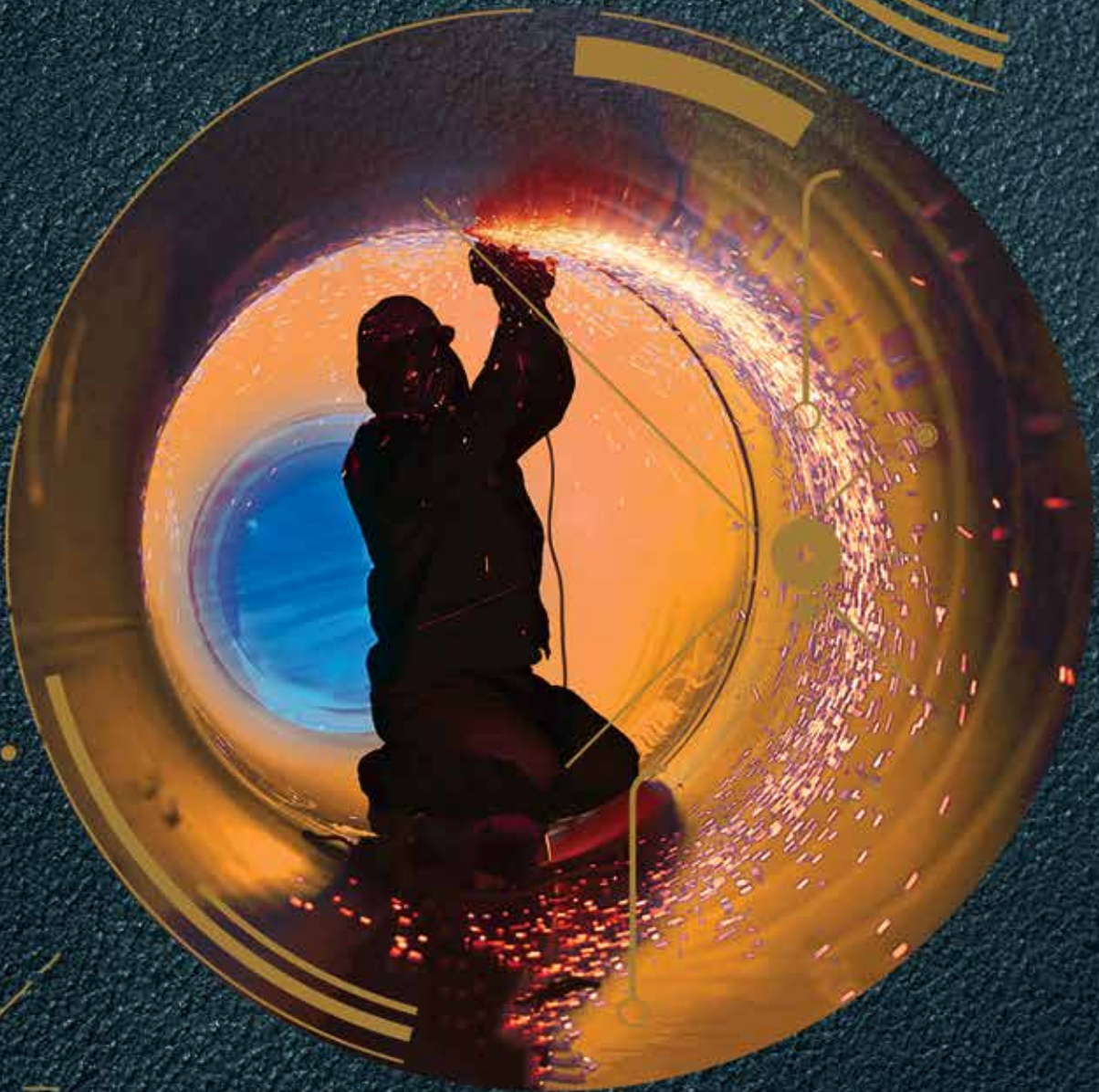




Sui Northern Gas Pipelines Limited

Achieving **new** Heights

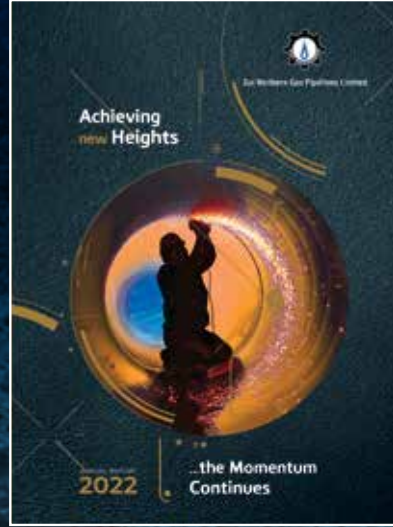


ANNUAL REPORT

2022

**...the Momentum
Continues**

Achieving New Heights ...the Momentum Continues



In pursuit of achieving the energy self-sufficiency for the nation, SNGPL operations were put in high gear in 2020. We are proud to also encompass the geologically challenging and security sensitive areas of Pakistan. Our men on ground had to deal with harsh weather conditions, security threats and supply chain issues to get the site ready, moving towards with heavy machinery, and laying of Pipelines as per the planned timelines. This is the gist of a plethora of challenges that our Teams face while we pursue the strategy of exploring further horizons in business as usual and diversification of operations.

Our Teams overcome all the challenges and hardships with unflinching perseverance and willpower that are the hallmark of SNGPL operational philosophy.

The challenges we face merely fuel our passion to do more, be more and bring more to all our stakeholders.

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لہو گرم رکھنے کا ہے اک بہانہ

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Vision and Mission

Vision

To be the leading integrated natural gas provider in the region seeking to improve the quality of life of our customers and achieve maximum benefit for our stakeholders by providing an uninterrupted and environment friendly energy resource.

Mission

A commitment to deliver natural gas to all doorsteps in our chosen areas through continuous expansion of our network, by optimally employing technological, human and organizational resources, best practices and high ethical standards.

Core Values

COMMITMENT

We are committed to our vision, mission and to creating and delivering stakeholder value.

COURTESY

We are courteous - with our customers, stakeholders, and towards each other and encourage open communication.

COMPETENCE

We are competent and strive to continuously develop and improve our skills and business practices.

RESPONSIBILITY

We are responsible - as individuals and as teams - for our work and our actions. We welcome scrutiny, and we hold ourselves accountable.

INTEGRITY

We have integrity - as individuals and as teams - our decisions are characterized by honesty and fairness.



Corporate Profile

Sui Northern Gas Pipelines Limited (SNGPL) was incorporated as a private limited company in 1963 and converted into a public limited company in January 1964 under the Companies Act 1913, now the Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited.

The Company took over the existing Sui – Multan System (217 miles of 16 inch and 80 miles of 10 inch diameter pipelines) from Pakistan Industrial Development Corporation

(PIDC) and Dhulian – Rawalpindi – Wah system (82 miles of 6 inch diameter pipeline) from Attock Oil Company Limited. The Company's commercial operations commenced by selling an average of 47 MMCFD gas in two regions viz. Multan and Rawalpindi, serving a total number of 67 consumers.

SNGPL is the largest integrated gas company serving more than 7.4 million consumers in North Central Pakistan through an

extensive network in Punjab, Khyber Pakhtunkhwa and Azad Jammu & Kashmir. The Company has over 59 years of experience in operation and maintenance of high-pressure gas transmission and distribution system. It has also expanded its activities as Engineering, Procurement and Construction (EPC) Contractor to undertake the planning, designing and construction of pipelines, both for itself and other organization.

Corporate Information

CHAIRPERSON
Ms. Roohi Raees Khan

MANAGING DIRECTOR/CEO
Mr. Amer Tufail

COMPANY SECRETARY
Mr. Imtiaz Mehmood

AUDITORS
M/s. Yousuf Adil
Chartered Accountants

LEGAL ADVISOR
M/s. Surridge & Beecheno

SHARE REGISTRAR
CDC Share Registrar Services Limited (CDCSRSL)
Mezzanine Floor,
South Tower, LSE Plaza,
19-Khayaban-e-Aiwan-e-Iqbal,
Lahore, Pakistan.
Tel: +92-42-36362061-66
Fax: +92-42-36300072
Website: www.cdcsrsl.com

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

Code of Conduct

SNGPL requires its entire staff both executive staff and subordinate employees, the observance of the highest ethical standards in the conduct of its business activities to minimize the significant risk associated with non compliance. The policy on Business Principles and Ethical Risk is intended to assist SNGPL staff in meeting the standards of professional and personal integrity expected and required of them. SNGPL staff will act with integrity at all times, to protect and safeguard the reputation of the Company. Contravention of this policy will be regarded as misconduct.

SNGPL will ensure that, through this policy and through other means of communication, all kit staff is aware of the required standards, rules and regulations.

Following are certain specific guidelines in respect of the above.

CONFLICT OF INTEREST

Each staff member has a prime responsibility to the Company and is expected to avoid any activity that could interfere with that responsibility. Staff should not engage in activities or transactions which may give rise to, or which may be seen to be giving rise to conflict between their personal interests and the interest of Company. Such conflict could arise in a number of ways and a number of situations. The following paragraph outlines some specifically forbidden situations. This list is, however not exhaustive. In case of doubt the advice of the Managements should be sought.

- SNGPL purchase equipment, material and services for various aspects of its operations. SNGPL staff members are forbidden from holding any financial interest, directly or indirectly in any organization supplying goods or services to the Company.
- SNGPL staff should not participate in any external activity that competes, directly or indirectly, with the Company.
- SNGPL staff should not participate in any outside business or activity that might interfere with their duties and responsibilities to the Company.
- No staff member should sell, lease or buy equipment, material or services to or from the Company except when as an employee it may be necessary in the normal course of his/her duties.
- Staff members are not permitted to conduct personal business activities on the Company's premises or to use Company facilities for such purpose.
- If a staff member has direct interest, indirect interest or family connections, with an external organization that has business dealings with SNGPL, details of such connections and interest should be fully disclosed to the Management.
- Staff members should disclose to the Management the details in respect of any relationship (s) with other staff members; and
- Staff members shall not perform any act or get involved in any situation that potentially could conflict with the principles outlined above.

CONFIDENTIALITY

Staff members should not keep or make copies of correspondence, documents, papers and records, list of suppliers or consumers without the consent of the Company. Company's information and records should be kept on Company premises only and unpublished information may be disclosed to external organization/ individuals only on "need to know" basis. In case of doubt in this regard, the Management's advice should be sought.

CONTRIBUTIONS

No contribution shall be made to any organization or to any individual who either holds public office or is a candidate for public office.

INDUCEMENT PAYMENTS

Staff members should not give or receive payments that are intended to influence a business decision or to compromise independent judgment; nor should any staff member receive money for having given Company business to an outside agency. Payment of any nature to Government officials to induce them their duties is strictly prohibited.

PROPER RECORD OF FUNDS, ASSETS, RECEIPTS AND DISBURSEMENTS

All funds, assets, receipts and disbursements should be properly recorded in the books of the Company. In particular, no funds or accounts should be established or maintained for a purpose that is not fully and accurately reflected in the books and records of the Company. Funds and assets received

or disbursement should be fully and accurately reflected in the books and the records of the Company. No false or fictitious entries should be made or misleading reports pertaining to the Company or its operations should be issued.

RELATIONSHIPS AND DEALINGS WITH GOVERNMENT OFFICIALS, MEDIA, SUPPLIERS, CONSULTANTS AND OTHER PARTIES

SNGPL's relationships and dealings with Government officials, external agencies, parties and individuals should, at all times, be such the SNGPL's integrity and its reputation would not be damaged if details of the relationship or dealings were to become public knowledge.

It is the responsibility of each SNGPL staff member to exercise good judgment so as to act in a manner that will reflect favourably on the Company and the individual. Staff member should only make statements to the media, speeches in public forums, or publish articles in newspapers etc. with prior authorization. In a personal capacity also, due care should be taken while discussing the Company performance or plans with outsiders. Staff members having questions on how to comply with this requirement should consult with the Management.

HEALTH AND SAFETY

Every staff member should take reasonable care to ensure the health and safety of him/her self and others, who may be affected by his/her acts

or omissions at work. Staff members should not tamper with or misuse any item provided by the Company to secure the safety, health and welfare of its staff and for the protection of the environment.

ENVIRONMENT

To preserve and protect the environment, all SNGPL staff members should;

- Design and operate the Company's facilities and processes so as to ensure the trust of adjoining communities.
- Promote resource conservations, waste minimization and the minimization of the release of chemicals/gas into the environment.
- Provide employees customers, supplies, public authorities and communities with appropriate information for informed decision making; and
- Strive continuously to improve environmental awareness and protection.

ALCOHOL, DRUGS AND GAMBLING

The use of alcohol in any form is prohibited on all Company locations/ premises. Similarly, the use of drugs, except under medical advice, is prohibited on all Company locations/ premises.

Any staff member arriving at a work place under the influence of alcohol or drugs will not be permitted to enter the premises and will be liable to disciplinary action.

All forms of gambling/betting on the Company's premises are forbidden.

RECEIVING GIFTS

No employee shall seek accept or permit himself/herself or any member of his/her family to accept any gift or favour, the receipt of which will place him/her under form of official obligation to the donor. As part of building relationship with consumers, suppliers, etc. staff members may

receive occasional gifts provided that the gift is of nominal value (e.g. pen, Notepads, calendars, diaries, key chains or such promotional material) and the gift is neither intended nor perceived by others to be intended to improperly influence business decision.

WORK PLACE HARASSMENT

SNGPL staff will maintain an environment that is free from harassment and in which all employees are equally respected. Workplace harassment is defined as any action that creates an intimidating, hostile or offensive work environment. Such actions include, but are not limited to, sexual harassment, disparaging comments based on gender, religion race or ethnicity.

REGULATORY COMPLIANCE AND CORPORATE GOVERNANCE

SNGPL co-operates fully with all governmental and regulatory bodies and is committed to high standards of corporate governance. We comply fully with our obligations under the Listing Rules of the Pakistan Stock Exchange Limited (PSX).

GENERAL

- All information and explanations supplied to the auditors must be complete and not misleading.
- SNGPL will not knowingly assist in fraudulent activities (e.g. tax evasion, etc.). If one has any reason to believe that fraudulent activities are taking place (whether within the Company or by others with whom the Company has business), one must report it to the concerned departmental head immediately.
- All the financial transactions will remain within the ambit of Memorandum of Association and Articles of Association of the Company.

Present Board of Directors



Ms. Roohi Raees Khan
Chairperson

Ms. Roohi Raees Khan is an MBA from IBA, Karachi. She completed her B.A. (Economics & Mathematics) from Punjab University. She has over 35 years of experience in various banking segments like Development Banking, Lease Financing, Housing Finance, SME Financing, Islamic Banking, Investment Banking etc. She has about 20 years of experience at senior management level and has served as Chief Executive and Chief Operating Officer and Director on Boards of various Financial Institutions having dealt with policymaking, strategic planning and systems refinement, implementation of control functions, revamping / restructuring and mergers. She has dealt with international lending Institutions like world Bank, Asian Development Bank ,Islamic Development Bank and other multilateral lenders. She represented NDFC for successful negotiation, of credit line to financial sector, from Asian Development Bank.

Ms. Khan has served on Boards of Asian Leasing, Lahore Stock Exchange, International Housing Finance Limited, Mashreq Bank (now Samba Bank), PICIC and Safe Way Mutual Fund. She was also the Chairperson of an Investment Bank before it was merged with a local commercial Bank.

She has also served at senior management level in various organizations. She has been Group Head, Textiles in National Development Finance Corporation, Chief Executive Officer of Asian Leasing, Chief Operating Officer of Trust Investment Bank and Zarai Taraqiati Bank Limited (ZTBL). She had also been acting President of ZTBL during 2011 / 2012 when she was instrumental in bringing about many changes with positive impact on its profitability.

Agriculture sector and related economic and social benefits as well as food security are of special interest to her.

At SNGPL, she has lead the Board by focusing on efficiency, transparency and good governance and defining areas of focus for the Board mainly related to UFG and Cost Control and digitisation. She has headed the UFG Control Committee which was instrumental in directing, guiding and closely vigilating SNGPL UFGCC performance resulting in historical reduction of UFG loss. Another hallmark of the UFGCC has been formulating a detailed UFGC sustainability long term plan which will go a long way in introducing operational efficiency and systems for all times to come.

She also lead the Human Resource Committee which instituted improvements in HR policies to improve transparency as well as organizational efficiency and addressing skill gap. Various motivational measures have been introduced.

The Board has been successful in setting the required direction for progress and growth and to ensure the momentum continues in years to come.

She has constantly devoted time over the past 30 years to various institutions working for the betterment of downtrodden and deprived strata of the society and is an advocate of improving lives and future of the deprived, mainly by catering to the basic right to health, education and equal opportunity to all.



Mr. Amer Tufail
Managing Director / CEO

Mr. Amer Tufail, Managing Director, Sui Northern Gas Pipelines Limited (SNGPL) is a Chartered Accountant by profession having membership with Institute of Chartered Accountants Of Pakistan (ICAP). He joined SNGPL in year 2004 and has held various key management positions last being Deputy Managing Director (Services). Prior to joining SNGPL has worked for large national and multinational organizations in Pakistan and abroad including key multi-lateral funding agencies featuring over 28 years of rich experience in a large variety of disciplines.



Mr. Abrar Ahmed Mirza
Director

Mr. Abrar Ahmed Mirza is Director of Sui Northern Gas Pipelines Limited. He is a career civil servant who has been associated with important Government positions at Federal and Provincial levels, from time to time. He holds over 25 years of extensive experience in Public Administration, Finance, Accounting and Audit. He is currently serving as Additional Secretary (Policy) in Ministry of Energy (Petroleum Division), Government of Pakistan. He has previously worked as Director General Hajj, Joint Secretary, Ministry of Finance, Joint Secretary, Prime Minister's Office, Additional Secretary to Chief Minister Punjab, and District Coordination Officer in Hafizabad, Sheikhpura, and Muzaffargarh.

Mr. Mirza being an experienced person has thorough knowledge of the applicable laws, regulations, legal environment, administrative affairs etc. Mr. Mirza did his M. Phil and M.Sc. from Quaid-e-Azam University, Islamabad. During his career, he has attended numerous trainings from reputed national and international institutions including International Monetary Fund, National School of Public Policy, and LUMS.



Mr. Ahmad Aqeel
Director

Mr. Ahmad Aqeel is a business professional and a qualified lawyer with 20 years of diverse experience in Oil & Gas, Petroleum, Power and Financial Sectors, with a longstanding track record of serving as a Director on the Boards of Public Sector Listed/Unlisted Companies.

Currently serving as a Non-Executive Director on the Board of Sui Northern Gas Pipelines Limited (SNGPL) since 2011, a Non-Executive Director on the Board of National Investment Trust Limited (NITL) and an Independent Director on the Board of Nishat Power Limited (NPL).

Credited with setting up & successfully managing retail business in collaboration with Total PARCO Pakistan Limited for more than seventeen years. As Managing Partner founded & setup the private business venture with Total PARCO the second largest Oil Marketing Company (OMC) in Pakistan.

A Certified Director from Pakistan Institute of Corporate Governance (PICG), enrolled with the databank of the SECP as a Certified Independent Director and meets the eligibility criteria of an Independent Director prescribed under State Owned Enterprises (Governance and Operations) Act 2023. A Ravian and a Law Graduate has been attending local and international workshops, skills training programs and seminars.

A corporate member of Lahore Chamber of Commerce & Industry and a member of Lahore Gymkhana Club.

Present Board of Directors



Syed Akhtar Ali
Director

Syed Akhtar Ali is an eminent energy expert and consultant. His last appointment was as Member Energy, Planning Commission and earlier one as CEO of Karachi Pipe Mill (KPM), a public sector enterprise. He has held other senior management appointments in Pakistan’s public and private sector companies. He has B.E. & M.S. in Mechanical Engineering and was Research Fellow at Harvard University in Energy Policy. He was earlier on the Board of ISGS, SSGC, PPIB and AEDB. He is a Certified Director from Institute of Cost and Management Accountants of Pakistan enrolled with the databank of the PICG.

His expertise and experience has been in the area of Energy Policy Planning, Energy economics, pricing and tariff, Energy projects development, Power plants, pipelines and Renewable Energy, Environment, sustainability and conservation, Climate Change issues, Project development, monitoring and evaluation. He has taught Energy Management at Institute of Business Management. He has written a number of books on Pakistan’s energy issues. He is Chairman – Board Audit Committee of Sui Northern Gas Pipelines Limited.



Mr. Ali Tahir
Director

Mr. Ali Tahir has a rich and varied experience of working in the public, private and development sectors in a career spanning over thirty years.

As an officer of the premier Pakistan Administrative Service, he worked as an administrator in initial years of service in far flung subdivisions of Qalat and Mastung in Balochistan, and then in Lahore, the urban heartland of Punjab. His key senior level assignments have included Secretary to Government of the Punjab, in Planning & Development, Finance, Excise & Taxation, Agriculture, Cooperatives, Management and Professional Development departments and also, Additional Chief Secretary.

From, 2016 to 2020, Mr. Tahir was Pakistan’s Economic and Trade Minister in Washington D.C. In this diplomatic role, he closely interacted with IFIs, multilateral organizations, think tanks, US government agencies, businesses, trade bodies and chambers. He chaired International Cotton Advisory Committee (ICAC), an inter-governmental organization, for one year.

Mr. Tahir worked in the corporate sector prior to joining the Civil Service and in the development sector on secondment from service for a number of years. Currently, he is posted as Additional Finance Secretary, Government of Pakistan. He also represents the government on various corporate boards. Mr. Tahir’s versatile background has equipped him with the ability to appreciate and synthesize cross-cutting perspectives and ideas.

Mr. Tahir holds a BA (Hons) in Philosophy, Politics and Economics from the Oxford University and MA (Economics) from the University of Manchester, UK which he obtained as a Britannia Chevening Scholar. He also contributes to national newspapers from time to time.



Mr. Manzoor Ahmed
Director

Mr. Manzoor Ahmed is Chief Operating Officer (COO) of National Investment Trust Limited (NIT). As COO, he has been successfully managing the operations and investment portfolio worth over Rs. 92 billion. He has experience of over 32 years of the Mutual Fund industry and has been placed at many key positions within NIT that includes capital market operations, investment management, research and liaising with the regulatory authorities. He has also served NIT as its Managing Director (Acting) twice from May 2013 to May 2014 and September 2017 to February 2019. He is M.B.A. and also holds D.A.I.B.P. He has also been the Council Member of The Institute of Bankers Pakistan. Presently, he is pursuing Chartered Financial Analyst (CFA) level III.

Mr. Manzoor Ahmed has vast experience of serving on the Boards of various top ranking companies of Pakistan belonging to the diverse sectors of economy.

Mr. Ahmed has also attended various training courses organized by institutions of international repute like London Business School (LBS) UK, Institute of Directors, London and Financial Markets World, New York (USA).

Currently, he represents NIT as Nominee Director on the Board of Directors of many leading national and multinational companies of Pakistan. Mr. Ahmed is also a Certified Director from Pakistan Institute of Corporate Governance.

Mr. Manzoor Ahmed is also member of the Defence Authority Country and Golf Club – Karachi.



Mr. Mohammad Haroon
Director

Mr. Mohammad Haroon brings with him over two and half decades of diverse experience in two of the most dynamic and vibrant industries, i.e., Oil and Telecommunications.

A Certified Director from Pakistan Institute of Corporate Governance, currently, he is serving as an Independent Director on the Boards of two prestigious Listed Companies:

1. Sui Northern Gas Pipelines Limited (Ministry of Energy, Petroleum Division).
2. Attock Cement Pakistan Limited (Attock Group of Companies).

Earlier, he had a long prolific association with the “Attock Group”, a fully integrated Group of Companies covering all segments of Oil and Gas industry from exploration, production and refining to marketing of a wide range of petroleum products.

He has extensive experience in the “downstream” sector of the oil industry. He has the honor of being one of the primary members of the team that established “Attock Petroleum Limited”, which is, currently, one of the largest OMCs in Pakistan. Apart from heading important departments, he was also a member of its core “Management Committee”.

Mr. Haroon was also involved in a number of marketing and customer care related initiatives for a Telecom giant in Pakistan.

During his professional career, he gained rich experience in Retail Network (Development/Sales), Human Resource, Administration, Business Development, Customer Care and Joint Ventures. He has worked in challenging, diverse, multi-cultural environments, gaining considerable exposure to both corporate environment and regional set-ups at a senior level.

Mr. Haroon likes spending time with his family, going off-road and exploring the mountainous North of Pakistan to enjoy its matchless beauty. He takes keen interest in community services and is a member of the “Lions Club International” and “Rotary International Club”.

He has done Masters in Business Administration and attended a number of management courses in Pakistan and abroad.

Present Board of Directors



Mr. Muhammad Sualeh Ahmed Faruqui
Director

Mr. Muhammad Sualeh Ahmed Faruqui is an officer of Pakistan Administrative Services (PAS) who joined the Civil Service in 1990. Before joining as Secretary Commerce, he has remained posted as Secretary, Trade Development Authority of Pakistan and Chief Executive Officer, Sindh Infrastructure Development Company. Besides, he held various positions at Federal, Provincial and Divisional/District administration levels.

He earned his Masters degree from London School of Economics, UK. He is a Britannia Chevening Scholar and also a Lead International fellow in the field of sustainable development. Further to this, he has been particularly associated with economic, financial and structural reforms initiatives at various levels. During the span of his service, he has widely travelled and represented Pakistan at various international forums.



Mr. Shahbaz Tahir Nadeem
Director

Mr. Shahbaz Tahir Nadeem is a member of the Civil Service of Pakistan (Pakistan Administrative Service) and currently working as the Joint Secretary (Investments/JVs/Development) in the Petroleum Division, Ministry of Energy, Government of Pakistan. He leads the international cooperation segment of the Petroleum Division. His educational qualifications include Commonwealth Masters in Business Administration, LLB and B.Sc (Computer Sciences) besides various professional training stints both inland and abroad. He has vast experience in public sector management working at all the three tiers of government i.e. Federal, Provincial and Local. He has been Project Director KP Investment in Human Capital (World Bank). He has broad experience in social sector, Development Authorities (CDA and PDA) and discharged duties as Director General KP Revenue Authority (Finance Department). Earlier he performed general administrative functions as Deputy Commissioner in Gilgit, Diamer and Hunza districts. His corporate experience includes Board Director at Pakistan Refinery Ltd, Saindak Metals, GHPL, PMDC, ISGS and PPL. He has also served as member of boards of various educational institutions and regulatory authorities in Khyber Pakhtunkhwa. He is committed to public service and has contributed meritoriously in the fields of general administration, economic development and multitier governance.



Dr. Sohail Razi Khan
Director

Dr. Sohail Razi Khan is a corporate Strategy, Oil and Gas business development management consultant with record of achievement in planning, development and growth of oil & gas industry. A highly motivated individual with successful working experience in Oil & Gas and service industries across the world. He has a solid track record working for multinational companies providing corporate strategy, improving the development of business by deploying oil and gas processes and implementing & coordinating efficiency improvement techniques with Affiliate management teams across the operations in Total (E&P) U.K, and Qatar. His entrepreneurial spirit and relationship building skills have allowed him to achieve career growth and a special talent for transmitting strategy into action and achievement. As a change management consultant; successfully secured contracts directly and through consultancy organizations. Contracts fulfilled across U.K according to the client requirements and International standards. He worked as a Management consultant and Training Development Manager responsible for implementing Focused Operational Improvement (FOI) programmes within Exploration and Production to implement and improve processes across the Affiliate. He was also responsible for determining competency requirements for all functions and staff, against the competency standards, and successfully delivered the annual training plan, within budget and on time. He has extensive experience of policy formation, development and execution of IT strategy to support operation by deploying Artificial Intelligence (AI), Big Data Analytics, Cyber Threat Intelligence and Cloud Computing to optimize production, efficiency and improve business processes across the operation. Working for I.P.S.G (U.K) he has managed I.T projects exceeding £10 Million budget, including software development, business process reengineering, processes development, implementation, audit, managing multiple departments and compliance with ISO and European standards. He has valuable company turnaround experience, having used leading management tools and techniques such as Lean Process, Change Management, Outsourcing strategies, I.T Project Management methodologies, Kanban, SDLC, PRINCE 2, PMP, E-business, JDE, ERP and BPM to bring companies from loss to profit and improved the growth in small duration of time. He has a PHD Doctor of Philosophy (Portugal), MBA, MSc and M.A from England which gives him unique skills and advanced subject knowledge how to promote, market an organization to achieve its strategic goals.





Mr. Faisal Iqbal
Chief Financial Officer

A Chartered Accountant from Institute of Chartered Accountants of Pakistan carries over 28 years of diversified experience at various senior management positions. Prior to becoming Chief Financial officer, he was working as Senior General Manager (Audit). Faisal has demonstrated remarkable leadership skills as well as new initiatives to manage number of difficult challenges bringing tangible improvements in the business processes. Over a period of more than 15 years in SNGPL, headed different departments including Audit, Finance, Regulatory Affairs, IT/ MIS and Billing where he introduced new business processes or re-engineered them with an objective to bring efficiency improvement in the control environment.

Prior to joining SNGPL, Faisal was in Kohinoor Group, as General Manager Finance. Prior to Kohinoor, he worked as a Senior Manager in A.F Ferguson & Co, member firm of Price Waterhouse Coopers (PWC) for nearly 13 years wherein he participated and led large number of projects in and outside Pakistan and gained substantial expertise in the implementation and review of accounting, internal control procedures and operations of public and private sector organizations.



Mr. Imtiaz Mehmood
Company Secretary

Mr. Imtiaz Mehmood has over 28 years experience in the fields of Audit, Accounts, Finance, Corporate and Media Affairs. Before taking the charge of Company Secretary, Mr. Mehmood served as Chief Accountant (HO), Secretary Funds and Deputy Company Secretary besides heading the Media Affairs department for one and a half year.

Mr. Mehmood is a fellow member of the Institute of Cost & Management Accountants of Pakistan (ICMAP) and Pakistan Institute of Public Finance Accountants (PIPFA). He also holds a degree of MS in Business Administration (Management). He has certification of Directors Training Program from LUMS. Mr. Mehmood has also attended local and international professional training courses, workshops and conferences.

Mr. Mehmood has also served as Chairman Technical Support Committee at Lahore Branch Council of ICMAP.



Corporate Governance



Good business is all about good corporate governance. This is the main philosophy based on which the Company's business has been successfully operated since its inception. The prime objective of the Company is to protect the interest of all stakeholders through fair, ethical and transparent business practices. The Board has ensured compliance to Code of Corporate Governance by adopting transparent procedures and

methodologies which are constantly being monitored and reviewed through better internal controls. The Board of Directors provides strategic guidance for sustainable growth alongwith effective management oversight in respect of comprehensive corporate governance. All periodic financial statements and working papers for consideration of the Board and

its committees are circulated to the Directors well before the meetings (i.e. at least seven days before the meeting) except in case of an emergent meeting, in order to give sufficient time for informed and prudent decision making. The minutes of the meetings are circulated within fourteen days from the date of meetings, after due clarification from respective Chairperson of the Board and its committees.

BOARD OF DIRECTORS

The Chairperson of the Board and Board Audit Committee are Independent/ Non-Executive Directors. The Board members bring with them a wide range of relevant business, financial and international experience which carries significant weight while decision-making and managerial suggestions who fulfill a vital role of corporate accountability through the advocacy of fairness and transparency within all independent decisions. The Board has formed six committees viz Board Audit, Finance and Procurement, Human Resource and Remuneration, Risk Management & Un-accounted for Gas (UFG) Control, Nomination and IT/Digitization comprising different Board Members, based on their areas of expertise. The Board committees give their best input on different strategic issues as per their mandate.

The names and categories of the Board of Directors and their attendance at Board meetings during the year are given below:

Board Meetings					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Ms. Roohi Raees Khan	Chairperson	Independent / Non-Executive	16	16
02	Syed Ali J. Hamdani	MD / CEO	Executive / Managing Director	16	16
03	Mr. Afan Aziz	Director	Independent / Non-Executive	09	04
04	Mr. Ahmad Aqeel	Director	Non-Executive	16	16
05	Syed Akhtar Ali	Director	Independent / Non-Executive	16	16
06	Mr. Hamed Yaqoob Sheikh	Director	Non-Executive	07	05
07	Mr. Manzoor Ahmed	Director	Non-Executive	16	16
08	Mr. Mohammad Haroon	Director	Independent / Non-Executive	16	16
09	Mr. Muhammad Haroon-ur-Rafique	Director	Non-Executive	16	16
10	Mr. Muhammad Sualeh Ahmed Faruqi	Director	Non-Executive	16	14
11	Dr. Sohail Razi Khan	Director	Independent / Non-Executive	16	16
12	Mr. Yusuf Khan	Director	Non-Executive	09	06
13	Syed Zakria Ali Shah	Director	Non-Executive	13	13

*Held during the period the concerned Director was member of the Board of Directors.

Board Audit Committee

1 Introduction

The Board Audit Committee (BAC) was formed by the Board of Directors (Board) of Sui Northern Gas Pipelines Limited (Company). The primary purpose of the BAC is to assist the Board in fulfilling its responsibility for oversight of the quality and integrity of the financial reporting, internal control, risk management and corporate governance practices of the Company. It may also have such other duties as may from time to time be assigned to it by the Board.

This document defines the Terms of Reference (TORs) of the BAC duly approved by the Board, on the recommendation of BAC.

The BAC shall govern itself in accordance with the applicable laws and regulations, Company policies and directions of the Board.

2 Composition of the Board Audit Committee

- 2.1 BAC shall comprise seven (07) members or otherwise decided by the Board. The number of members shall preferably be odd number.
- 2.2 Members shall be financially literate and majority of them shall be Independent Non-Executive directors including its Chairman however, independent directors shall not be less than their proportionate strength on the Board.

2.3 Chairman / Chairperson Board and Managing Director shall not be members of the BAC.

3 Meetings and Attendance

- 3.1 The quorum for meeting shall be of three (03) members.
- 3.2 The BAC shall meet at least once every quarter of the financial year. These meetings shall be held prior to the approval of interim results of the Company by its Board and after completion of external audit.
- 3.3 A meeting of the BAC shall also be held, if requested by the External auditors, Head of Internal Audit or by Chairman of the BAC.
- 3.4 The Managing Director and the Chief Financial Officer shall not be the members of the BAC but should be available to attend its meetings at the invitation of the Chairman BAC.

- 3.5 The Secretary of the Board Audit Committee will circulate the agenda and relevant working papers, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members within fourteen days of the meeting.
- 3.6 The Chief Financial Officer, Head of Internal Audit and external auditors represented by engagement partner or in his absence any other partner designated by the audit firm shall attend meetings of the BAC at which issues, if any, relating to accounts and audit are discussed.

- 3.7 At least once a year, the BAC shall meet the external auditors without the Chief Financial Officer and the Head of Internal Audit and other executives being present, to ensure independent communication between the external auditors and the BAC.
- 3.8 The BAC shall also meet the Head of Internal Audit and other members of the Internal Audit function at least once a year, without the Chief Financial Officer and the external auditors being present.

4 Roles and Responsibilities of the BAC

- 4.1 The BAC shall have full and explicit authority to investigate any matter and shall be provided with adequate resources and access to all relevant information.
- In the absence of strong grounds to proceed otherwise, the Board shall act in accordance with the recommendations of the BAC in all matters. However, the Board shall not be deemed to absolve itself of its overall responsibility for the functions delegated to the BAC.
- 4.2 The terms of reference of BAC shall include the followings:
- a) determination of appropriate measures to safeguard the Company's assets;
 - b) review of preliminary announcements of results prior to external communication and publication.



- c) review of Related party transactions;

i. All related party transactions/ contracts shall be dealt in accordance with section 208 of the Companies Act 2017, the relevant rules and regulations and related party transactions policy of the Company.

ii. BAC shall review the Related Party Transactions Policy and recommend to the Board for approval.
- d) review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:

i. major judgmental areas;

ii. significant adjustments resulting from the audit;

iii. the going concern assumption;

iv. any changes in accounting policies and practices;

v. Compliance with applicable accounting standards;

vi. Compliance with listing regulations and other statutory and regulatory requirements; and

vii. all related party transactions.

Provided that the Company shall not circulate its financial statements unless the Managing Director and the Chief Financial Officer, present the financial statements, duly certified under their respective signatures, for consideration and approval of the BAC and the Board. The Board shall, after consideration and approval, authorize the signing of financial

statements for issuance and circulation.

e) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);

f) review of management letter issued by external auditors and management’s response thereto;

g) ensuring coordination between the internal and external auditors of the Company;

h) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

i) review of the Company’s statement on internal control systems and Internal audit reports prior to endorsement by the Board;

j) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Managing Director and to consider remittance of any matter to the external auditors or to any other external body;

k) determination of compliance with relevant statutory requirements;

l) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof;

m) overseeing whistle-blowing policy and protection mechanism;
- n) review of arrangement for staff and management to report to Board Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures; and

o) consideration of any other issue or matter as may be assigned by the Board of Directors.

4.3 Where there is a perceived overlap of responsibilities between BAC and any other sub-committee of the Board, the Chairman BAC and the respective Committee’s Chairman shall have the discretion to agree the most appropriate Committee to fulfill any obligation.
- 5Relationship with External Auditors
- 5.1 The Board Audit Committee shall be responsible for managing the relationship of the Company with the external auditors, in managing the Company’s relationship with the external auditors on behalf of the Board, the Board Audit Committee’s responsibilities include:

a) suggesting the appointment of the external auditor to the Board, the audit fee, and any questions of resignation or dismissal;

b) considering the objectives and scope of any non-financial audit or consultancy work proposed to be undertaken by the external auditors, and reviewing the remuneration for this work;

c) discussing with the external auditors before the audit commences the scope of the audit and the extent of reliance on internal audit and other review agencies;
- d) discussing with the external auditors any significant issues from the review of the financial statements by the Management, and any other work undertaken or overseen by the Board Audit Committee;

e) reviewing and considering the external auditors’ communication with Management and Management’s response thereto; and

f) reviewing progress on accepted recommendations from the external auditors.

5.2 The BAC shall ensure that appointment of external auditor is made in accordance with the Companies Act 2017 and the applicable Code of Corporate Governance rules / regulations.
- 6Relationship with Internal Audit Department (IAD)
- 6.1 The relationship with IAD encompasses reporting and oversight relationships, which includes:

a) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is
- appropriately placed within the Company.

b) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management’s response thereto;

c) recommending or approving the hiring or removal of the Head of Internal Audit;

6.2 Procedure for appointment or removal or filling of vacancy of the Head of Internal Audit shall be as follows;

a) terms and conditions of the employment for the position of Head of Internal Audit shall be recommended by the BAC to the Board for its approval.

b) The Acting Head of Internal Audit shall be approved by the Board on the recommendations of the BAC.

6.3 In accordance with IIA standards adopted by the IAD, BAC shall;

a) approve the Internal Audit Charter;

b) approve the Internal Audit Manual;

c) approve the Risk Based Annual Internal Audit Plan;

d) review and recommend the internal audit budget and resource plan;

e) receive communications from the Head of Internal Audit on the internal audit activity’s performance relative to its plan and other significant audit matters;

f) make appropriate inquiries of Management and Head of Internal Audit to determine whether there is inappropriate scope or resource limitation;

g) monitor conformance with IIA standards and best practices by the IAD through Internal and External Assessments under Quality Assurance and Improvement Program;

h) oversee the independence of IAD and ensuring it complies with the ethical requirements.

7Communication & Approval

These TORs shall be reviewed by the BAC to incorporate any change in relevant laws after every three years or as and when deemed necessary by BAC or Board.

The approved TORs shall be communicated to all concerned personnel of the Company, by the Secretary of BAC.

The composition of the Board Audit Committee, category, detail of meetings and Directors’ attendance are given below:

BOARD AUDIT COMMITTEE					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Mr. Afan Aziz	Chairman/Member	Independent / Non-Executive	02	00
02	Syed Akhtar Ali	Chairman/Member	Independent / Non-Executive	08	08
03	Mr. Hamed Yaqoob Sheikh	Member	Non-Executive	04	03
04	Mr. Manzoor Ahmed	Member	Non-Executive	08	08
05	Mr. Mohammad Haroon	Member	Independent / Non-Executive	08	08
06	Dr. Sohail Razi Khan	Member	Independent / Non-Executive	08	08
07	Mr. Yusuf Khan	Member	Non-Executive	03	03
08	Syed Zakria Ali Shah	Member	Non-Executive	06	06

* Held during the period, the concerned Director was member of the Board Audit Committee.

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Achieving new Heights ...the Momentum Continues

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Finance and Procurement Committee

Procedure:

- 1. Number of Members 07
- 2. Quorum will be three members.
- 3. The Committee shall meet as frequently as required.
- 4. The Secretary of the Finance and Procurement Committee will circulate the agenda and relevant supporting data, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members within fourteen days of the meeting.



Objectives & Responsibilities:

The Purpose of the Finance and Procurement Committee is to have an oversight function with respect to financial operations by balancing short- and long-term obligations and goals and to oversee transparency in financial & procurement transactions including compliance with policies and procedure as well as dealing with the suppliers. The scope shall inter alia include:

- a) To review the Strategic Business Plan, investment proposals, policies prepared in pursuit of the corporate objective of the Company and make recommendations to the Board for approval.

b) To review contracts of strategic nature that may have a material impact on the Company's operations and sustainability and make recommendations to the Board for approval.

c) To review the financial position of the Company and apprise the Board of Directors in the matters which may significantly impact the financial condition or operations of the Company.
- d) To review the Operating and Capital Budgets, Revenue Requirements and recommend to the Board of Directors for approval including performance evaluation of its utilization.

e) To examine the Budgetary and Operating limits of authority and recommend to the Board any deviation or any enhancement thereof.

f) To review the contracts or purchase orders including civil works and purchase of land alongwith cost benefit analysis exceeding the financial authority of the Managing Director and make recommendations to the Board for approval.

g) To review and recommend to the Board procurement timelines for goods and services including practices, and strategies to strengthen, streamline and speed-up the procurement process and ensure that the procurement process achieves value for money in delivering the corporate strategy and strategic priorities.
- h) To review the financing strategies including borrowing plans by assessing the requirements with respect to various available options and make recommendations to the Board for approval.

i) To review the Company's policies and procedures for the procurement of goods, and services on the recommendations of the management for bringing improvement thereof.

j) Re-appropriation of Capital and Revenue Budget as proposed by the Management.

