانی کی حوصلہ شکنی اور دوسروں کے لیے مثال قائم کرنے کے لیے کمپنی نے مبینہ بدعنوانی کا ارتکاب کرنے والوں کے خلاف سخت کارروائی بھی کی ہے۔

مزید برآں، کمپنی کی بنیادی اقدار کے مطابق تمام ملازمین بطور فرد اور بطور افراد (اجتماعی طور پر) اپنے کام اور افعال کے ذمہ دار ہیں۔ ملازمین جانچ پڑتال کے عمل کا خیر مقدم کرتے ہیں اور خود کو جواب دہ سمجھتے ہیں۔

نظام برائے اندرونی کنٹرول (Internal Control System)

SNGPL، اندرونی تسلط کے ایک مضبوط نظام کی حامل ہے۔ اندرونی تسلط کے طریقہ ہائے کار کمپنی اثاثہ جات کے تحفظ اور مناسب انداز سے کمپنی کو درپیش خطرات سے نمٹنے اور اُن میں تخفیف کیلئے وضع کئے گئے ہیں۔ اندرونی تسلط کا دائرہ کار بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی سے منظور شدہ ہے، جو کہ افعال کی اہلیت اور موثریت کی آزادانہ جانچ و تعین، قابل اعتماد پوسٹنگ، کمپنی کے اثاثہ جات کے تحفظ اور قانون و ضوابط پر عملداری پر مشتمل ہے۔ کمپنی سربراہ شعبہ اندرونی آڈٹ کے ساتھ جو کہ براہ راست بورڈ کی آڈٹ کمیٹی کو جواب دہ ہیں، ایک واضح ادارتی ڈھانچے پر مشتمل ہے۔

ضوابط برائے حکومتی ادارہ جات (ادارتی نظم و نسق) مجریہ 2013ء اور ادارہ برائے اندرونی پڑتال کنندہ گان کی بہترین روایات کو مد نظر رکھتے ہوئے شعبہ اندرونی آڈٹ کی اپنی ذمہ داریوں کی انجام دہی بھی شامل ہے۔

بورڈ میں ردوبدل

زیر نظر سال، محترمہ زگس گھلو، جناب محمد عارف حبیب اور جناب رضوان اللہ خان کی جگہ جناب شعیب میر، جناب محمد عامر قوی اور جناب محمد جلال سکندر سلطان نے بطور ڈائریکٹر کمپنی کے بورڈ میں شمولیت اختیار کی۔ بعد ازاں جناب نوید کامران بلوچ نے جناب شعیب میر کے استعفیٰ کے بعد اُن کی جگہ پر بطور ڈائریکٹر نشست سنبھالی۔

تیزی سے بدلتے ہوئے فنون اور موجودہ افرادی قوت کے ذاتی مقاصد اور تسلی بخش کام پر خصوصی توجہ کی اہمیت کو تسلیم کرتے ہوئے ملازمین کو نئی تبدیلیوں سے آشنا رکھنے اور کمپنی کی طرف سے بہترین خدمات فراہم کرنے کے لیے کمپنی ملازمین کو ان کے دفاتر سے باہر تربیت دی جاتی ہے۔

کمپنی نے اپنے ملازمین کی معلومات کو تازہ ترین رکھنے بہترین مارکیٹ طرز عمل اور صلہ کارکردگی سے حوصلہ افزائی کرنے کے علاوہ ایک مسابقتی ماحول، جابز کی تبدیلی، ایم۔ جی۔ او کی بنیاد پر کارکردگی جانچ کے نظام، غیر ملکی تجربے کے لیے بین القوامی تربیت اور ملک کے معروف ایچ۔ آر ماہرین کے ذریعے ملازمین کی پڑتال کروائی جاتی ہے تاکہ ملازمین میں بہتری لائی جاسکے۔

صنعتی تعلقات:

اعلیٰ کارکردگی کا سنگ میل جسے کمپنی کو ایک ذمہ داری کے طور پر دیا گیا ہے۔ کام کرنے کی صلاحیت میں اضافہ، جدت اور ضروری خدمات اور دفتری نظم و ضبط کو برقرار رکھنے کے لیے سی بی اے یونین اور انتظامیہ کے درمیان خوشگوار تعلقات کے ذریعے ہی ممکن ہے۔

کامیاب و دوطرفہ مذاکرات صنعتی امن اور ہمہ وقت اطمینان بخش خدمات کو یقینی بنا سکتے ہیں۔ جس سے کمپنی اور اس کے مستقل ملازمین کے درمیان بہتر تعلق استوار ہوتا ہے۔

معذور / غیر فعال / خاص افرادی ملازمت:

ایس۔ این۔ جی۔ پی۔ ایل نے سماجی طور پر ذمہ دار کمپنی ہوتے ہوئے پورے معاشرے کا احترام کیا ہے اور بھرتیوں میں ہمیشہ بطور خاص معذور / غیر فعال اشخاص کے لیے کوٹہ کا تعین کیا ہے۔ جس سے ان کی زندگی کی مشکلات کم ہوئی ہیں۔ یہ چیز انہیں اس بات کا احساس دلاتی ہے کہ وہ معاشرے کا یکساں طور پر حصہ ہیں اور وہ بھی اپنی صلاحیتوں کے بہترین استعمال سے کمپنی کے اہداف حاصل کرنے میں مدد کر سکتے ہیں۔ یہ چیز کمپنی کی حکومت کے ساتھ ذمہ داری میں معاونت کے عزم ظاہر کرتی ہے جو کہ معاشرے کے ہر حصے کے لیے ہے اور دوسری طرف یہ بھی ثابت کرتی ہے کہ کمپنی اس معاملے میں تمام قوانین پر عمل پیرا ہے۔

کاروباری اخلاقیات اور انسداد بدعنوانی کے اقدامات:

کمپنی ملازمین کے درمیان منظم رویہ فروغ دینے کا عزم رکھتی ہے تاکہ پیشہ ورانہ مہارت

جائزہ چیئر مین اور ڈائریکٹرز رپورٹ

☆ پانی کے ضیاع کو روکنے کیلئے آگاہی دینا اور پانی کی فراہمی کے پرانے آلات کو نئے مینوثر آلات سے تبدیل کرنا۔

☆ زیادہ توانائی استعمال کرنے والے آلات کو کم توانائی استعمال کرنے والے مینوثر آلات سے تبدیل کرنا۔

☆ صنعتی صارفین کے تعاون کے ذریعے توانائی کی بچت کرنے کیلئے آڈٹ کرنا تاکہ اُن کے زیر استعمال مشینوں کی کارکردگی توانائی کے استعمال پر مینوثر ہوں۔

☆ توانائی کے تحفظ کیلئے کمپنی ملازمین میں توانائی کی بچت کے بارے میں آگاہی کو فروغ دینا۔

☆ توانائی کی بچت اور اس کے نتیجے میں ہونے والی مالیاتی بچت کا اندراج کرنا۔

☆ نئے آلات کی خریداری کا فیصلہ کرتے وقت توانائی بچت کو بنیادی اہمیت کا حامل بنانا۔

توانائی کے تحفظ کے مقاصد اور اہداف کو حاصل کرنے کیلئے سوئی نادرین اس بات کو یقینی بناتی ہے کہ ضرورت کی معلومات تمام متعلقین کو فراہم کر دی گئی ہیں اور مناسب وسائل مہیا کئے گئے ہیں۔

ایوارڈز (ایچ ایس ای اور سی ایس آر):

ایس این جی پی ایل نے ایچ ایس ای اور سی ایس آر کے میدان میں بہترین طرز عمل کے اعزاز میں مندرجہ ذیل ایوارڈز جیتے ہیں:-