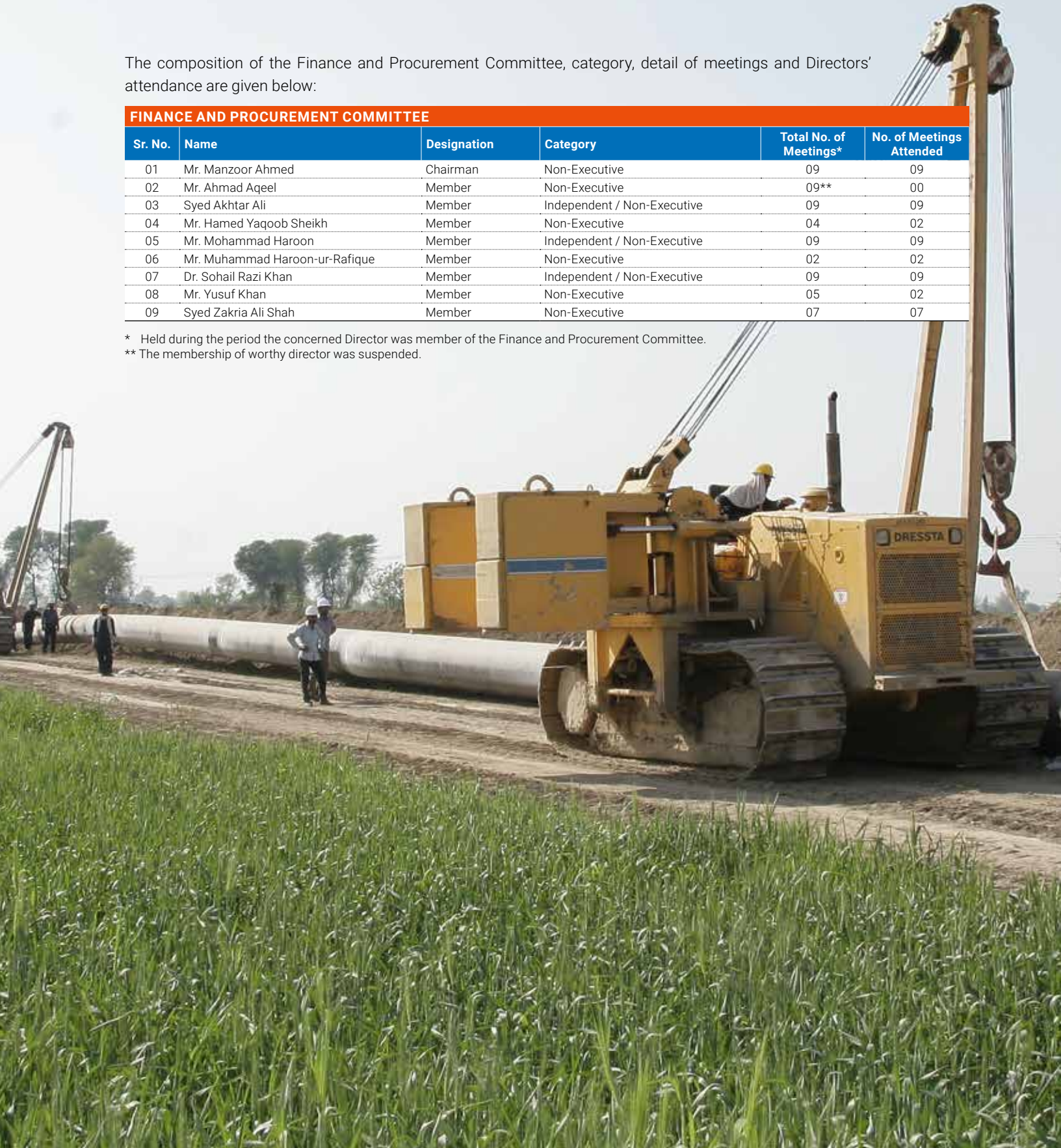
k) Where there is a perceived overlap of responsibilities between the Finance and Procurement Committee, the Risk Management & UFG Control Committee and the Board Audit Committee, the respective Committee Chairmen shall have the discretion to agree the most appropriate Committee to fulfill any obligation.

l) Any other matter entrusted by the Board of Directors.

The composition of the Finance and Procurement Committee, category, detail of meetings and Directors' attendance are given below:

FINANCE AND PROCUREMENT COMMITTEE					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Mr. Manzoor Ahmed	Chairman	Non-Executive	09	09
02	Mr. Ahmad Aqeel	Member	Non-Executive	09**	00
03	Syed Akhtar Ali	Member	Independent / Non-Executive	09	09
04	Mr. Hamed Yaqoob Sheikh	Member	Non-Executive	04	02
05	Mr. Mohammad Haroon	Member	Independent / Non-Executive	09	09
06	Mr. Muhammad Haroon-ur-Rafique	Member	Non-Executive	02	02
07	Dr. Sohail Razi Khan	Member	Independent / Non-Executive	09	09
08	Mr. Yusuf Khan	Member	Non-Executive	05	02
09	Syed Zakria Ali Shah	Member	Non-Executive	07	07

* Held during the period the concerned Director was member of the Finance and Procurement Committee.
** The membership of worthy director was suspended.



Human Resource & Remuneration Committee

- Procedure:**
- 1. Number of Members 05
 - 2. Committee will meet at least once in a quarter.
 - 3. Quorum will be three members.
 - 4. The Secretary of the Human Resource & Remuneration Committee will circulate the agenda and relevant supporting data, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members within fourteen days of the meeting.

Objective & Responsibilities:
The Committee will be responsible for making recommendations to the Board for maintaining:

- 1. Sound human resource management policies;
 - 2. Effective employees development policies;
 - 3. Sound compensation and benefit, policies and practices, designed to attract and retain talent needed to manage the business effectively.
- a) Review organization structure periodically to:
- i. Evaluate and recommend for approval of changes in organization, functions, and relationships affecting Management positions equivalent in importance to those on the Management position schedule;
 - ii. Determine appropriate limits of authority and approval procedures for personnel matters requiring decision at different level of Management.



- b) Review the employees development system to ensure that it:
- i. Foresees the Company's Senior Management requirement;
 - ii. Succession policy for Senior Management positions;
 - iii. Training and development policies.
- c) Compensation and Benefits to ensure talent retention:
- i. Review data of competitive compensation practices and review and evaluate policies and programs through which the corporation/ company compensates its employees;
 - ii. Review salary ranges, compensation for MD/CEO and Senior Management reporting to the MD/CEO.
- d) To recommend to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include to the level of SGM below the chief executive) officer level;
- e) To undertake, annually, a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing therein name and qualifications of such consultant and major terms of his / its appointment;
- f) To recommend to the Board the selection, evaluation, development, compensation (including retirement benefits) of MD/CEO , Chief Financial Officer, Company Secretary, and head of internal audit and up to GMs;
- g) To consider and accord approval on recommendations of MD / Chief Executive Officer on such matters for key management positions who report directly to MD / Chief Executive Officer or Chief Operating Officer;
- h) where human resource and remuneration consultants are appointed, they shall disclose to the committee, their credentials and as to whether they have any other connection with the Company.



The composition of the Human Resource & Remuneration Committee, category, detail of meetings and Directors' attendance are given below:

Human Resource & Remuneration Committee					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Ms. Roohi Raees Khan	Chairperson	Independent / Non-Executive	13	13
02	Syed Ali J. Hamdani	Member	Executive / Managing Director	09	09
03	Mr. Manzoor Ahmed	Member	Non-Executive	13	13
04	Mr. Mohammad Haroon	Member	Independent / Non-Executive	13	12
05	Mr. Muhammad Haroon-ur-Rafique	Member	Non-Executive	13	13
06	Dr. Sohail Razi Khan	Member	Independent / Non-Executive	13	13

* Held during the period the concerned Director was member of the Human Resource and Remuneration Committee.



Risk Management & UFG Control Committee

- Procedure:**
- 1. There shall be minimum five (5) and maximum eight (8) members of the Risk Management and UFG Control Committee.
 - 2. Quorum will be three members.
 - 3. The Committee shall meet as frequently as required.
 - 4. The Secretary of the Risk Management and UFG Control Committee will circulate the agenda and relevant supporting data, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members within fourteen days of the meeting.

- Objective & Responsibilities:**
- A. The Risk Management related responsibilities:**
- The Committee is entrusted to carry out a review of effectiveness of risk management procedures and present a report to the Board. The scope shall inter alia include:
- 1. To review and approve the procedures laid down by the Management about risk assessment and the Company's capability to identify and manage current and new Principal Risk Categories.
 - 2. To review and approve the identification of Strategic; Compliance; Operational and Financial Risks (Principal Risks) to the Company by the Management and approve the strategy devised by the Management to mitigate the Principal Risks.



- 3. To identify internal and external risk trends and concentrations and to consider reports on the nature and extent of the risks being faced by the Company, likelihood of their recurrence and their individual and cumulative impact on the Company's key performance matrix.
 - 4. To assess whether the Company's current exposure to the risks it faces is acceptable and, if not, the ability to reduce such exposure by reference to risk treatment and mitigation options.
 - 5. To review and approve the statements included in the Company's Annual Report and Accounts in relation to the Company's "Principal risks and uncertainties" and the internal controls and assurance in place within the Company for the identification and management of risk.
 - 6. To advise the Board on the Company's overall risk appetite and tolerance/resilience within and outside Principal Risk Categories, taking account of the current and prospective macro-economic, financial, political, business and sector environments.
 - 7. To oversee and advise the Board on the current risk exposures of the Company within and outside the Principal Risk Categories and advise on the Company's future risk strategy.
 - 8. To provide appropriate extent of disclosure of Company's risk framework and internal control system in Directors report.
 - 9. Where there is a perceived overlap of responsibilities between other sub-committees of the Board, the respective Committees' Chairmen shall have the discretion to agree the most appropriate Committee to fulfill any obligation.
- B. The UFG Control related responsibilities:**
- The scope shall inter alia include:
- 1. Review the Management's plan to minimize the UFG losses on periodic basis and present the same to the Board for approval along with its recommendations.
 - 2. Monitor the performance of Management in reduction of UFG.
 - 3. Review status of UFG of the Company.
 - 4. Recommend Company's position vis a vis Government and the Authority regarding different issues.
 - 5. Recommend incentive schemes, policies etc. for reduction of UFG.
 - 6. To review issues pertaining to UFG and Key Monitoring Indicators (KMIs) set by OGRA and guide the Management.

The composition of the Risk Management & UFG Control Committee, category, detail of meetings and Directors' attendance are given below:

Risk Management & UFG Control Committee					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Ms. Roohi Raees Khan	Chairperson	Independent / Non-Executive	05	05
02	Syed Ali J. Hamdani	Member	Executive / Managing Director	03	03
03	Syed Akhtar Ali	Member	Independent / Non-Executive	05	05
04	Mr. Mohammad Haroon	Member	Independent / Non- Executive	05	04
05	Mr. Muhammad Haroon-ur-Rafique	Member	Non-Executive	04	04
06	Mr. Muhammad Sualeh Ahmed Faruqui	Member	Non-Executive	05	04
07	Dr. Sohail Razi Khan	Member	Independent / Non- Executive	05	05

* Held during the period the concerned Director was member of the Risk Management and UFG Control Committee.



Nomination Committee

The procedure alongwith objectives & responsibilities of the Nomination Committee would be as follows:

Procedure:

- 1. There shall be six members of the Nomination Committee.
- 2. The Committee shall meet as frequently as required.
- 3. Quorum will be three members.
- 4. The Secretary of the Nomination Committee will circulate the agenda and relevant supporting data, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members within fourteen days of the meeting.

Objective & Responsibilities:

The Nomination Committee shall be responsible for:

- 1. Considering and making recommendations to the Board in respect of the Board's Committees and the chairmanship of the Board's Committees; and keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary;
- 2. To identify, evaluate and recommend candidates for vacant positions, including casual vacancies, on the Board, including the candidates recommended by the Government for consideration of shareholders or in case of casual vacancy to the board of directors after examining their skills and characteristics that are needed in such candidates;

Provided that the Nomination Committee shall submit its proposal within thirty days of a vacancy arising or on a recommendation made by the Government as the case may be.

- 3. To facilitate the Board in making appointment of the Chief Executive Officer/ Managing Director in accordance with rule 5 of the PSC Rules-2013; and
- 4. Where there is a perceived overlap of responsibilities between Human Resource & Remuneration Committee and Nomination Committee, the respective Committees' Chairmen shall have the discretion to agree the most appropriate Committee to fulfill any obligation.

The composition of the Nomination Committee, category, detail of meetings and Directors' attendance are given below:

Nomination Committee					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Syed Zakria Ali Shah	Chairman	Non-Executive	01	01
02	Mr. Ahmad Aqeel	Member	Non-Executive	01**	00
03	Mr. Afan Aziz	Member	Independent / Non-Executive	01	00
04	Syed Akhtar Ali	Member	Independent / Non-Executive	01	01
05	Mr. Mohammad Haroon	Member	Independent / Non-Executive	01	01
06	Mr. Muhammad Sualeh Ahmed Faruqi	Member	Non-Executive	01	00

* Held during the period the concerned Director was member of the Nomination Committee.
** The membership of worthy director was suspended.



IT / Digitization Committee

Procedure:

- 1. There shall be four directors including the Managing Director on the IT/Digitization Committee.
- 2. The Committee shall meet as frequently as required.
- 3. Quorum will be two members.
- 4. The Secretary of the IT/ Digitization Committee will circulate the agenda and relevant supporting data, minimum seven days before the meeting and will furnish minutes of the meeting to the Board Members.
- 5. Proposed attendees other than Directors
 - DMD (Operations)
 - DMD(Services)
 - Chief Financial Officer
 - GM (IT/MIS)/Secretary to the Committee

Objective & Responsibilities:

The committee is established to develop, Technological innovations and Digitalization in the Company; coordinate and manage the relevant activities across all Company departments and ensure that service improvement and operational efficiency objectives are achieved.

- Review and approve the information technology strategy, priorities and/or structures implemented throughout the Company and its wider group, including the impact of and opportunities from emerging changes in technology for improvement in operations of the Company;
- Review and incorporate new evolving IT technologies to improve internal control environment, streamline processes, and improve the overall operations

- Review and monitor the Company's information management and data governance framework and systems including any current or future legislative requirements
- Review Information Technology (IT), Information Security (IS) and Digital Strategies and relevant policies before submission to the Board;
- Review and monitor the on-going allocation of resources, IT budget and funding required to deliver both the short-term and long-term information technology strategy;
- Ensure appropriate information technology standards and procedures are in place, to include full coverage of any external IT audit requirements;
- Monitor key performance indicators against critical information technology systems and third parties, and ensure actions are taken as necessary;
- Guide and Promote Technological Innovation in Gas Transportation and Distribution and allied area related to Quality, Process and Energy Conservation and Efficiency issues.
- Promote and Guide in the development of Alternative Gas Resources and other Energy Technologies.
- Ensure that resource gaps (people, process & technology) identified by the management are adequately and timely fulfilled.

The composition of the IT/ Digitization Committee, category, detail of meetings and Directors' attendance are given below:

IT / Digitization Committee					
Sr. No.	Name	Designation	Category	Total No. of Meetings*	No. of Meetings Attended
01	Dr. Sohail Razi Khan	Chairman	Independent / Non-Executive	05	05
02	Syed Ali J. Hamdani	Member	Executive / Managing Director	05	04
03	Syed Akhtar Ali	Member	Independent / Non-Executive	05	05
04	Mr. Muhammad Haroon-ur-Rafique	Member	Non-Executive	05	05

* Held during the period the concerned Director was member of the IT / Digitization Committee.

Statement of Compliance

With the Public Sector Companies (Corporate Governance) Rules, 2013 and Listed Companies (Code of Corporate Governance) Regulations, 2019

SCHEDULE-I

Name of Company: Sui Northern Gas Pipelines Limited
Name of the line Ministry: Ministry of Energy (Petroleum Division)
For the year ended: June 30, 2022

- I. This statement is being presented to comply with the Public Sector Companies (Corporate Governance) Rules, 2013 (hereinafter called "the Rules") issued for the purpose of establishing a framework of good governance, whereby a public sector company is managed in compliance with the best practices of public sector governance as well as Listed Companies (Code of Corporate Governance) Regulations, 2019.
- II. The Company has complied with the provisions of the Rules in the following manner:

Sr. No.	Provision of the Rules	Rule No.	Yes	No																																				
1.	The independent directors meet the criteria of independence, as defined under the Rules.	2(d)	✓																																					
2.	<div>The Board has at least one-third of its total members as independent directors. As at June 30, 2022 the Board includes the following except one casual vacancy:</div> <table><thead><tr><th>Name</th><th>Category</th><th>Date of appointment</th></tr></thead><tbody><tr><td>1. Ms. Roohi Raees Khan</td><td>Independent/Non-Executive</td><td>06/07/2020</td></tr><tr><td>2. Syed Ali J. Hamdani*</td><td>Executive</td><td>31/12/2020</td></tr><tr><td>3. Dr. Sohail Razi Khan</td><td>Independent/Non-Executive</td><td>06/07/2020</td></tr><tr><td>4. Mr. Mohammad Haroon</td><td>Independent/Non-Executive</td><td>06/07/2020</td></tr><tr><td>5. Syed Akhtar Ali</td><td>Independent/Non-Executive</td><td>21/07/2020</td></tr><tr><td>6. Mr. Manzoor Ahmed</td><td>Non-Executive</td><td>06/07/2020</td></tr><tr><td>7. Mr. Ahmad Aqeel</td><td>Non-Executive</td><td>06/07/2020</td></tr><tr><td>8. Mr. Muhammad Sualeh Ahmed Faruqui</td><td>Non-Executive</td><td>24/08/2020</td></tr><tr><td>9. Mr. Hamed Yaqoob Sheikh</td><td>Non-Executive</td><td>11/12/2021</td></tr><tr><td>10. Mr. Muhammad Haroon-ur-Rafique</td><td>Non-Executive</td><td>05/05/2021</td></tr><tr><td>11. Syed Zakria Ali Shah</td><td>Non-Executive</td><td>31/08/2021</td></tr></tbody></table> <div>*The number of elected directors on the Board is Eleven (11) whereas the Managing Director is a "deemed director" under section 188(3) of the Companies Act, 2017.</div>	Name	Category	Date of appointment	1. Ms. Roohi Raees Khan	Independent/Non-Executive	06/07/2020	2. Syed Ali J. Hamdani*	Executive	31/12/2020	3. Dr. Sohail Razi Khan	Independent/Non-Executive	06/07/2020	4. Mr. Mohammad Haroon	Independent/Non-Executive	06/07/2020	5. Syed Akhtar Ali	Independent/Non-Executive	21/07/2020	6. Mr. Manzoor Ahmed	Non-Executive	06/07/2020	7. Mr. Ahmad Aqeel	Non-Executive	06/07/2020	8. Mr. Muhammad Sualeh Ahmed Faruqui	Non-Executive	24/08/2020	9. Mr. Hamed Yaqoob Sheikh	Non-Executive	11/12/2021	10. Mr. Muhammad Haroon-ur-Rafique	Non-Executive	05/05/2021	11. Syed Zakria Ali Shah	Non-Executive	31/08/2021	3(2)	✓	
Name	Category	Date of appointment																																						
1. Ms. Roohi Raees Khan	Independent/Non-Executive	06/07/2020																																						
2. Syed Ali J. Hamdani*	Executive	31/12/2020																																						
3. Dr. Sohail Razi Khan	Independent/Non-Executive	06/07/2020																																						
4. Mr. Mohammad Haroon	Independent/Non-Executive	06/07/2020																																						
5. Syed Akhtar Ali	Independent/Non-Executive	21/07/2020																																						
6. Mr. Manzoor Ahmed	Non-Executive	06/07/2020																																						
7. Mr. Ahmad Aqeel	Non-Executive	06/07/2020																																						
8. Mr. Muhammad Sualeh Ahmed Faruqui	Non-Executive	24/08/2020																																						
9. Mr. Hamed Yaqoob Sheikh	Non-Executive	11/12/2021																																						
10. Mr. Muhammad Haroon-ur-Rafique	Non-Executive	05/05/2021																																						
11. Syed Zakria Ali Shah	Non-Executive	31/08/2021																																						
3.	The directors have confirmed that none of them is serving as a director on more than five public sector companies and listed companies simultaneously, except their subsidiaries.	3(5)	✓																																					
4.	The appointing authorities have applied the fit and proper criteria given in the Annexure in making nominations of the persons for election as board members under the provisions of the Act.	3(7)	✓																																					
5.	The Chairperson of the board is working separately from the chief executive of the Company.	4(1)	✓																																					
6.	The Chairperson has been elected by the Board of Directors except where Chairperson of the Board has been appointed by the Government.	4(4)	✓																																					
7.	The Board has evaluated the candidates for the position of the chief executive on the basis of the fit and proper criteria as well as the guidelines specified by the Commission, except where Chief Executive has been nominated by the Government.	5(2)	✓																																					



Sr. No.	Provision of the Rules	Rule No.	Yes	No
8.	<div> <div>(a) The Company has prepared a "Code of Conduct" to ensure that professional standards and corporate values are in place.</div> <div>(b) The Board has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures, including posting the same on the Company's website: www.sngpl.com.pk</div> <div>(c) The Board has set in place adequate systems and controls for the identification and redressal of grievances arising from unethical practices.</div> </div>	5(4)	<div>✓</div> <div>✓</div> <div>✓</div>	
9.	The Board has established a system of sound internal control, to ensure compliance with the fundamental principles of probity and propriety; objectivity, integrity and honesty; and relationship with the stakeholders, in the manner prescribed in the Rules.	5(5)	✓	
10.	The Board has developed and enforced an appropriate conflict of interest policy to lay down circumstances or considerations when a person may be deemed to have actual or potential conflict of interests, and the procedure for disclosing such interest.	5(5)(b)(ii)	✓	
11.	The Board has developed and implemented a policy on anti-corruption to minimize actual or perceived corruption in the Company.	5(5)(b)(vi)	✓	
12.	The Board has ensured equality of opportunity by establishing open and fair procedures for making appointments and for determining terms and conditions of service.	5(5)(c)(ii)	✓	
13.	The Board has ensured compliance with the law as well as the Company's internal rules and procedures relating to public procurement, tender regulations, and purchasing and technical standards, when dealing with suppliers of goods and services.	5(5)(c)(iii)	✓	
14.	The Board has developed a vision or mission statement and corporate strategy of the Company.	5(6)	✓	
15.	The Board has developed significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended, has been maintained.	5(7)	✓	
16.	The Board has quantified the outlay of any action in respect of any service delivered or goods sold by the Company as a public service obligation and has submitted its request for appropriate compensation to the Government for consideration.	5(8)	Not Applicable	
17.	The Board has ensured compliance with policy directions requirements received from the Government.	5(11)	✓	
18.	<div> <div>(a) The Board has met at least four times during the year.</div> <div>(b) Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings.</div> <div>(c) The minutes of the meetings were appropriately recorded and circulated.</div> </div>	<div>6(1)</div> <div>6(2)</div> <div>6(3)</div>	<div>✓</div> <div>✓</div> <div>✓</div>	

Sr. No.	Provision of the Rules	Rule No.	Yes	No																					
19.	The Board has monitored and assessed the performance of senior management on annual basis and held them accountable for accomplishing objectives, goals and key performance indicators set for this purpose.	8(2)	✓																						
20.	The Board has reviewed and approved the related party transactions placed before it after recommendations of the audit committee. A party wise record of transactions entered into with the related parties during the year has been maintained.	9	✓																						
21.	(a) The Board has approved the profit or loss account for, and Statement of Financial Position as at the end of, the first, second and third quarter of the year as well as the financial year end. (b) In case of Listed Public Sector Company, the Board has prepared half yearly accounts and undertaken limited scope review by the auditors. (c) The Board has placed the annual financial statements on the Company's website.	10	✓ ✓ ✓																						
22.	All the Board members underwent an orientation course arranged by the Company to apprise them of the material developments and information as specified in the Rules.	11	✓																						
23.	a) The Board has formed the requisite committees, as specified in the Rules. b) The committees were provided with written term of reference defining their duties, authority and composition. c) The minutes of the meetings of the committees were circulated to all the Board members. d) The committees were chaired by the following non-executive directors: <table border="1"><thead><tr><th>Committee</th><th>Number of Members</th><th>Name of Chair</th></tr></thead><tbody><tr><td>1. Board Audit Committee</td><td>07</td><td>Syed Akhtar Ali</td></tr><tr><td>2. Human Resource & Remuneration Committee</td><td>05</td><td>Ms. Roohi Raees Khan</td></tr><tr><td>3. Finance & Procurement Committee</td><td>07</td><td>Mr. Manzoor Ahmed</td></tr><tr><td>4. Risk Management & UFG Control Committee</td><td>06</td><td>Ms. Roohi Raees Khan</td></tr><tr><td>5. Nomination Committee</td><td>06</td><td>Syed Zakria Ali Shah</td></tr><tr><td>6. IT/Digitization Committee</td><td>04</td><td>Dr. Sohail Razi Khan</td></tr></tbody></table>	Committee	Number of Members	Name of Chair	1. Board Audit Committee	07	Syed Akhtar Ali	2. Human Resource & Remuneration Committee	05	Ms. Roohi Raees Khan	3. Finance & Procurement Committee	07	Mr. Manzoor Ahmed	4. Risk Management & UFG Control Committee	06	Ms. Roohi Raees Khan	5. Nomination Committee	06	Syed Zakria Ali Shah	6. IT/Digitization Committee	04	Dr. Sohail Razi Khan	12	✓ ✓ ✓ ✓	
Committee	Number of Members	Name of Chair																							
1. Board Audit Committee	07	Syed Akhtar Ali																							
2. Human Resource & Remuneration Committee	05	Ms. Roohi Raees Khan																							
3. Finance & Procurement Committee	07	Mr. Manzoor Ahmed																							
4. Risk Management & UFG Control Committee	06	Ms. Roohi Raees Khan																							
5. Nomination Committee	06	Syed Zakria Ali Shah																							
6. IT/Digitization Committee	04	Dr. Sohail Razi Khan																							
24.	The board has approved appointment of Chief Financial Officer, Company Secretary and Chief Internal Auditor, with their remuneration and terms and conditions of employment.	13	✓																						
25.	The Chief Financial Officer and the Company Secretary have requisite qualification prescribed in the Rules.	14	✓																						



Sr. No.	Provision of the Rules	Rule No.	Yes	No																					
26.	The Company has adopted International Financial Reporting Standards notified by the Commission in terms of sub-section (1) of section 225 of the Act.	16	✓																						
27.	The directors' report for this year has been prepared in compliance with the requirements of the Act and the Rules and fully describes the salient matters required to be disclosed.	17	✓																						
28.	The directors, CEO and executives, or their relatives, are not, directly or indirectly, concerned or interested in any contract or arrangement entered into by or on behalf of the Company except those disclosed to the Company.	18	✓																						
29.	(a) A formal and transparent procedure for fixing the remuneration packages of individual directors has been set in place and no director is involved in deciding his own remuneration.	19	✓																						
	(b) The annual report of the Company contains criteria and details of remuneration of each director.		✓																						
30.	The financial statements of the Company were duly endorsed by the chief executive and chief financial officer before consideration and approval of the Board audit committee and the Board.	20	✓																						
31.	<div>The Board has formed Board Audit Committee, with defined and written terms of reference, and having the following members:</div> <table><tr><th>Name of Member</th><th>Category</th><th>Professional Background</th></tr><tr><td>Syed Akhtar Ali</td><td>Independent/Non-Executive</td><td>Engineer</td></tr><tr><td>Mr. Mohammad Haroon</td><td>Independent/Non-Executive</td><td>Consultant</td></tr><tr><td>Dr. Sohail Razi Khan</td><td>Independent/Non-Executive</td><td>Consultant</td></tr><tr><td>Mr. Manzoor Ahmed</td><td>Non-Executive</td><td>COO(NIT)</td></tr><tr><td>Mr. Hamed Yaqoob Sheikh</td><td>Non-Executive</td><td>Government Servant</td></tr><tr><td>Syed Zakria Ali Shah</td><td>Non-Executive</td><td>Government Servant</td></tr></table> <div>The Chief Executive and Chairperson of the Board are not members of the Board Audit Committee.</div>	Name of Member	Category	Professional Background	Syed Akhtar Ali	Independent/Non-Executive	Engineer	Mr. Mohammad Haroon	Independent/Non-Executive	Consultant	Dr. Sohail Razi Khan	Independent/Non-Executive	Consultant	Mr. Manzoor Ahmed	Non-Executive	COO(NIT)	Mr. Hamed Yaqoob Sheikh	Non-Executive	Government Servant	Syed Zakria Ali Shah	Non-Executive	Government Servant	21(1) and 21(2)	✓	
Name of Member	Category	Professional Background																							
Syed Akhtar Ali	Independent/Non-Executive	Engineer																							
Mr. Mohammad Haroon	Independent/Non-Executive	Consultant																							
Dr. Sohail Razi Khan	Independent/Non-Executive	Consultant																							
Mr. Manzoor Ahmed	Non-Executive	COO(NIT)																							
Mr. Hamed Yaqoob Sheikh	Non-Executive	Government Servant																							
Syed Zakria Ali Shah	Non-Executive	Government Servant																							
32.	(a) The chief financial officer, the chief internal auditor, and a representative of the external auditors attended all meetings of the audit committee at which issues relating to accounts and audit were discussed.	21(3)	✓																						
	(b) The audit committee met the external auditors, at least once a year, without the presence of the chief financial officer, the chief internal auditor and other executives.		✓																						
	(c) The audit committee met the chief internal auditor and other members of the internal audit function, at least once a year, without the presence of chief financial officer and the external auditors.		✓																						

Sr. No.	Provision of the Rules	Rule No.	Yes	No
33.	(a) The Board has set up an effective internal audit function, which has an audit charter, duly approved by the audit committee.	22	✓	
	(b) The chief internal auditor has requisite qualification and experience prescribed in the Rules.		✓	
	(c) The internal audit reports have been provided to the external auditors for their review.		✓	
34.	The external auditors of the Company have confirmed that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as applicable in Pakistan.	23(4)	✓	
35.	The auditors have confirmed that they have observed applicable guidelines issued by IFAC with regard to provision of non-audit services.	23(5)	✓	

SCHEDULE-II

Explanation for Non-Compliance

of the Public Sector Companies (Corporate Governance) Rules, 2013

We confirm that all other material requirements envisaged in the Rules have been complied with except of the following, towards which reasonable progress is being made by the Company to seek compliance by the end of next accounting year:

Sr. No.	Rule / Sub-rule No.	Reason for non-compliance	Future course of action
1.	10(a)	Due to delay in holding of the Annual General Meeting for the year 2020-21, the quarterly and half yearly financial statements were delayed.	----

Additional disclosures as required under Listed Companies (Code of Corporate Governance) Regulations, 2019:

- a.

The total number of directors are 12 including Chief Executive Officer as per the following, except one casual vacancy exists:

i)

Male: 10 members

ii)

Female: 1 member
- b.

All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and regulations.
- c.

The Company is complying with Code of Corporate Governance regarding Directors Training Program.
- d.

The meetings of the Board Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
- e.

The meetings of the Board were presided over by the Chairperson and, in his absence, by a director elected by the board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulation of minutes of meeting of board.

f. The Board has formed committees comprising members given below:

A. Board Audit Committee	B. Human Resource & Remuneration Committee	C. Finance & Procurement Committee	D. Risk Management & UFG Control Committee	E. Nomination Committee	F. IT/Digitization Committee
Syed Akhtar Ali <i>Chairman</i>	Ms. Roohi Raees Khan <i>Chairperson</i>	Mr. Manzoor Ahmed <i>Chairman</i>	Ms. Roohi Raees Khan <i>Chairperson</i>	Syed Zakria Ali Shah <i>Chairman</i>	Dr. Sohail Razi Khan <i>Chairman</i>
Mr. Hamed Yaqoob Sheikh	Syed Ali J. Hamdani <i>Managing Director</i>	Syed Akhtar Ali	Syed Ali J. Hamdani, <i>Managing Director</i>	Syed Akhtar Ali	Syed Ali J. Hamdani <i>Managing Director</i>
Mr. Manzoor Ahmed	Mr. Manzoor Ahmed	Mr. Hamed Yaqoob Sheikh	Syed Akhtar Ali	Mr. Mohammad Haroon	Syed Akhtar Ali
Mr. Mohammad Haroon	Mr. Mohammad Haroon	Mr. Mohammad Haroon	Mr. Mohammad Haroon	Mr. Muhammad Sualeh Ahmed Faruqui	Mr. Muhammad Haroon-ur-Rafique
Dr. Sohail Razi Khan	Mr. Muhammad Haroon-ur-Rafique	Dr. Sohail Razi Khan	Mr. Muhammad Haroon-ur-Rafique	*Mr. Ahmad Aqeel	
Syed Zakria Ali Shah	Dr. Sohail Razi Khan	Syed Zakria Ali Shah	Mr. Muhammad Sualeh Ahmed Faruqui		
		*Mr. Ahmad Aqeel	Dr. Sohail Razi Khan		

* The membership of worthy director on the sub-committees of the Board was suspended.

g. The frequency (yearly) of meetings of the Committee’s were as per following:

Committee’s Name	Frequency of Meetings (Yearly)
Board Audit Committee	8
Human Resource & Remuneration Committee	13
Finance and Procurement Committee	9
Risk Management & UFG Control Committee	5
Nomination Committee	1
IT/Digitization Committee	5

- h.

The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
- i.

The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- j.

We confirm that all other material principles enshrined in the CCG have been complied with.



Amer Tufail

Managing Director/CEO

Islamabad
June 26, 2023



Roohi Raees Khan

Chairperson - BOD

Notice of 58th Annual General Meeting



The Notice is hereby given that the 58th Annual General Meeting of the Company will be held on August 01, 2023 at 10:30 a.m. at Pearl Continental Hotel, Lahore for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 57th Annual General Meeting held on July 29, 2022.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended June 30, 2022 together with the Directors' and Auditors' Reports thereon.
3. To consider and approve payment of cash dividend to the shareholders at the rate of Rs. 4.00 per share of Rs. 10/- each i.e. 40% for the year ended June 30, 2022, as recommended by the Board of Directors. This is inclusive of interim cash dividend at the rate of Rs. 2.50 per share of Rs. 10/- each i.e. 25% already paid during the FY 2021-22.
4. To appoint External Auditors for the year ended June 30, 2023 and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if deemed fit, to pass with or without modification the following resolutions for circulation/ dissemination of Annual Audited Financial Statements through QR enabled code and web-link:

RESOLVED THAT circulation/ dissemination of Annual Audited Financial Statements to the shareholders through QR enabled code and web-link as notified by the Securities and Exchange Commission of Pakistan

vide its S.R.O. 389 (1) /2023 dated March 21, 2023, be and is hereby approved.

RESOLVED FURTHER THAT Company Secretary be and is hereby singly authorized to take and do all necessary actions, deeds and things which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution.

6. To transact any other ordinary business of the Company with the permission of the Chairperson.

A Statement of material facts under Section 134(3) of the Companies Act, 2017 relating to the material facts is annexed to this Notice.

The share transfer books of the Company will remain close from July 26, 2023 to August 01, 2023 (both days inclusive). The members whose names appear in the register of members as at the close of business on July 25, 2023 will qualify for the payment of dividend.

By order of the Board


Imtiaz Mehmood
Company Secretary

Islamabad.
June 26, 2023

NOTES:

1. Participation in General Meeting

i. Through Electronic Means (Optional/Recommended Via Video Conferencing)

In the light of the relevant guidelines issued by Securities & Exchange Commission of Pakistan (SECP) from time to time latest vide Circular No 4 dated February 15, 2021 and Circular No. 6 dated March 03, 2021, the shareholders are encouraged to participate in the General Meeting through electronic facility organized by SNGPL. In order to attend the General Meeting through electronic facility, the shareholders are requested to get themselves registered with CDC Share Registrar Services Limited at least 48 hours before the time of General Meeting at cdcsr@cdcsrsl.com or at Whatsapp number **0321-8200864**.

The entitled shareholders whose name appear on the Books of the Company by close of Business on July 25, 2023 will be treated in time for the purpose of attending the meeting and those shareholders are requested to provide the information as per below format:

Sr. No	Folio Number/ CDC Account No.	Name of the shareholder	CNIC Number	Cell Number	Email address

The details of the electronic facility will be sent to the Shareholders at the email addresses provided by them. The login facility will be opened at 10:00 a.m. on August 01, 2023 enabling the participants to join the proceedings after identification and verification process before joining the meeting which will start at 10:30 a.m. sharp.

ii) Attending Meeting In Person Or Through Proxies

- a. All members, entitled to attend and vote at the General Meeting, are entitled to appoint any person in writing as their proxy to attend and vote on their behalf. A legal entity, being a member, may also appoint any person as proxy. However, 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.

- b. The proxy instrument must be completed in all respects and in order to be effective should be deposited at the Office of the Company Secretary but not later than 48 hours before the time of holding the meeting.
- c. 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.

Guidelines for CDC Account Holders:

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending The Meeting

- 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 authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.
- ii) In case of legal entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies

- 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.

2. Voting Through E-voting and Postal Ballot Paper:

- a. Pursuant to the Companies (Postal Ballot) Regulations, 2018 for the purpose of special business and for any other agenda item subject to the requirements of sections 143 and 144 of the Companies Act, 2017. Accordingly, the Company shall publish the ballot paper and information as provided in sub-regulation 8(1) in newspapers and also upload the ballot paper on its website not later than seven days before the general meeting.
- b. Voting lines will be opened for the shareholders from July 27, 2023 at 9:00 a.m. till July 31, 2023, at 5:00 p.m.
- c. The shareholders shall ensure duly filled and signed ballot paper along with copy of CNIC, in case of individual and in case of body corporate, acceptable identification documents should reach the chairperson of the meeting through post at Gas House, 21-Kashmir Road, Lahore or by email at **agm@sngpl.com.pk**, one (01) day before the day of poll i.e. July 31, 2023 during working hours.

3. Submission of copy of CNIC/NTN Certificate (Mandatory):

Please provide valid copy of CNIC/NTN to our Shares Registrar, in case of physical shareholders and in case of CDC account to its Participant/Investor Account Services.

In case of non-availability of CNIC/NTN of shareholders, the Company will be constrained to withhold payment of dividend to shareholders as

per Section 243 of the Companies Act, 2017 and Regulation No. 6 of the Companies (Distribution of Dividend) Regulations, 2017.

Physical shareholders are also requested to please update their other particulars i.e. Contact number, email address, residential address etc. through letter appending their signatures.

4. Deduction of Income Tax from Dividend:

Pursuant to the provision of Finance Act the income tax from dividend payment under section 150 of the Income Tax Ordinance, 2001 shall be deducted as per applicable rates for Filers and Non Filers.

All members may check their status from the Active Tax Payers list available on FBR website.

Please note that the Shares Registrar will check status of the members (Filer or Non Filer) from the Active Tax Payers list on the basis of valid CNIC/NTN numbers and would deduct tax as per provisions of the law. Furthermore, in case of Joint holder(s) according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint holder(s) based on their shareholding proportions. In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Sui Northern Gas Pipelines Limited		
Folio /CDC Account No.		
Total No. of Shares held		
Principal Shareholder	Name & CNIC No.	
	Shareholding Proportion (No. of Shares)	
Joint Shareholder	Name & CNIC No.	
	Shareholding Proportion (No. of Shares)	

The above information must reach our Share Registrar by the close of business on July 25, 2023; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).

5. Mandatory requirement of Bank Account Details for Electronic Credit of Cash Dividend Payment:

Section 242 of the Companies Act, 2017 stipulates that in case of a listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the

entitled shareholders. It is requested to provide the information on following format duly signed along with a copy of valid CNIC to your respective CDC Participant / CDC Investor Account Services in case of Book Entry Form or to our Shares Registrar, in case of Physical Form at the earliest.

[illegible]

The e-dividend mandate form is also available on the Company's website: **www.sngpl.com.pk**.

6. Dissemination of Annual Audited Accounts for the year ended June 30, 2022 through CD/DVD/USB:

The Securities and Exchange Commission of Pakistan vide SRO No. 470(I)/2016 dated May 31, 2016, has allowed listed companies to disseminate their Annual Audited Accounts (i.e. the Annual Balance Sheet and Profit and Loss Account, Auditors Report and Director's report) to its members through CD/DVD/USB at their registered address instead of sending them in hard copy.

Pursuant to the approval of shareholders, the Annual Audited Financial statements of the Company for the year ended June 30, 2022, are being circulated to the members through CD/DVD. However, shareholder may request to provide a hard copy of Annual Accounts.

7. Availability of Annual Audited Financial Statements on the Company's website:

In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2022 are available on the Company's website i.e. **www.sngpl.com.pk**.

8. Transmission of Annual Audited Financial Statements and Annual General Meeting Notice through e-mail (optional):

In pursuance of the direction, Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I)/2014 dated September 8, 2014, those shareholders who desire to receive the Company's Annual Audited Financial Statements and Annual General Meeting Notices through e-mail are requested to fill the requisite form available on Company's website i.e. **www.sngpl.com.pk**.

9. Conversion of Physical shareholding in Book-Entry Form:

Securities and Exchange Commission of Pakistan has issued directions vide letter No. CSD/ED/Misc./2016/639-640 dated March 26, 2021 in the light of Section 72 of Companies Act, 2017 that every existing listed company shall be required to replace its physical shares with Book-Entry Form within the period not exceeding four years from the promulgation of the Act i.e. May 30, 2017. In order to ensure compliance with the aforesaid provision and to be benefited of the holding of shares in Book-Entry Form, all shareholders who still hold shares in physical form are encouraged to open CDC sub-Account with any of broker or investor account directly with CDC to convert their shares in Book-Entry Form. This will benefits the valued shareholders in many ways, including safe custody/online trading of shares, easy transfer of ownership, no risk of damage/lost/duplicate shares, instant credit of entitlements (bonus/right issue).

10. Unclaimed Dividends And Shares:

As per the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company which have remained unclaimed/ unpaid after having completed the stipulated procedure, of three (3) years and more from the date on which it was due and payable, shall be deposited to the credit of Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to SECP after issuance of notices to the shareholders to file their claim. Shareholders of the Company are hereby informed that as per our record there are some unclaimed/uncollected / unpaid dividends and shares. Shareholders who could not collect their dividends/shares are advised to contact the Share Registrar to enquire/ collect about their unclaimed dividend or shares, if any. In case, no claim is lodged, the Company shall proceed to deposit the unclaimed/ unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of Companies Act, 2017.

Registered Office

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

Share Registrar

CDC Share Registrar Services Limited

Lahore Office:

Mezzanine Floor, South Tower, LSE Plaza,
19-Khayaban-e-Aiwan-e-Iqbal, Lahore (Pakistan)
Tel: +92-42-36362061-66
Fax: +92-42-36300072

Karachi Office:

CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi (Pakistan).
Tel: +92-21-111-111-500
Fax: +92-21-34326053
Website: www.cdcsrsl.com

Statement of Material
Facts Under Section 134(3)
of the Companies Act, 2017

The Securities and Exchange Commission of Pakistan ("SECP") through its Notification No. S.R.O 389(I)/2023 dated March 21, 2023, has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink.

The approval of the shareholders has to be obtained in the general meeting to circulate the annual audited financial statements to its members through QR enabled code and weblink.

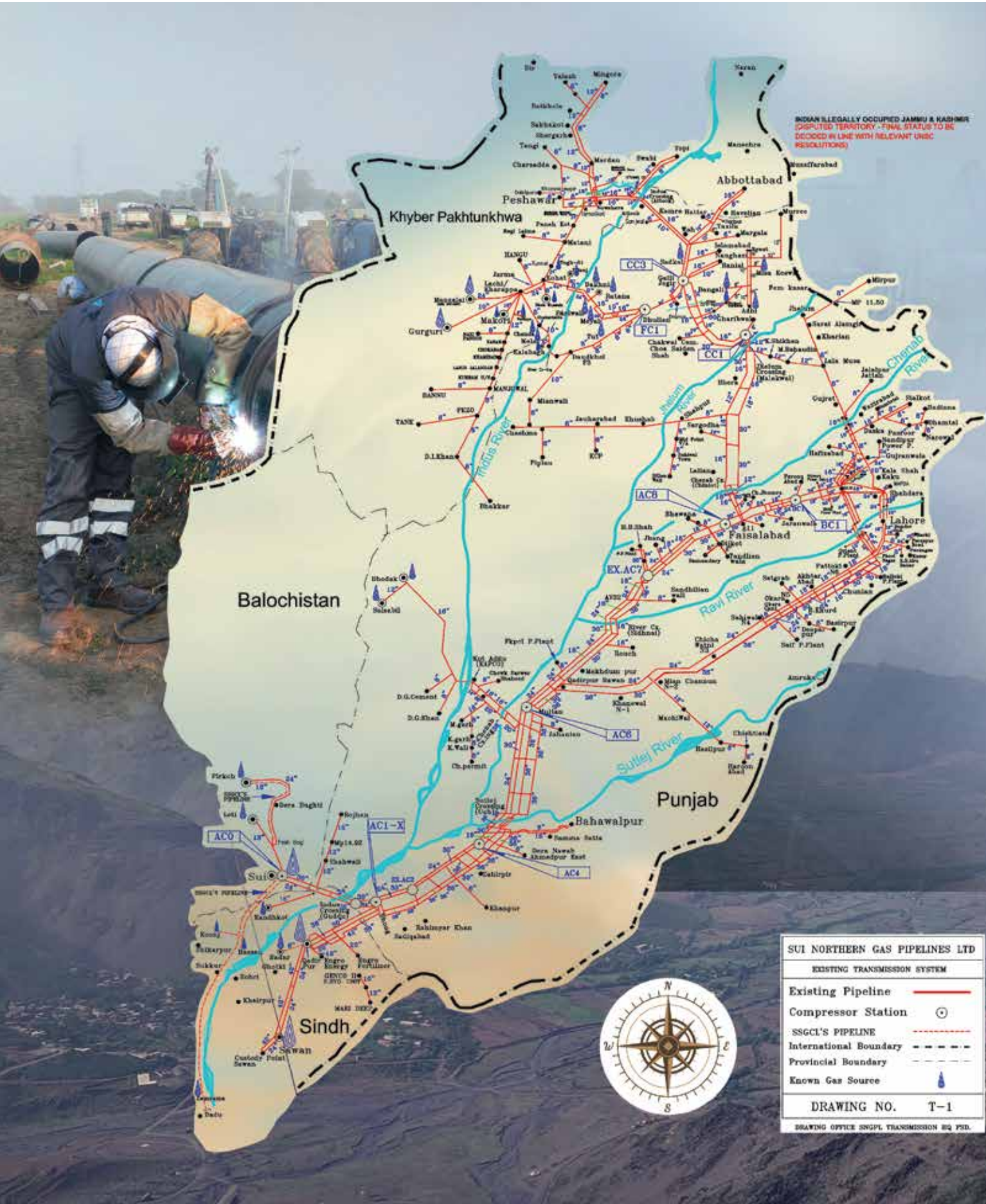
A shareholder may request the Company Secretary or Share Registrar of the Company to provide a hard copy of Annual Audited Accounts, and the same will be provided at shareholder's registered addresses, free of cost within one week of the demand. In this regard, the Company's designated email address / Share Registrar email address will be placed on website of the Company. A shareholder may also prefer to receive hard copies for all future Annual Audited Accounts.

None of the Directors of the Company has any direct or indirect interest in this business, except that has been disclosed by the Director(s).



Transmission System and Network

As at June 30, 2022



Chairperson's Review and Directors' Report



Roohi Raees Khan
Chairperson

The Board of Directors are pleased to present the 59th Annual Report and the Audited Financial Statements of your Company for the Financial Year ended June 30, 2022 along with the Auditors' Report thereon.

ENERGY OVERVIEW

Pakistan's energy landscape is predominantly dependent on natural gas, which accounts for a significant portion of its energy mix. Natural gas plays a crucial role in various sectors, including power generation, industrial processes, and residential use. However, the Country faces immense challenge of increasing demand-supply gap primarily due to increase in customer base and depletion of non-replenishable indigenous gas resources. Resultantly there is a growing need to diversify the energy portfolio by exploring alternative sources and reducing reliance on gas. Pakistan's dependence on liquefied natural gas (LNG) has increased in recent years due to depleting indigenous natural gas deposits. Pakistan's energy requirements are increasing and

demand for energy in the coming decades will rise substantially. As a gas distribution company, SNGPL has been addressing this issue by implementing efficient gas load management strategies, reducing Un-Accounted for Gas (UFG) losses, and promoting conservation campaigns to utilise gas prudently.

FINANCIAL REVIEW

We are pleased to present the audited financial statements of your Company for the Year ended June 30, 2022, after incorporating the determination of Final Revenue Requirements (FRR) of the Company for the year 2021-22 by Oil and Gas Regulatory Authority (OGRA). Your Company during the year has earned a profit before tax of Rs. 15,504 million. Profit after tax for the year has been recorded at Rs. 10,366 million and EPS as Rs. 16.34 as compared to profit after tax of Rs. 10,986 million and EPS of Rs. 17.32 during the corresponding period of last year. Your Company is pleased to announce a final cash dividend of Rs. 1.5 per share in addition to interim cash dividend of Rs. 2.5 per share.

The summary of financial results for the year under review is given below:

	(Rs. in million)
Profit before taxation	15,504
Provision for taxation	(5,138)
Profit after taxation	10,366



Amer Tufail
Managing Director / CEO



Some of the significant factors which helped your Company to maintain the profit situation are set out below:

- a) During FY 2020-21, the Board of your Company had set an ambitious target of reduction of UFG losses by 12 bcf as compared to the MOE(PD) target of 6 bcf. The momentum achieved through reduction of nearly 15 bcf in 2020-21 continued and your Company managed to reduce losses by another 4 bcf in 2021-22. Accordingly, in FY 2021-22 UFG percentage has been further reduced from 8.60% to 8.06% and consequent UFG disallowance has also decreased from Rs. 3,426 million in FY 2020-21 to Rs. 2,498 million in FY 2021-22. The substantial reduction in UFG losses has been achieved by the guidance provided by the Board in setting ambitious targets for UFG reduction and concerted efforts by the Management and staff of the Company.
- b) During the year the Company's UFG benchmark was set by the regulator at 6.98% based on

the achievement of 76.23% key monitoring indicators (KMIs) as determined in FRR for FY 2021-22.

- c) The slight decrease in profit was mainly due to OGRA's other disallowances on account of various operating costs, an increase in non-operating finance costs due to increased interest rates during the year, inconsistent treatment of RLNG related finance income and expense and a decrease in the rate of return on assets from 17.43% to 16.60%.

The Company operates under a license issued by OGRA under which return on assets is set under a WACC model based on which the rate of return for the year was 16.60%. After making all adjustments of disallowances made by the regulator, the effective rate of return for the year comes out to be 12.88% as against 12.64% in the corresponding year.

In order to sustain the achieved UFG targets, your Company is taking several steps including but not limited to, large scale rehabilitation of the

network, increased surveillance, particular monitoring of areas susceptible to gas pilferage, timely leakage detection and its rectification and continuous checking and up gradation of measurement facilities etc.

Your Company is part of Gas sector circular debt mainly due to accumulation of tariff adjustment of Rs. 602 billion in indigenous gas and RLNG segments and retainage of certain volumes of RLNG by SSGC. The recoverability of these amounts is dependent upon settlement of the circular debt by the Federal Government directly or indirectly inter alia including an increase in future gas prices, payment as a cash subsidy and settlement of account with SSGC.

During the year under review, certain steps have been taken by the Government for resolution of the issue of Circular debt which include amendment in section 8 of Oil and Gas Regulatory Authority Ordinance, 2002 making mandatory for the Federal Government to ensure that the category wise Sales price advised by it are not less than the revenue requirement determined by the Authority. This Amendment, will help resolve the issue of the accumulation of circular debt in future. The Company during the year under review has received more than Rs. 60 billion from Government as subsidy for partial settlement of circular debt



on account of diversion of RLNG to domestic sector. Additionally, the Federal Government has revised indigenous gas prices w.e.f. January 01, 2023. The practice if continued, will help the Company to reduce Circular debt substantially.

SIGNIFICANT CHALLENGES FACED BY THE COMPANY
Your Company is facing a number of challenges at strategic, operational and financial fronts including but not limited to lack of full cost reflective prices, rapid depletion of indigenous gas sources and improvement in Customer Services. Your Company is continuously making efforts to address these challenges.

1 Full Cost Reflective Price
RLNG: Pursuant to GoP directions, your Company is constrained to divert RLNG towards domestic sector at system gas prices. Resultantly, an amount of Rs. 188 billion has accumulated under this head. Due to subsidized tariff coupled with delayed

release of subsidies, accumulation of refundable sales tax, your Company's ability to pay RLNG suppliers i.e. PSO & PLL has reduced. Your Company has taken various steps to sensitize the matter at appropriate forums for early settlement of these balances.

System Gas: Receivable in respect of system / indigenous gas of SNGPL has accumulated to over Rs. 400 Billion. Settlement of this amount would require rationalization of Gas Sale Prices which has been pending for quite some time. Over 90% of the domestic consumers avail the highly subsidized tariff therefore, in order to meet the full cost reflective prices an appropriate revision in sales price is inevitable. From January 2023, Federal Government has revised the Consumer prices which is expected to cover large portion of shortfall for FY 2023. Going forward it would be essential to continue to bridge the shortfall through timely revision of sales prices especially for domestic sector to address further accumulation of shortfall.

2 Rapid Depletion of Indigenous Gas Sources

Your Company is facing a peculiar situation at this time owing to depleting local gas supplies every year and increasing demand as a consequence of extension of network towards new towns and new economic zones, in line with Socio-Economic Agenda of the Federal Government. The situation has increased SNGPL's dependence on RLNG while its share has now reached to a level of nearly 50% of the total supplies.





LNG infrastructure - Challenges

The gap between demand and supply is to be bridged through import of RLNG. Currently, two (2) terminals with total capacity of regasification of 1200 MMCFD are operative. Moreover, the existing RLNG transportation capacity is around 1200 MMCFD from south to north of the country which in long run is not sufficient to meet shortfall on SNGPL's network.

New LNG Terminals

Establishment of new LNG terminals are also very important to meet the country's gas requirements in the long run. Two organizations have already shown their willingness to establish LNG terminals and we understand that they are in process of completion of requisite formalities.

3 Customer Services

Customer Service has always been the core value in SNGPL's policies and decision-making. Customer Service issues arise mainly in winter months due to increased demand of more than 7 million domestic consumers as against limited supplies. In order to address consumer complaints, your Company has established infrastructure of 16 Regional

Offices, 35 Sub-regional Offices, 91 Customer Services Centers and 177 Complaint Centers across Punjab, Khyber Pakhtunkhwa, Islamabad Capital Territory and Azad Jammu & Kashmir. Despite limited human resources, SNGPL has been able to mitigate this challenge through the provision of regular trainings to the employees of the Customer Services department and various initiatives under Technology Implementation Programs (TIPs). In addition, effective monitoring of complaints launched on 'Pakistan Citizen Portal' (PCP) under the Prime Minister's Performance Delivery Unit (PMDU) was ensured. Moreover, utilizing the electronic media for a better outreach, your Company is holding e-Kacheris on monthly basis across all regions of the Company by the Regional Heads. In addition, separate e-Kacheri is also being held directly by the Managing Director on regular

basis supervising the overall customer services at Company level.

OPERATIONAL REVIEW

The transmission network of your Company has extended to 9,051.57 KMs high pressure pipelines, ranging from 6 inches to 42 inches diameter, across its area of franchise. During the year, 108 new towns, villages were connected with the existing system by laying 3,328 KMs of distribution mains and service lines, extending the distribution network to a total of 146,327 KMs. A total of 5,392 towns, villages, District Head Quarters and Tehsil Head Quarters now exist on the Company's network. The Company in line with its Vision and Mission Statements has improved the quality of life of its consumers by providing 189,020 new gas connections during the year under review.

PROJECTS

During the year your Company has laid 104.50 KMs Transmission Lines with diameters ranging from 8" to 24". In addition to Transmission Lines, 554.204 KMs of Distribution mains were laid during this fiscal year 2021-22 for improving pressure and supplying gas to new towns which has enhanced customer satisfaction level.

Your Company is working on developing digital maps of Transmission and Distribution systems through utilization

of Geographic Information System (GIS) technology. GIS maps are helping the management and users to visualize the pipeline network and customers related information through interactive Web-Apps and GIS Dashboards. Your Company has digitized the Complete Transmission network, geo tagged the complete active consumer locations while Distribution pipeline network (4"-24" dia) of five cities has been digitized. Moreover, a comprehensive GIS project has been launched for digitization of remaining distribution pipeline maps. As part of the initiative, a state-of-the-art GIS Lab has also been established to carry out all GIS related development and implementation activities.



ON GOING AND FUTURE PROJECTS

1 Special Economic Zones

In view of the Plan for the development of infrastructure for promoting Industrialization under CPEC, the GOP has identified Allama Iqbal Industrial Estate, M3 Industrial City, Faisalabad and Bhalwal Industrial City as early harvest projects and they intend to develop these Special Economic Zones (SEZ) on priority.

In order to supply gas to above mentioned early harvest SEZ projects, following gas pipeline infrastructure has been planned by your Company:

- Transmission spur - 12"dia x 19.75 Km starting from Chiniot to terminal point along with SMS cum CMS having Capacity of 40 MMCFD for supply of gas to Allama Iqbal Industrial City SEZ. After necessary approvals construction activities were initiated and significant portion of this segment has been laid during the year under review.
- In addition to existing gas supply of 25 MMCFD, the Company has also planned gas infrastructure development project for additional supply of 15 MMCFD gas to M3 Industrial City, Faisalabad on 100 % cost sharing basis which comprises of 8"dia x 15.60 Km transmission loop line starting from CV-3 Valve Assembly near Chiniot to terminal point near existing M3 Industrial City SMS.
- Company has planned gas infrastructure development project for the supply of 10 MMCFD gas to Bhalwal Industrial City to be laid on 100 % cost sharing basis which comprises of 8"dia x 12.25 Km transmission spur starting from MP-66 C-Leg to terminal at Bhalwal Industrial City SEZ along with SMS cum CMS having capacity of 10 MMCFD inside the boundary wall of Bhalwal Industrial City SEZ. The above project was approved by Company's Board of Directors. Material procurement of the project is under process. Project construction activities are likely to commence soon.

2 Augmentation / Bifurcation of Lahore Distribution Network

Your Company has planned and approved a comprehensive project for augmentation / bifurcation of gas network in Lahore city in order to operate Gas Distribution network of Lahore City optimally by adding new feed points (SMSs / New transmission spurs) & Bifurcation of gas loads/ network of Lahore City. In phase-II, for 8" dia x 16.00 KM Transmission Line from Barki to proposed SMS Dial and 16" dia x 6.5 KM from Manga Mandi to Sunder Industrial Estate Survey and Engineering Design of the Project has been completed. Material procurement is under progress. Construction activities of both pipelines are likely to commence soon.

3 Transmission Pipeline from Chiniot to Pindi Bhattian, 8" dia x 25.20 Km:

A project for the supply of gas to various villages of District Hafizabad, has been approved which comprises of laying of 8" dia x 25.20 Km transmission spur, 6" dia x 32.00 Km supply main along with construction of SMS having capacity of 10 MMCFD. Your Company has laid 25.08 kms of the pipeline out of 25.20 Km required network.

4 Transmission Pipeline from Charsadda-Khazana-Tangi, 10" dia x 72.55 Km

In order to address the acute low gas pressure issues during winter season in Mardan and Peshawar regions in view of system capacity constraints, Company has planned to undertake the system augmentation in following two phases:

Phase-I

Out of 10" dia x 27.75 Km Charsadda Offtake (Gulabad) - Charsadda transmission loopline, 25.21 Km of the pipeline has been laid at site, however, 10" dia x 20.80 KM Charsadda - Khazana transmission loopline, 14.45 Km of the pipeline has been laid at site.

Phase-II

Survey and Engineering design of 10" dia x 24 Km Charsadda -Tangi transmission loopline has been completed. Construction activities are likely to commence soon.



5 Transmission Pipeline from Bannu West Well-1 to Daudkhel, 18" dia x 230.00 Km

In order to connect newly discovered Bannu West and Wali gas fields with SNGPL transmission network, laying of the requisite pipeline infrastructure has been initiated which shall be able to inject gas upto 40 MMCFD from Bannu West gas field (well # 1) and 30 MMCFD gas from Wali gas field (well # 1) for supply of gas to Bannu, D.I Khan, Lucky Marwat and adjoining areas. Subsequent to year end, connectivity with Wali gas field has been completed and gas has started flowing into SNGPL network.

6 Transmission pipeline from Sheikh Dheri to Yar Hussain, 8" dia x 22.50 Km

A project for the supply of gas to various villages of NA-12, District Swabi, has been approved which comprises of laying 8" dia x 22.50 Km transmission pipeline out of which 22.03 Km pipeline has been laid at site.

7 Augmentation / bifurcation of Gas networks of Islamabad and Rawalpindi Cities

A project of augmentation and bifurcation of distribution networks of Islamabad and Rawalpindi cities has been planned to address the low gas pressure issues of tail end consumers. The Project comprises of following supply mains:

1. 24" dia x 11 Km (Commissioned office to Convention Center)
2. 24" dia x 4.5 Km (Sarena Hotel to Trail-3 Parking)
3. 10" dia x 0.85 Km (PTA HQ to HBL Tower)
4. 18" dia x 13.65 Km (SMS Raniyal to RS Silan)
5. 16" dia x 15 Km (SMS Bara Kahu to Athal Chowk)

Survey and Engineering design of the project has been completed while material procurement is under progress.





BUSINESS DEVELOPMENT

Your Company is undertaking pipeline engineering and construction jobs of MOL Pakistan's flow line / trunk lines and Fiber Optic Cable in District Kohat / Hangu for different gas fields including Maramzai, Manzalai, Mamikhel, Makori Deep-1, Tolanj West and Makori for the last fifteen years.

- 1. Currently, MOL has awarded 6" dia x 0.5 KM Tolanj West-2 flow line along with double FOC laying to SNGPL. The construction activities of the project are under progress. The award of project by MOL without bidding to SNGPL shows the trust in high standards of construction services maintained by your Company.
- 2. Fauji Fertilizer Company Limited (FFC) has entrusted the construction of gas infrastructure development project to your Company involving 20" dia x 14 Km transmission spur from QV-2

Valve Assembly to FFC facilities at Mirpur Mathelo for the provision of 105 MMCFD gas.

- 3. Your Company is laying pipeline for Special Economic Zone as a contractor and now the Company is in process of providing Operation and Maintenance services to the Special Economic Zone Development Companies for their gas internal distribution pipeline network. Consideration of such services shall be claimed from SEZ owners under the respective agreement.
- 4. Your Company has also started work for the installation of Bio Gas plant to meet the green initiative requirements as per the direction of Board. In this regard, the Company has issued Expression of Interest (EOI) to few parties and feasibility reports of installation of Bio Gas Plants is under preparation.

- 5. Your Company is also undertaking green office initiative against which process for installation of solar systems at Islamabad and Lahore offices has been initiated.
- 6. Your Company welcomes the opening of gas market to the third Party Shippers who are bringing their own gas for transportation of the same through available capacity in SNGPL network. Available capacities are being uploaded regularly on Company's website in compliance with TPA Rules and Pakistan Gas Network Code. Your Company is already transporting gas for one of the local shippers and is expecting other shippers to join the transportation network near future. This will enable your Company to fully utilize the available capacities and generate additional revenues.



CUSTOMER SERVICES

Customer satisfaction has always been a core value in policies and decision making which is amply reflected in our Vision and Mission. Your Company has 16 Regional Offices, 36 Sub-regional Offices, 41 Customer Services Centers and 86 Complaint Centers, across Punjab, Khyber Pakhtunkhwa, Islamabad Capital Territory and Azad Jammu & Kashmir to receive and rectify the complaints from more than 7.4 million consumers. The Complaint Centers operate round the clock on 365 days of the year to handle emergencies. Besides these offices, your Company has made arrangements for Call Center (24/7) to receive all types of complaints and to forward them to concerned offices for redressal. The Call Center can be accessed through a short code number 1199 from mobile or landline number within Company's area of operation. Furthermore, complaints can also be lodged round the clock 365 days of the year on following platforms:

- | |
|--|
| 1. Walk-in customers at Complaint Centers (CCs) |
| 2. Customer Care Kiosks in public places like malls, airports etc. to facilitate the general public. |
| 3. Landline number mentioned on top right of customer's monthly gas bill |
| 4. Company's website: "www.sngpl.com.pk" |
| 5. Company's Facebook account: "www.facebook.com/SNGPLofficial" |
| 6. Company's Twitter account: "www.twitter.com/SNGPLofficial" |
| 7. Company's YouTube account: "www.youtube.com/SNGPLofficial" |
| 8. Company's Instagram account: "www.instagram.com/sngplofficial" |
| 9. Smartphone application "SNGPL ConnectOn" |
| 10. Prime Minister's Delivery Unit (PMDU) |

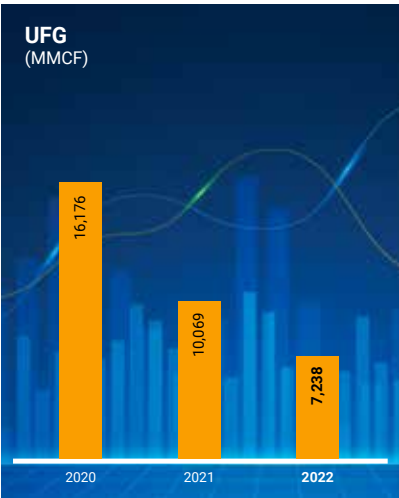
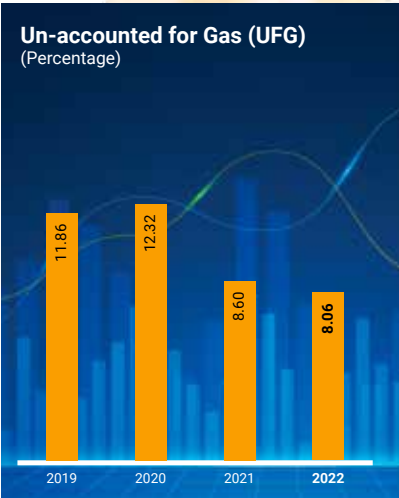
The received complaints are routed to designated offices through Oracle based Customer Care & Billing (CC&B) software. The complaint rectification teams in all Complaint Centers are equipped with proper tools, equipment and transport for prompt action as per standards laid down by Oil & Gas Regulatory Authority (OGRA).

Your Company has also initiated SMS based feedback mechanism from the consumers which will significantly help your Company improve governance, timeliness and quality of the services.

UNACCOUNTED FOR GAS CONTROL

UFG control is prime concern for the Company due to its direct impact on Company's profitability as well as operations of the Company. In line with the direction of the Board and Un-Accounted for Gas Control Committee, the management issues directives to distribution regions from time to time for taking different measures to reduce the UFG losses. Your Company is pursuing a 3 Years UFG Reduction Plan w.e.f. FY 2019-20 to FY 2021-22 and was expected to reduce 18 bcf gas in three years.

As a result of the guidance, monitoring and periodic performance review by the Management and untiring efforts by field teams, the Company has exceeded the 3 years UFG reduction targets assigned by Board. The overall reduction achieved in volumetric loss is 23,353 MMCF (i.e. achieving 128% of the volume reduction Target) while in percentage it is 3.80%. This reduction in volumetric loss translates into financial saving of Rs. 14,972 Million (@ avg. cost price of FY 2021-22). The results achieved by Company have been acknowledged and appreciated by all stakeholders including Board as well as Ministry of Energy (Petroleum Division) at its different meetings.



Apart from overall improvement in UFG losses, as a result of efforts against illegal gas usage, the losses of Karak and adjoining areas have also been reduced from 16,176 MMCF in FY 2019-20 to 7,238 MMCF in FY 2021-22 i.e. 55% reduction.

LPG AIRMIX
Your Company is continuously working to explore the viable options available for supply of alternative fuels to meet Country’s energy needs. Currently your Company is installing the State of the Art and largest LPG Air Mix Plant of the country in terms of capacity 2.6 MMCFD at Gilgit for which all the pre-requisites have been fulfilled. By installation of this Plant, Synthetic Natural Gas (SNG) will be provided up to 14,000 households through laid pipeline network. This will not only meet the energy needs of residents but also preserve the natural forests of Gilgit.

COMPRESSION
Your Company owns the largest fleet of gas turbines in Pakistan, operating 69 nos. Gas Turbine driven Compressor packages, with total installed capacity of 226,200 hp, at Company-wide 11 compressor stations, to power National Gas grid, sustainably. During the Fiscal Year 2021-22, Compression Department compressed more than **983 BCF** RLNG & Indigenous gas at different Compressor Stations through **114,960** cumulative operating hours of gas turbine compressor packages, in order to transmit low & variable pressure gases from different sources, including depleting sources, into Company’s Transmission network

and maintain stability and uniform system operations amid large swings in demands & supplies. In addition to optimized operations, the department also achieved various milestones in line with its focus on continuous improvement and technological advancement for improved efficiency and deliverability.

Compressor Packages Refurbishment & Control System Up-gradation Project:
In order to address the challenges posed by system obsolescence due to technological advancements over the years, the compressor package refurbishment & control system up-gradation of 9 nos. Centaur-47 compressor packages (1995 model), is started subsequent to approval by the Board and OGRA.

Gas Turbine Engines Overhauling Project:
The Company is working on its five-year plan (2021-26) for overhauling of turbine engines and centrifugal compressors, which have completed their TBO (time between overhaul), as per International Standard API-616 & API-617. With a highly professional & experienced team of turbo-machinery experts, we are privileged to be the only authorized Company in Pakistan to overhaul the gas turbines along with technologically advanced testing

facility. During FY 2020-21, four (04) Nos. Centaur Gas Turbine Engines were overhauled.

Multistage Centrifugal Compressors Field Overhaul:
Your Company is also self-reliant for field overhauling & re-staging of centrifugal compressors used for gas pressure boosting. Typically, these compressors are overhauled after 50,000 – 60,000 operating hours. During the last year, 05 Nos. centrifugal compressors of model C-304 were field-overhauled and re-staged to operate compression system at optimum efficiency and maximum throughput. In-field restaging & overhauling of boost compressors has been carried out to change the rotor dynamics for matching process requirements and maintaining isentropic head and efficiency.

Implementation of Computerized Maintenance Management System:
Asset Management system implementation has been made fully functional at all the compressor stations. This system will help to optimize engineering processes and

operational activities with more focused control. The system has been linked with already established ISO-9001:2015 QMS system for effective management and cost control.

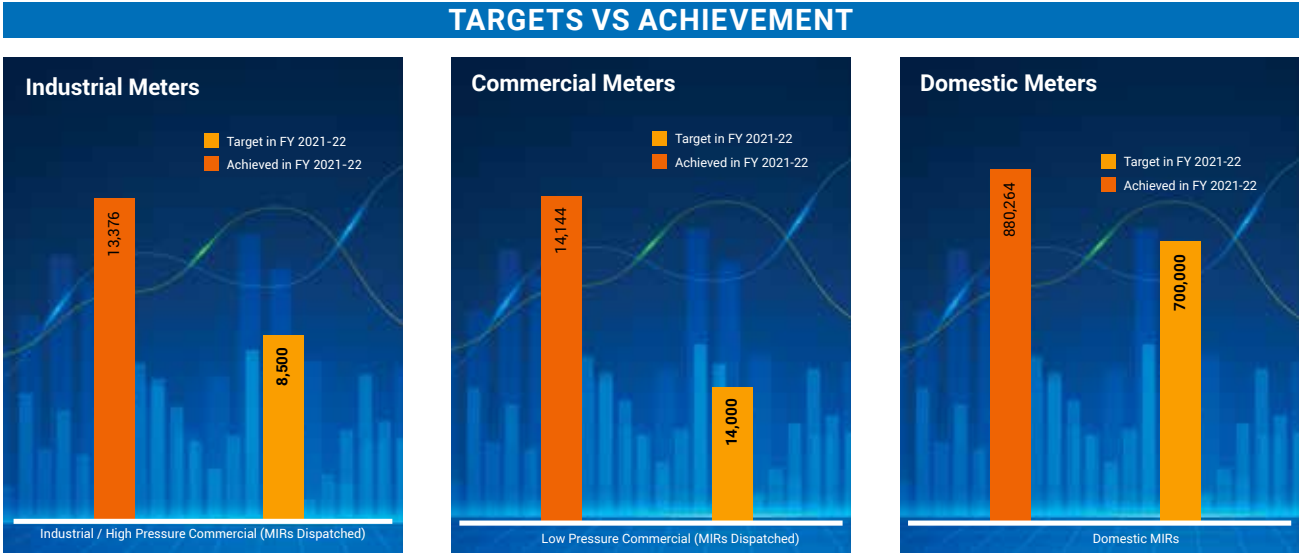
CORROSION CONTROL
Your Company is continuously striving to protect the underground precious MS pipeline network from attack of corrosion through application of coatings and Cathodic Protection (CP). For protection of network, 1,874 CP Stations have been installed and being monitored through 33,002 and 6,700 test points in Distribution and Transmission Departments respectively.

METERING
Your Company is putting all-out efforts to ensure accuracy of gas measurement by performing specialized nature of activities i.e. inspection, flow proving, calibration of meters / EVCs and configuration of measurement parameters in EVCs at Meter Shops as per international practices. Your Company is not only saving revenue by repairing/ maintenance of domestic,

commercial, industrial meters/EVCs but also playing vital role in detection of pilferage of gas to curb UFG losses by critical inspection of replaced/ disconnected meters and EVCs.

During year under review, surveillance audits of Central Meter Shop Lahore, Regional Meter Shops (Multan, Islamabad & Faisalabad) and Domestic Meter Inspection Shops Multan, Faisalabad, Sahiwal & Lahore were carried out by third party Certification bodies and confirmed that all procedures implemented in Meter Shops are in line with the international standard i.e. ISO 9001:2015.

Central / Regional Meter Shops provided meters to Regions as per their requirement to achieve OGRA KMI No. 6, 7, 8, 9, 10 & 11 and successfully completed project of Integration of GPRS enabled EVCs with SCADA well before the timeline set by BOD. Moreover, Central / Regional Meter Shops and Domestic Meter Inspection Shops have generated MIRs beyond their annual targets for timely booking of charges as per procedure.



Moreover, 16 Nos. Domestic Meter Inspection Shops (DMISs) were established in Regions for flow proving and inspection of replaced / disconnected domestic meters. Your Company is continuously striving for improvement in gas metering through induction of latest measurement techniques complying International Standards and also by improving specifications of measurement gadgets through continuous research and development. During fiscal year 2021-22, following state of the art equipment have been introduced to improve productivity / quality of work regarding various activities carried out at Central / Regional Meter Shops:

1. Installation and commissioning of Sonic Nozzle Auto Prover (SNAP) for flow proving of Industrial/High Pressure Commercial Gas Meters at Regional Meter Shop, Islamabad.
2. Latest Digital Volume Calibrators are being procured at CMS, Lahore. This device has user friendly interface, HMI (Human Machine Interface), used to set parameters for calibration of pulsar boards of EVCs. It will help to ensure accurate registration of volume by EVCs.
3. Pneumatic tools have been procured and are being used for meter repairing to increase productivity and quality.

QUALITY ASSURANCE

Your Company is ISO 9001:2015 certified for quality assurance which generally covers implementation of relevant standards especially ASME and API Standards, National and international codes and practices, relevant departmental manuals, approved procedures,



and specifications at all engineering departments for construction, operations and maintenance of transmission and distribution gas network, training and qualification of personnel performing work at Company’s installation.

Stringent inspection of Distribution & Transmission gas network was carried out during the year, detail of which is described as 564620 Nos. Buried Service Valves, 10129 Nos. Overhead/ Underground Valves, 597307 Nos. CMSs, 8583 Nos. TBSs, 1953 Nos. DRSS, 48928 Nos. Service lines, 2960.73 KMs Mainline, 17822 Nos. Bare pipes, 17192 Nos. Coated pipes were inspected and 875 Nos. punch lists were prepared of Transmission & Distribution lines.

Your Company had achieved international certifications during the year i.e. 2nd Surveillance QMS (ISO 9001:2015) Audit of Corrosion Control Center, ISO/IEC 27001:2013 certification of IT/ MIS, ISO 27001:2013 certification of SCADA data center of Telecom, 1st Surveillance Audit of ISO 9001:2015 of Compression, award of work for recertification of QMS (ISO 9001:2015)

of MIS & QA and award of work for ASME/API certification of SNGPL.

All the inspections were carried out in compliance of the OGRA’s technical standards and in line with the approved Annual Quality Assurance Plan (QAP) of the Company.

BILLING

Your Company remained focused on providing quality services to their valued consumers through error free billing, timely provision of gas bills and resolution of consumer complaints.

Company has already moved to achieve its goal of automation regarding different aspects of various manual business processes. The primary objective is to reduce human intervention and avoid any possible error. Furthermore, for expeditious and prompt response, comprehensive OGRA complaints management system has also been rolled out in Billing Department across the Company.

One of the most important aspects in billing activities is recovery of



outstanding dues from defaulting consumers. All out efforts are being made to ensure effective recovery and liquidation of outstanding dues, as a result, specific and sustainable reduction has been observed from special/bulk domestic consumers. Provisions of Gas (Theft Control and Recovery) Act, 2016 are being invoked without exception, specially seeking support from Land Revenue Authorities, SECP, NADRA etc. under section 27(2) to maximize Recovery.

Your Company is committed for provision of quality services to our valued consumers by ensuring accuracy and transparency of meter reading, timely billing and resolution of complaints in an effective manner.

TELECOMMUNICATION

Your Company is maintaining a dedicated wireless backbone telecommunication network along Company’s Transmission right-of-way (ROW) since its inception. Your Company is operating dedicated Digital Microwave Radio Communication System along high-pressure gas pipeline network from Sui & Sawan at Southern end-points of the network to Peshawar, Mardan& Abbottabad in North for Voice, Data, Video and SCADA services. Microwave Radio Network comprising of 86-nos. Microwave Repeater and Terminal Stations is serving as backbone communication network for provision of following Company-wide services:

- Internal Telephone Network
- SCADA System
- IP Network Connectivity for IT/ MIS/CC&B/Email services
- Video Conferencing
- Wireless Data Communication Network for Remote SCADA Site
- Last-Mile Wireless IP Links for Voice and Data Services at remote offices and project camps.

- U.H.F. Voice Communication Network (Push to Talk System for Vehicles, Valve Assemblies, Field Activities at Remote Sites)

Your Company has been successfully completed a pilot project for Reconciliation of Gas in Distribution Network between 6-nos. SMSs and their respective TBSs and Industrial CMSs using schematic line diagram SCADA Dashboards with live/realtime data. A similar Schematic Display has been established for Kharappa-Bhakkar Section of Transmission Network as well for real-time vigilance. Moreover, a Pilot Project for IoT based Pressure monitoring of Distribution tail-ends has been initiated and ISO-27001:2013 Certification Process for SCADA Data centers and Remote Pressure Regulation at SMSs through SCADA System is also in final stages. Procurement has been started for establishment of SCADA System at 350-nos. Custody Transfer Points of Transmission Network.

In coming financial year following major Telecommunication and SCADA System expansions are planned:

- Installation of Electronic Access Control System (EACS) at all Industrial Consumer Metering Stations (CMS) at the cost of Rs. 340-million for reduction of UFG by restriction on any unauthorized access to the site.
- Installation of SCADA System at all remaining custody transfer sites i.e. measurement sites of Transmission Network including Gas Sources and Sales Meter Stations and Mainline Check-meters.
- Upto 400% Capacity Enhancement on high-traffic Microwave Links.
- SCADA monitoring of more than 400 Town-Border-Stations (TBS) in Distribution Network.
- Pilot Projects on Regulator Automation (Remote Pressure Adjustment) and Transmission and Distribution Sites.





DIGITIZING THE BUSINESS PROCESSES

Your Company remains committed to delivering a strategic advantage by fostering the creative and innovative use of technology to achieve the Organization's objectives. The Company promotes effective management of information assets and provides a secure, highly reliable technology infrastructure along with high-quality, customer-oriented services and support, to meet the ever-changing needs of its business users. The newly established IT/ Digitization committee of the Board of Directors has brought new life, innovation and increased pace of Digitization in the Company. The digitization drive is minimizing human interaction and resulting in faster completion of the day to day tasks.

Noteworthy accomplishments during the last year include:

- Enterprise Systems Integration of Enterprise Systems, i.e. CC&B, and ERP with different core business processes was achieved which included SMS Alerts and Feedback from consumers, auto generation of SCADA Alarms for auto creation of Field Activities in CC&B, mapping of Consumer

Complaints and other consumer related data with the Geographic Information Systems (GIS) for effective monitoring through digital dashboards including realtime data analytic tools.

During this period more than 1.3 million SMS alerts were sent and feedback was received from 11,700 consumers. Integration of CC&B with SCADA resulted in the generation of 3000 field activities based on SCADA alarms.

- Web and Mobile Technologies Web & Mobile Technologies are now the core part of IT services through which your Company facilitates its valuable consumers. With the use of these technologies, consumers of your Company have now access to the Company's services from the comfort of their homes or the place of their choice without any need to visit the Company's premises. These services include: Transfer of Gas Connection, application for new domestic connection, application for Housing Societies, Services for industrial consumers, Lodge and Track Complaint and Register for Bill via Email/SMS Alert.



With the introduction of online web services 169,000 domestic gas connection applications were received which saved consumers visits to Company offices. 1580 transfer of gas connection requests were received over the web. During the same period, 74,000 consumers registered to receive the bill through emails.

- Mobile Apps Consumer experience has increased manifold with the introduction of the new ConnectOn mobile app which is available on both Google and Apple play stores. More than 80,000 consumers have installed the application to get their bills as well as make payments using an online payment mechanism.

Moreover, to improve transparency and accuracy of the survey processes, a Sales Survey App has been introduced and a pilot project is at advanced stage of implementation.

Field Improvement Operations Model

In line with the guidance of the IT/ Digitization Committee, various dashboards using the Oracle

Business Intelligence tools have been developed for the Management to monitor day to day operational activities.

More than 100 dashboards have been developed to facilitate operational activities and to support the management's strategic decision-making.

- Business Process Re-engineering Digital transformation requires both a cultural shift and reengineering of business processes. Becoming digital requires the Company to be more responsive to customer needs and be more proactive in day-to-day operational activities. Your Company in line with the guidance of the IT/Digitization committee has diverted its focus towards digitization and initiated BPR of large number of processes with an object to optimize them and increase efficiency. More than 200 processes have been identified and priorities have also been established as high, medium and low for BPR in next phase.
- Cyber Security (ISO-27001 Certification) Your Company has successfully completed the required ISMS and achieved the ISO/IEC 27001 certification.



HEALTH, SAFETY, & ENVIRONMENT An Integrated HSE Management System (IMS) based upon ISO 14001:2015 and ISO 45001:2018 standards is in place for systematic implementation of best practices for all operations of the Company.

Compliance of ISO 14001:2015 / ISO 45001:2018 Standards, and industry best practices is monitored through a system of Surveillance audits by third party on bi-annual basis. Successful execution of these audits demonstrates the effectiveness of HSE Management System. Management commitment towards HSE is highly appreciated by the Auditors.