(2) کارپوریٹ سوشل ریسپونسیبلٹی ایوارڈ-2017

(3) 13 انٹرنیشنل ماحولیاتی ایوارڈ-2016

شعبہ انسانی وسائل کا انتظام اور ترقی

کمپنی نے ملازمین کی کارکردگی، احتساب، بہتر عوامی خدمت اور انتظامی امور کو بہتر بنانے کے لیے مستعدی کے ساتھ اپنا اہم کردار جاری رکھا ہے۔ کمپنی نے ملازمین کی تربیت، پیشہ ور ترقی، کاروباری بصیرت بڑھانے اور کارکردگی کا موازنہ کرنے کے لائق موقیع فراہم کیے ہیں۔

تربیت و ترقی:

ایچ آر انتظامیہ کی تمام تر توجہ سب سے بہتر کارکنان کو تیار کرنا تھا تاکہ کمپنی اور ملازمین بطور افراد اپنے مشترکہ اہداف اور صارفین کے اعلیٰ اطمینان کو حاصل کر سکیں۔

سرگودھا، اسلام آباد، راولپنڈی، ایبٹ آباد، بہاولپور، کوٹ ادو اور ڈی جی خان کے مختلف علاقوں میں گذشتہ مالی سال 2015-16 میں نصب کئے گئے ہیں جن کی کل لاگت 17.5 ملین روپے ہے۔ منصوبے کی کامیاب تکمیل کے بعد بورڈ آف ڈائریکٹرز کی جانب سے مزید 1000 یونٹس خریدنے کا فیصلہ کیا گیا ہے۔

(ت) گیزر ٹائمر ڈیوائس:

توانائی کے موجودہ بحران اور گیس کی کھپت میں کمی لانے کیلئے کمپنی نے اپنے صارفین کیلئے گیزر ٹائمر ڈیوائس بلا منافع کی بنیاد پر متعارف کروائے ہیں جن کی ادائیگی 12 آسان اقساط میں کی جاسکتی ہے۔ ان کے استعمال سے گیس کی کھپت میں 30 سے 20 فیصد کمی لائی جاسکتی ہے۔ اس ڈیوائس کے ذریعے روایتی گیزر کے تھر موٹیوٹ کو وقت اور ضرورت کے مطابق کنٹرول کیا جاسکتا ہے جس سے گیس کی کھپت اور ماہانہ بل میں خاطر خواہ کمی لائی جاسکتی ہے۔ کل 1650 یونٹس لاہور، فیصل آباد، اسلام آباد، راولپنڈی، ایبٹ آباد، پشاور اور ملتان کے مختلف علاقوں میں لگائے گئے ہیں جن کی کل لاگت 7.6 ملین روپے ہے۔

(ث) توانائی آڈٹ:

منسٹری آف پٹرولیم اور قدرتی وسائل کی ہدایات کے مطابق ایس این جی پی ایل انڈسٹریل کنزیومرز کی توانائی سے متعلق کارکردگی کے آڈٹ کرتی ہے۔ تمام انڈسٹریل کنزیومرز کے آڈٹ مکمل کر لیے گئے ہیں۔

(ث) پالیسی برائے توانائی بچت:

سوئی نادرین گیس توانائی کو محفوظ کرنے اور اس کے بہتر استعمال کے لیے پُر عزم ہے۔ کمپنی ماحولیاتی آلودگی کو کم کرنے کے ساتھ ساتھ مستقبل کیلئے وسائل کو محفوظ کرنے کی کوشش کر رہی ہے۔ سوئی نادرین گیس نہ صرف اپنے آپریشنز میں توانائی کی کھپت کو کم کرنے کی کوشش کر رہی ہے بلکہ کام میں بہتری، مینوثر آلات کے استعمال اور طرز زندگی میں تبدیلی کے ذریعے توانائی کے مینوثر استعمال پر اپنے صارفین کو بھی قائل کر رہی ہے۔

کمپنی توانائی کی بچت کے عزم کو پورا کرنے کیلئے مندرجہ ذیل مقاصد پر کام کرے گی:

☆ قابل تجدید توانائی کے وسائل کے استعمال کی حوصلہ افزائی۔

☆ توانائی کی بچت کے آلات کے استعمال کے حوالے سے صارفین کو آگاہی دینا۔

☆ گرین ہاؤس گیس خاص طور پر کاربن ڈائی آکسائیڈ کے اخراج کو کم کرنا۔

کے فلٹریشن پلانٹس پلانٹ لگانے کے عمل میں ہے۔

توانائی کے تحفظ سے متعلق مندرجہ ذیل منصوبوں پر کام جاری ہے:

(پ) چوک کی تزئین و آرائش:

(ا) بجلی کی کھپت میں کمی:

ایس این جی پی ایل ملک کے موجودہ توانائی کے بحران پر قابو پانے میں اپنا کردار ادا کرنے میں پُر عزم ہے۔ ایس این جی پی ایل نے تمام ریجنل دفاتر کی توانائی کی کھپت میں کمی لانے کی کاوشوں کا تجربہ کرنے کیلئے ایک خود کی کارکردگی کو جانچ کرنے کا طریقہ کار اختیار کیا ہے۔ ہر سائٹ پر گذشتہ سال کی نسبت توانائی کی کھپت میں کمی لانے کیلئے اہداف مقرر کیے جاتے ہیں۔ بجلی بچانے کے حصول کیلئے عام ٹیوب لائٹ کی جگہ انرجی سیورز/ ایل ای ڈیز / ایس ایم ڈیز لگانے کے اہداف مقرر کیئے گئے ہیں۔

ایس این جی پی ایل نے اپنی ایس آر پالیسی پر عمل پیرا ہوتے ہوئے مختلف مقامات پر واقع چوکوں کی تزئین و آرائش کیلئے تقریباً 5.5 ملین روپے وقف کئے ہیں۔

(ت) "چیز اون گیس انجینئرنگ" کے تحت توانائی کے تحفظ کے منصوبے:

ایس این جی پی ایل "چیز اون گیس انجینئرنگ" کے تین منصوبوں، یونیورسٹی آف انجینئرنگ اینڈ ٹیکنالوجی لاہور، یونیورسٹی آف انجینئرنگ اینڈ ٹیکنالوجی پشاور اور پنجاب یونیورسٹی لاہور کی مالی امداد کر رہی ہے۔ "چیزز" کا قیام اوگرا کی لائسنس کی شرائط پورا کرنے جو کہ اعلیٰ تعلیم کو فروغ دینا ہے کیلئے کیا گیا ہے۔

(ب) لاہور اور اسلام آباد کے ریجنل دفاتر میں سولر پینل کی تنصیب:

ملک میں توانائی کے بحران اور متبادل توانائی کے وسائل کے استعمال کو مد نظر رکھتے ہوئے کمپنی نے اپنے تمام ریجنل دفاتر کو سولر پینلز پر منتقل کرنے کی منصوبہ بندی مرتب کی ہے۔ 1 ہزار کواٹا کے پیو سولر پینلز لاہور اور اسلام آباد کے ریجنل دفاتر میں لگانے کا قدم اٹھایا ہے۔ اسی کے پیش نظر کمپنی نے لاہور ریجنل دفتر میں سولر پینل نصب کیا ہے۔ جو کہ سنہ 2017-18 میں لگا دیئے جائیں گے۔

(پ) سولر واٹر ہیٹر:

توانائی کے موجودہ بحران اور گیس کی کھپت میں کمی لانے کیلئے ایس این جی پی ایل نے اپنے صارفین کیلئے بلا منافع بنیاد پر سولر واٹر ہیٹر متعارف کرائے ہیں۔ جن کی قیمت کی ادائیگی چوبیس آسان اقساط میں کی جاسکتی ہے۔ سولر واٹر ہیٹر 200 سو لیٹر تک پانی جمع کرنے کی صلاحیت رکھنے والے ٹینک سے لیس ہے۔ یہ ماحول دوست ہے جس سے پانی گرم کرنے کے ساتھ منسلک جو کاربن کا اخراج ہوتا ہے وہ ختم یا کافی حد تک کم ہو جاتا ہے۔ پائلٹ پروجیکٹ کے تحت سولر واٹر ہیٹر کی کچھ مخصوص تعداد پہلے آئے پہلے پائے کی بنیاد پر بھی دی جاتی ہے۔

(ث) سوئی گیس اور WWF کے تعاون سے ماحول دوست سرگرمی:

سوئی گیس کے افسران کی تفریح کی خاطر چھانگہ مانگاہ میں ماحول دوست تقریب ہوئی جس میں شجر کاری کروائی گئی جس کی لاگت دولاکھ نو ہزار تھی۔

(ث) انٹرنیشنل ای سی او انٹرن شپ پروگرام:

WWF کے تعاون سے پہلا انٹرن شپ پروگرام 2014 میں متعارف کروایا گیا۔ معاہدہ 30 اپریل 2014 کو سائن کیا گیا اور 1 ملین روپے اس مقصد کے حصول کیلئے مختص کیے گئے۔ دوسری انٹرنیشنل ای سی او انٹرن شپ پروگرام کا معاہدہ پر 12 مئی 2015 کو دستخط کیا گیا۔ تیسرا معاہدہ 20.07.2017 کو ہوا۔

توانائی کا تحفظ:

سولر واٹر ہیٹر روایتی گیزر کا متبادل ہے جو کہ پورا دن گرم پانی فراہم کرتا ہے۔ یہ 200 لیٹر تک پانی جمع کرنے کی صلاحیت والے ٹینک اور 20 عدد سولر ٹیوب پر مشتمل ہوتا ہے جن میں موجود پانی سورج کی روشنی سے گرم ہوتا ہے۔ یہ 3 سے 4 لوگوں کو با آسانی گرم پانی بیک وقت فراہم کر سکتا ہے۔ کل 446 پینٹس لاہور، فیصل آباد، ملتان، ساہیوال، اوکاڑہ،

قدرتی گیس کے تحفظ کو مد نظر رکھتے ہوئے ایس این جی پی ایل توانائی کے تحفظ کے مختلف منصوبوں پر کام کر رہا ہے۔ اسکولز کے بچوں کی آگاہی اور توانائی کے تحفظ میں مددگار آلات کو متعارف کروانا، اس بات کی عکاسی کرتا ہے کہ ایس این جی پی ایل معاشرے میں توانائی کا تحفظ کو فروغ دینے کیلئے پُر عزم ہے۔

جائزہ چیئر مین اور ڈائریکٹرز رپورٹ

جب تک وہ ٹھیک نہ کروائے جائیں۔

ایچ ایس ای مینجمنٹ سسٹم کا متواتر جائزہ لینے کیلئے سال میں دو مرتبہ مینجمنٹ ریویو میٹنگ، جس کا سربراہ مینجنگ ڈائریکٹر ہوتا ہے، منعقد کی جاتی ہے جو کمپنی کی ایچ ایس ای پالیسی پر عمل درآمد کے عزم کا اظہار ہے۔

ادارتی سماجی ذمہ داری

ایس این جی پی ایل کا موقف ماحول، ملازمین، سماجی زندگی اور اقتصادی ترقی پر مثبت اثرات چھوڑنے کیلئے اپنی سی ایس آر پالیسی پر ہے جو کہ دنیا بھر کے بہترین لائحہ عمل پر مبنی ہے۔ کمپنی کی کاروباری کامیابی اور مقاصد کے حصول کیلئے ایسے طریقہ کار اپنائے جاتے ہیں جو کہ اخلاقی اقدار، ماحول، لوگوں اور معاشرے کیلئے حوصلہ افزا ہوں۔ ایس این جی پی ایل کا ماننا ہے کہ کاروبار ایسے انداز میں کیا جائے جو کہ:

* منافع بخش بھی ہو اور معاشرے کیلئے فائدہ مند بھی۔

* سماجی زندگی کے معیار کو بہتر بنانے خصوصاً نچلے طبقے کی۔

* اسٹیک ہولڈرز کے ساتھ پُر امن تعلقات معاشرے، گورنمنٹ اور این جی اوز کی شراکت داری سے رکھے۔

ایس این جی پی ایل اپنے سماج کی طرف ذمہ داریوں پر یقین رکھتی ہے۔ ایس این جی پی ایل کی سی ایس آر پالیسی منظور شدہ ہے۔ اس پالیسی پر عملدرآمد کروانے کیلئے سائٹز پر سی ایس آر کمیٹیاں تشکیل دی گئی ہیں۔ سی ایس آر کے مندرجہ ذیل منصوبے مالی سال 2016-17 میں پایہ تکمیل تک پہنچائے گئے:

(ا) سونے کے تمغوں کیلئے مالی امداد:

ایس این جی پی ایل نے تعلیم کے فروغ کیلئے جی آئی کے آئی، ٹیوپی اور این ایف سی ملتان میں سونے کے تمغے تقسیم کئے جن کی کل لاگت -/320,000 روپے ہے۔

(ب) پینے کے پانی کی فراہمی:

ایس این جی پی ایل نے نوشہرہ، ٹی ایچ کیو ہسپتال مری، ٹی ایچ کیو ہسپتال کھوڑ، بی تھری شاہدرہ اور گاؤں امین خیل۔ کرک میں پینے کے صاف پانی کی فراہمی کیلئے اقدامات کئے ہیں۔ ان منصوبوں کی لاگت ساڑھے تین ملین روپے ہے۔ اسکے علاوہ ایس این جی پی ایل اپنے تمام ریجنل دفاتر میں ریورس اوسموس 2.85 کی طرف سے مزید 4 عدد پانی

(1) ایچ ایس ای کی آگاہی (2) آگ سے بچاؤ

(3) ابتدائی طبی امداد اور ایچ سے متعلق موضوعات

(4) حادثات کی رپورٹنگ

(5) ایمرجنسی کی صورت میں انخلاء کا طریقہ کار (6) محتاط ڈرائیونگ

(7) پیشگی سیفٹی کیلئے زیرو ایکسیڈینٹ کے مقصد کا حصول

ملازمین کی صحت کے معائنہ اور آگاہی کیلئے تمام سائٹ پر میڈیکل کیمپ لگائے جاتے ہیں۔ یہ ایچ ایس ای سے متعلق اقدامات کو فروغ دینے کیلئے ایک بہترین موقع فراہم کرتا ہے۔ ایچ ایس ای ڈیپارٹمنٹ نے مندرجہ ذیل سائٹز پر میڈیکل کیمپس منعقد کئے:

(1) بہاولپور۔ ڈسٹری بیوشن (2) ایبٹ آباد۔ ڈسٹری بیوشن

(3) حبیب آباد کیمپ (4) مانگاہ ورکشاپ

(5) مانگاہ سٹور (6) ہیڈ آفس

ملازمین کی صحت کو مد نظر رکھتے ہوئے۔ ان کیمپس میں صحت سے متعلق مندرجہ ذیل ٹیسٹ کیے گئے:

(1) بلڈ پریشر (2) ذیابیطس

(3) ہیپاٹائٹس بی اور سی (4) آنکھوں اور ہڈیوں کا معائنہ

حادثات کی بروقت رپورٹنگ کیلئے آن لائن سسٹم موجود ہے۔ اس سسٹم نے ملازمین کے لیے حادثات کو رپورٹ کرنے میں اور حادثات میں کمی لانے کیلئے اہم کردار ادا کیا ہے۔ حادثات کو دوبارہ رونما ہونے سے روکنے کیلئے اور ان کی وجوہات کو ختم کرنے کیلئے تحقیقات کی جاتی ہیں۔ گاڑیوں کے حادثات میں کمی لانے کیلئے کمپنی کی 215 گاڑیوں میں ٹریکٹر نصب کیے گئے ہیں۔ ہر ماہ گاڑیوں کی سیفٹی رپورٹ کا جائزہ لیا جاتا ہے اور خلاف ورزی کرنے والے ڈرائیور کے خلاف کارروائی کی جاتی ہے۔ سیفٹی کتابچے، ہارنگ اینڈس، ابتدائی طبی امداد پر مبنی کتابچے اردو اور انگریزی دونوں زبانوں میں بنا کر کمپنی میں تقسیم کیے گئے ہیں۔