HSE Training are imparted to the Company's Executives and staff with the prime objective to learn, refresh and update HSE knowledge and skill to continually improve on their HSE performance at work. This year training on behavior safety of drivers is much emphasized, a total 2055 No. of drivers have been trained through NH & MP. Your Company is a member of 'National Safety Council', which is a non-profit organization with mission of saving lives by preventing injuries and deaths at work, in homes and communities. In addition to this, HSE Engineers are the International Member of American Society of Safety Professionals (ASSP).

Occupational Health HSE initiative of on spot health screening of employees through usage of occupational health mobile unit is available. To promote health care awareness, this activity is arranged by HSE Department on regular basis. An Occupational Health Mobile Unit is in operation with facilities of pulmonary function



test, pure tone audiograms, and eyes refraction. Occupational Health Surveillance results provide us input for adequacy of existing controls and suggest which further controls are required to maintain a healthy productive workforce and safe workplace.

In addition to this, medical screening tests of Diabetes, Hypertension and Hepatitis B&C are also regularly performed to inform the workers about any infectious and non – communicable diseases. Total 05 Nos. medical camps have been arranged during the fiscal year 2021-22.

Your Company as responsible corporate citizen has responded in an effective manner to COVID-19 management in line with compliance to instructions communicated by NIH, Pakistan and guidelines

issued by Ministry of National Health Services Regulation and Coordination, Islamabad. Your Company has arranged a booster dose vaccination camp for its employees on 27th June and ensured that all its employees are vaccinated.

All the precautionary measures of social distancing, hands hygiene and mask-wearing, provision of face mask to visitors and installation of physical barriers at customer service center during the period of epidemic in Pakistan continued to remain in force. Compliance was checked during surprise HSE inspections at offices, of field teams, project sites, workshops, Stores, residential colonies and mess by HSE Engineers and Executives from HSE Head Office. Employees are being regularly updated with latest HSE Alerts including COVID-19 and other health related epidemics / cases.



Fire Prevention

Your Company emphasizes fire safety to ensure mitigation arrangement in case of any fire related emergency through introduction of Fire Extinguishers, Fire Hydrant Systems, Fire Trucks, Fire Alarm and Smoke Detection Systems at all Company offices. During 2021-22, procurement of fire hydrant system at AC-4 Compressor station Uch Sharif, CC-3 Gali Jagir

and upgradation of fire hydrant system at SMS-II has been initiated. Procurement of 353 Nos. fire extinguishers, 350 battery operated smoke detectors, 50 Fire Alarm manual have been initiated during the year.

Personal Protective Equipment

To protect its employees from potential injuries, Your Company provides PPEs including safety helmet, coverall, shoes, gloves, face shields etc. During 2021-22 approximately 44,324 No. PPEs were procured and distributed among the staff.

Environmental Monitoring

Conserving environment is a major part of our policy and the requirement of ISO-14001 standard. Environmental Monitoring is carried out of all machines, stacks and vehicles to ensure that all exhaust emissions remain within NEQS. Your Company has developed In-house resources for monitoring of emissions with state-of-the-art portable equipment’s like LANCOM and TESTO 350. A vehicle installed with Crypton emission analyzer equipment has been specially



designed for emission monitoring in addition to portable devices. Environmental Monitoring of 1,794 No. of vehicles, 86 No. of stacks, 271 No. of machines have been carries out in fiscal year 21-22. Environmental impacts Assessment are regularly carried out to ensure that activities do not result in degradation of environment.

World Environment Day

Your Company celebrated the World Environment Day across the Company on June 6, 2022. At Head Office the ceremony was graced by the senior Management showing their commitment. Similar enthusiasm was observed at Company-wide locations for making the event successful through active participation and support.

Online incident Reporting

Online Incident reporting system gives access to Company executives for timely reporting of accidents which results in early detection of hazards and its mitigation.

To show its commitment towards implementing HSE Policy across the Company, Management Review

Meeting is conducted bi-annually for periodic review and evaluation of HSE management system.

Accident Statistics 2021-22		
Sr. No.	Category	Nos.
1	Lost Time Injury	2
2	Fire	13
3	Vehicle	49
4	Third party ruptures	55
5	Near Miss	60
Total		179

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility function in the Company was formally started in 2013. CSR initiatives are mainly focused in the areas of Health, Education and Environment as per Company’s CSR Policy approved by the Board.

SNGPL’s Corporate Social Responsibility policy is based on global best practices envisaging management of the business processes by producing an overall positive impact on society and the environment. CSR policy comply with

the guidelines provided by Securities and Exchange Commission of Pakistan (SECP) 2013, new tariff regime for regulated gas sector in Pakistan by OGRA, Principles of United Nations Global Compact (UNGC) - relevant Sustainable Development Goals (SDG’s) and Company’s vision, mission and business code of conduct.

Your Company believes in

- business that should be both profitable and beneficial to the society.
- improving the quality of life of the communities under developed / under privileged / gas producing areas with priority to community residing in 15 Km radius of gas fields.
- ensuring harmonious relations with our stakeholders, by working in partnership with the community, the Government and NGOs through the principles of Sustainable Development.

During the year 2021-22, Your Company initiated following projects under Corporate Social Responsibility.

Mobile Vaccination Teams (MVTs)

As per direction of NCOC, SNGPL arranged 28 No. vaccination camps at far flung areas of Punjab and Khyber Pakhtunkhwa. In which 4,188 Nos. general public was vaccinated.

Your Company also developed 50 MVTs (Mobile Vaccination Teams) for vaccination against Covid-19 in Lahore, Rawalpindi, Faisalabad, Peshawer, Multan, Gujranwala and Mardan. SNGPL is the only organization among many others which operated its MVTs as per



requirement and direction of NCOC. As a result a total of 366,244 number of vaccinations were carried out by SNGPL through Mobile Vaccination Teams (MVTs).

AWARD

- 1. National Forum for Environment & Health (NFEH) 11th Annual Fire Safety Award 2021
- 2. National Forum for Environment & Health (NFEH) 14th Annual Corporate Social Responsibility Award 2022

We are certain that all our efforts during the year have strengthened us to work in challenging environment to achieve our goals. We wish for a safe year ahead, with the promise of continual improvement.

HUMAN RESOURCE DEVELOPMENT

Your Company believes that development of its human resources is essential for higher productivity and better performance. We focus on knowledge sharing, skill development and modification of behaviors aligned with Vision and Mission of the Company which contributes towards achievement of organizational goals. We intend to achieve greater job satisfaction, employee engagement

and retention through Human Resource Development.

The initial and core step for employees’ development at SNGPL is Training Need Assessment (TNA). TNA is an integral part of Performance Management and Potential Assessment Test. We have approximately 120 comprehensive training courses, both technical and soft skills, from which suitable courses are recommended for the employees. SNGTI (our Training Institute), nominates the employees

for trainings as per training need assessment. Besides, at SNGPL, the processes of Counseling and Couching are employed to address various individual issues.

All the Executives up to Grade VI have to undergo a thorough Potential Assessment Test (PAT), before appearing in Promotion Board, being a pre-requisite. This assessment is designed to assess the skill set required for the next grade. During FY 2021-22, total of 196 Executives have undergone Potential Assessment Test, out of which, 57 have been identified for further improvements in specific areas. Your Company has also developed a Virtual Learning Platform namely “Sui Northern Gas Virtual Learning Platform” (SNGVLP) which was initiated in 2020. Since then 71 online courses have been designed, recorded and uploaded which are actively being used by employees for offline training needs.

For better career progression of employees, your Company also emphasizes on cross functional

trainings. We have a comprehensive Rotation Policy in vogue which helps in developing potential for the next level positions.

Besides above, different awareness sessions are also conducted. For better workplace safety awareness, safety talks are also arranged in each department on regular basis.

Gender Diversity

Your Company considers gender equality a human right which is advance through equal employment and development opportunities. The Management of your Company is convinced that mixed leadership teams give a competitive advantage. SNGPL encourages the working of women by providing conducive and harassment free working environment and facilitate them to perform in an effective manner.

Well-being of female staff is also our prime focus. In view of endemic nature of Breast Cancer in women, your Company organized a “Pink Ribbon Awareness Session” on 4th November, 2021 at Head Office

which was attended by female employees.

Industrial Relations

Your Company always endeavors to maintain industrial peace through cordial relationship and bilateral negotiations with CBA. During the year, relations of CBA remained peaceful and no unpleasant incident was reported across the organization. SNGPL encourage execution of policies mutually agreed with CBA. A total of 33 persons were recruited against the Deceased Blood Relations Quota. Moreover, 80 scholarships were awarded to children of serving employees for pursuing professional education and 80 employees were nominated for Hajj this year.

Employment of Differently Abled Persons (DAPs)

Your Company being socially responsible believes that every challenged person should be provided due opportunity to integrate them into the mainstream society. The Company has defined 2% quota in compliance with Disabled Persons (Employment & Rehabilitation)

Ordinance, 1981. Currently, 82 DAPs are working in SNGPL.

Business Ethics and Anti-Corruption Measures

Your Company takes the expansive view of business ethics and operates with certain moral and ethical obligations which safeguard the interest of its all stakeholders. We recognize that corruption can take many forms and adversely impact the business of an organization. Highest standards of discipline and corporate governance have been reinforced in the Company followed by a more refined disciplinary framework. Moreover, a comprehensive Whistle Blowing Policy is in place which serves as preventive and detective control in elimination of corruption or any other form of misconduct at every level.

RISK GOVERNANCE AND INTERNAL CONTROL SYSTEM

At SNGPL, risk governance and internal controls are overseen by the Board of Directors (BoD) through its various Committees as per their TORs. However, risk governance and internal controls are mainly addressed by the Risk Management Committee and Audit Committees of the BoD. This structure conforms to the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Public Sector (Corporate Governance) Rules, 2013.

A system of sound internal controls is also in place, which is effectively implemented and maintained at all levels within the Company. Internal control processes are designed to safeguard the Company’s assets and to appropriately address and mitigate emerging risks being faced by the Company. The BoD ensures monitoring of Risk Governance and Internal Control System at the





strategic level and has delegated its implementation at the operational level to the Management.

The Management is responsible for the overall risk management process, system of internal controls and apprise the BoD, about the significant risks / information for their guidance and decision making. The responsibilities of the Management further include:

- To use top-down, risk-based approach, including the entity level and activity level controls in assessing risks and the adequacy of related controls.
- To implement strategies and policies as approved by the Board, keeping these up to date, and disseminate such instructions to all concerned and ensuring that these are understood by them.
- To develop processes to identify, measure, monitor and control risks faced by the Company.
- To ensure that duties are adequately segregated so that employees are not assigned conflicting responsibilities.
- To set up appropriate control policies/structures at the functional level.

- To ensure reliable information flows down, up and across the Company in a consistent form including policies, procedures and other information affecting duties and responsibilities of individuals.
- To maintain and monitor the adequacy and effectiveness of the internal control system.
- To take remedial measures as appropriate for improving identified control weaknesses.
- To foster an environment that encourages staff to come forward and seek guidance when risks and control problems are recognized.

RISK MANAGEMENT FRAMEWORK

The Risk Management Framework of SNGPL is based on best international practices and guidelines provided by Committee of Sponsoring Organizations (COSO) and ISO-31000. The Framework focuses on policies, procedures and practices that support SNGPL in decision making and achieving business objectives while considering all relevant risks. The Risk Management process consists of four (04) phases; Risk Identification, Risk Assessment & Prioritization, Risk Treatment & Control, and Risk Monitoring & Review.

A dedicated Risk Management department is working to ensure compliance & efficacy of risk management framework. The framework provides an organized and comprehensive risk management approach to manage risks across the Company with clear governance and reporting requirements, and is being implemented through following activities:



- Risk Awareness is a pre-requisite of Risk Management framework and these awareness activities are extensively carried out across all the departments and functions of the organization.
- At the department level, risk registers are being maintained to manage key departmental risks. Control systems are regularly evaluated and upgraded to mitigate these risks.
- At the organizational level, significant risks are being identified, assessed, and periodically monitored & reviewed by the Management. Specific mitigation strategies against these risks are also devised and regularly reviewed by the Management. Quarterly report in this regard is also submitted to the Risk Management Committee of the Board of Directors.
- A concept of Risk Profile Index (RPI) has been implemented that helps monitor top inherent risks of the Company by comparing actual values of the risk against pre-defined risk appetites.

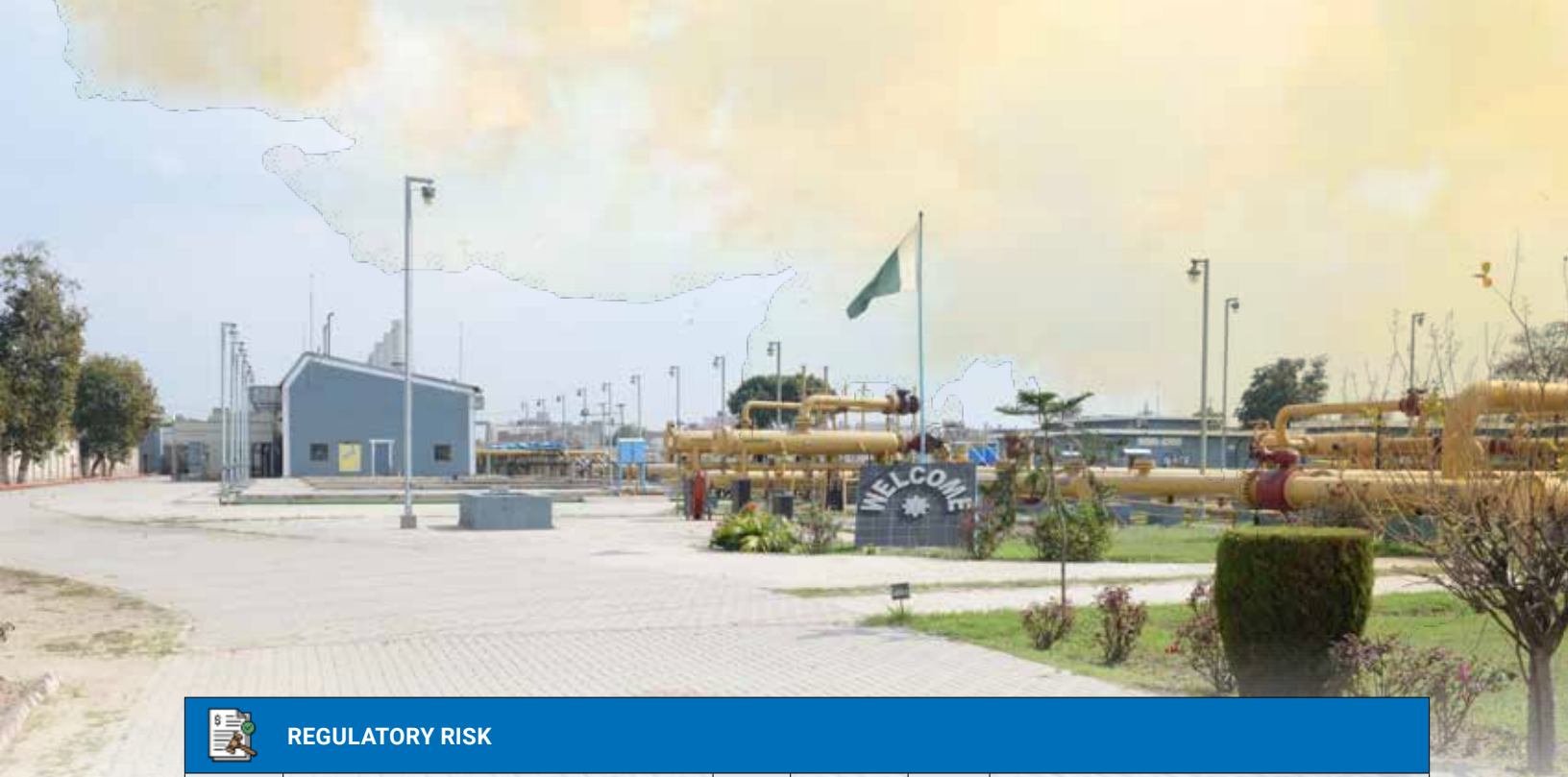




SNGPL's most Significant Risks and Mitigation Strategies

SNGPL is facing a number of challenges at strategic, operational and financial fronts The risk owner departments in coordination with the Risk Management department are proactively making efforts to address these risks under the guidance of the Management and the Risk Management Committee of the Board of Directors.

DEMAND & SUPPLY GAP					
Risk	The Company is facing the risk of depleting gas reserves as opposed to increasing demand of gas within the franchised area. The dependency on imported gas (RLNG) is also increasing and its non-availability and fluctuation in prices due to devaluation and uncertainty in the international market is posing a challenge for the organization.	Risk Level	High	Mitigation	The Company is proactively monitoring the demand and supply of gas in liaison with E&P companies and the Federal Government. Several mitigation measures are being taken to resolve the issue, including but not limited to load management, exploration of new gas wells and injection of additional RLNG into the system. The Company is also expanding its transmission system to connect the recently discovered gas reserves.
UNACCOUNTED FOR GAS (UFG)					
Risk	Unaccounted for Gas (UFG) is one of the major risks for the Company. It impacts the profitability of the Company and affects the availability of natural gas resources in the country.	Risk Level	Medium	Mitigation	Considering the significance and severity of the risk, a separate committee of the Board of Directors exists that provides oversight to the Management for mitigating the risk. The strategies include increased surveillance in High UFG areas with the support of law enforcement agencies, segmentation of network and installation of measurement devices at TBS level, timely leakage detection and its rectification, continuous checking and upgradation of measurement facilities by exploring and deploying state-of-the-art technologies.
FULL COST RECOVERY RISK					
Risk	Due to insufficient and delay in timely revision of gas prices by Federal Government coupled with delayed payments by power sector, the Company is constrained to withhold payments to its gas creditors resulting in accumulation of circular debt.	Risk Level	High	Mitigation	The Company is continuously taking up the matter at appropriate forums for timely and sufficient increase in gas prices. The Federal Government has also made changes in legislation to address timely revision of gas prices.



REGULATORY RISK					
Risk	The Company is subject to a highly regulatory landscape with associated laws, regulations and policies. Inconsistent regulatory practices may impact the Company's profitability and operational efficiency. Any adverse regulatory developments or delays in policy implementation may pose risk to the Company's financial performance.	Risk Level	High	Mitigation	The Company has developed a team of qualified and experienced professionals in the organization to ensure compliance with applicable laws, rules and regulations. The Company actively remains in liaison with the regulator(s) and the Federal Government to ensure the Company's best interests are protected and represented appropriately.
CYBERSECURITY RISK					
Risk	New and emerging technologies bring unprecedented threats of hacking and cyber-attacks.	Risk Level	Medium	Mitigation	The Company strives to implement consistent security policies and procedures to embed best practices by implementing the latest technologies to detect and mitigate cybersecurity threats.

LEGAL CASES

NPPMCL

London Court of International Arbitration (LCIA) in the arbitration of NPPMCL decided against the Company, in December 2021, declaring take or pay invoices raised by the Company as in-valid. Consequently, Company was required to pay the en-cashed deposits of Rs. 10.384 billion along with interest and partial cost to NPPMCL. The Company challenged the decision of the sole arbitrator with High Court of

England and Wales, which has been dismissed against the Company

The Company, under the terms of the license granted to it by OGRA, the guidelines issued by the Federal Government vide decision of the Economic Coordination Committee of the Cabinet ("ECC") dated May 11, 2018, and as per the determination of Final Revenue Requirement of the Company for FY 2017-18 ("FRR 2017-18") dated January 15, 2019, operates under a fixed rate of return regime. The Company shall

take up the matter with the OGRA for determining the take or pay adjustment as diversion to domestic sector consumers in future petitions of the Company. In view of the matters explained above, the impact of the decision of NPPMCL has been recognized as tariff adjustment with no impact on the profitability of the Company.

QATPL

The case was decided in favour of the Company on August 2, 2022. The Sole Arbitrator of the London Court of



International Arbitration (LCIA) has decided in favour of the Company for all months apart from November and December 2017 and the Company has been awarded Rs. 5,901 million being the sum due after encashment of security plus interest. The Company was also awarded costs.

QATPL has challenged the award dated 2 August 2022 granted in favour of the Company in High Court

of England and Wales. Whereas, the Company has filed a petition with Honorable Lahore High Court, Lahore for recognition and enforcement of the said award. No impact is expected on the profitability as related incomes have already been surrendered to OGRA.

Others

Your Company won the foreign award against three (3) IPP’s i.e. M/s Orient Power Limited. M/s Sapphire Electric Company Limited & M/s Saif Power Limited on April 22, 2022. The dispute was raised between the parties under relevant Gas Supply Agreements (“GSAs”) owing to unlawful adjustment/set off of due invoices of SNGPL by the IPPs. During the period under review 2419 recovery suits having worth of Rs. 4.9 billion and 1196 declaratory suits were decided in favour of the Company from the courts.

CHANGES IN THE BOARD

During the year Mr. Yusuf Khan, Syed Zakria Ali Shah and Mr. Hamed Yaqoob Sheikh were appointed as Directors in place of Mr. Kamran Ali Afzal, Mr. Sajid Mehmood Qazi and Mr. Yusuf Khan respectively. However, one casual vacancy exists on the Board as a result of resignation of Mr. Afan Aziz. The Board of Directors would like to place on record their appreciation and gratitude to the outgoing Members of the Board for their hard work, guidance and support during their tenure as Directors of the Company.

COMPOSITION OF THE BOARD

During the year under review Ms. Roohi Raees Khan- Chairperson, Syed Ali J. Hamdani- Managing Director, Mr. Ahmad Aqeel, Mr. Manzoor Ahmed, Dr. Sohail Razi Khan, Mr. Mohammad Haroon, Mr. Sajid Mehmood Qazi, Mr. Afan Aziz,

Syed Akhtar Ali, Mr. M. Sualeh Ahmed Faruqui, Mr. Kamran Ali Afzal, Mr. Haroon ur Rafique, Mr. Yusuf Khan, Syed Zakria Ali Shah and Mr. Hamed Yaqoob Sheikh, remained on the Board of the Company.

At present the Board consists of Ms. Roohi Raees Khan- Chairperson, Mr. Amer Tufail- Managing Director, Mr. Abrar Ahmed Mirza, Mr. Ahmad Aqeel, Syed Akhtar Ali, Mr. Ali Tahir, Mr. Manzoor Ahmed, Mr. Mohammad Haroon, Dr. Sohail Razi Khan, Mr. M. Sualeh Ahmed Faruqui, and Mr. Shahbaz Tahir Nadeem.

ORIENTATION PROGRAMME FOR THE DIRECTORS

The directors were given briefing during the year on the business, operations and environment of the Company.

PERFORMANCE EVALUATION OF BOARD, MANAGING DIRECTOR/ CEO AND SENIOR MANAGEMENT

In accordance with the requirements of the Public Sector Companies (Corporate Governance) Rules, 2013 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the evaluation of performance of the Board and its Committees was carried out under self-evaluation mode through third party i.e. Pakistan Institute of Corporate Governance (PICG), an accredited institution by Securities & Commission of Pakistan (SECP) whereby an online questionnaire is disseminated amongst the Board members for the assessment of their performance. A comprehensive Performance Management System is in place for the performance evaluation of Managing Director and other Senior Management personnel and is carried out regularly on an annualized basis.

DIRECTORS’ REMUNERATION

Name of Director	After Tax Remuneration ⁷ (Rupees)	Board of Directors			Board Audit Committee			Finance & Procurement Committee			Human Resource & Remuneration Committee		
		Member	Total	Attended	Member	Total	Attended	Member	Total	Attended	Member	Total	Attended
Mr. Afan Aziz ¹	320,000	✓	9	4	✓	2	-	-	-	-	-	-	-
Mr. Ahmad Aqeel ²	1,280,000	✓	16	16	-	-	-	-	-	-	-	-	-
Mr. Hamed Yaqoob Sheikh ³	800,000	✓	7	5	✓	4	3	✓	4	2	-	-	-
Mr. Manzoor Ahmed	3,840,000	✓	16	16	✓	8	8	✓	9	9	✓	13	13
Mr. Mohammad Haroon	4,160,000	✓	16	16	✓	8	8	✓	9	9	✓	13	12
Mr. Muhammad Haroon-ur-Rafique	3,360,000	✓	16	16	-	-	-	✓	2	2	✓	13	13
Mr. M. Sualeh Ahmed Faruqui	1,440,000	✓	16	14	-	-	-	-	-	-	-	-	-
Ms. Roohi Raees Khan ⁴	2,720,000	✓	16	16	-	-	-	-	-	-	✓	13	13
Dr. Sohail Razi Khan	4,640,000	✓	16	16	✓	8	8	✓	9	9	✓	13	13
Syed Akhtar Ali	3,600,000	✓	16	16	✓	8	8	✓	9	9	-	-	-
Syed Zakria Ali Shah ⁵	2,160,000	✓	13	13	✓	6	6	✓	7	7	-	-	-
Mr. Yusuf Khan ⁶	960,000	✓	9	6	✓	3	3	✓	5	2	-	-	-

Name of Director	IT / Digitization Committee			Nomination Committee			Risk Management & UFG Control Committee			Cost Rationalization Committee			Joint Meeting of the BAC and HR&RC		
	Member	Total	Attended	Member	Total	Attended	Member	Total	Attended	Member	Total	Attended	Member	Total	Attended
Mr. Afan Aziz ¹	-	-	-	✓	1	-	-	-	-	-	-	-	-	-	-
Mr. Ahmad Aqeel ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Hamed Yaqoob Sheikh ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Manzoor Ahmed	-	-	-	-	-	-	-	-	-	✓	1	1	✓	2	2
Mr. Mohammad Haroon	-	-	-	✓	1	1	✓	5	4	✓	1	1	✓	2	2
Mr. Muhammad Haroon-ur-Rafique	✓	5	5	-	-	-	✓	4	4	-	-	-	✓	2	2
Mr. M. Sualeh Ahmed Faruqui	-	-	-	✓	1	-	✓	5	4	-	-	-	-	-	-
Ms. Roohi Raees Khan ⁴	-	-	-	-	-	-	✓	5	5	-	-	-	✓	2	-
Dr. Sohail Razi Khan	✓	5	5	-	-	-	✓	5	5	✓	1	1	✓	2	2
Syed Akhtar Ali	✓	5	5	✓	1	1	✓	5	5	-	-	-	✓	2	2
Syed Zakria Ali Shah ⁵	-	-	-	✓	1	1	-	-	-	-	-	-	✓	2	1
Mr. Yusuf Khan ⁶	-	-	-	-	-	-	-	-	-	-	-	-	✓	2	1

Notes:

1.

Mr. Afan Aziz resigned from the Directorship w.e.f. 30.12.2021.
2.

The Membership of Mr. Ahmad Aqeel remained suspended from the F&PC & NC during the period.
3.

Mr. Hamed Yaqoob Sheikh was appointed as director w.e.f. December 11, 2021 in place of Mr. Yusuf Khan.
4.

Being Chairperson Ms. Roohi Raees Khan was also entitled for an honorarium of Rs. 100,000 per month (an amount of Rs. 960,000 was paid to her excluding tax as honorarium being chairperson), Company maintained car with fuel and free medical cover.
5.

Syed Zakria Ali Shah was appointed as director w.e.f. August 31, 2021 in place of Mr. Sajid Mehmood Qazi.
6.

Mr. Yusuf Khan was appointed as director w.e.f. July 02, 2021 in place of Mr. Kamran Ali Afzal
7.

The directors’ fees amounting to Rs. 100,000 (inclusive of tax) per meeting was paid to the non-executive directors apart from entitlement of business class/ club class return airfare from the venue of the meeting to his/ her usual place of residence in Pakistan along with traveling, boarding and lodging facilities.
- The details of fees paid to the Directors and the remuneration of the

CEO are disclosed in Note 47 to the financial statements.

Termination of Contract of Syed Ali J. Hamdani

During the year 2022-23, the Board of Directors of the Company has terminated the employment contract of Syed Ali J. Hamdani as Managing Director of the Company.

POST BALANCE SHEET EVENTS

The Directors have not received, as at June 26, 2023 being the date on which these financial statements were approved, any information concerning significant conditions in existence at the balance sheet date, other than those disclosed in the financial statements, which affects the financial statements as presented.



CORPORATE GOVERNANCE

The Board of Directors has complied with the relevant principles of corporate governance as envisaged in the Public Sector Companies (Corporate Governance) Rules, 2013 and Listed Companies (Code of Corporate Governance) Regulations, 2019.

THRESHOLD FOR EXECUTIVE DEFINITION

In compliance with clause 5.6.1 and 5.6.4 of the PSX regulations, in addition to Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, and Company Secretary, the Board of Directors has set the threshold of executives’ grade VII (i.e. Chief Officer) and above for the definition of "Executives" to give disclosure of interest.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board of Directors hereby declares that for the year ended June 30, 2022:

- a. The financial statements, together with the notes thereon have been drawn up in conformity with the Fourth Schedule of the Companies Act, 2017. These statements present fairly the Company’s state of affairs, result of its operations, cash flows and changes in equity;
- b. Proper Books of Accounts of the Company have been maintained;
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements and any departures there from has been adequately disclosed and explained;
- e. The system of internal control is sound in design and has been effectively implemented and monitored;
- f. The appointment of Chairperson and other members of Board and the terms of their appointment along with the remuneration policy adopted are in the best interests of the Company as well as in line with the best practices;
- g. There are no significant doubts upon the Company’s ability to continue as a going concern. The Board of Directors has satisfied itself that the Company has adequate resources to continue its operations in the foreseeable future. The Company’s Financial Statements have accordingly been prepared on a ‘going concern’ basis;
- h. Significant deviations from last year’s operating results have been disclosed as deemed appropriate in this Chairperson’s Review & Directors’ Report and in the notes to the accounts, annexed to this report;
- i. Key operating and financial data of the last six years in summarized form is a part of this Annual Report;
- j. All statutory payments on account of taxes, duties, levies and charges in the normal course of business, payable as on June 30, 2022 have been cleared subsequent to the year end;



- k. Value of investment in employee’s retirement funds based on audited accounts of the funds for the year ended June 30, 2022 is as follows:

	(Rs. in ‘000)
1. SN Senior Staff Pension Fund	4,531,022
2. SN Junior Staff Pension Fund	24,547,298
3. SN Executive Staff Gratuity Fund	240,007
4. SN Non Executive Staff Gratuity Fund	7,576,904
5. SNGPL Trustees Provident Fund	17,157,662
6. SNGPL Superannuation Free Gas Executives Fund	170,379
7. SNGPL Superannuation Free Gas Subordinates Fund	7,443,449
8. SNGPL Superannuation Compensated Absences Executives Fund	923,171
9. SNGPL Superannuation Compensated Absences Subordinates Fund.	1,730,573
10. SNGPL Superannuation Medical Executives Fund	5,671,295
11. SNGPL Superannuation Medical Subordinates Fund	10,889,984
12. SNGPL Employees Accidental Death Endowment Fund	10,980
Total	80,892,724

- l. The number of Board of Directors and Committees meetings held during the year and attendance by each has been disclosed in Corporate Governance section of this report;
- m. The name of directors on the Board and its committees as well as disclosures as to number of male and female directors, executive, non-executive & independent directors have been made in Statement of Compliance of this report;
- n. The Company is fully compliant with the Public Sector Companies (Corporate Governance) Rules, 2013 & Listed Companies (Code of Corporate Governance) Regulations, 2019 regarding Directors Training Program.
- o. The pattern and categories of shareholding as on June 30, 2022 has been given in a separate section of this Annual Report;
- p. There was no default or likelihood of default in respect of any loan / debt instruments;
- q. No trading of shares by Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Executives (Chief & above), their spouses and minor children has been carried out, other than the transactions disclosed as per statute. The number of shares, if any, held by them have been disclosed in categories of shareholders of this report.

AUDITORS

M/s. Yousuf Adil, Chartered Accountants were appointed as External Auditors of the Company for conducting audit for Financial Year 2021-22 in the Annual





General Meeting held on July 29, 2022. They have also given their consent to act as the Auditors of the Company for financial year 2022-23. The Board proposes the appointment of M/s. Yousef Adil, Chartered Accountants as Auditors of the Company for the Financial Year 2022-23 on the recommendation of the Board Audit Committee.

SHARE WATCH

The Company’s share opened at Rs. 48.65 on July 01, 2021 and closed at Rs. 34.21 on June 30, 2022. During the period under review, the highest price of the share was Rs. 56.60 and the lowest was Rs. 25.40. The market capitalization as on June 30, 2022 was Rs. 21,696 million.

ACKNOWLEDGEMENTS

The Board is committed to improve efficiency, governance, Transparency and provide strategic direction for successful operations of your Company.

Your Directors wish to place on record their appreciation for the continued support and patronage received from shareholders and its valued consumers. We also wish to acknowledge the dedication and commitment of all the employees who contributed valuable services, to sustain all operations of the Company.

We acknowledge and appreciate the continued guidance and support received from the Government of Pakistan, Ministry of Energy (Petroleum Division) and Oil & Gas Regulatory Authority (OGRA).

On behalf of the Board,

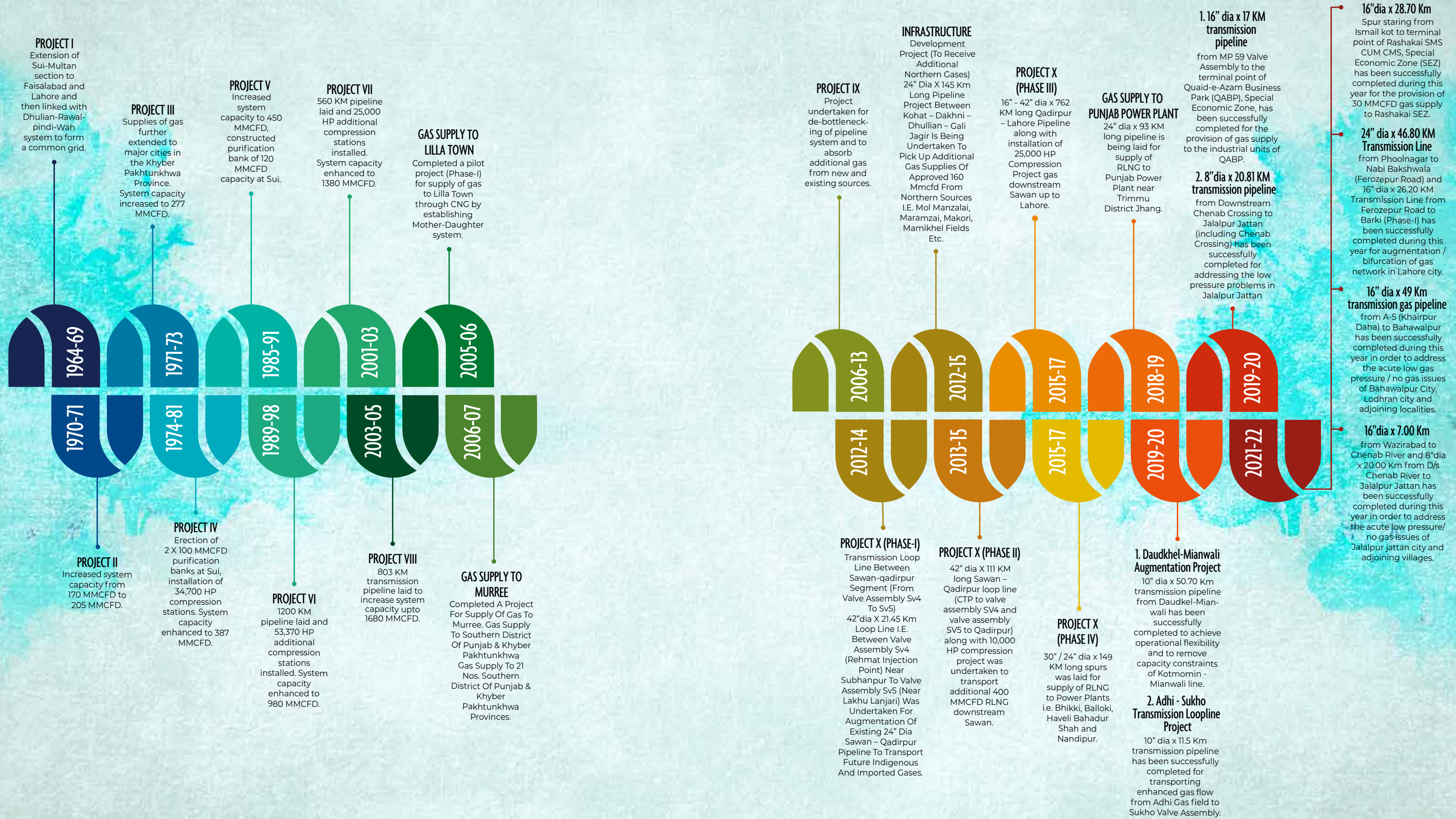
(Amer Tufail)
Managing Director

Islamabad.
June 26, 2023

(Roohi Raees Khan)
Chairperson-BOD



Milestones



Pattern of Shareholding

As at June 30, 2022

Name of Shareholders*	No. of Shareholders	Shareholding Slab		Total Shares Held
		From	To	
	3892	1	100	176,758
	4815	101	500	1,437,004
	5046	501	1000	3,957,947
	4313	1001	5000	11,135,490
	1016	5001	10000	7,828,638
	385	10001	15000	4,866,864
	246	15001	20000	4,500,015
	154	20001	25000	3,582,943
	81	25001	30000	2,306,839
	56	30001	35000	1,864,839
	65	35001	40000	2,506,437
	22	40001	45000	962,747
	61	45001	50000	2,996,772
	24	50001	55000	1,272,820
	24	55001	60000	1,404,613
	14	60001	65000	891,658
	16	65001	70000	1,086,047
	16	70001	75000	1,187,693
	11	75001	80000	861,782
	11	80001	85000	908,829
	5	85001	90000	438,153
	11	90001	95000	1,031,983
	23	95001	100000	2,279,345
	5	100001	105000	510,347
	6	105001	110000	650,000
	6	110001	115000	675,811
	4	115001	120000	467,845
	4	120001	125000	491,788
	2	125001	130000	259,000
	2	130001	135000	264,191
	3	135001	140000	418,544
	3	140001	145000	427,048
	10	145001	150000	1,499,000
	4	150001	155000	614,500
	4	155001	160000	626,990
	4	160001	165000	652,296
	6	165001	170000	1,007,511
	3	170001	175000	525,000
NOMAN ASHFAQ	1	175001	180000	180,000
	4	180001	185000	735,040
	3	185001	190000	566,609
	2	190001	195000	386,000
	17	195001	200000	3,392,891
	2	200001	205000	405,000

Name of Shareholders*	No. of Shareholders	Shareholding Slab		Total Shares Held
		From	To	
	4	205001	210000	838,890
	4	210001	215000	851,664
	5	215001	220000	1,095,066
	2	220001	225000	450,000
	2	230001	235000	470,000
USMAN HASSAN	1	235001	240000	240,000
	3	240001	245000	728,032
	4	245001	250000	998,900
SPDR S&P EMERGING MARKETS SMALL CAP ETF	1	250001	255000	252,314
	3	255001	260000	772,988
HABIB BANK LIMITED-TREASURY DIVISION	1	270001	275000	275,000
	4	275001	280000	1,105,800
NATIONAL INSURANCE COMPANY LIMITED	1	280001	285000	284,846
	5	285001	290000	1,444,231
	3	290001	295000	877,079
	2	300001	305000	604,584
	2	310001	315000	625,870
	2	315001	320000	638,746
	4	320001	325000	1,286,585
CDC - TRUSTEE MEEZAN BALANCED FUND	1	335001	340000	335,888
	2	345001	350000	700,000
GHULAM REZA NAMLAITI	1	365001	370000	367,978
	2	380001	385000	765,414
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	1	395001	400000	400,000
CDC - TRUSTEE - MEEZAN DEDICATED EQUITY FUND	1	400001	405000	402,150
	2	405001	410000	812,641
SHENILA FAWAD	1	420001	425000	425,000
BULK MANAGEMENT PAKISTAN (PVT.) LTD.	1	440001	445000	442,466
JABEEN ZAHID	1	445001	450000	448,000
CDC - TRUSTEE ALLIED FINERGY FUND	1	450001	455000	450,500
MUHAMMAD KHALID	1	465001	470000	465,350
	2	490001	495000	985,500
	4	495001	500000	2,000,000
NAVEED ANWAR	1	505001	510000	505,500
	2	530001	535000	1,067,153
POLUNIN FUNDS	1	545001	550000	548,023
	2	555001	560000	1,117,000
FAWAD YOUSUF	1	560001	565000	562,761
IMPERIAL DEVELOPERS AND BUILDER (PVT) LIMITED	1	570001	575000	573,000
MUHAMMAD ASHRAF	1	585001	590000	586,050
ASAD UMAR	1	735001	740000	740,000
	4	760001	765000	3,055,035
CDC - TRUSTEE FAYSAL MTS FUND - MT	1	770001	775000	770,219

Pattern of Shareholding as at June 30, 2022

Name of Shareholders*	No. of Shareholders	Shareholding Slab		Total Shares Held
		From	To	
NOMAN ABID & CO. LTD.	1	800001	805000	802,500
ACADIAN FRONTIER MARKETS EQUITY FUND	1	805001	810000	806,405
	2	845001	850000	1,697,100
MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD.	1	850001	855000	851,000
MC FSL - TRUSTEE JS GROWTH FUND	1	875001	880000	879,453
FREEMEN CORPORATION (PRIVATE) LIMITED	1	895001	900000	900,000
ARIF HABIB LIMITED	1	900001	905000	901,500
CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	1	945001	950000	950,000
CDC - TRUSTEE NIT ISLAMIC EQUITY FUND	1	1030001	1035000	1,034,100
JS GLOBAL CAPITAL LIMITED - MF	1	1065001	1070000	1,068,495
CREDIT SUISSE (HONG KONG) LIMITED	1	1155001	1160000	1,157,355
	2	1175001	1180000	2,356,859
HABIB METROPOLITAN BANK LIMITED	1	1190001	1195000	1,193,681
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	1	1210001	1215000	1,214,748
MCB BANK LIMITED - TREASURY	1	1305001	1310000	1,309,452
PAK BRUNEI INVESTMENT COMPANY LIMITED	1	1320001	1325000	1,325,000
HAFIZ AVAIS GHANI	1	1325001	1330000	1,330,000
CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1	1355001	1360000	1,357,776
MUHAMMAD SADIQ	1	1395001	1400000	1,398,000
ANEESA ABDUL HAFEEZ	1	1405001	1410000	1,408,000
ZAHEER UL HASSAN	1	1440001	1445000	1,444,000
MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	1	1500001	1505000	1,501,850
HIRA FAISAL	1	1645001	1650000	1,650,000
ARROWSTREET GLOBAL EQUITY CCF	1	1680001	1685000	1,683,070
MUHAMMAD BILAL	1	1730001	1735000	1,731,000
GHANI HALAL FEED MILL (PRIVATE) LIMITED	1	1950001	1955000	1,953,866
CDC - TRUSTEE ABL STOCK FUND	1	1980001	1985000	1,981,072
	2	2090001	2095000	4,186,049
RIFFAT ZAHEER	1	2175001	2180000	2,178,000
PAK QATAR FAMILY TAKAFUL LIMITED	1	2275001	2280000	2,280,000
MEEZAN BANK LIMITED	1	2345001	2350000	2,350,000
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	2365001	2370000	2,367,000
SUI SOUTHERN GAS COMPANY LIMITED	1	2410001	2415000	2,414,174
CDC - TRUSTEE PICIC INVESTMENT FUND	1	2485001	2490000	2,488,024
SONERI BANK LIMITED - ORDINARY SHARES	1	2495001	2500000	2,500,000
PAK QATAR FAMILY TAKAFUL LIMITED	1	2845001	2850000	2,850,000
ASKARI BANK LIMITED	1	2950001	2955000	2,955,000
THE BANK OF PUNJAB, TREASURY DIVISION.	1	3140001	3145000	3,142,610
SINDH BANK LIMITED	1	3230001	3235000	3,231,800
CDC - TRUSTEE ATLAS STOCK MARKET FUND	1	3270001	3275000	3,274,098
DAWOOD FOUNDATION	1	3305001	3310000	3,307,845
ARIF HABIB LIMITED	1	3495001	3500000	3,500,000
FATIMA FERTILIZER COMPANY LTD	1	4095001	4100000	4,100,000
ROOMI ENTERPRISES (PVT) LIMITED.	1	4365001	4370000	4,367,614

Name of Shareholders*	No. of Shareholders	Shareholding Slab		Total Shares Held
		From	To	
CDC - TRUSTEE NIT STATE ENTERPRISE FUND	1	5320001	5325000	5,323,067
	2	5695001	5700000	11,396,595
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	6005001	6010000	6,009,512
PAKISTAN REINSURANCE COMPANY LIMITED	1	8695001	8700000	8,698,203
CDC - TRUSTEE PICIC GROWTH FUND	1	9910001	9915000	9,911,246
STATE LIFE INSURANCE CORP. OF PAKISTAN	1	10725001	10730000	10,725,728
Trustee - MCB Employees Pension Fund	1	15425001	15430000	15,429,000
POLUNIN EMERGING MARKETS SMALL CAP FUND LLC	1	16250001	16255000	16,254,124
STATE LIFE INSURANCE CORP. OF PAKISTAN	1	16755001	16760000	16,757,409
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	21275001	21280000	21,275,758
EMPLOYEES OLD AGE BENEFITS INSTITUTION	1	25220001	25225000	25,224,155
NATIONAL BANK OF PAKISTAN	1	26730001	26735000	26,730,065
SNGPL EMPLOYEES EMPOWERMENT TRUST	1	27395001	27400000	27,399,709
PAKISTAN INDUSTRIAL DEVELOPMENT CORP. (PVT) LTD.	1	38160001	38165000	38,164,538
THE PRESIDENT OF ISLAMIC REPUBLIC OF PAKISTAN	1	200930001	200935000	200,931,210
	20,554			634,216,665

*Name of Shareholders have been specified where shares are held by a single shareholder.