کمپنی کی تمام گاڑیوں/جزیرہ زاور ویلڈنگ پلانٹس کا ہر ماہ معائنہ کیا جاتا ہے۔ جو گاڑیاں جزیرہ زاور ویلڈنگ پلانٹس اس معائنے کو پاس کرتے ہیں ان کو فٹنس ٹھیکٹ جاری کیا جاتا ہے۔ جو اس معائنہ میں کامیاب نہیں ہوتے ان کو چلانے کی اجازت نہیں دی جاتی

میں میٹرل سٹوریج شیڈز، مقامی میٹر شاپ فیصل آباد شامل ہیں۔

کمپنی کی 3 سطحی (گراؤنڈ + 2) جدید ترین محافظ گاہ، 2400 سے زائد ذخیرہ ٹنٹس کے ساتھ کمپنی اور بین الاقوامی انجینئر کی زیر نگرانی مکمل کیا گیا جس نے کمپنی ریکارڈ کیلئے ایک مرکزی ذخیرہ گاہ مہیا کی۔ یہ محافظ گاہ نہ صرف کمپنی کے کسی بھی شعبے کی اپنے ریکارڈ تک آسان اور تیز تر رسائی مہیا کرے گی بلکہ ریکارڈ رکھنے کی جگہ میں اضافے کے ساتھ ساتھ جگہ کی بچت بھی ہوگی۔

شعبہ صحت، سلامتی و ماحول

سوئی ناردرن گیس پائپ لائنز لمیٹڈ کے ڈیپارٹمنٹ ہیلتھ سیفٹی اینڈ انوائرنمنٹ (ایچ ایس ای) نے کمپنی میں ایچ ایس ای مینجمنٹ سسٹم متعارف کروایا ہے جو کہ ISO 14001:2004 اور OHSAS 18001:2007 سٹینڈرڈز پر مشتمل ہے۔ جس کا مقصد اس بات کو یقینی بنانا ہے کہ ایچ ایس ای پالیسی منظم طریقہ سے لاگو رہے اور ہر کام کو بہترین طریقہ کار سے سرانجام دیا جائے۔ ایس این جی پی ایل "نیشنل سیفٹی کونسل" کا ممبر ہے۔

ایس این جی پی ایل (ایچ ایس ای) مینجمنٹ سسٹم کی بنیاد پلین - ڈو - چیک - ایکٹ کے طریقہ کار پر رکھی گئی ہے۔ ایچ ایس ای کی نمایاں کارکردگی کو برقرار رکھنا ایس این جی پی ایل کا ایک بنیادی قدم ہے۔

* ایچ ایس ای ڈیپارٹمنٹ نے کمپنی کی آپریشنل سرگرمیوں کیلئے 44 لائحہ عمل تیار کئے ہیں جو کہ مینجمنٹ سے منظور شدہ ہیں اور آگاہی کیلئے تمام کمپنی میں تقسیم کئے جا چکے ہیں۔ یہ پروسیجرز کمپنی کے ویب پورٹل پر بھی دستیاب ہیں۔ ISO / OHSAS 18001 14001 سٹینڈرڈز کے دو بیرونی آڈٹ (URS) United Registrar of System 05 سے 09 دسمبر 2016 اور 20 سے 28 اپریل 2017 کو کمپنی کی 7 سائٹز یا فوکل پوائنٹز پر کروائے گئے:

- 1- ملتان - ڈسٹری بیوشن 2- بہاولپور - ڈسٹری بیوشن
- 3- ایبٹ آباد - ڈسٹری بیوشن 4- کورون کنٹرول سنٹر 5- مانگاہ ورکشاپ
- 6- مانگاہ سٹور 7- کچا کھوکیپ

ایچ ایس ای انجینئرز اپنی سائٹ پر ایچ ایس ای پروسیجرز اور قوانین پر عملدرآمد کرانے کیلئے شاف کو تربیت دیتے ہیں۔ مندرجہ ذیل موضوع پر شاف کو تربیت دی جاتی ہے۔

آئی۔ ٹی۔ ایم۔ آئی۔ ایس۔ ڈیپارٹمنٹ نے ISO 27003 (ISMS) کے تحت اپنے معلوماتی سکیورٹی نظام کو مزید وسعت دیتے ہوئے اس بات پر توجہ مرکوز کی ہے کہ کس طرح معلوماتی سکیورٹی کنٹرولز کو بروئے کار لاتے ہوئے اس سے متعلقہ خطرات کو ختم کیا جا سکتا ہے۔

شعبہ مواصلات

زیر نظر سال شعبہ مواصلات نے جدید ترین PABX / ٹیلی فون ایکسیج اور ٹیلی فلیکس کی تنصیب کے ساتھ 8GHz پر مشتمل مواصلاتی نظام کو کامیابی کے ساتھ اپ گریڈ کرتے ہوئے نافذ اور رواں کر دیا ہے۔ شعبہ مواصلات کے وزن کی توثیق کرتے ہوئے، جو کہ مواصلات میں جدت و منوریت کو مد نظر رکھتے ہوئے SNGPL کے مواصلاتی نظام میں مسلسل بہتری پر مشتمل ہے موجودہ مائیکرو ویو نظام کی مردان، ٹھنڈ یا نی ایبٹ آباد، فیصل آباد ڈسٹری بیوشن، شاہین کمپلیکس اور ملتان ڈسٹری بیوشن دفاتر تک پھیلا دیا گیا ہے۔ نیا نافذ العمل نظام، SCADA نظام، PABX نظام، برائے نیٹ ورک مینجمنٹ، شعبہ IT/MIS، بصری کانفرنس نظام اور IP ٹیلی فونی نظام کی ڈیٹا بینڈ وڈتھ ضروریات کو پورا کرنے کیلئے انتہائی اعلیٰ پیمانے پر وضع کیا گیا ہے۔

شعبہ مواصلات نے نئے اپ گریڈ PABX نظام میں، SIP ٹیلی فونی اور دوسری کئی اور اہم خصوصیات کو بھی نافذ کیا ہے۔ مینجمنٹ علاقائی دفاتر کے باہمی اجلاسوں کو سہولت دینے اس بذریعہ اعلیٰ صلاحیت کے حامل مائیکرو ویو نیٹ ورک میں مزید خصوصیات کے اضافے سے بصری کانفرنس نظام کو بہتر بنایا گیا ہے۔

اہم 2 LNG مقامات پر SCADA نظام کی تنصیب کے ساتھ 3 LNG مقامات پر SCADA نظام کی تنصیب کیلئے تیاریاں جاری ہیں۔ SCADA نظام، سرکاری بجلی کے پیداواری کارخانوں حویلی بہادر شاہ، بلوکی، نندی پور اور قائد اعظم تھرمل پاور پلانٹ میں بھی نافذ کر دیا ہے۔ شعبہ مواصلات موجودہ ترسیلی نظام پر نصب SCADA نظام کی تبدیلی اور توسیع میں معروف عمل ہے۔

سول تعمیرات (Civil Construction)

شعبہ سول تعمیر نے مئی سال 17-2016 میں کئی اہم منصوبہ جات مکمل کئے ہیں جن میں مانگا میں کثیر منزلہ ریلنگ نظام فیصل آباد میں مرکز خدمات صارفین، ترسیلی دفتر کوہاٹ، واہ میں ہوشل، مانگا

جائزہ چیمپئن اور ڈائریکٹرز رپورٹ

2004 کے مطابق بالترتیب نافذ العمل ہے۔ اور موقع پر غلطیوں کی بروقت رپورٹنگ کے ذریعے کمپنی کے اہداف حاصل کرنے کے لئے کوشاں ہے۔

نادر ہندہ صارفین سے بقایا جات کی وصولی کمپنی کا بنیادی ہدف ہے، جس کو ممکن بنانے کے لئے اس پہلو پر خصوصی توجہ دی جاتی ہے کہ تمام اقسام کے صارفین سے بقایا جات کی وصولی یقینی بنانے کے لئے بھرپور کوشش کی جاتی ہے اور عدم ادائیگی کی صورت میں سخت کارروائی کرتے ہوئے نادر ہندگان کے گیس کنکشن منقطع کر دئے جاتے ہیں۔

مالیاتی اداروں، ضلعی حکومتوں اور سیکورٹی ایجنسیز کمیشن آف پاکستان کے ساتھ قریبی تعاون کے ذریعے گیس چوری اور ریکوری ایکٹ کا نفاذ یقینی بناتے ہوئے، نادر ہندہ صارفین سے بقایا جات کی وصولی کے لئے خصوصی اقدامات کئے جا رہے ہیں۔ آپ کی کمپنی اپنے معزز صارفین کی سہولت کے لئے ان کی شکایات کے فوری حل کرنے کے لئے کوشاں ہے۔ اسی سلسلے میں اپنے معزز صارفین کے اطمینان کیلئے ماہانہ گیس بلوں پر میٹر کی تصویر شائع کی جا رہی ہے تاکہ درست میٹر ریڈنگ کے مطابق بلوں کو جاری کرنا یقینی بنایا جاسکے۔

شعبہ آئی ٹی

آپ کی کمپنی تیزی کے ساتھ ملک کی آئی ٹی ٹیکنالوجی سے لیس ادارہ بنی جا رہی ہے جو کہ اپنے تمام عوام کی بہترین جامعیت، شفافیت اور با مقصد عوام سے اپنے کسٹمرز کے دلی اطمینان اور ذہنی سکون کا باعث بن رہی ہے۔ ہم اپنے تمام عوام کو خود کار بنانے کے لیے جدید ترین ٹیکنالوجی، کاروباری ذہانت اور تجربات کا استعمال کر رہے ہیں جو کہ ہماری کمپنی کے اغراض و مقاصد کی بنیادوں کو مزید مضبوط بنا رہے ہیں۔

عرصہ دراز سے ہماری کمپنی میں اوریکل یوٹیٹیٹی کسٹمر کیریئر اینڈ بنگ (سی سی اینڈ بی) مکمل طور پر نافذ ہو چکا ہے۔ جس کو ہمارے مختلف شعبہ جات جیسے سائز، ڈسٹری بیوشن، بنگ، کسٹمر سروسز اور اکاؤنٹس اپنے اپنے کاروباری عوام کے لیے کئی طور استعمال میں لا رہے ہیں۔ جس کی وجہ سے بلوں کی ترسیل، رقوم کی ترسیل اور وصولی کی بابت معلومات، کسٹمرز کے ذہنی سکون اور اطمینان اور ملازمین کی کارکردگی میں مزید اضافہ ہو رہا ہے۔

تمام علاقائی دفاتر کے ساتھ ساتھ پراجیکٹ لوکیشن پر ای آر پی ماڈیولز کو نافذ العمل کر دیا گیا ہے۔ اور مختلف شعبہ جات کے عوام کو مزید موثر اور جامع بنانے کے لیے اس ماڈیولز کی اضافی فعالیت کو بھی متحرک کر دیا گیا ہے۔

شعبہ پیمائش مسلسل ترقی و تحقیق کے ساتھ پیمائشی آلات میں بہتری کے ذریعے بین القوامی معیارات کے مد نظر، پیمائش کی جدید تکنیک کو متعارف کروانے کے اپنے مصمم ارادے پر قائم ہے۔ زیر نظر سال، کمپنی کے UFG نقصانات میں تخفیف کیلئے 307,430 تجدید شدہ صنعتی، تجارتی اور گھر بلو میٹرز کو خراب مشکوک اور قابل تبدیل میٹرز کی جگہ تبدیلی کیلئے تمام ڈسٹری بیوشن دفاتر میں بھیجا گیا۔ مزید برآں 9621 CVCs مع میٹرز بھی مرمت اور نگی کے بعد دفاتر کو روانہ کئے گئے۔ شعبہ میٹرنگ کی سب سے اہم ترجیح میٹر معائنہ رپورٹس کا بروقت اجراء تھا۔ 25880 تجارتی و صنعتی میٹر معائنہ رپورٹس، چوری یا گیس پیمائش میں کمی بیشی کے حوالے سے گیس جیم کی درست وصولی کیلئے ڈسٹری بیوشن دفاتر کو ارسال کی گئیں۔

خدمات برائے صارفین (Customer Services)

اطمینان صارفین کمپنی کی حکمت عملی اور فیصلہ سازی میں بنیادی اہمیت رکھتا ہے اور ساتھ ہی ساتھ ہمارے وژن اور مشن کا مظہر بھی ہے۔ کمپنی 16 علاقائی، 34 ذیلی علاقائی، 88 مراکز برائے خدمات صارفین اور 176 دفاتر برائے شکایات کے ساتھ 56.5 لاکھ سے زائد صارفین کی شکایات کی وصولی و درستی کیلئے، صوبہ پنجاب، خیبر پختون خواہ، دارالحکومت اسلام آباد اور آزاد جموں و کشمیر میں پھیلے ہوئے ہیں۔ کسی بھی ہنگامی صورت حال سے نبرد آزما ہونے کیلئے تمام دفاتر ہمہ وقت مستعد ہیں۔ ان دفاتر کے علاوہ، کمپنی نے ہر قسم کی شکایات کی وصولی اور معلومات کی بروقت ترسیل کیلئے مرکزی اطلاعی مرکز قائم کر رکھا ہے۔ اس اطلاعی مرکز تک ایک آفاقی رسائی نمبر (UAN) 1199 کے ذریعے کمپنی کے زیر انتظام علاقے میں، موبائل فون یا فیکسڈ فون کے ذریعے رسائی حاصل کی جاسکتی ہے۔ اپنے معزز صارفین کے معیار اطمینان میں بہتری کیلئے اس اطلاعی مرکز کو شکایات سے متعلق صارفین کی آراء کو جمع کرنے کا کام بھی سونپا گیا ہے۔ زیر نظر سال، 539,734 شکایات وصول ہوئیں اور تمام پر صارفین کے اطمینان کے مطابق کارروائی و درستی کی گئی۔

شعبہ بنگ (Billing)

آپ کی کمپنی غلطیوں سے مبرا معیاری بنگ پر خصوصی توجہ کے ساتھ جدید تکنیکی سہولیات کو بروئے کار لا کر معزز صارفین کو بروقت گیس کے بلوں کی ترسیل کے لئے کوشاں ہے۔ یو ایف۔ جی کی شرح میں کمی کے لئے، نان بنگ کیسز کی روک تھام، پرویزنل بلوں میں کمی

شعبہ کمپریشن

INACE اسٹینڈرڈ کو مد نظر رکھتے ہوئے مختلف قطر کی ٹرانسمیشن پائپ لائنز کی سالمیت کی تشخیص کے لئے ECDA ٹیکنالوجی کا استعمال کیا گیا۔ یو ایف جی ریڈکشن پلان کے تحت مالی سال کے دوران، کروٹن کنٹرول ڈیپارٹمنٹ نے گیس کے ضیاع کو روکنے کے لیے جدید آلات کے ذریعے ۶۶-۲۵ کلومیٹر ڈسٹری بیوشن نیٹ ورک کو سروے کرتے ہوئے ۲۱۶۳۲ زیر زمین لکچ پوائنٹس شناخت کیے۔ مالی سال ۲۰۱۶-۱۷ کے دوران، چاروں ٹرانسمیشن سیکشنز میں ۴.۴۷ کلومیٹر ٹرانسمیشن پائپ لائنز پر دوبارہ کوٹنگ کا کام بھی سرانجام دیا گیا، نیز کروٹن کنٹرول سینٹر میں تھر موگلاس کے ۱۳۳۹ رولز تیار کئے گئے۔