Categories of Shareholders

As of June 30, 2022

Categories of Shareholders	Shareholders	Shares Held	Percentage
Government of Pakistan			
The President of Islamic Republic of Pakistan	1	200,931,210	31.68
Directors and their spouse(s) and minor children			
Mr. Mohammad Haroon	1	2,500	0.00
Syed Zakria Ali Shah	1	577	0.00
Mr. Ahmad Aqeel	1	3,000	0.00
Syed Akhtar Ali	1	500	0.00
Dr. Sohail Razi Khan	1	2,500	0.00
Ms. Roohi Raees Khan	1	2,600	0.00
Associated companies, undertakings and related parties			
	11	29,996,295	4.73
NIT and ICP	1	321,147	0.05
Banks, development financial institutions, non-banking financial institutions			
	35	85,704,288	13.51
Insurance companies	21	54,168,819	8.54
Modarabas and mutual funds	67	42,048,833	6.63
General public			
a. Local	19,263	95,554,497	15.07
b. Foreign	914	2,511,125	0.40
Foreign companies	32	21,011,301	3.31
Others	203	101,960,073	16.08
TOTAL	20,554	634,216,665	100.00
Share holders holding 10% or more			
The President of Islamic Republic of Pakistan		200,931,210	31.68

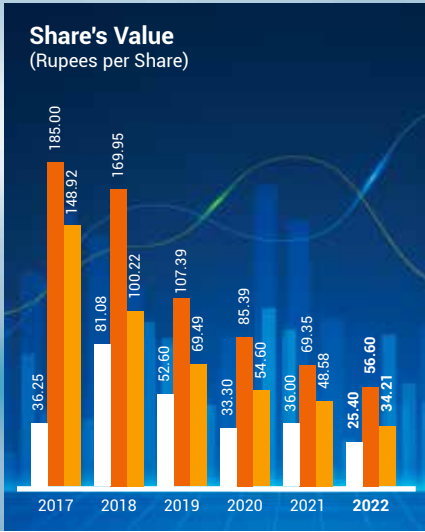
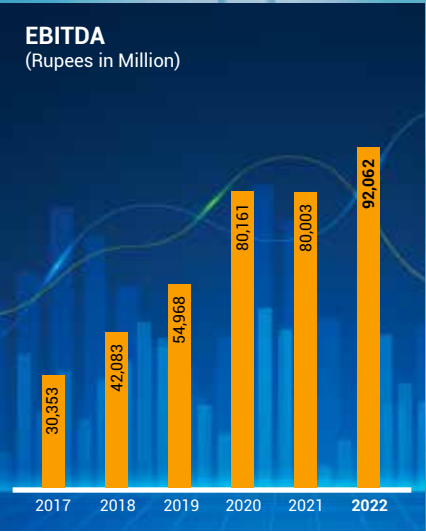
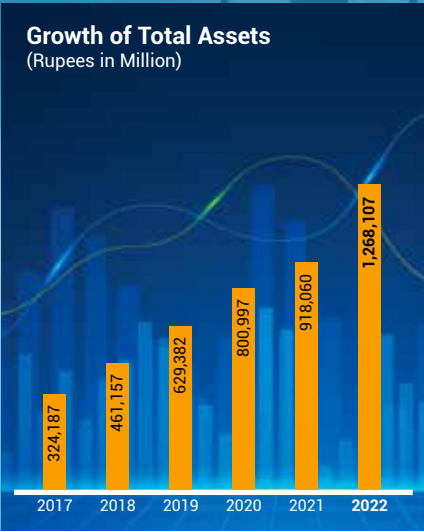
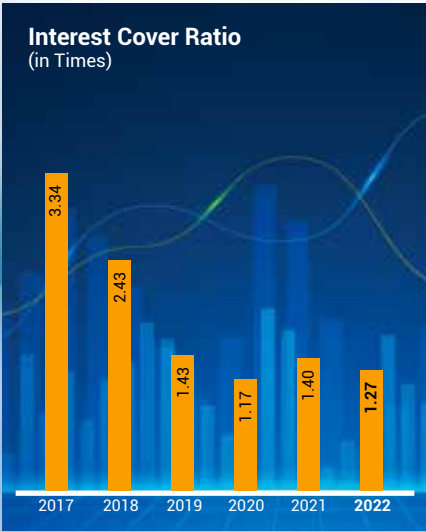
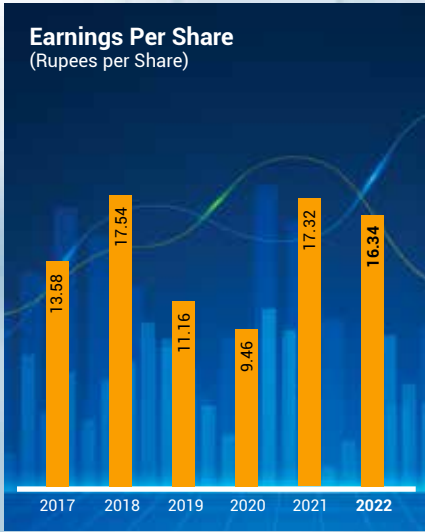
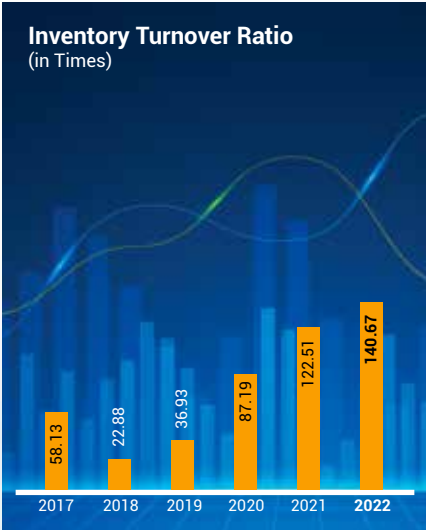
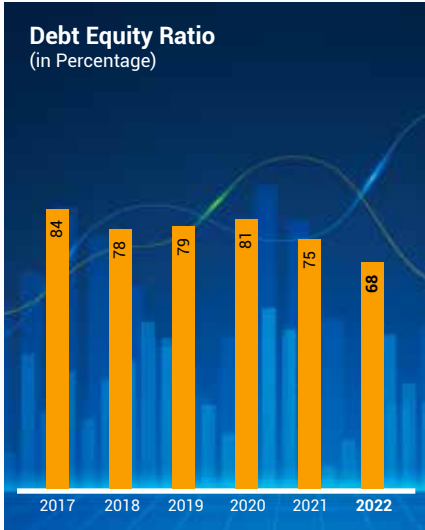
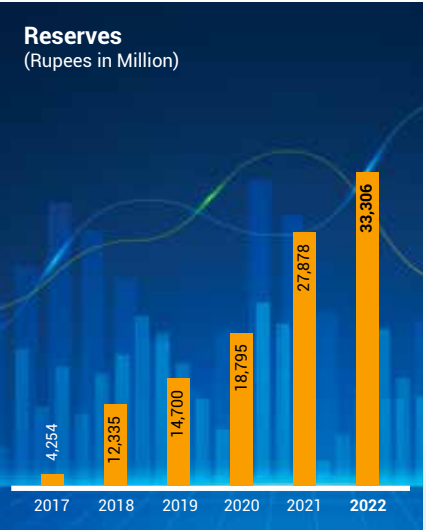
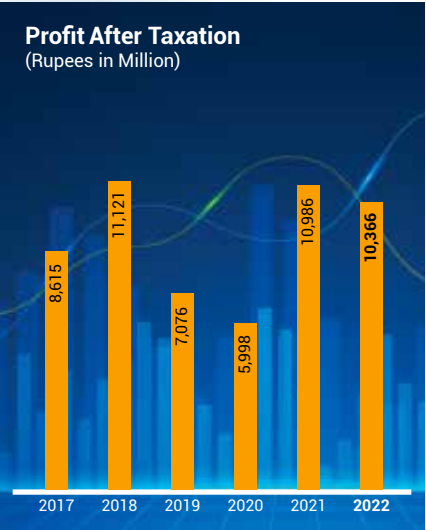
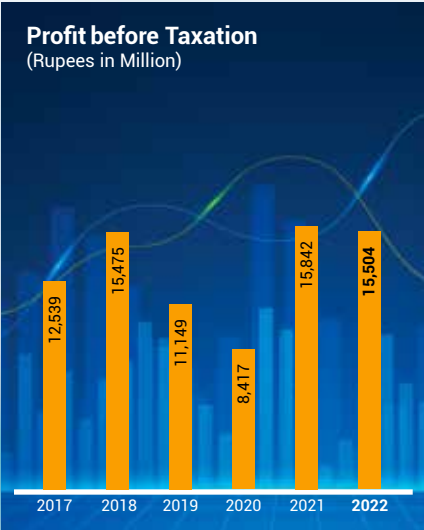


Summary of Six Years

Particulars	Unit	2022	2021	2020	2019	2018	2017
Statement of Profit or Loss							
Net turnover	Rs. '000	1,293,677,464	757,627,055	744,555,413	781,899,964	503,782,390	346,308,284
Gross profit	Rs. '000	85,521,705	52,851,737	54,336,916	35,796,009	26,996,739	19,698,652
Operating profit	Rs. '000	72,800,002	55,878,729	57,392,621	36,926,064	26,281,556	17,889,719
Profit before tax	Rs. '000	15,503,613	15,841,904	8,416,931	11,149,217	15,475,401	12,539,199
Profit after tax	Rs. '000	10,366,231	10,985,994	5,997,709	7,075,834	11,121,475	8,614,500
Earnings before interest, taxes, depreciation and amortization (EBITDA)	Rs. '000	92,061,784	80,003,424	80,161,381	54,968,097	42,083,377	30,352,804
Statement of financial position							
Share capital	Rs. '000	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167
Reserves	Rs. '000	33,305,891	27,877,899	18,794,692	14,700,046	12,334,514	4,253,626
Property, plant and equipment	Rs. '000	224,937,870	214,090,961	205,997,782	200,837,557	190,609,690	164,102,403
Net current liabilities	Rs. '000	(22,262,753)	(22,706,694)	(32,122,169)	(20,896,506)	(13,619,994)	(6,205,190)
Long term / deferred liabilities	Rs. '000	199,696,872	195,803,286	190,785,806	162,812,183	161,766,344	150,280,396
Summary of cash flows							
Net cash from operating activities	Rs. '000	50,461,301	35,740,954	35,320,743	17,339,137	39,589,745	21,876,902
Net cash used in investing activities	Rs. '000	(25,294,330)	(28,132,679)	(23,546,553)	(27,832,011)	(41,582,308)	(38,476,828)
Net cash (used in) / from financing activities	Rs. '000	(9,122,121)	(4,667,702)	(11,651,419)	(14,929,727)	2,432,526	18,463,857
Net increase / (decrease) in cash and cash equivalents	Rs. '000	16,044,850	2,940,573	122,771	(25,422,601)	439,963	1,863,931
Investor information for six years							
Profitability ratios:							
Gross profit ratio	%	7.94	8.20	8.78	5.23	6.04	6.16
Net profit to sales	%	0.96	1.70	0.97	1.03	2.49	2.69
EBITDA margin	%	8.55	12.41	12.96	8.03	9.42	9.49
Return on equity	%	28.07	37.02	25.98	35.63	75.99	120.54
Return on capital employed	%	9.19	9.67	10.40	8.09	8.90	6.83
Efficiency ratios							
Operating cycle	Days	84	98	99	70	67	72
Inventory turnover ratio	Times	140.67	122.51	87.19	36.93	22.88	58.13
Debtor turnover ratio	Times	4.48	3.82	3.84	6.12	7.20	5.53
Total asset turnover ratio	Times	0.85	0.70	0.77	1.09	0.97	0.99
Fixed asset turnover ratio	Times	4.79	3.01	3.00	3.41	2.34	1.95
Weighted average cost of debt	%	10.30	8.17	9.74	6.96	3.40	2.63
Investment							
Earnings per share (basic and diluted)	Rs/Share	16.34	17.32	9.46	11.16	17.54	13.58
Market value per share	Rs/Share	34.21	48.58	54.60	69.49	100.22	148.92
Share's highest value during the year	Rs/Share	56.60	69.35	85.39	107.39	169.95	185.00
Share's lowest value during the year	Rs/Share	25.40	36.00	33.30	52.60	81.08	36.25
Price earning ratio	Times	2.09	2.80	5.77	6.23	5.72	10.96
Break up value per share	Rs/Share	62.51	53.96	39.63	33.18	29.45	16.71
Cash dividend per share	Rs/Share	4.00	7.00	4.00	3.50	7.05	6
Leverage							
Debt: equity ratio	%	68	75	81	79	78	84
Dividend yield ratio	%	11.69	14.41	7.33	5.04	7.03	4.03
Dividend payout ratio	%	24.47	40.41	42.30	31.37	40.20	44.17
Interest cover ratio	Times	1.27	1.40	1.17	1.43	2.43	3.34
Dividend cover ratio	Times	4.09	2.47	2.36	3.19	2.49	2.26
Current ratio	Times	0.98	0.97	0.95	0.95	0.95	0.96
Quick / acid test ratio	Times	0.96	0.95	0.92	0.92	0.83	0.88
Statement of value added & how distributed							
Employees as remuneration	Rs. '000	23,457,009	21,298,393	18,985,842	17,565,293	17,021,819	15,758,036
Government as taxes	Rs. '000	187,163,625	110,074,599	109,460,952	97,627,200	70,710,179	54,395,635
Shareholders as dividends	Rs. '000	2,536,867	4,439,517	2,536,867	2,219,758	4,471,227	3,805,300
Retained with the business	Rs. '000	22,990,259	16,293,834	10,381,711	8,823,931	3,967,856	(4,159,356)
Financial charges to providers of finance	Rs. '000	57,296,389	40,036,825	48,975,690	25,776,847	10,806,155	5,350,520



Graphical Presentation



Horizontal Analysis

	Jun 30, 17	Jun 30, 18	Jun 30, 19	Jun 30, 20	Jun 30, 21	Jun 30, 22
STATEMENT OF FINANCIAL POSITION ITEMS						
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	100	116	122	126	130	137
Intangible assets	100	131	208	109	431	411
Right of use assets	-	-	-	100	90	81
Deferred taxation	100	0	0	0	0	208
Long term investment	100	100	0	0	0	0
Long term loans	100	173	175	179	134	246
Employee benefits	100	229	265	385	388	220
Long term deposits and prepayments	100	215	133	199	292	380
	100	116	123	148	151	157
CURRENT ASSETS						
Stores and spare parts	100	100	131	146	172	217
Stock in trade-gas in pipelines	100	306	88	66	46	122
Trade debts	100	115	273	285	298	533
Loans and advances	100	84	142	169	142	179
Trade deposits and short term prepayments	100	141	150	101	61	72
Interest accrued	100	157	302	234	120	688
Other receivables	100	186	308	505	677	914
Contract assets	100	-	100	0	18	0
Short term investments	100	-	100	100	0	0
Income tax recoverable - Net	100	43	124	102	28	0
Sales tax recoverable	100	295	334	265	196	499
Cash and bank balances	100	194	169	206	283	433
	100	170	270	352	423	641
TOTAL ASSETS	100	142	194	247	283	391
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital						
(1,500,000,000 ordinary shares of Rs. 10 each)	100	100	100	100	100	100
Issued, Subscribed and paid up share capital	100	100	100	100	100	100
Revenue reserves	100	290	346	442	655	783
Total equity	100	176	199	237	323	374
NON-CURRENT LIABILITIES						
Long term financing:						
- Secured	100	102	80	62	56	52
- Unsecured	100	82	60	52	36	25
Lease liability	100	-	-	100	90	84
Security deposits	100	114	126	136	143	146
Deferred grant	100	123	109	105	116	122
Contract liabilities	100	0	100	112	138	178
Deferred tax	100	100	269	100	76	0
Employee benefits	100	52	52	69	78	81
	100	108	108	127	130	133
CURRENT LIABILITIES						
Trade and other payables	100	177	269	343	401	629
Contract liabilities	100	-	100	1,256	1,166	3,539
Unclaimed dividend	100	100	98	148	140	154
Unpaid dividend	100	-	100	-	-	1
Income tax	100	-	-	-	-	100
Sales tax payable	100	-	-	-	-	-
Interest / Mark up accrued	100	124	200	334	443	632
Short term borrowings	100	399	2,851	2,975	2,962	1,903
Current portion of lease liabilities	100	-	-	100	94	87
Current portion of long term financing	100	216	211	171	175	118
	100	172	273	358	421	630
Total liabilities	100	141	194	247	282	392
TOTAL EQUITY AND LIABILITIES	100	142	194	247	283	391
PROFIT OR LOSS ITEMS						
Gas sales	100	140	214	193	202	337
Add: tariff adjustment	100	214	366	474	425	815
	100	145	226	215	219	374
Cost of gas sold	100	146	228	211	216	370
Gross profit	100	137	182	276	268	434
Other operating income	100	129	168	174	178	195
	100	134	177	239	236	349
Less: operating expenses						
- Selling cost	100	94	98	111	126	145
- Administrative expenses	100	108	114	113	127	145
	100	101	106	112	127	138
	100	155	223	322	306	485
Other operating expenses	100	360	623	351	161	514
Take or pay adjustment relating to prior years	-	-	-	-	-	100
Operating profit / (loss)	100	147	206	321	312	407
Finance cost	100	202	482	915	748	1,071
Profit / (loss) before taxation	100	123	89	67	126	124
Taxation	100	111	104	62	124	131
Profit / (loss) after taxation	100	129	82	70	128	120
Earnings / (loss) per share - basic and diluted (rupees)	100	129	82	70	128	120

Vertical Analysis

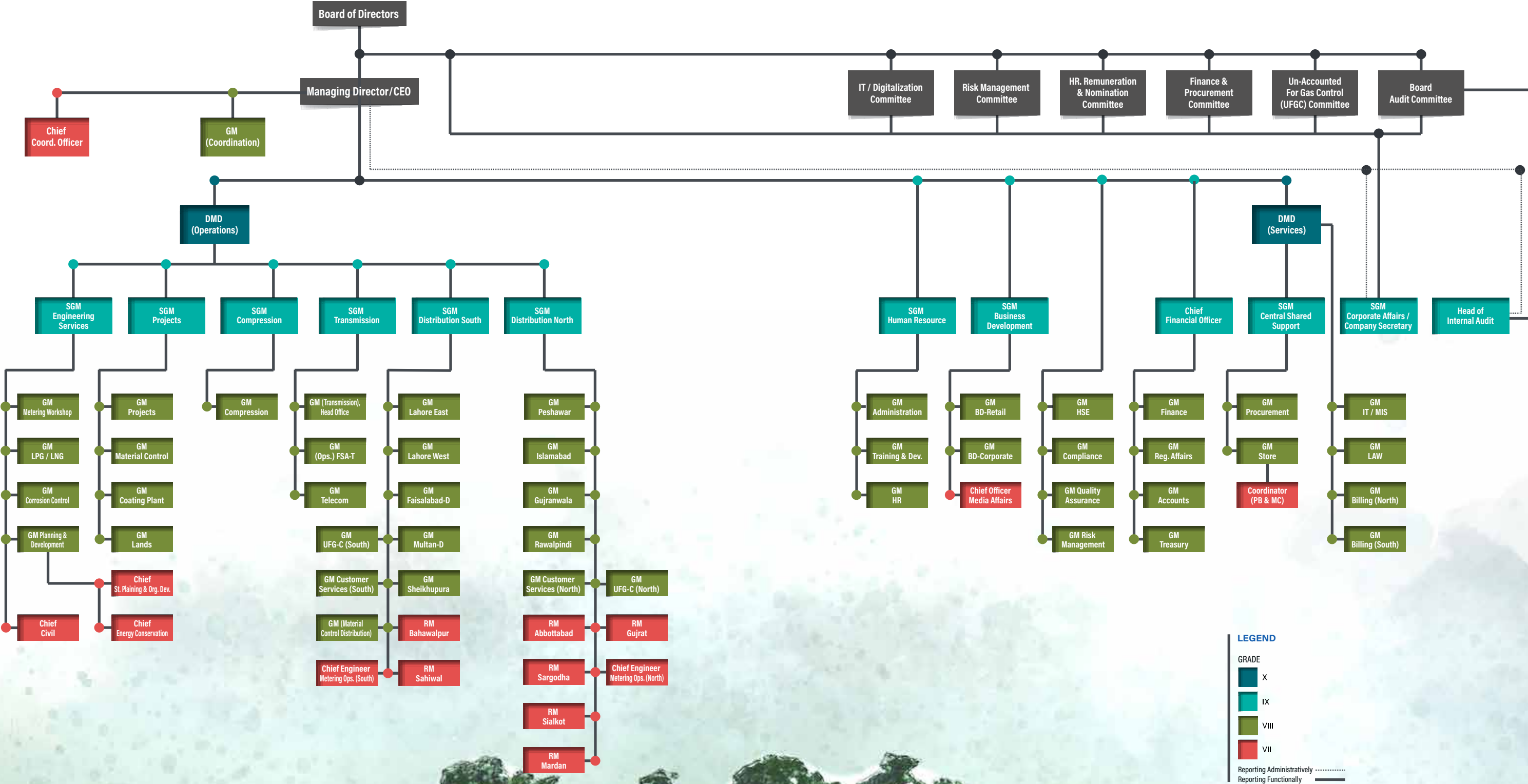
	Jun 30, 17	Jun 30, 18	Jun 30, 19	Jun 30, 20	Jun 30, 21	Jun 30, 22
STATEMENT OF FINANCIAL POSITION ITEMS						
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	50.62	41.33	31.91	25.72	23.32	17.74
Intangible assets	0.03	0.03	0.03	0.01	0.04	0.03
Right of use asset	-	-	-	4.61	3.63	2.36
Deferred taxation	0.40	0.00	0.00	0.00	0.00	0.22
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00
Long term loans	0.15	0.18	0.13	0.11	0.07	0.09
Employee benefits	0.34	0.54	0.46	0.52	0.46	0.19
Long term deposits and prepayments	0.00	0.01	0.00	0.00	0.00	0.00
	51.54	42.08	32.53	30.97	27.53	20.63
CURRENT ASSETS						
Stores and spare parts	1.18	0.83	0.80	0.70	0.72	0.65
Stock in trade-gas in pipelines	3.17	6.81	1.43	0.85	0.51	0.99
Trade debts	17.83	14.38	25.04	20.57	18.76	24.28
Loans and advances	0.46	0.27	0.34	0.32	0.23	0.21
Trade deposits and short term prepayments	0.05	0.05	0.04	0.02	0.01	0.01
Interest accrued	0.00	0.00	0.01	0.00	0.00	0.01
Other receivables	20.33	26.53	32.30	41.54	48.60	47.51
Contract assets	0.00	0.00	0.01	0.00	0.00	0.00
Income tax recoverable - Net	0.80	0.24	0.51	0.33	0.08	0.00
Sales tax recoverable	3.51	7.27	6.03	3.77	2.43	4.47
Short term investments	0.00	0.00	0.00	0.00	0.00	0.00
Cash and bank balances	1.13	1.53	0.98	0.94	1.12	1.25
	48.46	57.92	67.47	69.03	72.47	79.37
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00	100.00
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital						
(1,500,000,000 ordinary shares of Rs. 10 each)						
Issued, Subscribed and paid up share capital	1.96	1.38	1.01	0.79	0.69	0.50
Revenue reserves	1.31	2.67	2.34	2.35	3.04	2.63
Total equity	3.27	4.05	3.34	3.14	3.73	3.13
NON-CURRENT LIABILITIES						
Long term financing:						
- Secured	15.23	10.93	6.25	3.83	2.99	2.01
- Unsecured	0.16	0.09	0.05	0.03	0.02	0.01
Lease liability	-	-	-	4.20	3.29	2.23
Security deposits	11.90	9.49	7.72	6.53	6.01	4.45
Deferred grant	14.55	12.55	8.17	6.19	5.98	4.55
Contract liabilities	-	-	1.76	1.55	1.66	1.56
Deferred tax	0.00	0.36	0.72	0.21	0.14	0.00
Employee benefits	4.53	1.65	1.21	1.27	1.24	0.94
	46.36	35.08	25.87	23.82	21.33	15.75
CURRENT LIABILITIES						
Trade and other payables	40.64	50.67	56.27	56.48	57.55	65.36
Contract liabilities	-	-	0.04	0.41	0.33	0.73
Unclaimed dividend	-	0.02	0.02	0.02	0.02	0.01
Unpaid dividend	-	-	0.12	0.00	0.00	0.00
Income tax	-	-	-	-	0.00	0.03
Sales tax Payable	0.00	0.00	0.00	0.00	0.00	0.00
Interest / Mark up accrued	7.78	6.80	8.02	10.50	12.17	12.56
Short term borrowing	0.31	0.86	4.53	3.71	3.22	1.50
Current portion of lease liabilities	-	-	0.00	0.77	0.63	0.42
Current portion of long term financing	1.65	2.51	1.79	1.15	1.02	0.50
	50.38	60.87	70.79	73.04	74.94	81.13
Total liabilities	96.73	95.95	96.66	96.86	96.27	96.87
TOTAL EQUITY AND LIABILITIES	100.00	100.00	100.00	100.00	100.00	100.00
PROFIT OR LOSS ITEMS						
Gas sales	100.00	100.00	100.00	100.00	100.00	100.00
Add: tariff adjustment	8.32	12.76	14.21	20.38	17.55	20.15
	108.32	112.76	114.21	120.38	117.55	120.15
Cost of gas sold	102.16	106.72	108.98	111.59	109.35	112.20
Gross profit	6.16	6.04	5.23	8.78	8.20	7.94
Other operating income	3.44	3.17	2.70	3.10	3.03	1.99
	9.60	9.21	7.93	11.88	11.23	9.93
Less: operating expenses						
- Selling cost	1.77	1.18	0.81	1.02	1.11	0.76
- Administrative expenses	2.01	1.56	1.07	1.17	1.27	0.79
	3.78	2.74	1.87	2.19	2.38	1.55
	5.82	6.47	6.06	9.69	8.85	8.39
Other operating expenses	0.23	0.59	0.66	0.41	0.18	0.35
Take or pay adjustment relating to prior years	0	0	0	0	0	1.28
Operating profit / (loss)	5.60	5.88	5.39	9.28	8.67	6.76
Finance cost	1.67	2.42	3.77	7.92	6.21	5.32
Profit / (loss) before taxation	3.92	3.46	1.63	1.36	2.46	1.44
Taxation	1.23	0.97	0.59	0.39	0.75	0.48
Profit / (loss) after taxation	2.69	2.49	1.03	0.97	1.70	0.96

Ten Years at a Glance



(Rupees in thousand)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
STATEMENT OF FINANCIAL POSITION - SUMMARY										
Paid up share capital	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167	6,342,167
Revenue reserves	33,305,891	27,877,899	18,794,692	14,700,046	12,334,514	4,253,626	(2,644,836)	(2,768,849)	(274,130)	3,690,445
Deferred grant	57,656,379	54,873,962	49,568,007	51,390,541	57,854,554	47,168,154	37,405,489	32,142,949	31,168,532	33,118,345
Contract liabilities	19,747,043	15,262,507	12,444,360	11,066,804	-	-	-	-	-	-
Non-Current liabilities										
Long term loans outstanding										
- Local	124,214	179,775	263,485	303,229	415,232	504,067	569,903	718,778	932,097	1,103,835
- Banking companies	25,450,493	27,455,663	30,700,519	39,330,000	50,420,000	49,359,799	34,425,000	13,500,000	5,500,000	5,000,000
Lease liabilities	28,297,506	30,171,701	33,626,581	-	-	-	-	-	-	-
Long term security deposits	56,479,161	55,205,548	52,335,405	48,578,096	43,782,459	38,566,630	34,343,735	32,452,229	29,782,655	22,369,143
Deferred liabilities - taxation	-	1,266,808	1,678,685	4,503,422	1,676,766	-	-	-	107,968	2,677,154
Employee benefit	11,942,076	11,387,322	10,168,764	7,640,091	7,617,333	14,681,746	12,332,455	9,748,887	6,469,389	5,048,980
Current Liabilities	1,028,762,141	688,037,096	585,073,938	445,527,126	280,714,218	163,310,619	128,939,602	112,953,347	87,110,028	84,849,817
	1,268,107,071	918,060,448	800,996,603	629,381,522	461,157,243	324,186,808	251,713,515	205,089,508	167,138,706	164,199,886
Non-Current Assets										
	261,607,683	252,730,046	248,044,834	204,750,902	194,063,019	167,081,379	139,487,798	116,754,857	106,832,239	100,920,469
Current Assets	1,006,499,388	665,330,402	552,951,769	424,630,620	267,094,224	157,105,429	112,225,717	88,334,651	60,306,467	63,279,417
	1,268,107,071	918,060,448	800,996,603	629,381,522	461,157,243	324,186,808	251,713,515	205,089,508	167,138,706	164,199,886
STATEMENT OF PROFIT OR LOSS - SUMMARY										
Sales	1,076,740,109	644,504,419	618,527,964	684,625,881	446,765,837	319,696,374	239,636,172	190,819,014	206,237,565	224,063,823
Add/(Less) Tariff adjustment/(Gas development surcharge)	216,937,355	113,122,636	126,027,449	97,274,083	57,016,553	26,611,910	11,010,416	21,701,559	14,523,313	(18,401,776)
Net Sales	1,293,677,464	757,627,055	744,555,413	781,899,964	503,782,390	346,308,284	250,646,588	212,520,573	220,760,878	205,662,047
Cost of Gas sold	1,208,155,759	704,775,318	690,218,497	746,103,955	476,785,651	326,609,632	246,424,169	210,374,232	220,127,339	221,012,785
Gross profit	85,521,705	52,851,737	54,336,916	35,796,009	26,996,739	19,698,652	4,222,419	2,146,341	633,539	(15,350,738)
Other operating income	21,452,025	19,513,400	19,163,723	18,512,175	14,159,487	10,992,947	11,896,988	10,525,247	9,752,046	15,541,298
	106,973,730	72,365,137	73,500,639	54,308,184	41,156,226	30,691,599	16,119,407	12,671,588	10,385,585	190,560
Expenditure										
Operating Expenses	16,657,744	15,314,143	13,547,111	12,833,101	12,248,552	12,072,161	11,635,404	11,630,537	10,774,289	9,324,383
Take or pay adjustment relating to prior years	13,768,112	-	-	-	-	-	-	-	-	-
Expected credit loss	1,208,532	370,386	1,853,633	1,505,879	-	-	-	-	-	-
Finance Cost	57,296,389	40,036,825	48,975,690	25,776,847	10,806,155	5,350,520	4,402,741	3,982,728	5,005,457	6,100,239
Other charges	2,539,340	801,879	707,274	3,043,140	2,626,118	729,719	220,870	421,332	94,563	500,917
	91,470,117	56,523,233	65,083,708	43,158,967	25,680,825	18,152,400	16,259,015	16,034,597	15,874,309	15,925,539
Profit / (loss) before taxation	15,503,613	15,841,904	8,416,931	11,149,217	15,475,401	12,539,199	(139,608)	(3,363,009)	(5,488,724)	(15,734,979)
Provision for taxation	5,137,382	4,855,910	2,419,222	4,073,383	4,353,926	3,924,699	(263,621)	(868,509)	(1,524,149)	(5,985,890)
Profit / (loss) after taxation	10,366,231	10,985,994	5,997,709	7,075,834	11,121,475	8,614,500	124,013	(2,494,500)	(3,964,575)	(9,749,089)
Earnings / (Loss) per share (Basic)/(Rupees)	16.34	17.32	9.46	11.16	17.54	13.58	0.20	(3.93)	(6.25)	(15.37)
Dividend (%)	40.00	70.00	40.00	35.00	70.50	60	-	-	-	-
Number of employees - Operation										
- Project	8,224	8,463	8,569	8,567	8,654	8,764	8,819	8,772	8,696	8,991
	264	246	303	314	407	420	384	290	288	303
	8,488	8,709	8,872	8,881	9,061	9,184	9,203	9,062	8,984	9,294
Gas Sales (MMCF)	677,744	709,985	649,946	755,098	670,644	615,003	534,922	463,393	506,355	552,272
Consumers (in Numbers)	7,559,609	7,330,880	6,998,301	6,727,073	6,296,662	5,691,743	5,271,039	5,021,956	4,766,715	4,486,189
Customers (in Numbers)										
Industrial	6,201	6,124	6,052	5,991	5,871	5,755	5,754	6,453	6,453	6,559
Commercial	63,147	61,334	59,931	58,822	56,299	53,553	53,271	54,047	53,957	56,212
Domestic	7,450,552	7,263,422	6,892,906	6,622,551	6,194,783	5,592,726	5,172,305	4,921,747	4,666,596	4,383,709
	7,519,900	7,330,880	6,958,889	6,687,364	6,256,953	5,652,034	5,231,330	4,982,247	4,727,006	4,446,480
TRANSMISSION AND DISTRIBUTION SYSTEM (in Kilometers)										
Transmission mains	9,052	9,175	9,138	8,948	8,867	8,637	7,941	7,818	7,738	7,675
Distribution mains and services	146,327	142,998	135,000	130,106	122,325	111,015	103,849	97,300	95,855	93,646
	155,379	152,173	144,138	139,054	131,192	119,652	111,790	105,118	103,593	101,321

Organizational Structure



LEGEND

GRADE

- X
- IX
- VIII
- VII

Reporting Administratively
Reporting Functionally —

SNGPL Head Office & Regional Offices

Head Office

21, Kashmir Road, Lahore
042-99082000, 042-99082006
042-99201369
www.sngpl.com.pk

Regional Offices

Abbottabad
Jub Pul, P.O. Jhangi,
Main Mansehra Road.
Tel: 0992-9310071 -72
0992-9310077-78

Bahawalpur
6-1-D, Model Town-A.
Tel: 062-9255022-24

Faisalabad
Sargodha Road.
Tel: 041-9210033-35

Gujranwala
M. A. Jinnah Road.
Tel: 055-9200480-84

Gujrat
State Life Building,
120 & 121, GT Road.
Tel: 053-9260322
053-9260325

Islamabad
Plot 28-30, Sector I-9,
Industrial Area.
Tel: 051-9257711-19

Lahore (East & West)
21-Industrial Area,
Gurumangat Road,
Gulberg III.
Tel: 042-99263361
042-992633180

Mardan
Main Nowshera Road,
Near Industrial Estate.
Tel: 0937-880019

Multan
Piran Ghaib Road.
Tel: 061-9220081
061-9220084-86

Peshawar
Plot No-33, Sector B-2,
Phase-V, Hayatabad.
Tel: 091-9217748-50

Rawalpindi
Al-Mansha Plaza,
Main G.T Road,
Opposite IESCO Office,
Mohra Nagyal, Swan Camp.
Tel: 051-4917277-78

Sahiwal
79-A, 79-C, Canal Colony,
Farid Town Road.
Tel: 040-9200093

Sargodha
15 - Muslim Town,
New Satellite Town.
Tel: 048-3224401

Sheikhupura
Rajput House,
Main Sargodha Road,
Near Punjab Collage,
Nabi Pura.
Tel: 056-3791644-45

Sialkot
Sublime Chowk,
Marala Road, Malkay Kalan.
Tel: 052-3251350
052-3557172

Wah Cantt
Gudwal Link Road.
Tel: 051-4511153

Audited Financial Statements for the year ended June 30, 2022



Independent Auditor’s Review Report

to the Members of Sui Northern Gas Pipelines Limited

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 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, 2022 to comply with the requirements of Pakistan Stock Exchange where the Company is listed.

The responsibility for compliance with the code 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 Rules and report if it does not and to highlight any non-compliance with the requirements of the code. 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 requirements contained in the Codes as applicable to the Company for the year ended June 30, 2022.



Chartered Accountants

Engagement Partner:

Muhammad Sufyan

Lahore

Date: July 07, 2023

UDIN: CR202210180TLn8cWI27

Independent Auditors' Report

to the Members of Sui Northern Gas Pipelines Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Sui Northern Gas Pipelines Limited (the Company) which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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, 2022 and of the profit, comprehensive income, cash flows and changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the note 28.3 to the financial statements which explains that the settlement of circular debt, including tariff adjustment receivable determined or deferred by OGRA (refer note 32 and note 36) is dependent upon the resolution of intercorporate balances by the Government of Pakistan, and increase in gas prices or subsidy by the Government of Pakistan to the Company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

Key Audit Matters	How the matter was addressed in our audit
1. Revenue	
<p>The Company’s total revenue amounts to Rs. 1,076,740 million, which is generated from sales of indigenous gas and RLNG, representing a significant element of the financial statements as disclosed in note 35 to the financial statements.</p> <p>Revenue includes sales of indigenous gas and RLNG to the wide range of customers under an agreement based on single performance obligation satisfied over time, whereas progress of the performance obligation is measured using the output method, by an amount representing volume of natural gas delivered as metered monthly in arrears, that may include estimates for provisional billing and passing-unregistered-gas, at the various rates prescribed by the OGRA and Tariff adjustments which are calculated as per OGRA Ordinance, 2002 and Final Revenue Requirement issued by the OGRA. Revenue recognition criteria has been explained in note 4.17 to the financial statements.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized based on the satisfaction of the performance obligation under the contract with the customer in line with the accounting policy adopted.</p>	<p>Our audit procedures to address this Key Audit Matter included the following:</p> <ul style="list-style-type: none">• Obtained an understanding of and assessed the design and implementation of key internal controls over recognition of revenue;• Assessed the appropriateness of the Company’s accounting policies for revenue recognition and compliance of those policies with applicable accounting standards;• Performed test of details on revenue recognized during the year, on a sample basis, inspected meter reading documents, sales agreement, gas bills and rates from OGRA notification;• Obtained and examined the Final Revenue Requirement issued by the OGRA and checked that Tariff adjustments are as per the revenue requirement; and• Assessed the adequacy of related disclosures in the financial statements.

Key Audit Matters	How the matter was addressed in our audit
2. Contingent taxation liabilities	
<p>As discussed in Note 19.1.1 to the accompanying financial statements, the Company has significant contingent liabilities in respect of various income and sales tax matters, which are pending adjudication at various levels with appellate authorities.</p> <p>Such disputes and uncertain tax positions require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Company for disclosure, recognition and measurement of any provision that may be required against such contingencies.</p> <p>Due to significance of the amounts involved, inherent uncertainties with respect to outcome of the matters and the use of significant management judgments and estimates to assess the same including related financial impacts, we have considered contingent liabilities relating to income and sales tax, a Key Audit Matter.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none">• Obtained and reviewed details of the pending tax matters and discussed the same with the Company’s management;• Circularized confirmations to the Company’s external legal and tax counsels for their views on open tax assessments and the matters under adjudication;• Reviewed correspondence of the Company with the relevant authorities including significant judgments or orders passed by the relevant authorities in relation to the issues involved;• Involved in-house tax specialists to review the reasonableness of management’s conclusion on contingent tax matters and to evaluate the consistency of such conclusions with the views of the management and tax advisors engaged by the Company; and• Reviewed appropriateness of the disclosures made in the financial statements in respect of such contingent liabilities.

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

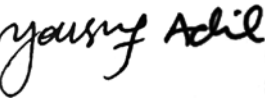
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017(XIX of 2017)
- b) the statement of financial position, the statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company’s business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor’s report is Muhammad Sufyan.



Chartered Accountants

Lahore
Date: July 07, 2023
UDIN: AR202210180k08FqrHxZ

Statement of Financial Position

As at June 30, 2022

	Note	2022 (Rupees in thousand)	2021
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	5	6,342,167	6,342,167
Revenue reserves	6	33,305,891	27,877,899
		39,648,058	34,220,066
Non-current liabilities			
Long term financing:			
- Secured	7	25,450,493	27,455,663
- Unsecured	8	124,214	179,775
Lease liabilities	9	28,297,506	30,171,701
Security deposits	10	56,479,161	55,205,548
Deferred grant	11	57,656,379	54,873,962
Contract liabilities	12	19,747,043	15,262,507
Deferred taxation	13	-	1,266,808
Employee benefits	14	11,942,076	11,387,322
		199,696,872	195,803,286
Current liabilities			
Trade and other payables	15	828,842,370	528,308,720
Current portion of contract liabilities	12	9,319,765	3,069,917
Income tax		416,754	-
Unclaimed dividend		171,940	156,270
Unpaid dividend		10,935	-
Interest / mark-up accrued on loans and other payables	16	159,280,590	111,748,560
Short term borrowing - secured	17	19,019,488	29,598,829
Current portion of lease liabilities	9	5,380,885	5,793,832
Current portion of long term financing	18	6,319,414	9,360,968
		1,028,762,141	688,037,096
Contingencies and commitments			
	19	-	-
		1,268,107,071	918,060,448

The annexed notes 1 to 56 form an integral part of these financial statements.


Faisal Iqbal
Chief Financial Officer


Amer Tufail
Managing Director / CEO


Roohi Raees Khan
Chairperson

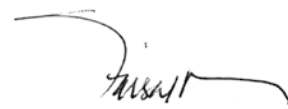
	Note	2022 (Rupees in thousand)	2021
ASSETS			
Non-current assets			
Property, plant and equipment	20	224,937,870	214,090,961
Intangible assets	21	366,290	384,441
Right of use assets	22	29,969,008	33,357,784
Deferred taxation	13	2,731,459	-
Long term loans	23	1,168,910	634,709
Long term deposits and prepayments	24	43,256	33,250
Employee benefits	25	2,390,890	4,228,901
		261,607,683	252,730,046
Current assets			
Stores and spare parts	26	8,300,408	6,586,057
Stock-in-trade	27	12,496,985	4,680,416
Trade debts	28	307,900,341	172,259,997
Loans and advances	29	2,675,090	2,121,511
Trade deposits and short term prepayments	30	115,834	98,576
Accrued interest	31	72,594	12,683
Other receivables	32	602,434,264	446,203,831
Contract assets	33	-	13,079
Sales tax recoverable		56,710,304	22,298,022
Income tax receivable		-	728,171
Cash and bank balances	34	15,793,568	10,328,059
		1,006,499,388	665,330,402
		1,268,107,071	918,060,448

Statement of Profit or Loss

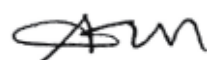
for the year ended June 30, 2022

	Note	2022 (Rupees in thousand)	2021
Revenue from contracts with customers - gas sales	35	1,076,740,109	644,504,419
Add: Tariff adjustment	36	216,937,355	113,122,636
		1,293,677,464	757,627,055
Less: Cost of gas sales	37	1,208,155,759	704,775,318
Gross profit		85,521,705	52,851,737
Add: Other operating income	38	21,452,025	19,513,400
		106,973,730	72,365,137
Less: Operating expenses			
Selling cost	39	8,180,096	7,136,757
Administrative expenses	40	8,477,648	8,177,386
Take or pay adjustment relating to prior years	41	13,768,112	-
Other operating expenses	42	2,539,340	801,879
Expected credit loss		1,208,532	370,386
		34,173,728	16,486,408
Operating profit		72,800,002	55,878,729
Less: Finance cost	43	57,296,389	40,036,825
Profit before taxation		15,503,613	15,841,904
Less: Taxation	44	5,137,382	4,855,910
Profit for the year		10,366,231	10,985,994
Earnings per share - basic and diluted - (Rs.)	45	16.34	17.32

The annexed notes 1 to 56 form an integral part of these financial statements.



Faisal Iqbal
Chief Financial Officer



Amer Tufail
Managing Director / CEO



Roohi Raees Khan
Chairperson

Statement of Comprehensive Income

for the year ended June 30, 2022

	2022 (Rupees in thousand)	2021
Profit for the year	10,366,231	10,985,994
Other comprehensive income for the year		
Items that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement of defined benefit plans - net	(1,690,953)	(1,212,907)
Tariff adjustment with respect to remeasurement of IAS-19 by the OGRA	-	319,450
	(1,690,953)	(893,457)
Tax effect	558,014	259,103
	(1,132,939)	(634,354)
Items to be reclassified to profit or loss in subsequent periods	-	-
Total comprehensive income for the year	9,233,292	10,351,640

The annexed notes 1 to 56 form an integral part of these financial statements.



Faisal Iqbal
Chief Financial Officer



Amer Tufail
Managing Director / CEO



Roohi Raees Khan
Chairperson

Statement of Changes in Equity

for the year ended June 30, 2022

	Share Capital	Revenue Reserves				Total share holders' equity
		General Reserve	Dividend Equalization Reserve	Unappropriated Profit/(loss)	Total	
Balance as at July 01, 2020	6,342,167	4,127,682	480,000	14,187,010	18,794,692	25,136,859
Final dividend for the year ended June 30, 2019 @ Rupees 2 per share	-	-	-	(1,268,433)	(1,268,433)	(1,268,433)
Profit for the year	-	-	-	10,985,994	10,985,994	10,985,994
Other comprehensive income for the year	-	-	-	(634,354)	(634,354)	(634,354)
Total comprehensive income for the year	-	-	-	10,351,640	10,351,640	10,351,640
Balance as at June 30, 2021	6,342,167	4,127,682	480,000	23,270,217	27,877,899	34,220,066
Transactions with owners, recognised directly in equity:						
Final dividend for the year ended June 30, 2020 @ Rupees 4 per share	-	-	-	(2,536,867)	(2,536,867)	(2,536,867)
Interim dividend for the year ended June 30, 2021 @ Rupees 2 per share	-	-	-	(1,268,433)	(1,268,433)	(1,268,433)
Profit for the year	-	-	-	10,366,231	10,366,231	10,366,231
Other comprehensive income for the year	-	-	-	(1,132,939)	(1,132,939)	(1,132,939)
Total other comprehensive income for the year	-	-	-	9,233,292	9,233,292	9,233,292
Balance as at June 30, 2022	6,342,167	4,127,682	480,000	28,698,209	33,305,891	39,648,058

The annexed notes 1 to 56 form an integral part of these financial statements.



Faisal Iqbal
Chief Financial Officer



Amer Tufail
Managing Director / CEO



Roohi Raees Khan
Chairperson

Statement of Cash Flows

for the year ended June 30, 2022

	Note	2022 (Rupees in thousand)	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	46	56,080,083	35,152,416
Finance cost paid		(5,512,884)	(7,696,726)
Taxes paid		(7,432,710)	(3,105,530)
Employee benefits / contributions paid		(2,798,223)	(3,023,436)
Increase in security deposits		1,273,613	2,870,143
Receipts against government grants and consumer contributions		9,407,263	11,388,825
Increase in long term loans		(545,835)	165,856
(Increase) / decrease in long term deposits and prepayments		(10,006)	(10,594)
Net cash generated from operating activities		50,461,301	35,740,954
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(25,697,404)	(28,089,432)
Expenditure on intangible assets		(203,772)	(485,089)
Proceeds from sale of property, plant and equipment		57,567	126,753
Proceeds from sale of short term investments		-	4,900
Return on bank deposits		549,279	310,189
Net cash used in investing activities		(25,294,330)	(28,132,679)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing - secured		25,964,000	6,041,000
Repayment of long term financing - secured		(31,054,947)	(9,063,850)
Repayment of long term financing - unsecured		(76,763)	(145,503)
Repayment of lease liability against right of use assets		(175,716)	(222,433)
Dividend paid		(3,778,695)	(1,276,916)
Net cash used in financing activities		(9,122,121)	(4,667,702)
Net increase in cash and cash equivalents		16,044,850	2,940,573
Cash and cash equivalents at the beginning of the year		(19,270,770)	(22,211,343)
Cash and cash equivalents at the end of the year	46.2	(3,225,920)	(19,270,770)

The annexed notes 1 to 56 form an integral part of these financial statements.



Faisal Iqbal
Chief Financial Officer



Amer Tufail
Managing Director / CEO



Roohi Raees Khan
Chairperson

Notes to the Financial Statements

for the year ended June 30, 2022

1. THE COMPANY AND ITS OPERATIONS

Sui Northern Gas Pipelines Limited (the Company) is a public limited company incorporated in Pakistan on June 17, 1963 under the Companies Act, 1913 (now Companies Act, 2017) and listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is the purchase, transmission, distribution and supply of natural gas. The registered office of the Company is situated at 21 Kashmir Road, Lahore. The Company’s pipe coating plant is situated at Uch Sharif, Bahawalpur. The addresses of other regional offices of the Company are as follows:

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- i) International Financial Reporting Standards (‘IFRS Standards’) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

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.

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

Following amendments to published approved accounting standards are mandatory for the Company’s accounting periods beginning on or after July 01, 2021:

- Amendments to IFRS 16 ‘Leases’ – Covid-19 related rent concessions extended beyond June 30, 2021

- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9 ‘Financial Instruments’, IAS 39 ‘Financial Instruments: Recognition and Measurement’, IFRS 4 ‘Insurance Contracts’, IFRS 7 ‘Financial Instruments: Disclosures’, IFRS 4 ‘Insurance Contracts’ and IFRS 16 ‘Leases’

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan, would be effective from the dates mentioned below and have not been adopted early by the Company:

- Amendments to IAS 1 ‘Presentation of Financial Statements’ (effective for annual periods beginning on or after January 01, 2023). These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity’s right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’.
- Amendments to IAS 37 ‘Provisions, Contingent Liabilities and Contingent Assets (effective for annual periods beginning on or after January 01, 2022). These amendments amends IAS 1 ‘Presentation of Financial Statements’ by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Amendments to IAS 16 ‘Property, Plant and Equipment (effective for annual periods beginning on or after January 01, 2022). These amendments clarify that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 ‘Inventories’. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- Disclosure of Accounting Policies (Amendments to IAS 1 ‘Presentation of Financial Statements’ and IFRS Practice Statement 2 ‘Making Materiality Judgement’) effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 states that an entity shall disclose its ‘significant accounting policies’ in their financial statements. These amendments shall assist the entities to disclose their ‘material accounting policies’ in their financial statements.

Notes to the Financial Statements

for the year ended June 30, 2022

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.
- Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors') effective for annual periods beginning on or after 1 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates

Annual Improvements to IFRS standards 2018-2020 Cycle - the improvements address amendments to following approved accounting standards:

- IFRS 9 'Financial Instruments' – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10%' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 'Leases' – The amendment partially amends illustrative Example 13 accompanying IFRS 16 'Leases' by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

The above amendments are effective from annual period beginning on or after January 01, 2022 and are not likely to have any significant impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, the IASB has also issued the following standards which have not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2022:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards; and
- IFRS 17 – Insurance Contracts.

2.2.3 Exemptions from applicability of certain standards and interpretations to standards

- 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 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 of State Owned Enterprises need to be accounted for by the covered entities, including the Company, under the provisions of amended IFRS 2. However, keeping in view the difficulties that may be faced by the entities covered under the Scheme, the Securities & Exchange Commission of Pakistan (SECP) 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 vide S.R.O 587(I)/2011 dated June 07, 2011.

Had the exemption not been granted, the staff costs of the Company for the year would have been lower by Rs. 340,855 thousand (2021: lower by Rs. 142,794 thousand) and reserves would have been higher by Rs. 811,458 thousand (2021: higher by Rs. 1,152,314 thousand). However, there will be no impact on profit after taxation, EPS and retained earning as the Company's management believes that this impact is a pass through item which will be eventually adjusted against gas development surcharge or tariff adjustment as explained in note 4.20 to these financial statements.

- IFRS 9 - Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after July 01, 2018. The application of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL).

The Securities and Exchange Commission of Pakistan (SECP) vide its Circular No. 985 (I)/2019 dated September 02, 2019 and its clarification vide its letter No. EMD/233/414/2002 dated September 13, 2019 to the Company and vide S.R.O. 1177 (I)/2021 dated September 13, 2021 and subsequent vide S.R.O 67(I)/2023 dated January 20,2023 has exempted the application of IFRS 9 with respect to recognition requirements of Expected Credit Losses on financial assets due from Government of Pakistan or ultimately due from the Government of Pakistan (including receivables in context of circular debt) till December 31, 2024, provided that such companies shall follow relevant requirements of IAS 39, in respect of such financial assets. Consequently, the Company has also been exempted from the application of IFRS 9 with respect to ECL method on financial assets due from Government of Pakistan, while preparing its financial statements. Accordingly, there is no ECL recorded on the financial assets due from the GoP in these financial statements.

- IFRS 14 'Regulatory Deferral Accounts' effective for annual periods beginning on or after July 01, 2019. IFRS 14 is intended to encourage rate-regulated entities to adopt IFRS while bridging the gap with similar entities that already apply IFRS, but which do not recognize regulatory deferral accounts. This would be achieved by requiring separate presentation of the regulatory deferral account balances (and movements in these balances) in the statement of financial position, statement of profit or loss and statement of comprehensive income. Further, the Standard also requires to disclose multiple earnings per share. The Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SMD/PRDD/2(316)/2021/105 dated June 15, 2021 has granted exemption to the Company for a period of upto three years i.e. upto financial year ended June 30, 2022 from the application

Notes to the Financial Statements

for the year ended June 30, 2022

of IFRS 14. Had the Company applied IFRS 14, the effects on the financial statements would have been as follows:

	2022	2021
	(Rupees in thousand)	
Effect on statement of profit or loss		
(Decrease) / Increase in		
Tariff adjustment	(216,937,355)	(113,122,636)
Net movement in regulatory deferral account balances	216,937,355	113,122,636
Effect on the earnings / (Loss) per share - (Rs.)		
basic and diluted	(325.71)	(161.04)
basic and diluted including net movement in regulatory deferral account		
	16.34	17.32
Effect on statement of financial position		
(Decrease) / increase in:		
Other receivable	(602,379,270)	(446,134,318)
Regulatory deferral account	602,379,270	446,134,318

3. BASIS OF MEASUREMENT

3.1 Presentation and functional currency

The financial statements are presented in Pak Rupees, which is also the Company’s functional and presentation currency.

3.2 Significant accounting estimates

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, 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 4.5, 14.8 and 25.8
- ii) Provision for taxation - note 4.4 and 44
- iii) Useful life and residual values of property, plant and equipment - note 4.8 and 20.1
- iv) Right-of-use assets and corresponding lease liability - note 4.10, 9 and 22
- v) Impairment of financial assets - note 4.19, 28 and 29
- vi) Impairment of non-financial assets - note 4.8, 4.9, 20 and 21
- vii) Tariff adjustment - recognition of disallowances determined by the OGRA - note 4.20, 32 and 36.

i) Employee benefits

The Company operates various defined benefit plans for its executive and non executive employees and recognizes deferred liabilities in respect of pension, gratuity, medical, free gas facility and accumulated compensated absences. These calculations require assumptions to be made of future outcomes, the principal ones being in respect of increases in remuneration and pension benefit levels, medical benefit rate and the discount rate used to convert future cash flows to current values. The assumptions used vary for the different plans as they are determined by independent actuaries annually. Calculations are sensitive to changes in the underlying assumptions. The valuation is based on assumptions as mentioned in note 4.5, 14.8 and 25.8.

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 is in accordance with law, the amounts are shown as contingent liabilities.

Deferred tax is calculated at the rates that are expected to apply to the period when the difference reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences, unused tax losses and tax credits to the extent that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. The recoverability of deferred tax assets are analyzed at each reporting period end and adjusted if considered necessary with a corresponding effect on deferred tax charge / income for the period.

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

The Company reviews the useful lives and residual values 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.

“Property, plant and equipment except for freehold, leasehold land and capital work in progress 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. Depreciation is charged to the statement of profit or loss on straight line method so as to write off the cost of an asset over its estimated useful life. 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 Company has changed its estimates of the useful lives of its certain operating assets from July 01, 2021. Had there been no change in estimates, depreciation charge for the current period would had been increased by Rs. 6,656,747 thousand and written down value of fixed asset would had been reduced by same amount. Considering the nature of the operating assets, it is impracticable to quantify the impact of such change in estimate in future periods.

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 as expense during the period in which they are incurred.

During the period, Company has revised the useful life of the property, plant and equipment. The impact of change in useful life is taken prospectively from July 01, 2021. Pursuant to this change, depreciation has been provided at the rates based on following useful lives as estimated by management.

Notes to the Financial Statements

for the year ended June 30, 2022

Category of asset	Useful life (in years)	
	Old	Revised
Buildings and civil construction on freehold land	17	20
Transmission system	10-17	10-40
Distribution system	17	20
Consumer meter and town border stations	10-17	10-20
Plant and machinery	5	10
Transport Vehicle	4	5

iv) Right-of-use assets and corresponding lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company’s incremental borrowing rate (‘IBR’). The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value of the right-of-use asset in a similar economic environment.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease term is determined at the date of inception of lease. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. The Company reviews the useful life of the right-of-use assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of right-of-use assets and lease liabilities with a corresponding effect on the depreciation charge and interest expense.

v) Impairment of financial assets

The Company recognizes an allowance for Expected Credit Losses (ECL) for all debt instruments not held at fair value through profit or loss, excluding financial assets due from Government of Pakistan due to exemption granted by SECP as more fully explained in note 2.2.3 above. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company measures the ECL of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECL are measured for the maximum contractual period over which the entity is exposed to credit risk. The significant estimates relating to the measurement of ECL relate to the fair value of the collaterals in place, the expected timing of the collection and forward looking economic factors.

For trade receivables and contract assets, the Company has applied simplified approach in calculating ECL adjusted for forward-looking factors specific to the debtors and the economic environment.

Elements of the ECL model that are considered accounting judgments and estimates include:

- Development of ECL model, including the various formulas and choice of inputs;
- Determining the criteria if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model; and
- Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on Probability of Default (PDs), Exposure At Default (EADs) and Loss Given Default (LGDs).

The Company considers a financial asset in default when contractual payments are significantly past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company also reviews the recoverability of its trade debts, advances and other receivables that are due from GoP to assess amount of bad debts and provision required there against on annual basis. As referred in note 2.2.3 to these financial statements, the SECP has exempted application of the requirements of ECL on financial assets due directly / ultimately from GoP, provided that the Company is following the requirements of IAS 39 "Financial Instruments: Recognition and Measurement, in respect of these financial assets.

vi) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Unit’s (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company’s CGUs to which the individual assets are allocated. Impairment losses of continuing operations are recognized in the statement of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds 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 the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Notes to the Financial Statements

for the year ended June 30, 2022

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

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 **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 statement of profit or loss over the period of the borrowings using the effective interest method.

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

4.2 **Deferred credit**

Deferred credit represents the amount received from the government as 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.

4.3 **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Contract liabilities include the amount received from the customers as contribution towards the cost of supplying and laying transmission, service and main lines. Revenue recognition against such contract liabilities commences upon capitalization of the related asset and is amortized over its useful life.

4.4 **Taxation**

Taxation for the year comprises of current and deferred tax. Taxation is recognized in profit or loss except to the extent that it relates to items recognized outside profit or loss (whether in other comprehensive income or directly in equity), if any, in which case the tax amounts are recognized outside profit or loss.

Current

Provision for current tax is based on taxable income for the year determined in accordance with the prevailing law for income taxation. 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 whereas deferred tax assets are recognized for deductible temporary differences, unused tax losses and tax credits to the extent that it is probable that taxable profit will be available against which these 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 reporting date. Deferred tax is charged or credited in the statement of profit or loss and statement of comprehensive income except where deferred tax arises on the items credited or charged to equity in which case it is included in equity.

4.5 **Employee retirement benefits**

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company. The main features of the schemes operated by the Company for its employees are as follows:

4.5.1 **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 most recent valuations were carried out as on June 30, 2022 using the projected unit credit method. Significant assumptions used for valuation of these schemes are mentioned in note 14.8 and 25.8. The future contribution rates of these funds include allowance for deficit and surplus.

4.5.1.1 **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 14.8 and 25.8.

4.5.1.2 **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 14.8 and 25.8.

4.5.1.3 **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.

4.5.2 **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. The rate of the contribution is 7.5% (2021: 7.5%) for the executives and 10% (2021: 10%) for the non-executive employees.

4.6 **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 as the payment is due within one year or less (or in the normal operating cycle of the business, if longer).

Trade payables and other costs payable are initially recognized 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 amortized cost using the effective interest method.

Notes to the Financial Statements

for the year ended June 30, 2022

4.7 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 reporting date and adjusted to reflect the current best estimate.

4.8 Property, plant and equipment

Cost

Property, plant and equipment except for freehold, leasehold land and capital work in progress 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 4.11.

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 as expense during the period in which they are incurred.

Depreciation

Depreciation is charged to the statement of profit or loss on straight line method so as to write off the cost of an asset over its estimated useful life at the rates given in note 20.1 to these financial statements. 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. On advice of OGRA, the Company has changed its certain operating assets from July 01, 2021. Reduction in depreciation rates of the various operating assets particularly transmission and distribution network of the Company is from previous rates of nearly 6% per annum to rates ranging from 2.5% to 5% per annum. Had there been no change in estimates, depreciation charge for the current period would have been higher by Rs. 6,657 million and written down value of fixed asset would have been lower by the same amount.

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 statement of profit or loss in the year the asset is derecognized.

Pipelines uplifted during the year are derecognized 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 the statement of profit or loss.

4.9 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 21 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 reporting date.

4.10 Right-of-use assets and corresponding lease liability

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease liability is initially measured at the present value of the expected lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The Right-of-use assets is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The Right of use assets is adjusted for certain remeasurements of the lease liability.

4.11 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 considering the requirements of IAS 23. All other mark-up, interest, profit and other charges are charged to the statement of profit or loss during the year.

4.12 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 reporting date. The Company reviews stores and spare parts for possible impairment on an annual basis and provision is made for obsolescence, based on management’s best estimate.

4.13 Stock-in-trade

Stock of gas 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.

4.14 Trade and other receivables

Trade debts and other receivables are carried at original invoice amount. Trade debts are amount receivable from customer for goods transferred or services performed in the ordinary course of business. Other receivables generally arise from the transactions outside the usual operating activities of the Company. The Company recognizes impairment against these receivable balances using Expected Credit Loss model as explained in note 3.2 (v). Debts considered irrecoverable are written off.

4.15 Contract assets

Contract asset is the right to consideration in exchange for goods or services that the Company has transferred to a customer, when that right is conditioned on something other than the passage of time, e.g. the entity’s future

Notes to the Financial Statements

for the year ended June 30, 2022

performance. The Company recognizes impairment against these contract assets using Expected Credit Loss model as explained in note 3.2 (v). Amounts considered irrecoverable are written off.

4.16 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash equivalents comprise of cash in hand, cash at banks in 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 short term finances under mark-up arrangements. Finances under mark-up arrangements are included in current liabilities on the statement of financial position.

4.17 Revenue recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

- Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the performance obligations for every contract that must be met.
- Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognize revenue when (or as) the Company satisfies a performance obligation.

Revenue comprises the fair value of the consideration received or receivable from contracts with customer 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 highly probable that a significant reversal in the amount of income recognized will not occur 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 notified by the 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. The revenue for the Company is recognized on point in time basis as the management has determined that there is a single performance obligation i.e. supply of gas.
- ii) Meter rentals are recognized on a monthly basis, at specified rates by the OGRA for various categories of consumers. All the revenue for the Company in this category, is recognized on over the time basis as the Company has determined that there is a single performance obligation i.e. availability of meters to the customers.
- iii) Late payment surcharge on gas sales arrears is calculated from the date the billed amount is overdue and recognized when it is probable that economic benefits will flow to the entity. All the revenue for the Company in this category, is recognized on over the time basis.
- iv) Take or Pay income is recognized when the consumers are unable to consume the committed volume of gas by the agreed date as per the terms of Gas Supply Agreement (GSA) with the consumer. All the revenue for the Company in this category, is recognized on point in time basis.

- v) Income on the construction contracts is recognized over time by reference to the progress towards satisfaction of the relevant performance obligation. The Company uses cost based input method to determine the inflow of economic benefits. Revenue for the Company in this category, is recognized on over the time basis.
- vi) Income on the urgent fee is recognized when the connection has been installed. Revenue for the Company in this category, is recognized on point in time basis.
- vii) Income on gas transportation in respect of firm transportation agreement is recognized when the committed contracted capacity is made available for the shipper. Income on the gas transportation in respect of interruptible transportation agreements is recognized when the gas is transported from the network at the rates notified by the Oil and Gas Regulatory Authority (OGRA). Revenue for the Company in this category, is recognized on point over time basis.

4.18 Foreign currency transactions

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 to functional currency using rate of exchange prevailing at the reporting date. All differences are taken to the statement of profit or loss. 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.

4.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through statement of profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Notes to the Financial Statements

for the year ended June 30, 2022

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized in trade date, i.e. the date that the Company commits to purchase or sell the asset.

ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company does not have any financial assets designated at fair value through OCI (equity instruments).

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in profit or loss.

This category includes derivative instruments, instruments that are not measured at amortised cost and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized as other income in profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly

modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv) Impairment

The Company recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss as explained in note 3.2 (v) to these financial statements, excluding financial assets due from Government of Pakistan due to exemption granted by the SECP as more fully explained in note 2.2.3 to these financial statements.

v) Return on bank deposits

Return on bank deposits is accrued on a time proportion basis by reference to the principal outstanding and applicable rate of return. All the revenue for the Company in this category, is recognized on over the time basis.

Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, Financial liabilities at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost

Notes to the Financial Statements

for the year ended June 30, 2022

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company does not have any financial liability at fair value through profit or loss.

Financial liabilities at amortized cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in profit or loss.

iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.20 Gas development surcharge / Tariff adjustment

Under the provisions of license for transmission and distribution of natural gas granted to the Company by the OGRA, the Company is required to earn an annual return of not less than the rate of return calculated using Weighted Average Cost of Capital (WACC) on the value of its average fixed assets in operation (net of deferred credit), before corporate income taxes, interest and other charges on debt and after excluding interest, dividends and other non operating income and before incorporating the effect of efficiency benchmarks prescribed by the OGRA. Any surplus or deficit on account of this is recoverable from Government of Pakistan directly or indirectly inter alia including increase in future gas prices and / or subsidy or payable to the Government of Pakistan (GoP) as tariff adjustment or gas development surcharge.

4.21 RLNG tariff adjustment and gas swapping deferral account

As per the policy guideline issued by the Economic Coordination Committee of the Cabinet (ECC) on pricing of RLNG, the Company is allowed to earn an annual return as a percentage of the value of its average fixed assets in RLNG operation, to be determined by the OGRA. Any deficit or surplus on account of this is recoverable from or payable to the RLNG consumers through adjustment in future RLNG prices. The surplus or the shortfall, if any, are

included in "trade and other payables" or "other receivables" respectively with the corresponding charge or credit respectively, recognized in the statement of profit or loss.

Moreover, a gas swapping mechanism was allowed by the ECC and endorsed by the OGRA vide Final Revenue Requirement (FRR) decision of the Company for financial year 2017-18, for swapping of natural gas and RLNG for the purpose of gas load management. However, subsequent to the year end, Federal Cabinet has approved the adjustment mechanism in respect of cost of diversion through future RLNG price adjustments. The difference of average cost of RLNG and the average sale price of system gas of the diverted volumes is recognized in the statement of profit or loss as an adjustment to the tariff adjustment with the corresponding credit or debit balance being included in "trade and other payables" or "other receivables" as the case may be.

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.

4.23 Earnings per share

Earnings per share is calculated by dividing the profit or loss after tax for the year by the weighted average number of shares outstanding during the year.

4.24 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

5. SHARE CAPITAL

5.1 Authorized share capital

2022	2021		2022	2021
(Number of shares)			(Rupees in thousand)	
1,500,000,000	1,500,000,000	Ordinary shares of Rs. 10 each	15,000,000	15,000,000

5.2 Issued, subscribed and paid up capital

2022	2021		2022	2021
(Number of shares)			(Rupees in thousand)	
		Ordinary shares of Rs. 10 each		
121,146,000	121,146,000	issued as fully paid for cash	1,211,460	1,211,460
		Ordinary shares of Rs. 10 each		
		issued as fully paid for		
3,329,000	3,329,000	consideration other than cash	33,290	33,290
		Ordinary shares of Rs. 10 each		
509,741,665	509,741,665	issued as fully paid bonus shares	5,097,417	5,097,417
634,216,665	634,216,665		6,342,167	6,342,167

Notes to the Financial Statements

for the year ended June 30, 2022

5.3 Ordinary shares of the Company held by associated undertaking by virtue of common directorship are as follows:

	2022 (Number of shares)	2021
Adamjee Life Assurance Company Limited	-	100
National Investment Trust Limited	29,594,873	29,594,873
	29,594,873	29,594,973

5.4 During the years 1964 and 1965, Company purchased transmission system and allied assets from West Pakistan Industrial Development Corporation and issued shares for consideration other than cash.

5.5 These fully paid ordinary shares carry one vote per share and right to dividend.

	Note	2022 (Rupees in thousand)	2021
6. REVENUE RESERVES			
General reserve	6.1	4,127,682	4,127,682
Dividend equalization reserve	6.1	480,000	480,000
Unappropriated profit	6.2	28,698,209	23,270,217
		33,305,891	27,877,899

6.1 This represents the level of unrestricted funds available for general use and distribution among the shareholders.

6.2 This represents appropriation of profits in past years to meet future contingencies.

	Note	2022 (Rupees in thousand)	2021
7. LONG TERM FINANCING - SECURED			
Conventional financing			
Syndicate term finance I	7.1.1	-	2,340,000
Syndicate term finance II	7.1.2	-	17,633,185
Syndicate term finance	7.1.3	6,595,000	5,280,000
Term finance	7.1.4	768,333	761,000
Syndicate term finance	7.1.5	15,938,000	-
		23,301,333	26,014,185
Islamic mode of financing:			
Islamic finance under musharaka arrangement for LNG Project Phase I	7.2.1	-	1,200,000
Islamic finance arrangement for LNG Project Phase II	7.2.2	-	9,241,815
Islamic finance under musharaka arrangement	7.2.3	95,173	285,519
Islamic finance under musharaka arrangement	7.2.4	1,250,000	-
Islamic finance under lease arrangement	7.2.5	7,000,000	-
		8,345,173	10,727,334
Less: Transaction cost		49,611	53,677
Less: Current portion shown under current liabilities	18	6,146,402	9,232,179
		25,450,493	27,455,663

7.1 Conventional financing

Lender	Note	Mark-up rate	No. of installments	Repayment commencement date	Maturity date
Syndicate of banks	7.1.1	Six month KIBOR+ 0.70% per annum	10 half yearly installments	November 19, 2017	May 19, 2022
Syndicate of banks	7.1.2	Six month KIBOR+ 1.10% per annum	16 half yearly installments	December 8, 2018	June 08, 2026
Syndicate of banks	7.1.3	Six months KIBOR+ 0.65% per annum	16 half yearly installments	May 4, 2023	November 04, 2030
Allied Bank Limited	7.1.4	Six months KIBOR+ 0.45% per annum	6 half yearly installments	February 6, 2022	August 06, 2024
Syndicate of banks	7.1.5	Six months KIBOR - 0.25% per annum	9 half yearly installments	July 07, 2022	July 07, 2026

7.1.1 This loan facility of Rs. 11,700,000 thousand has been obtained from a syndicate of banks (with Bank Alfalah acting as the Agent and United Bank Limited acting as the Security Trustee) and is secured by a first pari passu 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 (2021: Rs. 15,600,000 thousand). The effective mark-up charged during the year ranges from 8.14% to 9.58% per annum (2021: 8.05% to 8.79% per annum).

7.1.2 This loan facility of Rs. 28,213,097 thousand 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 (2021: Rs. 35,870,000 thousand) relating to the project and a sovereign guarantee of the Government of Pakistan. The effective mark-up charged during the year is 8.80% per annum (2021: 8.44% to 9.07% per annum). During the year, the Company has fully repaid the outstanding amount of loan.

7.1.3 This loan facility of Rs. 6,595,000 thousand has been obtained from syndicate of banks (with United Bank Limited acting as the Agent) out of total loan facility of Rs. 8,455,000 thousand. The loan is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed assets of the Company (Currently registered as ranking charge) excluding the assets of Regassified Liquefied Natural Gas (RLNG) project to the extent of Rs. 11,273,333 thousand (2021: Rs. 11,273,333 thousand). The effective mark-up charged during the year ranges from 8.30% to 15.46% per annum (2021: 8% to 8.30% per annum).

7.1.4 This loan of Rs. 922,000 thousand has been obtained from Allied Bank Limited out of total loan facility of Rs. 1,076,281 thousand. The loan is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed assets of the Company (Currently registered as ranking charge) excluding the assets of Regassified Liquefied Natural Gas (RLNG) project to the extent of Rs. 1,435,041 thousand (2021: Rs. 1,435,041 thousand). The effective mark-up charged during the year ranges from 8.02% to 11.18% per annum (2021: 7.66% to 8.01% per annum).

7.1.5 This loan facility of Rs. 15,938,000 thousand has been obtained from syndicate of banks (with United Bank Limited acting as the Agent) for refinancing of term finance facility for LNG Project Phase-II. The loan is secured by sovereign guarantee of Government of Pakistan. The effective mark-up charged during the year is 11.26% per annum.

Notes to the Financial Statements

for the year ended June 30, 2022

7.2 Arrangements under islamic financing

Lender	Note	Mark-up rate	No. of installments	Repayment commencement date	Maturity date
Syndicate of banks	7.2.1	Six month KIBOR + 0.70% per annum	10 half yearly installments	November 19, 2017	May 19, 2022
Syndicate of banks	7.2.2	Six month KIBOR + 1.10% per annum	16 half yearly installments	December 08, 2018	June 08, 2026
Allied Bank Limited	7.2.3	Six months KIBOR + 0.08% per annum	6 half yearly installments	September 29, 2020	September 29, 2022
Habib Metropolitan Bank Limited	7.2.4	Three months KIBOR + 0.55% per annum	16 Quarterly installments	October 24, 2022	July 24, 2026
Syndicate of banks	7.2.5	Six months KIBOR - 0.25% per annum	9 half yearly installments	July 07, 2022	July 07, 2026

7.2.1 This musharaka facility of Rs. 6,000,000 thousand 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 (2021: Rs. 8,000,000 thousand), as given in note 20.1.4. The effective mark-up charged during the year ranges from 8.14% to 9.58% per annum (2021: 8.05% to 8.79% per annum).

7.2.2 This islamic finance facility of Rs. 14,786,903 thousand 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 (2021: Rs. 18,800,000 thousand) relating to the project and the sovereign guarantee of GoP. The effective mark-up charged during the year is 8.80% per annum (2021: 8.44% to 9.07% per annum).

7.2.3 This musharaka facility of Rs. 380,692 thousand has been obtained from Allied Bank Limited and is secured by a first pari passu charge created by way of hypothecation over all present and future movable fixed assets of the Company (excluding Assets of RLNG Project) to the extent of Rs. 3,094,667 thousand (2021: Rs. 3,094,667 thousand). The effective mark-up charged during the year ranges from 7.97% to 12.59% per annum (2021: 7.38% to 11.33% per annum).

7.2.4 This loan of Rs. 1,250,000 thousand has been obtained from Habib Metropolitan Bank Limited for refinancing of term finance facility for LNG Project Phase-II and is secured by sovereign guarantee of Government of Pakistan. The effective mark-up charged during the year ranges from 9.86% to 13.07% per annum.

7.2.5 This loan facility of Rs. 7,000,000 thousand has been obtained from syndicate of banks (with United Bank Limited acting as the Agent) for refinancing of term finance facility for LNG Project Phase-II. The loan is secured by sovereign guarantee of Government of Pakistan. The effective mark-up charged during the year is 11.26% per annum.

	Note	2022 (Rupees in thousand)	2021
8. LONG TERM FINANCING - UNSECURED			
Local currency loans	8.1	297,226	308,564
Less: Current portion shown under current liabilities	18	(173,012)	(128,789)
		124,214	179,775

	Note	2022 (Rupees in thousand)	2021
8.1 Local currency loans			
From government - development loans	8.1.1	197,919	198,854
From industrial consumers	8.1.2	99,307	109,710
		297,226	308,564

8.1.1 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. 187,229 thousand (2021: Rs. 177,978 thousand) carry mark-up at the rate of 5% (2021: 5%) per annum and Rs. 11,625 thousand (2021: Rs. 20,876 thousand) carry mark-up at the rate of six month State Bank of Pakistan's (SBP) treasury bills plus 1.2% (2021: six month SBP treasury bills plus 1.2%) on the outstanding balance or part thereof. The amortized cost of loans from Provincial Governments has been computed by discounting future cash flows using Pakistan Investment Bonds (PIBs) rate prevailing at the time of initial recognition of respective loans.

8.1.2 These have been obtained from certain industrial consumers for laying of gas pipelines and carry mark-up at the rate of 1.5% (2021: 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 computed as present value of all future cash flows discounted using 1.1% (2021: 1.1%) above State Bank of Pakistan's cut off yield rates prevailing at the time of initial recognition of these loans.

	2022 (%)	2021
8.1.3 The effective interest rates are as follows:		
From government - development loans	9.80 to 14.25	9.80 to 14.25
From industrial consumers	6.55	6.55 to 14.24

	2022 (Rupees in thousand)	2021
9. LEASE LIABILITIES		
As at beginning of the year	35,965,533	39,795,101
Recognized during the year	249,337	147,356
Interest expense for the year	43	4,868,904
Payments / adjustments made during the year	9.1	(7,062,477)
As at end of the year	33,678,391	35,965,533
Less: current maturity	(5,380,885)	(5,793,832)
	28,297,506	30,171,701

9.1 The Company has adjusted the balance of Rs. 6,887 million (2021: Rs. 8,623 million) against debtor balance of Sui Southern Gas Company Limited.

Notes to the Financial Statements

for the year ended June 30, 2022

9.2 The expected maturity analysis of undiscounted lease payment is as follows:

Note	2022 (Rupees in thousand)	2021 (Rupees in thousand)
-within one year	8,001,624	7,852,309
-between 2 to 5 year	25,231,724	26,203,306
-after 5 years	22,085,419	28,040,260
	55,318,767	62,095,875

10. SECURITY DEPOSITS

Consumers	10.1 & 10.2	56,294,083	55,011,170
Contractors - Houseline	10.3	185,078	194,378
	10.4	56,479,161	55,205,548

10.1 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 / standby letter of credit in lieu of security deposits and are adjustable against the unrecovered trade debts from respective consumers. Interest is payable at the rate of KIBOR minus 3% or 5% whichever is less but not below 2% (2021: KIBOR minus 3% or 5% whichever is less but not below 2%) per annum on deposits from all consumers, other than domestic, which aggregate to Rs. 28,533,054 thousand (2021: Rs. 28,631,570 thousand). However, for one consumer with a deposit of Rs. 1,734,714 thousand (2021: Rs. 1,304,678 thousand) interest rate is 1% above 3 months SBP treasury bills cut off rate subject to a floor of 7% (2021: 3 months SBP treasury bills cut off rate subject to a floor of 7%) per annum.

	2022 (Rupees in thousand)	2021 (Rupees in thousand)
10.2 These include security deposits from following related parties:		
Northern Power Generation Company Limited	339,700	339,700
Fauji Fertilizer Company Limited	12,366	12,366
State Life Insurance Corporation of Pakistan	1,147	1,090
Oil and Gas Development Company Limited	-	7
Sheikh CNG	-	2,267
Nishat Mills Limited	2,546	2,402
Lucky Cement Limited	230	230
Soneri Bank Limited	15	15
Premier Formica Industries Limited	-	3
State Bank of Pakistan	1,460	1,475
	357,464	359,555

10.3 No interest is payable on the deposits from houseline contractors. These are refundable on cancellation of contract or dealership agreement.

10.4 These security deposits are being utilized for the purpose of business in accordance with the terms of contract with consumers and contractors and accordingly, have not been kept in a separate bank account.