ٹرانسمیشن نیٹ ورک پر ۲۳ عدد بیڑی بیک اپ ٹی آر یونٹس نصب کئے گئے جبکہ جی ایس ایم ٹیکنالوجی سے منسلک ۹۰ عدد ریموٹ مانیٹرنگ یونٹس کی تنصیب پورے نیٹ ورک کے کیتھوڈک پروٹیکشن سٹیشنز پر کی گئی۔ اس کے علاوہ کروٹن کنٹرول سنٹر میں ۸۰ عدد ایئر کولڈ ٹرانسفارمر ریکٹیفائر یونٹس تیار کئے گئے اور میٹیریل ٹیسٹنگ لیبارٹری میں مختلف میٹیریل کے ۳۵۰ نمونوں کی جانچ کی گئی۔ ٹرانسمیشن نیٹ ورک پر پائپ لائن کی سالمیت کو یقینی بنانے کے لیے (PIMP) پروگرام کو لاگو کیا جا رہا ہے۔ تحقیق و ترقی کے ضمن میں، کروٹن کنٹرول ڈیپارٹمنٹ نے کیتھوڈک پروٹیکشن سٹیشنز کی آن لائن نگرانی کیلئے جی ایس ایم ریموٹ مانیٹرنگ یونٹس کو اپنی ورکشاپ میں خود تیار کیا ہے جبکہ اسکا ڈیٹا سوفٹ ویئر آئی ٹی / ایم آئی ایس ڈیپارٹمنٹ کی مدد سے تیار کیا جا رہا ہے۔ جس کی بدولت کروٹن پروٹیکشن سسٹم کی کارکردگی میں بہتری آئے گی، نیز وسائل کو نظام میں مزید اچھے طریقے سے استعمال کیا جاسکے گا۔

شعبہ پیمائش (Metering)

پیمائش آلات (Meters) اور برقی آلات برائے درجگی حجم (EVCs) نہ صرف کمپنی کے مالی کھاتے (Cash Registers) ہیں بلکہ کمپنی کے غیر محسوب برائے گیس نقصانات کو قابو میں رکھتے ہوئے گیس چوری کی نشاندہی میں ایک اہم کردار ادا کرتے ہیں۔ SNGPL میں شعبہ پیمائش وہ پہلا شعبہ ہے جس نے دنیا میں سب سے زیادہ تسلیم شدہ انتظامی نظام برائے معیار کا سرٹیفکیٹ ISO, 9001: 2015 حاصل کیا۔ مزید برآں معائنہ و جانچ کیلئے قائم میٹر شاپس کیلئے بذریعہ ISO PNAC 17025; 2005, 17020: 2012 کے حصول کی کاوشیں بھی جاری ہیں۔ میٹر شاپس میں کمپنی کا نظام برائے صحت، حفاظت و ماحولیات بھی بین الاقوامی معیارات 18001: 2007 OHSAS اور 14001: ISO

کمپریشن ڈیپارٹمنٹ مختلف فیلڈز میں موجود متفرق بہاؤ اور دباؤ کی حامل قدرتی گیس حاصل کرنے کے بعد مناسب بہاؤ اور دباؤ پر ٹرانسمیشن سسٹم میں سوئی گیس پائپ لائنز ڈسٹری بیوشن کی ضروریات کے مطابق گیس کی ترسیل میں اہم کردار ادا کر رہا ہے۔ اس مقصد کے لیے گیارہ کمپریسر اسٹیشن میں 226,200 ہارس پاور کے حامل 69 گیس کمپریسر یکٹیز لگائے گئے ہیں۔

کمپریشن ڈیپارٹمنٹ سولر کمپنی کی فراہم کردہ Saturn اور Centaur کمپریسر پیکیجز کو مقامی طور پر مرمت کرنے میں خود کفیل ہے۔ اس کے علاوہ کمپریشن ڈیپارٹمنٹ کے پاس کمپریسرز کی اوور ہالنگ کے بعد ان کی کارکردگی کی تشخیص اور پائیداری جانچنے کی سہولت بھی موجود ہے۔ اوور ہالنگ کے لیے سولر کمپنی اپنے فراہم کردہ انجن ماڈل T-4000, T-4500, T-4700 & T-1000 کی ٹیکنالوجی منتقلی کے بعد اب کمپریشن ڈیپارٹمنٹ کے پاس سولر کے معیار کی سہولت موجود ہے۔

موجودہ مالی سال کے دوران ملتان کمپریشن میں 4 عدد Centaur یونٹس کو مقامی طور پر کامیابی سے نہ صرف زبرد اور ہال کیا بلکہ 1 مزید یونٹس کو از سر نو مرمت کیا اور اسٹیل پران کی صلاحیت اور کارکردگی جانچنے کے بعد کمپریسر اسٹیشن میں نصب کر دیا گیا۔ سولر کی ہدایت اور معیار کے مطابق کمپریشن ڈیپارٹمنٹ وہ Centaur T-4000/4500 ٹربائزر (جو کہ ایک لاکھ گھنٹے پورے کر چکی ہیں) کے پانچ سالہ زیرو اور ہالنگ منصوبے پر کام مکمل کر چکی ہے جس سے نہ صرف ٹربائن انجنوں کی کارکردگی بہتر ہوگی بلکہ فیول کی بھی بچت ہوگی۔

شعبہ خوردگی کنٹرول (Corrosion Control)

سوئی ناردرن گیس پائپ لائنز لمیٹڈ اپنے زیر زمین قیمتی سٹیل پائپ لائن نیٹ ورک کو کیتھوڈک پروٹیکشن ٹیکنالوجی کا استعمال کرتے ہوئے کیمیائی تحلیل سے بچانے کے لیے کوشاں ہے۔ اس امر کو یقینی بنانے کے لیے ۱۶۳۲ کیتھوڈک پروٹیکشن سٹیشنز نصب کیے گئے ہیں۔ ڈسٹری بیوشن نیٹ ورک میں ۲۸۳۲۸ ٹیسٹ پوائنٹس اور ٹرانسمیشن نیٹ ورک میں ۵۸۵۸ ٹیسٹ پوائنٹس پر کیتھوڈک پروٹیکشن سسٹم کی نگرانی کی جا رہی ہے۔ مالی سال ۲۰۱۶ کے دوران ۳۳ عدد نئے کیتھوڈک پروٹیکشن سٹیشنز کا اضافہ کیا گیا جبکہ موجودہ کیتھوڈک پروٹیکشن سسٹم میں استعمال شدہ ۷۳ عدد گراؤنڈ بیڈز کو تبدیل کیا گیا۔

جائزہ چیمپئن اور ڈائریکٹرز رپورٹ

سال کے آخر تک مکمل کر لیا جائے گا اور نظام کی صلاحیت 1.2 سے بڑھ کر 1.5 ارب مکعب فٹ روزانہ کی ہو جائے گی۔

☆ مجموعی طور پر 3600 میگاواٹ پیداواری صلاحیت کے حامل بجلی پیدا کرنے کے تین کارخانوں بھکھی، حویلی بہادر شاہ اور بلوکی کیلئے 100% اشتراکی لاگت کی بنیاد پر فی کارخانہ 20 کروڑ مکعب فٹ روزانہ RLNG کی فراہمی کا کام بھی ہو گیا ہے۔