Note	2022 (Rupees in thousand)	2021 (Rupees in thousand)
11. DEFERRED GRANT		
Government grants against:		
- Completed jobs	41,335,611	38,972,305
- Jobs-in-progress	32,862,986	30,972,740
	74,198,597	69,945,045
Less: Accumulated amortization:		
Opening balance	15,071,083	12,723,551
Loan from Provincial Government	4,734	6,073
Amortization for the year	38 1,466,401	2,341,459
	16,542,218	15,071,083
	57,656,379	54,873,962

12. CONTRACT LIABILITIES

Consumer contribution	12.1	19,747,043	15,262,507
Due to customers against construction contract		8,856,912	3,008,471
Advances from customers against gas bill and new connection		462,853	61,446
		29,066,808	18,332,424
Less: current portion shown under current liabilities		(9,319,765)	(3,069,917)
		19,747,043	15,262,507

12.1 Consumer contribution against:

- Completed jobs	35,136,433	32,171,627
- Jobs-in-progress	10,200,898	8,011,993
	45,337,331	40,183,620

Less: Accumulated amortization:		
Opening balance	24,921,113	24,003,922
Amortization for the year	38 669,175	917,191
	25,590,288	24,921,113
	12.1.1 19,747,043	15,262,507

12.1.1 Movement of consumer contribution

Opening balance	15,262,507	12,444,360
Addition during the year	5,153,711	3,735,338
Amortization for the year	(669,175)	(917,191)
	12.1.2 19,747,043	15,262,507

12.1.2 The Company has recognized the contract liabilities in respect of the amount received from the customers as contribution towards the cost of supplying and laying transmission, service and main lines. These contributions were being treated as deferred credit previously under IFRIC 18 from the year ended June 30, 2010 to June 30, 2018 and the revenue was being recognized when the lines were laid and commissioned based on the management's interpretation of IFRIC 18. However, the similar contributions from customers prior to the year ended June 30, 2010 and from July 01, 2018 onwards are being amortized over 16 years (i.e. the useful lives of the assets).

Notes to the Financial Statements

for the year ended June 30, 2022

13. DEFERRED TAXATION

The deferred taxation liability comprises timing differences relating to:

Note	2022 (Rupees in thousand)	2021
Taxable temporary differences		
Accelerated tax depreciation	26,064,518	21,141,986
Deductible temporary differences		
Expected credit losses	(8,782,522)	(7,367,499)
Unpaid trading liabilities	(12,685,813)	(11,115,985)
Right of use assets	(1,224,096)	(756,247)
Minimum and alternate corporate tax available for carry forward	(6,049,022)	(576,350)
Unamortized balance of employee loans at fair value	(54,524)	(59,097)
	(28,795,977)	(19,875,178)
	(2,731,459)	1,266,808

	2022 (Rupees in thousand)	2021
The gross movement in net deferred tax liability during the year is as follows:		
Opening balance	(1,266,808)	1,678,685
Recognized to profit or loss	44 3,440,253	(152,774)
Recognized to other comprehensive income	558,014	(259,103)
Closing balance	2,731,459	1,266,808

Reconciliation of amount recognized during the year:

Taxable temporary differences		
Accelerated tax depreciation	4,922,532	437,824
Deductible temporary differences		
Expected credit losses	(1,415,023)	(107,412)
Unpaid trading liabilities	(1,569,828)	(2,434,588)
Right of use assets	(467,849)	(756,247)
Minimum and alternate corporate tax available for carry forward	(5,472,672)	2,437,324
Unamortized balance of employee loans at fair value	4,573	11,222
	(8,920,799)	(849,701)
	(3,998,267)	(411,877)

14. EMPLOYEE BENEFITS

Pension fund - Non Executive staff	4,626,067	4,842,961
Medical fund - Executive staff	331,400	-
Gratuity fund - Executive staff	5,615,107	5,374,084
Gratuity fund - Non Executive staff	1,258,891	265,405
Free gas facility fund - Non Executive staff	41,791	904,872
Accumulating compensated absences - Non Executive staff	68,820	-
14.1	11,942,076	11,387,322

Reconciliation of payable to employee benefit plans

	Note	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
		2022	2021	2022	2021	2022	2021	2022	2021
		(Rupees in thousand)							
Present value of defined benefit obligations	14.5	30,985,326	29,331,399	7,041,928	-	6,026,381	5,602,989	9,207,765	7815,492
Fair value of plan assets	14.6	(26,359,259)	(24,488,438)	(6,710,528)	-	(411,274)	(228,905)	(7,948,874)	(7,550,087)
Net liabilities	14.2	4,626,067	4,842,961	331,400	-	5,615,107	5,374,084	1,258,891	265,405
	Note	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total			
		2022	2021	2022	2021	2022	2021	2022	2021
		(Rupees in thousand)							
Present value of defined benefit obligations	14.5	7,128,835	7,443,816	1,991,685	-	62,381,920	50,193,696		
Fair value of plan assets	14.6	(7,087,044)	(6,538,944)	(1,922,865)	-	(50,439,844)	(38,806,374)		
Net liabilities	14.2	41,791	904,872	68,820	-	11,942,076	11,387,322		

Movement in net liability

	Note	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
		2022	2021	2022	2021	2022	2021	2022	2021
		(Rupees in thousand)							
Opening liability		4,842,961	4,870,383	-	-	5,374,084	4,495,708	265,405	390,177
Transferred to/from assets		-	-	(532,170)	-	-	-	-	-
Charge for the year	14.3	1,347,826	1,242,347	201,705	-	884,679	703,294	370,980	333,701
Remeasurements charged in OCI	14.4	(559,165)	(345,588)	797,015	-	53,283	474,195	1,044,697	118,794
Amount transferred/received to/from other funds		-	-	-	-	(450,000)	(75,000)	-	-
Contribution paid		(1,005,555)	(924,181)	(135,150)	-	(246,939)	(224,113)	(422,191)	(577,267)
		4,626,067	4,842,961	331,400	-	5,615,107	5,374,084	1,258,891	265,405

Notes to the Financial Statements

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Note	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total	
	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)					
Opening liability	904,872	361,636	-	50,860	11,387,322	10,168,764
Transferred to/from assets	-	-	(41,896)	(50,860)	(574,066)	(50,860)
Charge for the year	352,918	261,647	224,726	-	3,382,834	2,540,989
14.3						
14.4	(1,101,060)	404,979	-	-	234,770	652,380
Remeasurements charged In OCI	-	-	-	-	(450,000)	(75,000)
Amount transferred/received to/from other funds	(114,939)	(123,390)	(114,010)	-	(2,038,784)	(1,848,951)
Contribution paid	41,791	904,872	68,820	-	11,942,076	11,387,322

14.3

Amounts recognized in profit and loss account

Note	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)							
Current service cost	902,957	834,581	263,179	-	346,492	297,807	365,413	324,308
Interest on obligation	2,946,115	2,436,569	574,414	-	546,711	420,929	772,936	605,856
Expected return on plan assets	(2,501,246)	(2,028,803)	(635,888)	-	(8,524)	(15,442)	(767,369)	(596,463)
14.13								
Total included in employee benefit expense	1,347,826	1,242,347	201,705	-	884,679	703,294	370,980	333,701
Actual return on plan assets	2,042,904	2,596,934	506,745	-	23,865	40,678	525,908	1,044,307

Note	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total	
	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)					
Current service cost	266,059	233,902	19,512	-	2,163,612	1,690,598
Interest on obligation	757,101	579,044	(10,137)	-	5,587,140	4,042,398
Expected return on plan assets	(670,242)	(551,299)	215,351	-	(4,367,918)	(3,192,007)
14.13						
Total included in employee benefit expense	352,918	261,647	224,726	-	3,382,834	2,540,989
Actual return on plan assets	548,100	578,953	181,678	-	3,829,200	4,260,872

14.4

Amounts recognized in other comprehensive income

Note	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)							
14.5	(1,017,507)	222,543	667,872	-	68,624	499,431	803,236	566,638
14.6	458,342	(568,131)	129,143	-	(15,341)	(25,236)	241,461	(447,844)
	(559,165)	(345,588)	797,015	-	53,283	474,195	1,044,697	118,794

Note	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total	
	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)					
14.5	(1,223,202)	432,633	-	-	(700,977)	1,721,245
14.6	122,142	(27,654)	-	-	935,747	(1,068,865)
	(1,101,060)	404,979	-	-	234,770	652,380

14.5

Changes in the present value of defined benefit obligation

Note	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)							
Opening defined benefit obligation	29,331,399	26,844,879	-	-	5,602,989	4,716,353	7,815,492	6,780,891
Transferred to/from Assets	-	-	5,671,613	-	-	-	-	-
Current service cost	902,957	834,581	263,179	-	346,492	297,807	365,413	324,308
Interest cost	2,946,115	2,436,569	574,414	-	546,711	420,929	772,936	605,856
Remeasurements charged to OCI	(1,017,507)	222,543	667,872	-	68,624	499,431	803,236	566,638
Remeasurements charged to P&L	-	-	-	-	-	-	-	-
Benefits paid	(1,177,638)	(1,007,173)	(135,150)	-	(538,435)	(331,531)	(549,312)	(462,201)
Closing defined benefit obligation	30,985,326	29,331,399	7,041,928	-	6,026,381	5,602,989	9,207,765	7,815,492

Notes to the Financial Statements

for the year ended June 30, 2022

	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total	
	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)					
Opening defined benefit obligation	7,443,816	6,321,627	-	1,579,144	50,193,696	46,242,894
Transferred to/from Assets	-	-	1,730,573	(1,579,144)	7,402,186	(1,579,144)
Current service cost	266,059	233,902	19,512	-	2,163,612	1,690,598
Interest cost	757,101	579,044	171,541	-	5,768,818	4,042,398
Remeasurements charged to OCI	(1,223,202)	432,633	-	-	(700,977)	1,721,245
Remeasurements charged to P&L	-	-	184,069	-	184,069	-
Benefits paid	(114,939)	(123,390)	(114,010)	-	(2,629,484)	(1,924,295)
Closing defined benefit obligation	7,128,835	7,443,816	1,991,685	-	62,381,920	50,193,696

14.6

Changes in the fair value of plan assets

	Pension fund - Non Executive staff		Medical fund - Executive staff		Gratuity fund - Executive staff		Gratuity fund - Non Executive staff	
	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)							
Note	24,488,438	21,974,496	-	-	228,905	220,645	7,550,087	6,390,714
	-	-	6,203,783	-	-	-	-	-
	2,501,246	2,028,803	635,888	-	8,524	15,442	767,369	596,463
	(458,342)	568,131	(129,143)	-	15,341	25,236	(241,461)	447,844
	-	-	-	-	-	-	-	-
	1,005,555	924,181	135,150	-	246,939	224,113	422,191	577,267
	(1,177,638)	(1,007,173)	(135,150)	-	(538,435)	(331,531)	(549,312)	(462,201)
	-	-	-	-	450,000	75,000	-	-
Transfer of funds	14.7	26,359,259	24,488,438	6,710,528	-	411,274	228,905	7948,874
								7,550,087

	Free gas facility fund - Non Executive staff		Accumulating compensated absences - Non Executive staff		Total	
	2022	2021	2022	2021	2022	2021
	(Rupees in thousand)					
Note	6,538,944	5,959,991	-	1,528,284	38,806,374	36,074,130
	-	-	1,772,469	(1,528,284)	7976,252	(1,528,284)
	670,242	551,299	181,678	-	4,764,947	3,192,007
	(122,142)	27,654	-	-	(935,747)	1,068,865
	-	-	(31,282)	-	(31,282)	-
	114,939	123,390	114,010	-	2,038,784	1,848,951
	(114,939)	(123,390)	(114,010)	-	(2,629,484)	(1,924,295)
	-	-	-	-	450,000	75,000
Transfer of funds	14.7	7,087,044	6,538,944	1,922,865	-	50,439,844
						38,806,374

14.7

Plan assets comprise:

	Pension fund - Non Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	4,999,955	18.97	18,260,111	74.56
NIT Units	595,763	2.26	649,140	2.65
Pakistan Investment Bonds	20,105,244	76.27	5,476,877	22.37
T-Bills	374,504	1.42	-	-
Cash at Bank	283,793	1.08	102,310	0.42
	26,359,259	100.00	24,488,438	100.00

	Medical fund - Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	4,935,999	73.55	-	-
NIT Units	28,777	0.43	-	-
Pakistan Investment Bonds	1,563,913	23.31	-	-
T-Bills	113,485	1.69	-	-
Cash at Bank	68,354	1.02	-	-
	6,710,528	100.00	-	-

	Gratuity fund - Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	221,171	53.78	192,364	84.04
Pakistan Investment Bonds	120,020	29.18	31,089	13.58
Cash at Bank	78,979	19.20	5,452	2.38
Payable to Fund	(8,896)	(2.16)	-	-
	411,274	100.00	228,905	100.00

	Gratuity fund - Non Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	5,560,736	69.96	5,256,898	69.62
NIT Units	514,847	6.48	574,903	7.61
Pakistan Investment Bonds	1,614,276	20.31	1,625,254	21.53
Cash at Bank	141,016	1.77	73,627	0.98
T-Bills	101,050	1.27	-	-
Others	16,949	0.21	19,405	0.26
	7,948,874	100.00	7,550,087	100.00

Notes to the Financial Statements

for the year ended June 30, 2022

Free gas facility fund - Non Executive staff				
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	6,007,033	84.76	5,688,252	86.99
Pakistan Investment Bonds	821,309	11.59	763,965	11.68
NIT Units	74,718	1.05	83,433	1.28
T-Bills	77,799	1.10	-	-
Cash at Bank	106,185	1.50	3,294	0.05
	7,087,044	100.00	6,538,944	100.00

Accumulating compensated absences - Non Executive staff				
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	1,284,090	66.78	-	-
Pakistan Investment Bonds	592,756	30.83	-	-
T-Bills	27,716	1.44	-	-
Cash at Bank	18,303	0.95	-	-
	1,922,865	100.00	-	-

14.8 Principal actuarial assumptions used (expressed as weighted average)

	Pension fund			
	2022		2021	
	Executive	Non-Executive	Executive	Non-Executive
Expected increase in salaries	13.50%	13.50%	10.25%	10.25%
Discount rate	13.50%	13.50%	10.25%	10.25%
Expected rate of return per annum on plan assets	13.50%	13.50%	10.25%	10.25%
Rate of growth in pensions				
Employees with:				
- retirement up to November 11, 2017	8.25%	8.25%	5.00%	5.00%
- retirement after November 11, 2017	5.00%	5.00%	5.00%	5.00%

During the financial year 2017-18, Company revised its policy of linking pension increase with the pension enhancements announced by the government to fixed rate of 5% for employee retiring after November 11, 2017. Resultantly, pension increase assumption of 8.25% per annum was used for pensioners who retired before November 11, 2017 and 5% for pensioners who become pensioners after November 11, 2017.

	Medical fund			
	2022		2021	
	Executive	Non-Executive	Executive	Non-Executive
Expected increase in salaries	13.50%	13.50%	0.00%	0.00%
Discount rate	13.50%	13.50%	0.00%	0.00%
Expected rate of return per annum on plan assets	13.50%	13.50%	0.00%	0.00%

	Gratuity fund			
	2022		2021	
	Executive	Non-Executive	Executive	Non-Executive
Expected increase in salaries	13.50%	13.50%	10.25%	10.25%
Discount rate	13.50%	13.50%	10.25%	10.25%
Expected rate of return per annum on plan assets	13.50%	13.50%	10.25%	10.25%

	Free gas facility fund			
	2022		2021	
	Executive	Non-Executive	Executive	Non-Executive
Discount rate	13.50%	13.50%	10.25%	10.25%
Expected rate of growth per annum in average cost of facility	13.50%	13.50%	10.25%	10.25%
Expected rate of return per annum on plan assets	13.50%	13.50%	10.25%	10.25%

	Accumulating compensated absences			
	2022		2021	
	Executive	Non-Executive	Executive	Non-Executive
Expected increase in salaries	13.50%	13.50%	0.00%	0.00%
Discount rate	13.50%	13.50%	0.00%	0.00%
Expected rate of return per annum on plan assets	13.50%	13.50%	0.00%	0.00%

14.9 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.

14.10 The effect of 1% movement in interest rates on defined benefits obligations would have the following effects:

Notes to the Financial Statements

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	2022		2021	
	1% increase	1% (decrease)	1% increase	1% (decrease)
	(Rupees in thousand)			
Pension fund - Non Executive staff	(2,821,217)	3,316,633	(3,130,697)	3,784,338
Medical Fund - Executive	(1,092,624)	1,418,022	-	-
Gratuity fund - Executive staff	(420,692)	477,880	(405,489)	464,310
Gratuity fund - Non Executive staff	(603,850)	672,525	(554,416)	621,258
Free gas facility fund - Non Executive staff	(1,108,679)	1,431,661	(1,188,682)	1,547,148
Accumulating compensated absences				
- Non Executive Staff	(145,615)	164,906	-	-

	2022	2021
14.11	The average duration of the defined benefit obligation is:	
Pension fund - Non Executive staff	10 years	12 years
Medical Fund - Executive	18 years	-
Gratuity fund - Executive staff	7 years	8 years
Gratuity fund - Non Executive staff	7 years	8 years
Free gas facility fund - Non Executive staff	18 years	18 years
Accumulating compensated absences - Non Executive Staff	8 Years	-

	2022	2021
Note	(Rupees in thousand)	
14.12 Estimated future contributions		
Pension fund - Non Executive staff	1,509,790	1,351,997
Medical fund - Executive staff	331,400	-
Gratuity fund - Executive staff	1,096,054	885,850
Gratuity fund - Non Executive staff	574,594	363,033
Free gas facility fund - Non Executive staff	41,791	904,872
Accumulating compensated absences - Non Executive staff	68,820	-
	3,622,449	3,505,752

14.13	The charge for the year has been allocated as follows:	
Distribution cost	1,492,423	1,167,953
Selling costs	812,601	640,943
Administrative expenses	913,584	682,239
Project work in progress	164,226	49,854
	14.3	3,382,834
		2,540,989

14.14 Risk associated with schemes

Final salary risk (linked to inflation risk)

The risk is that the final salary at the time of cessation of service is greater than assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Demographic risks

Mortality risk

The risk is that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiaries.

Investment risk

The risk of the investment is linked to underperforming and being not sufficient to meet the liabilities.

	Note	2022	2021
		(Rupees in thousand)	
15. TRADE AND OTHER PAYABLES			
Creditors for:			
- gas	15.1 & 15.2	813,114,263	511,078,790
- supplies	15.3	1,453,744	1,333,863
Accrued liabilities		11,002,485	12,678,347
Provident Fund payable	15.4	-	-
Gas Infrastructure Development Cess (GIDC)	15.5	1,250,605	922,152
Interest free deposits repayable on demand	15.6	1,048,202	855,467
Earnest money received from contractors		156,306	163,320
Workers' Profit Participation Fund (WPPF)	15.7	816,765	1,276,781
		828,842,370	528,308,720
15.1	These include amounts payable to the following related parties:		
Sui Southern Gas Company Limited		334,136	322,706
Pakistan State Oil Company Limited		272,662,221	96,176,222
Pakistan LNG Limited		125,027,679	82,458,299
Government Holdings (Private) Limited		39,513,923	32,185,506
Pakistan Petroleum Limited		183,855,455	149,364,222
Oil and Gas Development Company Limited		171,906,249	135,789,838
Mari Petroleum Company Limited		2,986,703	1,379,608
		796,286,366	497,676,401

15.2 Included in trade payables is an amount of Rs. 272,662,221 thousand (2021: Rs. 96,176,222 thousand) and Rs. 125,027,679 thousand (2021: Rs. 82,458,299 thousand) due to Pakistan State Oil (PSO) and Pakistan LNG Limited (PLL), respectively, representing payable against Liquefied Natural Gas (LNG) and/or Regassified Liquefied Natural Gas (RLNG) supplied by them. In this regard, the agreement for the supply of LNG/RLNG between the parties have 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.

Notes to the Financial Statements

for the year ended June 30, 2022

	2022	2021
	(Rupees in thousand)	
15.3	These include amounts payable to the following related parties:	
Ghandhara Tyre & Rubber Company Limited		
(Formerly The General Tyre & Rubber Company of Pakistan Limited)	84	781
Pakistan Telecommunication Company Limited	23	5
Pakistan State Oil Company Limited	28,120	18,165
Sui Southern Gas Company Limited	-	17,685
Lucky Cement Limited	-	3
	28,227	36,639

15.4 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017.

	2022	2021
	(Rupees in thousand)	
15.5 Gas Infrastructure Development Cess (GIDC)		
Opening balance	922,153	561,673
Add: GIDC collected during the year	5,305,011	6,927,265
Less: Payment made to Government Treasury	(4,976,559)	(6,566,785)
Closing balance	1,250,605	922,153

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

An order on the subject matter was also passed by the Peshawar High Court vide its judgment dated June 13, 2013, whereby the Court declared the GIDC Act, 2011 as ultra vires to the Constitution. An appeal was filed in the Supreme Court of Pakistan, which by its order dated December 30, 2013, suspended the judgment of Peshawar High Court. On December 31, 2013, the 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 the OGRA, the Company charged GIDC from its consumers with effect from September 2014. The Ordinance was superseded by GIDC Act 2015 passed by Parliament of Pakistan. The Act ratified the preceding GIDC Act, 2011 and GIDC Ordinance, 2014 and its provisions. However, a special committee has been constituted by the Parliament to decide on previous arrears of GIDC due from customers and to make recommendations for removal of any anomalies in the GIDC Act. Based on the report of the sub-committee of the special committee requisite amendment in GIDC Act, 2015 had already been laid in the Senate through GIDC Amendment Bill and the same was referred to the Senate Standing Committee on Energy. However, a number of consumers of the Company contested and have obtained stay order from various courts against recovery of GIDC. During the year, certain amendments were introduced in GIDC Act, 2015 through GIDC (Amendment) Act, 2018, which inter alia include change in effective date for applicability of mark-up on delayed payments of GIDC and a settlement option for CNG consumers for GIDC payable pertaining to the period January 1, 2012 to May 21, 2015, subject to agreement with the Company.

During the year end June 30, 2021 the Honorable Supreme Court of Pakistan has ordered the recovery of previous year GIDC in 24 monthly installments and till the recovery of outstanding GIDC no further GIDC will be charged / recovered from the consumers.

Furthermore, principal amount of GIDC amounting to Rs. 139,192,657 thousand (2021: Rs. 143,665,397 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, 2015 require the Company to pay GIDC as and when the same is collected from consumers. Furthermore, some 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.

15.6 These security deposits are being utilized for the purpose of business in accordance with the terms of contract with contractors and accordingly, have not been kept in a separate bank account.

	Note	2022	2021
		(Rupees in thousand)	
15.7 Workers' Profit Participation Fund			
Balance at the beginning of the year		1,276,781	2,922,405
Allocation for the year	42	815,980	833,784
Payments to WPPF Fund		(1,275,996)	(2,479,408)
		816,765	1,276,781

15.7.1 After promulgation of 18th amendment, the Workers' Profit Participation Act, 1968 was repealed which resulted into devolution of power to provinces to make all enactments relating to labour laws. However, the said act is not applicable on the trans-provincial entities and the matter of allocation of WPPF among the employees and the Federal Government is yet to be decided. The Company has formed a Worker Profit Participation Fund and deposited the outstanding amount pertaining to previous years.

16. INTEREST / MARK-UP ACCRUED ON LOANS AND OTHER PAYABLES

	Note	2022	2021
		(Rupees in thousand)	
Accrued mark-up / interest on:			
Long term financing - secured		1,475,100	253,057
Long term financing - unsecured		203,625	193,940
Short term borrowing - secured		547,916	476,085
Deposits from customers		2,753,332	2,200,756
Late payment of gas creditors and gas development surcharge		154,300,617	108,624,722
	16.1	159,280,590	111,748,560
16.1			
These include amounts payable to the following related parties:			
Sui Southern Gas Company Limited		9,152,121	9,152,121
Government Holdings (Private) Limited		12,803,846	8,318,263
Pakistan Petroleum Limited		69,169,715	47,604,777
Oil and Gas Development Company Limited		57,160,085	38,160,623
Mari Petroleum Company Limited		458,750	114,598
		148,744,517	103,350,382

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	Note	2022 (Rupees in thousand)	2021
17. SHORT TERM BORROWING - SECURED			
Allied Bank Limited	17.1	3,646,214	4,390,220
Bank Alfalah Limited	17.2	109,629	3,708,688
Askari Bank Limited	17.3	21	1,999,921
Habib Bank Limited	17.4	11,010,529	6,499,140
National Bank of Pakistan	17.5	1,103,942	6,000,000
Bank Islami Pakistan Limited	17.6	-	884
Faysal Bank Limited	17.7	3,149,153	6,999,976
		19,019,488	29,598,829
17.1	This represents short term running finance facility of Rs. 4,000,000 thousand (2021: Rs. 4,000,000 thousand) which carries mark-up at the rate of 3 months KIBOR + 0.05% (2021: 3 months KIBOR + 0.12%) on the balance outstanding and the short term running finance facility of Rs. 5,000,000 thousand (2021: Rs. 5,000,000 thousand) which carries mark-up at the rate of 3 months KIBOR + 0.05% per annum (2021: 3 months KIBOR + 0.12%) on the balance outstanding. These are secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 12,000,000 thousand (2021: Rs. 12,000,000 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the year is 7.57% to 12.00% per annum (2021: 7.42% to 7.79%) per annum.		
17.2	This is a short term running finance facility from Bank Alfalah Limited amounting to Rs. 4,000,000 thousand (2021: Rs. 4,000,000 thousand). This facility carries mark-up at the rate of 1 month KIBOR + 0.05% per annum (2021: 1 Month KIBOR + 0.12% per annum) on the outstanding balance, payable quarterly. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 5,333,334 thousand (2021: Rs. 5,333,334 thousand). The effective interest rate charged during the year is 7.63% to 14.36% per annum (2021: 7.55% to 7.88% per annum).		
17.3	This is a short term running finance facility of Rs. 4,400,000 thousand (2021: Rs. 2,500,000 thousand) from Askari Bank Limited. This facility carries mark-up at the rate of 3 months KIBOR + 0.05% per annum (2021: 3 months KIBOR + 0.12% per annum) on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 3,333,334 thousand (2021: Rs. 3,333,334 thousand) and ranking charge over current assets of the Company to the extent of Rs. 2,534,000 thousand. Mark-up is payable on quarterly basis. The effective interest rate during the year is 7.57% to 12.00% per annum (2021: 7.39% to 7.76% per annum).		
17.4	This is a short term running finance facility of Rs. 14,500,000 thousand (2021: Rs. 6,500,000 thousand) from Habib Bank Limited. This facility carries mark-up at the rate of 1 month KIBOR + 0.04% per annum (2021: 1 month KIBOR + 0.12% per annum) on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 8,666,667 thousand (2021: Rs. 8,666,667 thousand) and ranking charge over current assets of the Company to the extent of Rs. 10,666,667 thousand. Mark-up is payable on quarterly basis. The effective interest rate during the year ranges from 7.62% to 14.35% per annum (2021: 7.54% to 7.94% per annum).		
17.5	This is a short term running finance facility of Rs. 10,000,000 thousand (2021: Rs. 6,000,000 thousand) from National Bank of Pakistan. This facility carries mark-up at the rate of 3 months KIBOR + 0.05% per annum (2021: 3 months KIBOR + 0.10% per annum) on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 8,000,000 thousand (2021: Rs. 8,000,000 thousand) and ranking charge over current assets of the Company to the extent of Rs. 5,333,333 thousand. Mark-up is payable on quarterly basis. The effective interest rate during the year is 7.55% to 12.00% per annum (2021: 7.55% to 7.76% per annum).		

17.6 This is a short term running musharakah facility of Rs. 2,000,000 thousand (2021: Rs. 2,000,000 thousand) from Bank Islami Pakistan Limited. This facility carries mark-up at the rate of 3 months KIBOR + 0.25% per annum (2021: 3 months KIBOR + 0.25% per annum) on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 2,666,667 thousand (2021: Rs. 2,666,667 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the year is 7.70% to 8.03% per annum (2021: 7.50% to 7.84% per annum).

17.7 This is a short term running musharakah facility of Rs. 9,475,000 thousand (2021: Rs. 7,000,000 thousand) from Faysal Bank Limited. This facility carries mark-up at the rate of 3 months KIBOR + 0.05% (2021: 3 months KIBOR + 0.12%) per annum on the balance outstanding. This is secured by way of first pari passu charge over current assets of the Company to the extent of Rs. 12,633,333 thousand (2021: Rs. 9,333,333 thousand). Mark-up is payable on quarterly basis. The effective interest rate during the year is ranges from 7.50% to 11.94% (2021: Rs. 7.42% to 7.71%) per annum.

	Note	2022 (Rupees in thousand)	2021
18. CURRENT PORTION OF LONG TERM FINANCING			
Long term financing - secured	7	6,146,402	9,232,179
Long term financing - unsecured	8	173,012	128,789
		6,319,414	9,360,968

19. CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

19.1.1 Taxation

- a) A demand of Rs. 67,998 thousand (2021: 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 on November 10, 2008 by rectifying the orders previously issued under section 171 of the repealed Ordinance. In this regard, while disposing off the appeal filed before Appellate Tribunal Inland Revenue (ATIR) on May 04, 2009 against the order of Commissioner Income Tax (Appeals) (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 Company is confident of a favourable outcome based on the opinion of legal counsel of the Company.
- b) 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 on February 13, 2012 for Tax Year 2011, 2010 and on March 16, 2007 for Tax Year 2006. The Company's appeal against the amendment orders was disposed off by Commissioner Inland Revenue (Appeals) [CIR(A)] substantially in the Company's favour and except for the issue of admissibility of GDS and tax credit as referred above, all other material disallowances were removed. Both the Tax Authorities and the Company preferred appeals against order of CIR(A) before ATIR. During the financial year ended June 30, 2015, while disposing off the Company's appeal, ATIR upheld the Company's contention in respect of admissibility of GDS, whereas the tax credit under section 65B of Income Tax Ordinance, 2001 amounting to Rs. 574,355 thousand was not allowed. Furthermore, appeal filed by the Income Tax Department with respect to other issues was decided in the Company's favour. However, Tax Authorities have filed an appeal on January 01, 2016 against the decision of ATIR with regards to GDS before Honorable Lahore High Court (LHC) which has been decided in Company's favour. The Tax authorities aggrieved by the decision of the Honorable Lahore High Court have filed appeal with Supreme Court of Pakistan which is pending adjudication. Except for the disallowance related to tax credit

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under section 65B, no provision regarding the above explained issues has been made in these financial statements as management considers, based on the opinion of legal counsel of the Company, that the Company's stance is based on meritorious grounds and will be upheld by the Supreme Court of Pakistan.

- 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 on April 18, 2013 for Tax Year 2012 and on December 11, 2008 for Tax Year 2007. During the year ended June 30, 2016, the Company's appeal against the amendment orders were disposed by CIR(A) substantially in the Company's favour and except for the issue of admissibility of GDS and tax credit referred above, all other material disallowances were removed. Consequently, the demand for Tax year 2012 and Tax year 2007 were reduced to Rs. 5,105,423 thousand and Rs. 3,330,110 thousand, respectively. Both, the Tax Authorities and the Company preferred appeals against order of CIR(A) before the ATIR. While disposing off the 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 amounting to Rs. 340,120 thousand was not allowed. Furthermore, appeal filed by the Department with respect to other issues has been decided in the Company's favour. 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 respectively, before Honorable Lahore High Court on March 24, 2014. The appeal filed by the department with Honorable High Court has been decided in favour of the Company while the Company's appeal on the issue of tax credit U/S 65B is still pending adjudication. The department has filed appeal with Supreme Court of Pakistan against the decision of Honorable Lahore High Court. Except for the disallowance related to tax credit under section 65B, no provision regarding the above has been made in these financial statements as the management considers, based on the opinion of legal counsel of the Company, that the Company's stance is based on meritorious grounds and will be upheld by the Supreme Court of Pakistan.
- d) Income Tax Authorities raised demands of Rs. 23,401,212 thousand, Rs. 17,930,455 thousand, Rs. 12,640,691 thousand and Rs. 9,852,122 thousand for Tax Year 2014, 2015, 2016, 2017, respectively, on similar grounds as mentioned in (b) above with the addition of inadmissibility of UFG and recoverability of shortfall (as determined by the OGRA) from consumers. The Company filed an appeal against the demand raised by the Tax Authorities with CIR(A). The Company's appeal against the amendment orders was disposed of by CIR(A) substantially in the Company's favour and except for the issues of inadmissibility of UFG and recoverability of shortfall (as determined by the OGRA) from consumers, exchange loss and tax credit under section 65B of Income Tax Ordinance, 2001, as referred above, all other material disallowances were removed. The matter of exchange loss was disposed of by CIR(A) for Tax Year 2014 in favour of the Company. The Company preferred an appeal against order of CIR(A) before ATIR with respect to the issues decided against the Company for Tax Year 2014, 2015, 2016 and 2017. The ATIR decided the matter of UFG and recoverability of shortfall from consumers in favour of the Company for Tax Year 2014 and 2015. The Tax authorities aggrieved by the decision of the ATIR have filed appeal with Honorable Lahore High Court which is pending adjudication. Except for the disallowance related to tax credit under section 65B, no provision has been made in these financial statements as the management is confident of a favourable outcome based on the opinion of legal counsel of the Company.
- e) During the year ended June 30, 2019, Income Tax Authorities raised a demand of Rs. 4,626,000 thousand for Tax Year 2008 on account of cost equalization adjustment originally on January 17, 2009. The Company's contention was accepted by the CIR(A) and ATIR. The department being aggrieved with the decision of ATIR, filled a reference with Honorable Lahore High Court in March 2020 which is pending adjudication. No provision has been made in these financial statements as the Company is confident of favourable outcome of the appeal based on the opinion of legal counsel of the Company.
- f) Subsequent to the year-end, Sales Tax Authorities raised a demand of Rs. 921,492 thousand as a result of order passed on November 10, 2022 on the pretext of concealment of Sales during the period July 2016 to June 2017. An appeal has been filed by the Company with CIR(Appeals) which is pending adjudication. No provision has been made in these financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.

- g) 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 the OGRA originally on April 28, 2014. In this regard, appeal was filed by the Company with CIR(A) which was decided against the Company. The Company filed appeal against the orders of CIR(A) with ATIR on September 17, 2014. Single bench of ATIR has decided the matter against the Company. Aggrieved by the decision of Single bench of ATIR the Company has filed appeal against decision with Honorable Lahore High Court and has also filed application for rectification of order with ATIR (since full bench of ATIR has already decided the similar issue pertaining to Tax year 2013 in Company's favour) which are pending adjudication. No provision has been made in these financial statements as Company is confident of favourable outcome of the appeal based on the opinion of legal counsel of the Company.
- h) 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 the OGRA originally on April 29, 2016. In this regard, an appeal was filed by Company with CIR(A) which was decided against the Company. The Company filed an appeal against the order of CIR(A) with ATIR which was decided in favour of the Company. However, subsequent to the year end, the department has filed an appeal against the decision of ATIR with Honorable Lahore High Court which is pending adjudication. No provision has been made in these financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.
- i) During the year ended June 30, 2015, 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 on January 02, 2015. 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(A) was decided against the Company, following which the Company filed an appeal on April 09, 2015 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 a favourable outcome against the appeal based on the opinion of legal counsel of the Company.
- j) As a consequence of withholding tax audit for tax year 2016, the tax department had raised a demand of Rs. 2,688,912 thousand on August 09, 2017. The Company filed an appeal on March 28, 2018 with CIR(A) against this demand and CIR(A) has decided all points in favour of Company except advance tax deduction from CNG companies and non-withholding of income tax on hajj expense. Resultantly the demand has reduced to Rs. 176,328 thousand the Company has filed appeal with ATIR in respect of the issues decided against the Company which is pending adjudication. No provision has been made in these financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.
- k) The Tax Authorities raised a demand of Rs. 10,104,080 thousand for tax year 2009 by adding back provision for cost equalization, provision for post retirement employee benefit, receipt from consumer contribution, interest income on loan to staff and exchange loss on November 29, 2013. CIR(A) and ATIR decided the issues in Company's favour. Aggrieved by the decisions of these forums the tax authorities have filed appeal with 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, based on the opinion of legal counsel of the Company, that the Company's stance is based on meritorious grounds and will be upheld by the Honorable Lahore High Court.
- l) Subsequent to the year end, Income Tax Authorities raised a demand of Rs. 11,550,224 thousand for Tax year 2021 as a result of order passed u/s 122(5A) of Income Tax Ordinance, 2001 on May 30, 2023 by disallowing UFG over and above OGRA benchmark, addition on account of lease rentals and addition on account of loan to staff. An appeal has been filed by the Company with CIR (Appeals) which is pending adjudication. No provision has been made in these financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.

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- m) During the year ended June 30, 2019, Sales Tax Authorities raised a demand of Rs. 1,572,027 thousand by disallowing input tax claimed against exempt supplies, short payment of extra tax, output tax charged to CNG stations and discrepancy in collection of further tax for the tax period July 2012 to June 2017 originally on February 15, 2019. The Company has filed an appeal on March 15, 2019 against the demand raised by the Tax Authorities with ATIR. ATIR has remanded back the matter to DCIR which is pending adjudication. However, no provision has been made in these financial statements as the Company is confident of a favourable outcome based on the opinion of legal counsel of the Company.
- n) During the year ended June 30, 2019, Sales Tax Authorities raised demands of Rs. 3,343,294 thousand and Rs. 4,032,793 thousand for the tax period July 2015 to June 2016 and tax period July 2016 to March 2017 by invoking provision of section 8(1) of Sales Tax Act 1990 on November 19, 2018. The Company has filed an appeal on December 18, 2018 against the demands raised by the Tax Authorities with ATIR which is pending adjudication. However, no provision has been made in these financial statements as the Company is confident of a favourable outcome based on the opinion of legal counsel of the Company.
- o) During the year ended June 30, 2014, Sales Tax Authorities raised a demand of Rs. 1,722,795 thousand for the tax year 2010 on account of non payment of sales tax on repair works, Inadmissible adjustment on gas blown due to ruptures, non payment of sales tax on receipts against deferred credit / contract liabilities, non-deposit of 9% sales tax on account of gas supplied to CNG stations, inadmissible input tax u/s 8(i) (a), inadmissible input tax u/s 8(i)(b) and short payment of sale tax on sale of scrap on April 24, 2014. In this regard, an appeal was filed by Company with CIR(A) which was decided in favour of the Company. The Sales Tax Department filed appeal against the orders of CIR(A) with ATIR on October 02, 2014 which is pending adjudication. No provision has been made in these financial statements as the Company's management is confident of favourable outcome based on the opinion of legal counsel of the Company.
- p) During the year ended 2007, Sales Tax Authorities raised a demand of Rs. 9,455 thousand for the Tax Year 2006 on account of inadmissibility of input sales tax in respect of certain purchases and non payment of GST on repair work on July 12, 2007. In this regard, an appeal filed by the Company with CIR(A) was decided in favour of the Company. The Sales Tax Department filed an appeal against the orders of CIR(A) with ATIR which was decided against the Sales Tax Authorities. Subsequently, the Sales Tax Authorities filed a reference in the Honorable Lahore High Court on May 21, 2010, which is pending adjudication. No provision has been made in these financial statements as the Company is confident of favourable outcome based on the opinion of legal counsel of the Company.
- q) During the year ended June 30, 2018, Punjab Revenue Authority raised a demand of Rs. 1,819,000 thousand on account of withholding tax audit for the Tax Year 2015 on September 06, 2019, the Company has filled an appeal with Commissioner (Appeals), which is pending adjudication. No provision has been made in these financial statements as Company is confident of favourable outcome based on the opinion of legal counsel of the Company.
- r) During the Tax Year 2020, Income Tax Authorities raised a demand of Rs. 3,389,112 thousand for tax year 2019 by disallowing tax credit under section 65B, tax deposited under section 147 and tax deducted under section 148 of Income Tax Ordinance, 2001. The Company has filed an appeal with CIR (Appeals), which has been partially decided in Company's favour both the Company and Tax authorities have preferred appeal before ATIR with respect to issues decided against them by CIR(A) which are pending adjudication, except for disallowance of tax credit under section 65B of Rs. 2,187,287 thousand. No provision has been made in these financial statements as Company's management is confident of favourable outcome of the appeals.
- s) Subsequent to the year end, the Sales Tax Authorities raised a demand of Rs. 3,038,973 thousand on account of Inadmissible input tax claimed u/s 8 of Sales tax Act,1990 and on account of inadmissibility of input sales tax in respect of gas lost over and above UFG benchmark fixed by the OGRA for the period July 2018 to June 2019 on June 06, 2023. An appeal has been filed by the Company with CIR(A) which was decided against the Company which is pending adjudication. No provision has been made in these

financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.