☆ نندی پور پاور پلانٹ کو گیس فراہمی کیلئے بھی کام مکمل کیا جا چکا ہے۔ حکومت پاکستان کی ہدایات کی روشنی میں، تمام شعبہ ہائے جات کی بڑھتی ہوئی گیس کی طلب اور ملک میں کم ہوتے گیس ذخائر کو مد نظر رکھتے ہوئے ملک میں نئے زیر تعمیر LNG ٹرمینلز کے ذریعے مزید 1.2 ارب مکعب فٹ روزانہ گیس کی ترسیل کیلئے ایک نئی 42 انچ قطر کی 770 کلومیٹر طویل پائپ لائن کی ساون سے لاہور تک تعمیر کیلئے SNGPL نے منصوبہ بندی کر لی ہے۔

فی الحال جاری نظام میں توسیعی منصوبے کی تکمیل کے بعد، آپکی کمپنی حال ہی میں تعمیر شدہ 1.2 ارب مکعب فٹ روزانہ گیس روزانہ کی صلاحیت کی حامل اضافی پائپ لائن کے بعد مزید 1.5 ارب مکعب فٹ گیس روزانہ کی صلاحیت کی حامل اضافی پائپ لائن تعمیر کے قابل ہوگی۔ آپکی کمپنی نے پنجاب میں نئے تعمیر شدہ بجلی کے پیداواری کارخانوں کو 70 کروڑ مکعب فٹ RLNG روزانہ فراہمی کیلئے تمام ضروری انفراسٹرکچر فراہم کر دیا ہے۔ تاہم حال ہی میں تفویض شدہ 42 انچ قطر کی 770 کلومیٹر طویل پائپ لائن کی مارچ 2019ء میں 89.5 ہزار ہارس پاور طاقت کے حاصل کمپنیشن کے ساتھ مکمل ہونے پر مزید 1.2 ارب مکعب فٹ RLNG روزانہ کی ترسیل کے قابل ہوگی۔

مائع قدرتی گیس:

10 فروری 2016 کو، حکومت کی بنیاد پر قدرتی مائع گیس کی فراہمی کا معاہدہ طے پایا۔ یہ ملکی تاریخ کا ایک اہم سنگ میل ہے جس سے اُمید ہے کہ بجلی کی پیداوار کیلئے توانائی ذرائع میں منہجہ درآمدی تیل پر انحصار میں کمی آئے گی۔

وسط 2017 میں فعال ہونے والے نئے RLNG پر چلنے والی بجلی کے پیداواری کارخانوں کے رواں ہونے کیلئے یہ LNG درآمدات، قطر خرید و فروخت معاہدے کے تحت مددگار ثابت ہوگی۔

(1) رساؤ کی درستگی/انتظامی پروگرام

(2) تسلط پروگرام برائے گیس چوری

(3) میٹرنگ ورکشاپس کی اہلیت میں اضافہ

آپکی کمپنی نے بہت سے اہم اقدامات اٹھائے، جن میں خصوصی طور پر نگرانی کا سخت نظام اور خصوصاً گیس چوری کے حوالے سے مشکوک مقامات پر گہری نظر، گیس رساؤ کی فوری تلاش و درستگی، مسلسل معائنہ اور پیمائشی آلات و سہولیات کی ترقی و جدت جیسے اقدامات شامل ہیں۔ معاملات پر مکمل توجہ کے ساتھ پچھلے سال کے مقابلے میں UFG شرح کو 1% سے زائد کم کیا گیا ہے اور مصمم ارادہ ہے کہ اس کو مزید قابل قبول حد تک کم کیا جائیگا۔

انفعالی جائزہ (Operational Review)

آپکی کمپنی نے اپنے مقررہ دائرہ کار میں ترسیلی نظام (Transmission System) کو، 6 سے 42 انچ قطر کی انتہائی دباؤ کی حامل لائنوں کے ساتھ، 8,637 کلومیٹر تک توسیع دی ہے۔ دوران سال 176 نئے دیہات و قصبہ جات کو مرکزی نظام کے ساتھ اضافی 6,741 کلومیٹر نئی تقسیمی (Distribution) لائنوں کے ذریعے منسلک کر دیا ہے۔ لہذا اب 3,543 دیہات، قصبہ جات اور ضلعی و تحصیل ہیڈ کوارٹرز کمپنی کے نظام سے منسلک ہیں اور ان کی دہلیز تک قدرتی گیس کی سہولت فراہم کی جارہی ہے۔ زیر جائزہ سال، کمپنی نے اپنے وژن و مشن کے تحت صارفین کے معیار زندگی میں بہتری کیلئے 420,704 نئے گیس کنکشن فراہم کیے۔

شعبہ منصوبہ جات (Projects Department)

شعبہ منصوبہ جات (Projects Department) نے 8 سے 42 انچ قطر کی (بشمول کنٹریکٹ لائنز) 778 کلومیٹر لائنز مکمل کی ہیں۔ ترسیلی لائنوں کے علاوہ 351 کلومیٹر تقسیمی لائنز بھی اس مالی سال 2016-17 میں صارفین کے اطمینان اور گیس پریشر میں بہتری کیلئے بچھائی گئی ہیں۔

آپکی کمپنی اپنے نظام میں 120 کروڑ مکعب فٹ گیس روزانہ کی شمولیت کیلئے:

☆ کمپنی کے نظام میں توسیعی منصوبہ جات (System Augmentation Project) کے تحت ساون سے لاہور تک 1.2 ارب مکعب فٹ روزانہ گیس کی ترسیل کا کام مکمل ہو چکا ہے۔ تاہم بقیہ 150 کلومیٹر پائپ لائن کا تعمیراتی کام جاری ہے جو کہ اس

جائزہ چیمبرین اور ڈائریکٹرز رپورٹ

میں 1 ارب 74 کروڑ روپے تھے اب اس سال 2016-17 میں نہیں ہے۔

کمپنی 17.5% شرح منافع کی ضمانت کے ساتھ کام کر رہی ہے۔ اوگرا کی جانب سے تمام اندراجات کے بعد، گزشتہ سال کے 2.79% شرح منافع کے مقابلے میں زیر نظر سال کیلئے موثر شرح منافع 12.83% کا حصول ہوا۔

آپ کی کمپنی کا موقف ہے کہ UFG کی مد میں نگران ادارے کا صوابدیدی بنایا گیا ہدف برائے UFG، کمپنی کے منفی پہلوؤں میں بڑی وجوہات میں سے ایک وجہ ہے۔ زیر جائزہ سال، بلحاظ حجم، نقصان 46.7 ارب مکعب فٹ (2014-15) سے کم ہو کر 39.5 ارب مکعب فٹ ہو گیا۔ نتیجتاً 2015-16 کے 7.52 ارب کے مقابلے میں دوران سال UFG عدم اجازت کی مد میں رقم کم ہو کر 5.45 ارب روپے تک ہے۔

زیر نظر سال، سوئی گیس فیلڈ سے حاصل ہونے والی گیس کی قیمت بڑھ گئی ہے نئی اضافہ شدہ قیمت کا تعین یکم جنوری 2015 سے کیا گیا ہے لحاظ ڈھائی سالہ اضافی قیمت کا تمام اثر جو کہ 22 ارب روپے بنتا ہے موجودہ سال میں شمار کیا گیا ہے۔ اگر یہ نقطہ حسابات میں شمار کر لیا جاتا، تو UFG عدم اجازت کی مد میں رقم 5 ارب 45 کروڑ روپے کے بجائے 4 ارب 92 کروڑ روپے ہوتی نتیجتاً منافع بعد از محمول 37 کروڑ (تقریباً) اور فی حصہ آمدن 58 پیسے زائد ہوتی۔

آپ کی کمپنی حکومت پاکستان کی جانب سے واجب ادا 66 ارب روپے کے مجموعی تفریقی مارجن کی وجہ سے مالی مشکلات کا سامنا کر رہی ہے جس کا انتظام حکومت پاکستان کی اجازت سے اوگرا کی جانب سے گیس کی قیمتوں میں اضافے پر منحصر ہے۔

غیر محسوب برائے گیس - کنٹرول (UFG - Control)

شعبہ غیر محسوب برائے گیس - کنٹرول (UFG - Control)، بورڈ کمیٹی برائے (UFG-Control) کی زیر نگرانی کامیابی کے ساتھ غیر محسوب برائے گیس (UFG) کی تخفیف کے منصوبے پر عمل پیرا ہے اور مالی سال 2012-13 میں ہونے والے UFG 11.17% نقصانات کو مالی سال 2016-17 میں 8.07% کی حد تک لے آئی ہے۔ آنے والے سالوں میں UFG کی تخفیف کے حوالے سے منصوبہ برائے تخفیف

UFG کے تحت اٹھانے جانے والے اقدامات کے دور رس نتائج برآمد ہوں گے۔

جس کیلئے زیر نظر اہم امور درج ذیل ہیں:

بورڈ آف ڈائریکٹرز کی جانب سے 54 ویں سالانہ رپورٹ اور سال مختتمہ 30 جون 2017ء کیلئے پڑتال شدہ مالیاتی گوشوارے مع پڑتال کنندہ (آڈیٹرز) رپورٹ پیش خدمت ہے۔

مالیاتی جائزہ (Financial Review)

ہم ہمسرت، سال مختتمہ 30 جون 2017ء کیلئے آپ کی کمپنی کے پڑتال شدہ مالیاتی گوشوارا جات بشمول اوگرا کی جانب سے سال 2016-17 کیلئے تعین کردہ حتمی مالیاتی ضروریات (FRR) کے بعد پیش کر رہے ہیں۔ مشکل معاشی اور مالیاتی حالات کے باوجود، آپ کی کمپنی نے سال مختتمہ 2016-17 کیلئے بلند ترین تاریخی منافع حاصل کیا ہے۔ گزشتہ سال، حاصل ہونے والے 12 کروڑ 40 لاکھ روپے (تقریباً) منافع کے مقابلے میں اس سال 8 ارب 62 کروڑ روپے (تقریباً) منافع حاصل کیا۔ فی حصہ منافع بھی گزشتہ سال کے دوران ہونے والے 20 پیسے منافع سے بڑھ کر 13 روپے 58 پیسے ہو گیا ہے۔

مختصر مالیاتی جائزہ زیر نظر سال کیلئے درج ذیل ہے:		ملین روپے
1	قبل از محاصل (Taxation) منافع	12,539
2	محاصل کی دستیابی	(3,924)
3	بعد از محاصل منافع	8,615

60% حتمی نقد مقسوم کے اعلان کی اہم وجہ منافع میں یہ قابل قدر اضافہ ہے

وہ اہم نکات جو کمپنی کے تاریخی منافع کے حصول کا باعث بنے، درج ذیل ہیں:

(الف) اوسط اثاثہ جات پر ملنے والے منافع میں اضافے کی اصل وجہ بڑھتی ہوئی سرمایہ بندی (Capitalization) ہے جو کہ زیر نظر سال میں 46 ارب (تقریباً) ہو چکی ہے۔

(ب) اوگرا کی جانب سے دیئے گئے غیر محسوب برائے گیس (UFG) کی مد میں عدم اجازت میں کمی، جو کہ UFG سٹڈی کی تکمیل تک عبوری طور پر 4.5% تھی، UFG سال 2015-16 کے 9.21% کے مقابلے میں سال 2016-17 میں کم ہو کر 8.07% کی سطح تک آ گئی ہے۔

(ج) نگران ادارے (اوگرا) کی جانب سے مقررہ معیار سے زائد ناقابل وصول مالیات

(Bad Debts) کی عدم دستیابی کے اندراج میں کمی، جب کہ یہ رقم سال 2015-16

پراکسی فارم

سوئی ناردرن گیس پائپ لائنز لیمیٹڈ

میں مسی / مسات _____ ساکن _____

بحیثیت ممبر سوئی ناردرن گیس پائپ لائنز لیمیٹڈ (کمپنی) حامل _____ عمومی حصص، _____
(تعداد حصص) (شیرز)

جو کہ بحوالہ فولیو نمبر / سی ڈی سی (CDC) اکاؤنٹ نمبر _____ کے تحت _____

مسی / مسات _____ ساکن _____ کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں بصورت عدم موجودگی

مسی / مسات _____ ساکن _____

کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں تاکہ وہ میری جگہ کمپنی کے 53 ویں سالانہ اجلاس عام، جو بتاریخ 27 نومبر 2017ء بروز پیر بوقت 11 بجے دن منعقد ہو رہا ہے یا اس کے ملتوی شدہ اجلاس میں شرکت کر سکیں اور ووٹ ڈال سکیں۔

مؤرخہ: _____

جگہ ہائے 5 روپے
کے رسیدی ٹکٹ
اور ان پر حصے دار کے
درج شدہ (رجسٹرڈ) دستخط

گواہان:

1.

دستخط:

نام گواہ:

پتہ:

2.

دستخط:

نام گواہ:

پتہ:

شناختی کارڈ / پاسپورٹ نمبر: _____

مؤرخہ: _____

شناختی کارڈ / پاسپورٹ نمبر: _____

ملک
یہاں چپا کر رہیں

کمپنی سیکریٹری
سوئی ناردرن گیس پائپ لائنز لمیٹڈ

گیس ہاؤس، 21- کشمیر روڈ، پی او باکس نمبر 56،

لاہور-54000، پاکستان

ٹیلی فون: (+92-42) 99201451-60, 99201490-99

فیکس : (+92-42) 99201369, 99201302

FORM OF PROXY

SUI NORTHERN GAS PIPELINES LIMITED

I/We _____
 of _____
 being a member of SUI NORTHERN GAS PIPELINES LIMITED and holder of _____ (number of shares)
 ordinary shares vide Registered Folio/CDC Participant I.D. No. _____
 hereby appoint Mr./Mrs./Miss. _____ of _____
 or failing whom Mr./Mrs./Miss _____ of _____
 as my/our proxy to vote for me/us and on my/our behalf at the 53rd Annual General Meeting of the Company to be held
 on Monday, November 27, 2017 at 11:00 a.m. and/or at any adjournment thereof.

Signed under my/our hand this _____ day of _____, 20____.

**Signature on
Rupees Five
Revenue Stamp**

WITNESSES:

(Signature should agree
with the specimen
signature registered with
the Company)

1. Signature: _____	2. Signature: _____
Name: _____	Name: _____
_____	_____
Address: _____	Address: _____
_____	_____
CNIC / Passport No. _____	CNIC / Passport No. _____
Dated: _____	

NOTES:

1. All members, entitled to attend and vote at the general meeting, are entitled to appoint another member in writing as their proxy to attend and vote on their behalf. A legal entity, being a member, may appoint any person, regardless whether they are a member or not, as proxy. In case of legal entities, a resolution of the Board of Directors' / Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the legal entity, shall be submitted to the Company. The proxy holders are required to produce their original CNIC or original Passport at the time of the meeting.
2. The proxy instrument must be complete in all respects and in order to be effective should be deposited at the Registered Office of the Company but not later than 48 hours before the time of holding the meeting.
3. If any member appoints more than one proxy for any one meeting and more than one instruments of proxy are deposited with the Company, all such instruments of proxy shall be rendered invalid.

For CDC account holders / legal entities:

In addition to the above the following requirements have to be met:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the requirements mentioned below.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the Passport of the beneficial owners and of the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- v) In case of a legal entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

AFFIX
CORRECT
POSTAGE

The Company Secretary,

SUI NORTHERN GAS PIPELINES LIMITED

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