- t) During the Tax Year 2021, Income Tax Authorities raised a demand of Rs. 6,747,533 thousand for tax year 2018 by disallowing cost equalization adjustment, brought forward business losses, Worker's Profit Participation Fund on various grounds. Moreover, Income tax authorities disallowed Minimum tax pertaining to tax year 2014, 2015, tax deducted under section 148 of Income Tax Ordinance, 2001 and tax paid by/deducted from the Company under various provisions of Income Tax Ordinance, 2001 on September 29, 2020. The Company has filed an appeal with CIR (A), which has been decided in Company's favour except for tax deducted under section 148. The Company and the department have filed an appeal with ATIR, which is pending adjudication, no provision has been made in these financial statements as Company's management is confident of favourable outcome of the appeals.
- u) During the year ended Income Tax Authorities raised a demand of Rs. 3,078,163 thousand for tax year 2020 on account of minimum Tax, disallowance of WPPF, Amortization of deferred credit, lease rental paid, loss on remeasurement of employee benefits (OCI) on May 30, 2022. The Company has filed an appeal with CIR (A), all issue except minimum tax has been decided in Company's favour, the issue of minimum tax was remanded back by CIR(A), the demand was again raised by the tax authorities, the Company has filed appeal against the demand with CIR(A) which is pending adjudication. No provision has been made in these financial statements as Company's management is confident of favourable outcome of the appeals.
- v) Subsequent to the year end, Income Tax Authorities raised a demand of Rs. 528,374 thousand for tax year 2020 by disallowing tax deducted under section 148 of income tax ordinance 2001 on September 30, 2021. The Company has filed an appeal with CIR (A) which was decided in Company's favour, Appeal against the decision of CIR(A) was filed by the tax with ATIR which was decided in Company's Favor. Tax authorities have now filed appeal with Honorable Lahore High court against the decision of ATIR which is pending adjudication. No provision has been made in these financial statements as Company's management is confident of favourable outcome of the appeals.
- w) Subsequent to the year end, the Sales Tax Authorities raised a demand of Rs. 60,196,097 thousand along with the penalty of Rs. 3,009,805 thousand on account of Gas Swapping with SSGC, Inadmissible input tax adjustment against UFG, Inadmissible input tax claimed u/s 8 of Sales tax Act,1990 and Exempt Supply of gas to SWAT Area on March 09, 2023. An appeal has been filed by the Company with CIR(A) which is pending adjudication.
- x) Subsequent to the year end, the Sales Tax Authorities raised a demand of Rs. 2,262,060 thousand on account of Inadmissible input tax claimed u/s 8 of Sales tax Act, 1990 on November 15, 2022. An appeal has been filed by the Company with CIR(A) which was decided against the Company. The Company has filed appeal with ATIR against the decision of CIR(A) which is pending adjudication. No provision has been made in these financial statements as the Company is confident of a favourable outcome against the appeal based on the opinion of legal counsel of the Company.
- y) Subsequent to the year end, Income Tax Authorities raised a demand of Rs. 316,507 thousand as a result of order passed u/s 161/205 of Income Tax Ordinance, 2001 on January 30, 2023. This demand was raised on pretext of non-withholding of tax under section 234 A of Income Tax Ordinance, 2001 by the Company. An appeal filed by the Company with CIR(A) was decided against the Company, following which the Company is in the process of filing 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 a favourable outcome against the appeal based on the opinion of legal counsel of the Company.
- z) The Company filed appeals before the Customs, Excise and Sales Tax Appellate Tribunal against the orders of Collector of Sales Tax (Appeals) on May 21, 2010 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.

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39,754 thousand. Subsequently, Company’s appeal against the orders of collector of Sales Tax (Appeals) was disposed off by ATIR in Company’s favour. However, the department has filed an appeal against the decision of ATIR in Honorable Lahore High Court which has been decided in Company’s favour. Aggrieved by the decision of Honorable Lahore High Court the department has filed an appeal with Supreme Court of Pakistan. Pending the outcome of the appeal, no provision against the demand has been recognized in the financial statements based on the opinion of the legal counsel of the Company.

19.1.2 Others

Claims against the Company not acknowledged as debts amount to Rs. 2,075,956 thousand (2021: Rs. 1,716,093 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 (2021: Rs. 84,313 thousand). This also includes a penalty of Rs. 1,000 thousand (2021: Rs. 1,000 thousand) imposed by SECP for delay in dissemination of price sensitive information to KSE. The Company filed an appeal with the Lahore High Court against the said decision which was decided against the Company. The Company has filed appeal against the decision of Lahore High Court with the Supreme Court of Pakistan. 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 favourable 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 (2021: 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 favour of the Company. However, in case if the decision is not in favour of the Company and the Company has exhausted all legal remedies available under the law, the matter will be taken up with the OGRA for determining the cost of the same to the Company in its revenue requirement decision. Pending the same, the financial impact cannot be determined till the OGRA makes a final determination on the matter.
- c) The Company furnished bank guarantees to the Collector of Customs to avail the benefit under SRO 678(1)/2004 for payment of custom duty at the rate of 5% on certain imported items amounting to Rs. 329,537 thousand (2021: 329,537 thousand) for clearance of consignments, as per the decision of Honorable Lahore high court. Since, the matter is pending adjudication with Honorable Lahore High Court, no provision has been made in these financial statements as Company’s management is confident of favourable outcome of the appeals. However, Liabilities in respect of bank guarantees, if any, will be treated as part of the cost of such items.
- d) The Company entered into Gas Supply Agreements (“GSAs”) with M/s Saif Power Limited, Sapphire Electric Company Limited and Orient Power Company (Private) Limited (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 2011, 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 the 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. 957,864 thousand (2021: Rs. 913,239 thousand). The case was referred to London Court of International Arbitration vide separate arbitration proceedings for each of the Claimants. The sole arbitrator decided these cases in favour of Claimants vide his awards dated March 9, 2016 (the “FM Awards”). The Company initiated proceedings in the Civil

Court, Lahore to enable it to file objections to have the FM Awards set aside. The Claimants through an unlawful set off adjusted the awarded amounts from undisputed invoices of the Company for March 2016. The Claimants also subsequently initiated proceedings before the Civil Court to get the FM Awards filed in court to make the FM Awards rule of court. The civil court proceedings mentioned above are still pending. However, the unlawful set off made by the Claimants resulted in a further dispute between the parties and the issue of unlawful set off and payment of the invoices of March 2016 was eventually decided by the London Court of International Arbitration that resulted in the awards dated April 22, 2022 (“New Awards”) in favour of the Company. The arbitrator has held in favour of the Company and awarded an amount of Rs. 257,374 thousand for Sapphire, Rs. 270,659 thousand for Saif and Rs. 229,743 thousand for Orient plus interest at 6% from the date after the Due Date of March 2016 Invoices until full and final payment. In addition, the Company has also been awarded costs together with interest at 6% from the date after the date of New Awards until full and final payment. The Company has filled an application before the Honorable Lahore High Court for recognition and enforcement of the New Awards.

19.2 Commitments

19.2.1 Capital commitments

Commitments for capital expenditures contracted:

	2022	2021
	(Rupees in thousand)	
Property, plant and equipment	345,050	433,899
Intangible assets	49,162	38,034
Stores and spares	4,775,966	6,742,460
	5,170,178	7,214,393
Other commitments	620,749	862,796

19.2.2 Letters of credit and bank guarantees

Facilities of Rs. 100,000 thousand (2021: Rs. 100,000 thousand) for opening letters of credit and guarantees are available with the Company as a sub-limit of facilities referred in note 17.1. This facility has not been availed during the year ended June 30, 2022. 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 (2021: Rs. 666,670 thousand).

The Company has additional facilities for opening letters of credit amounting to Rs. 14,500,000 thousand (2021: Rs. 16,500,000 thousand) out of which Rs. 11,331,450 thousand (2021: Rs. 10,931,150 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.

		2022	2021
	Note	(Rupees in thousand)	
20. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	20.1	199,707,594	185,387,584
Capital work-in-progress	20.2	25,230,276	28,703,377
		224,937,870	214,090,961

Notes to the Financial Statements

for the year ended June 30, 2022

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

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 town 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
(Rupees in thousand)															
Net carrying value basis at 30 June 2022															
Opening net book value	2,836,932	392	888,957	10,024	58,220,006	83,474,151	28,867,703	244,212	7,137,319	2,308,865	190,178	503,197	30,241	675,407	185,387,584
Additions	364,158	-	121,445	-	8,925,519	13,198,877	5,927,372	24,376	475,583	428,631	49,697	92,913	17,719	207,554	298,933,844
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost	-	-	(10)	-	(932)	-	(500,694)	(4,515)	(1,122)	(41,379)	(10,746)	(97,738)	(332)	(103,577)	(761,045)
Accumulated depreciation	-	-	8	-	932	-	500,694	4,515	1,122	41,379	10,746	91,347	332	103,577	754,652
Depreciation charge	-	-	(68,369)	(5,230)	(19,935,406)	(5,992,186)	(4,712,794)	(109,532)	(1,574,441)	(569,722)	(76,863)	(187,871)	(21,662)	(253,365)	(15,507,441)
Closing net book value	3,201,090	392	942,031	4,794	65,210,119	90,680,842	30,082,281	159,056	6,038,461	2,167,774	163,012	401,848	26,298	629,596	199,707,594
Gross carrying value basis at 30 June 2022															
Cost	3,201,090	392	2,536,792	35,006	130,678,721	159,806,486	70,816,695	2,789,770	17,674,811	13,972,409	1,068,878	3,827,369	421,900	2,522,890	409,353,209
Accumulated depreciation	-	-	(1,594,761)	(30,212)	(65,468,602)	(69,125,644)	(40,734,414)	(2,630,714)	(11,636,350)	(11,804,635)	(905,866)	(3,425,521)	(395,602)	(1,893,294)	(209,445,615)
Net book value	3,201,090	392	942,031	4,794	65,210,119	90,680,842	30,082,281	159,056	6,038,461	2,167,774	163,012	401,848	26,298	629,596	199,707,594
Depreciation rate	-	-	6%	6-33%	2-10%	2-10%	6-10%	15%	6-20%	10-20%	15-20%	25%	33.3%	15-33.33%	
Net Carrying Value basis at 30 June 2021															
Opening net book value	2,803,916	392	953,471	18,745	62,655,519	75,601,327	28,257,978	291,174	7,727,046	2,793,762	174,301	725,408	52,446	619,018	182,674,503
Additions	33,016	-	35,266	-	1,422,771	15,437,262	5,083,162	67,471	202,162	547,912	105,916	169,901	10,608	313,921	23,429,368
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	(18,814)	-	(425,296)	(34,356)	-	(150,843)	(13,293)	(175,688)	(630)	(142,451)	(961,371)
Accumulated depreciation	-	-	-	-	18,814	-	425,296	34,356	-	150,843	13,293	167,697	630	142,451	953,360
Depreciation charge	-	-	(99,780)	(8,721)	(5,858,284)	(7,564,438)	(4,473,437)	(114,433)	(791,889)	(1,032,809)	(90,039)	(384,121)	(32,813)	(257,532)	(20,708,296)
Closing net book value	2,836,932	392	888,957	10,024	58,220,006	83,474,151	28,867,703	244,212	7,137,319	2,308,865	190,178	503,197	30,241	675,407	185,387,584
Gross carrying value basis at 30 June 2021															
Cost	2,836,932	392	2,415,357	35,006	121,754,134	146,607,609	65,390,017	2,769,909	17,200,350	13,585,157	1,029,927	3,832,194	404,513	2,418,913	380,280,410
Accumulated depreciation	-	-	(1,526,400)	(24,982)	(63,534,128)	(63,133,458)	(36,522,314)	(2,525,697)	(10,063,031)	(11,276,292)	(839,749)	(3,328,997)	(374,272)	(1,743,506)	(194,892,826)
Net book value	2,836,932	392	888,957	10,024	58,220,006	83,474,151	28,867,703	244,212	7,137,319	2,308,865	190,178	503,197	30,241	675,407	185,387,584
Depreciation rate	-	-	6%	6-33%	6-10%	6%	6-10%	15%	6-20%	10-20%	15-20%	25%	33.3%	15-33.33%	

20.1

20.1.1 Freehold land at cost of Rs. 2,814,270 thousand (2021: Rs. 2,685,492 thousand) is subject to restriction under The Land Acquisition Act, 1894 and cannot be sold by the Company without the prior approval from the respective Provincial Governments.

20.1.2 The cost of assets as at June 30, 2022, include fully depreciated assets amounting to Rs. 82,507,062 thousand (2021: Rs. 78,066,892 thousand).

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

		2022	2021
	Note	(Rupees in thousand)	
Distribution cost	37.3	14,956,689	19,745,796
Selling cost	39	226,249	251,334
Administrative expenses	40	218,809	251,463
	46	15,401,747	20,248,593
Transmission system		35,288	189,078
Construction contracts		106	768
Distribution system		70,300	269,857
		105,694	459,703
	20.1	15,507,441	20,708,296

20.1.4 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	2022		2021	
	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	430,003	1,621,741	445,979
24" Dia 81.42 Miles Sawan - Qadirpur Line	997,609	-	997,609	-
36" Dia 43.49 Miles Qadirpur - Bhong Line	989,327	-	989,327	-
24" Dia 67.77 Km Sahiwal - Phool Nagar (1st Segment)	830,062	171,833	830,062	178,463
24" Dia 23.30 Km Kohat - Dakhni Line (1st Segment)	1,256,278	700,415	1,256,278	722,360
24" Dia 39.01 Km Manzalai - Kohat Line	655,227	157,850	655,227	163,807
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	599,898	185,271	599,898	191,967
36" Dia 22.78 Miles AV7 A3 (P-7)	537,929	-	537,929	-
30" Dia 35.40 Km Ali - Chanab Crossing	513,753	17,230	513,753	17,981
36" Dia 20.66 Miles Sidhani- AC 7 D/S	486,421	-	486,421	-
36" Dia 31.93 Km AV20-AC6	481,939	4,587	481,939	4,788
36" Dia 25.93 Km AV29 - A8 - AV30	407,217	13,657	407,217	14,253
36" Dia 18.60 Miles A4 AC4 (P-7)	450,064	-	450,064	-
24" Dia 23.71 Km D/H Offtake (MP 59.9) - B - 3 Loopline	451,646	146,069	451,646	151,301
36" Dia 16.75 Miles Q AC1X-AC7	439,664	-	439,664	-
24" Dia 10.10 Km Dakhni - FC - 1 Line (1st Segment)	1,104,516	615,803	1,104,516	635,097

Notes to the Financial Statements

for the year ended June 30, 2022

	2022		2021	
	Cost	Book value	Cost	Book value
Musharaka Arrangements	(Rupees in thousand)			
30" Dia 29.16 Km CC1 - CC4	432,300	14,498	432,300	15,131
36" Dia 25.48 Km AC4 - AV15	450,632	15,113	450,632	15,772
30" Dia 16.30 Miles AV29 - A8 (P6)	396,566	-	396,566	-
36" Dia 13.82 Miles AC6-AV - 29 (P-7)	383,026	-	383,026	-
36" Dia 16.42 Miles AV 40 - AC 8 Line	371,390	-	371,390	-
36" Dia 13.04 Miles A3 AV10 (P-7)	368,308	-	368,308	-
30" Dia 21.24 Miles CS - CV25	357,557	-	357,557	-
36" Dia 14.66 Miles A6 AV - 22	351,991	-	351,991	-
36" Dia 13.11 Miles AV - 20 - MP130 (P-7)	327,276	-	327,276	-
30" Dia 19.61 Miles CS - CV10	317,078	-	317,078	-
24" Dia 20.48 Km All - BV - 3	255,920	2,436	255,920	2,542
36" Dia 8.76 Miles AV 10MP 11.57 (P-7)	250,067	-	250,067	-
30" Dia 12.76 Miles A8 - AV31 Add Loop	248,085	-	248,085	-
30" Dia 14.15 Miles CV74 - CV9	240,483	-	240,483	-
30" Dia 15.95 Miles AIO	240,089	-	240,089	-
24" Dia 25.63 Km Kohat Darra Adam Khel Line	235,406	63,560	235,406	65,914
36" Dia 9.93 Miles MP 173 - A6	222,876	-	222,876	-
24" Dia 10.31 Km Kohat - D/S Dara Adamkhel Line	219,507	53,945	219,507	55,974
24" 92" 16" Dia Kamra Noshir	196,057	-	196,057	-
24" Dia 18.46 Km BC1 - B2	193,743	6,497	193,743	6,781
24" Dia 10.38 Km Phool Nagar - Baloki Line	182,430	35,118	182,430	36,486
36" Dia 9.44 Miles MP 112.54 - A4	176,862	-	176,862	-
36" Dia 4.78 Miles Q MP - 173 A6 AV20	155,737	-	155,737	-
24" Dia 3.08 Km River Ravi Crossing At Balloki	137,612	47,851	137,612	49,540
30" Dia 6.80 Km MP 160 - CC3 Line	97,760	931	97,760	971
24" Dia 6.21 Miles Sui MP6 (NT)	83,633	-	83,633	-
24" Dia 16 Km MP28.33 - BC1	79,079	9,115	79,079	9,489
24" Dia 1.12 Km Attock Crossing	39,319	7,189	39,319	7,471
30" Dia Construction of AC - A11	11,315	-	11,315	-
24" Dia 24.48 Km AC4 - AV15 Line	6,762	747	6,762	778
	19,461,727	2,699,718	19,461,727	2,792,845

20.1.5 Transmission lines include assets held by the Company on behalf of and in trust for the investors under the musharaka arrangements with Allied Bank Limited entered into by the Company. Asset held under these musharaka arrangement is as follows:

	2022		2021	
	Cost	Book value	Cost	Book value
Musharaka Arrangements	(Rupees in thousand)			
36" Dia 68.14 Km AV 29 Mian Channu Line	2,125,933	440,094	2,125,933	457,076

20.1.6 Particulars of Company’s significant immovable property including location and area of land are as follows:

Particulars of land and buildings	District	Area of land		
		Acre	Kanal	Marlas
Faisalabad HQ/AC-8/Base Store/Distribution Office etc	Faisalabad	63	4	3
Multan Distribution Office/Store	Multan	9	5	10
Multan (T)/Compression Station etc	Multan	62	1	8
Multan Terminal A-7 Multan	Multan	3	7	12
Multan AC-6 Compression Station	Multan	2	2	10
Gujranwala Distribution Office	Gujranwala	2	2	-
Islamabad Distribution Office 1-9	Islamabad	3	3	10
Wah Transmission Office	Rawalpindi	6	2	14
Wah Store	Rawalpindi	-	12	-
Compression Station CC-4	Chakwal	7	5	-
Compression Station Gali Jagir CC-3	Attock	10	-	4
Compression Station Haranpur CC-1	Jhelum	-	7	7
Compression Station Haranpur C-3	Jhelum	12	1	18
Compression Station Chakwal C-5	Chakwal	8	3	11
Repeater Station FC-1 Dhullian	Attock	2	7	13
Ahmad Nagar C-1 Station	Chiniot	13	6	9
Kot Moman C-2 Station	Sargodha	10	5	3
Shorkot A-9 Station	Jhang	6	7	-
Shorkot AC-7	Jhang	6	7	6
Gojran A-10 Station	Toba Tek Singh	3	5	17
Compression Station AC-4 Uch Shareef	Bahawalpur	2	1	18
Uch Shareef Pre-Coating Plant	Bahawalpur	24	5	19
Sahiwal Sub Office	Sahiwal	-	2	10
Sahiwal Compression Station	Sahiwal	12	-	-
Lahore Distribution Office	Lahore	1	1	6
Head Office Building	Lahore	-	6	4
Vacant Plot Adjacent Head Office Building	Lahore	-	2	-
Shahkot B-1 Station	Nankana	9	3	1
Bhakki B-2 Station	Sheikhupura	17	2	7
Shahdara B-3 Station	Lahore	1	7	9
Repeater Station Kot Addu	Muzaffargarh	2	-	4
Central Base Store Manga	Lahore	26	4	11
Metering Workshop Kot Lakhpat	Lahore	15	4	12
Central Base Store Lahore	Lahore	2	1	-
Office Mess Lahore Cantt	Lahore	800 square yards		
Distribution Office Peshawar	Peshwar	-	6	-
Distribution Office Abbottabad	Abbottabad	1	4	17

Notes to the Financial Statements

for the year ended June 30, 2022

		2022	2021				
Note		(Rupees in thousand)					
20.2	Capital work-in-progress						
	Transmission system	4,000,947	8,181,468				
	Distribution system	13,420,055	12,232,521				
	Stores and spare parts held for capital expenditure	6,839,596	7,748,280				
	Advances for land and other capital expenditure	969,678	541,108				
		25,230,276	28,703,377				
20.2.1	Transmission system						
	Opening Balance	8,181,468	3,071,687				
	Addition during the year	5,528,843	6,781,837				
	Transfer to the operating assets	(9,709,364)	(1,672,056)				
	Closing Balance	4,000,947	8,181,468				
20.2.2	Distribution system						
	Opening Balance	12,232,521	10,836,235				
	Addition during the year	21,515,786	23,638,688				
	Transfer to the operating assets	(20,328,252)	(22,242,402)				
	Closing Balance	13,420,055	12,232,521				
20.2.3	Stores and spare parts held for capital expenditure						
	Stores and spare parts [including in-transit Rs. 615,362 thousand (2021: Rs. 698,177 thousand)]	6,917,370	7,822,428				
	Less: Provision for obsolescence	(77,774)	(74,148)				
		6,839,596	7,748,280				
20.3	Detail of owned assets disposed off during the year is as follows:						
2022							
Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Profit/(Loss) on sale	Mode of disposal	Sold to
(Rupees in thousand)							
Transport Vehicles							
Honda Civic	2,884	2,283	601	627	26	Company Policy	Mr. Suhail Gulzar, Company Employee
Honda Civic	3,897	1,519	2,378	2,433	55	Company Policy	Mr. Asif Akbar Khan, Company Employee
Toyota Corolla	2,956	1,293	1,663	1,768	105	Company Policy	Mr. Azhar Hussain Khokhar, Company Employee
Other assets with book value less than Rs. 500,000							
	751,308	749,557	1,751	52,739	50,988		
Total	761,045	754,652	6,393	57,567	51,174		

2021							
Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Profit/(Loss) on sale	Mode of disposal	Sold to
(Rupees in thousand)							
Transport Vehicles							
Toyota Fortuner	5,670	3,898	1,772	6,118	4,346	Auction	Mr. Abid Ansar
Toyota Corolla	1,821	1,290	531	535	4	Company Policy	Mr. Javed Iqbal Khan, Company employee
Toyota Corolla	1,823	1,215	608	642	34	Company Policy	Mr. Zafar Mahmood Bhutta, Company employee
Toyota Corolla	1,961	1,348	613	641	28	Company Policy	Mr. Zafar Mehmood, Company employee
Honda Civic	3,201	1,667	1,534	1,560	26	Company Policy	Mr. Khalid Aftab, Company employee
Honda Civic	4,023	1,090	2,933	3,492	559	Company Policy	Mr. Muhammad Hanif, Company employee
Other assets with book value less than Rs. 500,000							
	942,872	942,872	-	113,765	113,765		
Total	961,371	953,380	7,991	126,753	118,762		

21.

INTANGIBLE ASSETS

This represents computer softwares and ERP system.

Balance as at beginning of the year

Cost	1,426,841	941,752
Accumulated amortization	(1,042,400)	(844,800)
Net book value	384,441	96,952

Movement during the year

Additions	203,772	485,089
Amortization charge for the year	40 & 46	(221,923)
		(197,600)

Balance as at year end

Cost	1,630,613	1,426,841
Accumulated amortization	(1,264,323)	(1,042,400)
Net book value	366,290	384,441

Rate of amortization

	33.33%	33.33%
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21.1

The cost of intangible assets as at June 30, 2022, include fully amortized assets amounting to Rs. 944,176 thousand (2021: Rs. 821,496 thousand).

Notes to the Financial Statements

for the year ended June 30, 2022

22. RIGHT-OF-USE ASSETS

	Transmission system	Building	Total
	(Rupees in thousand)		
As at July 01, 2021			
Cost	40,147,280	545,201	40,692,481
Accumulated depreciation	(6,961,301)	(373,396)	(7,334,697)
Net book value	33,185,979	171,805	33,357,784
Movement during the year			
Additions	-	249,336	249,336
Less: Depreciation charge for the year	(3,480,650)	(157,462)	(3,638,112)
Derecognition			
Cost	-	(245,073)	(245,073)
Accumulated depreciation	-	245,073	245,073
	-	-	-
Balance as at June 30, 2022			
Cost	40,147,280	549,464	40,696,744
Accumulated depreciation	(10,441,951)	(285,785)	(10,727,736)
Net book value	29,705,329	263,679	29,969,008
As at July 01, 2020			
Cost (Impact of initial application of IFRS 16)	40,147,280	396,379	40,543,659
Accumulated depreciation	(3,480,650)	(175,545)	(3,656,195)
Net book value	36,666,630	220,834	36,887,464
Movement during the year			
Additions	-	148,822	148,822
Less: Depreciation charge for the year	(3,480,651)	(197,851)	(3,678,502)
Balance as at June 30, 2021			
Cost	40,147,280	545,201	40,692,481
Accumulated depreciation	(6,961,301)	(373,396)	(7,334,697)
Net book value	33,185,979	171,805	33,357,784

22.1 The rate of depreciation is based on the term of the respective agreement and ranges from 8% to 33% per annum.

	Note	2022 (Rupees in thousand)	2021
22.2	Depreciation charge for the year has been allocated as follows:		
	Distribution cost	37.3	3,629,387
	Administrative expenses	40	8,725
		3,638,112	3,678,502

22.3 Building premises represents the right-of-use assets acquired on lease by the Company for its operations.

22.4 Transmission system (pipelines) represents the right of use assets acquired on lease by the Company from Sui Southern Gas Company Limited.

23. LONG TERM LOANS - CONSIDERED GOOD

		Employee welfare		House building		Motorcycle / Scooter		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)							
Due from:									
Executives	23.1	-	-	968	1,479	-	-	968	1,479
Other employees		1,391,834	804,096	3,667	3,979	27,081	21,420	1,422,582	829,495
		1,391,834	804,096	4,635	5,458	27,081	21,420	1,423,550	830,974
Current portion shown under loans and advances									
Executives	29	-	-	875	566	-	-	875	566
Other employees	29	235,774	181,855	668	1,226	17,323	12,618	253,765	195,699
		235,774	181,855	1,543	1,792	17,323	12,618	254,640	196,265
		1,156,060	622,241	3,092	3,666	9,758	8,802	1,168,910	634,709

23.1 Reconciliation of balance due from executives:

Opening balance	-	-	1,479	2,311	-	-	1,479	2,311
Disbursements / reclassification	-	-	-	-	-	-	-	-
	-	-	1,479	2,311	-	-	1,479	2,311
Repayments / adjustments	-	-	(511)	(832)	-	-	(511)	(832)
Closing balance	-	-	968	1,479	-	-	968	1,479

23.2 House building loans are repayable in 10 years, while motorcycle / scooter loans are repayable in 3 years. Interest at the rate ranging between 1% and 10% (2021: 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.

23.3 The maximum amount due from the Chief Executive and Executives at any month end during the year was Nil (2021: Nil) and Rs. 1,414 thousand (2021: Rs. 2,235 thousand), respectively.

23.4 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.

23.5 Effective interest rates on the above loans range between 6.54% to 12.96% (2021: 6.54% to 13.44%) per annum.

Notes to the Financial Statements

for the year ended June 30, 2022

	Note	2022 (Rupees in thousand)	2021
24. LONG TERM DEPOSITS AND PREPAYMENTS			
Security and other deposits		43,256	33,250
Prepayments		1,232	1,232
		44,488	34,482
Less: Provision against prepayments		(1,232)	(1,232)
		43,256	33,250
25. EMPLOYEE BENEFITS			
Pension fund - Executive staff		2,004,015	1,794,864
Free gas facility fund - Executives		160,477	95,472
Medical fund - Executive Staff		-	532,175
Medical fund - Non Executive Staff		60,279	1,705,897
Accumulating compensated absences - Executive staff		166,119	58,604
Accumulating compensated absences - Non Executive staff		-	41,889
	25.1	2,390,890	4,228,901

25.1 Reconciliation of receivable from employee benefit plans

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff	
		2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)					
Fair value of plan assets	25.6	4,651,647	4,477,160	311,620	266,915	-	6,203,783
Present value of funded obligations	25.5	(2,647,632)	(2,682,296)	(151,143)	(171,443)	-	(5,671,608)
Net assets	25.2	2,004,015	1,794,864	160,477	95,472	-	532,175

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)							
Fair value of plan assets	25.6	13,532,341	12,596,186	1,065,294	981,765	-	1,772,469	19,560,902	26,298,278
Present value of funded obligations	25.5	(13,472,062)	(10,890,289)	(899,175)	(923,161)	-	(1,730,580)	(17,170,012)	(22,069,377)
Net assets	25.2	60,279	1,705,897	166,119	58,604	-	41,889	2,390,890	4,228,901

25.2 Movement in net assets

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff	
		2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)					
Opening asset		1,794,864	1,381,387	95,472	89,482	532,175	499,046
Transferred from/to liabilities		-	-	-	-	(532,175)	-
Transfer of funds		(450,000)	(75,000)	-	-	-	-
Credit / (charge) for the year	25.3	113,306	59,437	10,137	8,596	-	(173,484)
Remeasurements chargeable in OCI		36,552	(33,177)	48,020	(9,470)	-	(159,291)
Contribution paid		509,293	462,217	6,848	6,864	-	365,904
		2,004,015	1,794,864	160,477	95,472	-	532,175

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)							
Opening asset		1,705,897	2,122,398	58,604	96,682	41,889	-	4,228,901	4,188,995
Transferred from/to liabilities		-	-	-	-	(41,889)	(50,850)	(574,064)	(50,850)
Transfer of funds		-	-	-	-	-	-	(450,000)	(75,000)
(Charge) / credit for the year	25.3	(280,633)	(205,598)	39,987	(79,400)	-	(57,753)	(117,203)	(448,202)
Remeasurements chargeable in OCI		(1,540,755)	(358,589)	-	-	-	-	(1,456,183)	(560,527)
Contribution paid		175,770	147,686	67,528	41,322	-	150,492	759,439	1,174,485
		60,279	1,705,897	166,119	58,604	-	41,889	2,390,889	4,228,901

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

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff	
		2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)					
Current service cost		96,770	89,719	-	-	-	236,568
Interest on obligation		264,258	214,075	17,222	14,665	-	450,670
Expected return on plan assets		(474,334)	(363,231)	(27,359)	(23,261)	-	(513,754)
Net actuarial losses recognized in the year		-	-	-	-	-	-
Total included in employee benefit expense / (income)	25.2	(113,306)	(59,437)	(10,137)	(8,596)	-	173,484
Actual return on plan assets		323,521	449,586	44,705	15,446	-	528,844

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)							
Current service cost		464,494	408,749	9,379	11,584	-	18,169	570,643	764,789
Interest on obligation		1,107,248	857,401	91,164	71,512	-	143,328	1,479,892	1,751,651
Expected return on plan assets		(1,291,109)	(1,060,552)	(100,631)	(82,366)	-	(145,583)	(1,893,433)	(2,188,747)
Net actuarial losses recognized in the year		-	-	(39,899)	78,670	-	41,839	(39,899)	120,509
Total included in employee benefit expense / (income)	25.2	280,633	205,598	(39,987)	79,400	-	57,753	117,203	448,202
Actual return on plan assets		936,155	1,130,758	83,529	91,324	-	145,583	1,387,910	2,361,541

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25.4 Amounts recognized in other comprehensive income account are as follows:

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff			
		2022	2021	2022	2021	2022	2021		
	Note	(Rupees in thousand)							
Remeasurement of plan obligation	25.5	(187,365)	119,532	(30,674)	1,655	-		174,381	
Remeasurement of plan assets benefit									
(income) / expense	25.6	150,813	(86,355)	(17,346)	7,815	-		(15,090)	
		(36,552)	33,177	(48,020)	9,470	-		159,291	

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
	Note	(Rupees in thousand)							
Remeasurement of plan obligation	25.5	1,185,801	428,795	-	-	-	-	967,762	724,363
Remeasurement of plan assets benefit									
expense / (income)	25.6	354,954	(70,206)	-	-	-	-	488,421	(163,836)
		1,540,755	358,589	-	-	-	-	1,456,183	560,527

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

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff			
		2022	2021	2022	2021	2022	2021		
Note		(Rupees in thousand)							
Opening defined benefit obligation		2,682,296	2,369,677	171,443	161,987	5,671,608		4,934,216	
Transferred from/to liabilities		-	-	-	-	(5,671,608)		-	
Service cost		96,770	89,719	-	-	-		236,568	
Interest cost		264,258	214,075	17,222	14,665	-		450,670	
Remeasurements charged to OCI		(187,365)	119,532	(30,674)	1,655	-		174,381	
Remeasurements charged to P&L		-	-	-	-	-		-	
Benefits paid		(208,327)	(110,707)	(6,848)	(6,864)	-		(124,227)	
Closing defined benefit obligation	25.1	2,647,632	2,682,296	151,143	171,443	-		5,671,608	

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
Note		(Rupees in thousand)							
Opening defined benefit obligation		10,890,289	9,343,030	923,161	793,759	1,730,580	-	22,069,377	17,602,669
Transferred from/to liabilities		-	-	-	-	(1,730,580)	1,579,134	(7,402,188)	1,579,134
Service cost		464,494	408,749	9,379	11,584	-	18,169	570,643	764,789
Interest cost		1,107,248	857,401	91,164	71,512	-	143,328	1,479,892	1,751,651
Remeasurements charged to OCI		1,185,801	428,795	-	-	-	-	967,762	724,363
Remeasurements charged to P&L		-	-	(57,001)	87,628	-	49,259	(57,001)	136,887
Benefits paid		(175,770)	(147,686)	(67,528)	(41,322)	-	(59,310)	(458,473)	(490,116)
Closing defined benefit obligation	25.1	13,472,062	10,890,289	899,175	923,161	-	1,730,580	17,170,012	22,069,377

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

		Pension fund - Executive staff		Free gas facility fund - Executives		Medical fund - Executive Staff			
		2022	2021	2022	2021	2022	2021		
Note		(Rupees in thousand)							
Opening fair value of plan assets		4,477,160	3,751,064	266,915	251,469	6,203,783		5,433,262	
Transferred from/to liabilities		-	-	-	-	(6,203,783)		-	
Expected return		474,334	363,231	27,359	23,261	-		513,754	
Remeasurements charged to OCI		(150,813)	86,355	17,346	(7,815)	-		15,090	
Remeasurements charged to P&L		-	-	-	-	-		-	
Contributions by employer		509,293	462,217	6,868	6,864	-		365,904	
Benefits paid		(208,327)	(110,707)	(6,868)	(6,864)	-		(124,227)	
Amount transferred from pension fund to gratuity fund		(450,000)	(75,000)	-	-	-		-	
25.7		4,651,647	4,477,160	311,620	266,915	-		6,203,783	

		Medical fund - Non Executive Staff		Accumulating compensated absences - Executive staff		Accumulating compensated absences - Non Executive staff		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
		(Rupees in thousand)							
Opening fair value of plan assets		12,596,186	11,465,428	981,765	890,441	1,772,469	-	26,298,278	21,791,664
Transferred from/to liabilities		-	-	-	-	(1,772,469)	1,528,284	(7,976,252)	1,528,284
Expected return		1,291,109	1,060,552	100,631	82,366	-	145,583	1,893,433	2,188,747
Remeasurements charged to OCI		(354,954)	70,206	-	-	-	-	(488,421)	163,836
Remeasurements charged to P&L		-	-	(17,102)	8,958	-	7,420	(17,102)	16,378
Contributions by employer		175,770	147,686	67,528	41,322	-	150,492	759,459	1,174,485
Benefits paid		(175,770)	(147,686)	(67,528)	(41,322)	-	(59,310)	(458,493)	(490,116)
Amount transferred from pension fund to gratuity fund		-	-	-	-	-	-	(450,000)	(75,000)
25.7		13,532,341	12,596,186	1,065,294	981,765	-	1,772,469	19,560,902	26,298,278

25.7 Plan assets comprise of:

	Pension fund - Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposit	3,676,659	79.05	3,637,631	81.24
Pakistan Investment Bonds	576,961	12.40	599,775	13.40
NIT Units	190,781	4.10	213,036	4.76
T-Bills	81,376	1.75	-	-
Cash at Bank	116,975	2.51	26,718	0.60
Receivable from Fund	8,895	0.19	-	-
	4,651,647	100.00	4,477,160	100.00

Notes to the Financial Statements

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	Free gas facility fund - Executives			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposit	163,626	52.51	138,526	51.90
Pakistan Investment Bonds	132,146	42.41	125,831	47.14
T-Bills	12,724	4.08	-	-
Cash at Bank	3,124	1.00	2,558	0.96
	311,620	100.00	266,915	100.00

	Medical fund - Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposit	-	-	4,644,362	74.86
NIT Units	-	-	32,134	0.52
Pakistan Investment Bonds	-	-	1,517,460	24.46
T-Bills	-	-	-	-
Cash at Bank	-	-	9,827	0.16
	-	-	6,203,783	100.00

	Medical fund - Non executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposit	9,858,545	72.84	9,224,249	73.23
NIT Units	214,859	1.59	239,922	1.90
Pakistan Investment Bonds	3,167,361	23.41	3,111,119	24.70
T-Bills	156,493	1.16	-	-
Cash at Bank	135,083	1.00	20,896	0.17
	13,532,341	100.00	12,596,186	100.00

	Accumulating compensated absences - Executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposit	639,564	60.04	576,793	58.75
Pakistan Investment Bonds	407,761	38.28	402,236	40.97
T-Bills	11,878	1.11	-	-
Cash at Bank	6,091	0.57	2,736	0.28
	1,065,294	100.00	981,765	100.00

	Accumulating compensated absences - Non executive staff			
	2022		2021	
	Fair value		Fair value	
	(Rupees in thousand)	(%)	(Rupees in thousand)	(%)
Certificates of deposits	-	-	1,184,203	66.81
Pakistan Investment Bonds	-	-	576,537	32.53
T-Bills	-	-	-	-
Cash at Bank	-	-	11,729	0.66
	-	-	1,772,469	100.00

25.8 Principal actuarial assumptions used (expressed as weighted average)

	Pension fund - Executive staff	
	2022	2021
Expected increase in salaries	13.50%	10.25%
Discount rate	13.50%	10.25%
Expected rate of return per annum on plan assets	13.50%	10.25%
Rate of growth in pensions		
- Employees with retirement up to November 11, 2017	8.25%	5.0%
- Employees with retirement after November 11, 2017	5.0%	5.0%

During the financial year 2017-18, Company revised its policy of linking pension increase with the pension enhancements announced by the government to fixed rate of 5% for employees retiring after November 11, 2017. Resultantly, pension increase assumption of 8.25% per annum was used for pensioners who retired before November 11, 2017 and 5% for pensioners who become pensioners after November 11, 2017.

	Free Gas facility fund - Executive staff	
	2022	2021
Discount rate	13.50%	10.25%
Expected return of growth per annum in average cost of facility	13.50%	10.25%
Expected rate of return per annum on plan assets	13.50%	10.25%

	Medical fund - Executive staff	
	2022	2021
Discount rate	-	10.25%
Expected rate of growth per annum in average cost of facility	-	10.25%
Increase in average cost of post retirement medical facility	-	10.25%
Expected rate of return per annum on plan assets	-	10.25%

Notes to the Financial Statements

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	Accumulating compensated absences - Executive staff	
	2022	2021
Expected increase in salaries	13.50%	10.25%
Discount rate	13.50%	10.25%
Expected rate of return per annum on plan assets	13.50%	10.25%

	Accumulating compensated absences - Non executive staff	
	2022	2021
Expected increase in salaries	-	10.25%
Discount rate	-	10.25%
Expected rate of return per annum on plan assets	-	10.25%

25.9 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.

25.10 The effect of 1% movement in assumed medical cost trend rates would have the following effects:

	2022		2021	
	1% increase	1% (decrease)	1% increase	1% (decrease)
	(Rupees in thousand)			
Effect on the aggregate of the service cost and interest cost	136,263	(110,541)	42,399	(33,943)
Effect on defined benefit obligation	3,163,439	(2,612,626)	2,543,448	(2,085,469)

25.11 The effect of 1% movement in interest rates on defined benefits obligations would have the following effects:

	2022		2021	
	1% increase	1% (decrease)	1% increase	1% (decrease)
	(Rupees in thousand)			
Pension fund - Executive staff	(255,272)	305,290	(305,467)	377,401
Free gas facility fund - Executives	(15,148)	18,017	(17,841)	21,355
Medical fund - Executive Staff	-	-	(904,704)	1,183,480
Medical fund - Non Executive Staff	(2,300,067)	3,021,377	(1,933,178)	2,566,152
Accumulating compensated absences - Executive staff	(24,357)	144,193	(78,443)	91,442
Accumulating compensated absences - Non Executive staff	-	-	(136,141)	155,108

	Note	2022	2021
		(Rupees in thousand)	
25.12 The average duration of the defined benefit obligation is			
Pension fund - Executive staff		11 years	13 years
Free gas facility fund - Executives Staff		11 years	11 years
Medical fund - Executive Staff		-	18 years
Medical fund - Non Executive Staff		20 years	21 years
Accumulating compensated absences - Executive staff		9 years	9 years
Accumulating compensated absences - Non Executive staff		-	8 years
25.13 The charge for the year has been allocated as follows:			
Distribution cost		81,620	212,515
Selling cost		13,827	99,752
Administrative expenses		(31,709)	88,663
Capital work-in-progress		53,465	47,272
		117,203	448,202
26. STORES AND SPARE PARTS			
Stores [including in-transit Rs. 597,692 thousand (2021: Rs. 510,188 thousand)]		6,715,813	5,797,003
Spares [including in-transit Rs. 235,221 thousand (2021: Rs. 133,223 thousand)]		1,610,833	807,088
		8,326,646	6,604,091
Less: Provision for obsolescence	26.1	26,238	18,034
		8,300,408	6,586,057
26.1 Provision for obsolescence			
Balance as on July 1		18,034	36,355
(Reversal) / Charge for the year		8,204	(18,321)
Balance as on June 30		26,238	18,034
26.2 These include material (taken) / given on loan from the following related parties:			
Sui Southern Gas Company Limited		3,368	(232)
Pakistan Petroleum Limited		(1,704)	(6,740)
		1,664	(6,972)
27. STOCK-IN-TRADE			
- Gas in pipelines		7,684,784	4,304,885
- Gas in floating storage regassification unit	27.1	4,812,201	375,531
		12,496,985	4,680,416
27.1			
This represents gas purchased by the Company that is yet to be delivered by Engro Elengy Terminal (Private) Limited ('EETL').			

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for the year ended June 30, 2022

27.2 Stock of gas 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. However, during the year there has been no net realizable value adjustment due to the reason more fully explained in note 4.20 to the financial statements.

	Note	2022 (Rupees in thousand)	2021
28. TRADE DEBTS			
Considered good:			
Secured	28.1 & 28.3	104,246,636	77,206,508
Unsecured	15.5, 28.1 & 28.3	230,816,010	120,905,260
Deferred gas sales		(684,299)	(582,297)
		334,378,347	197,529,471
Less: Allowance for expected credit losses	28.2	26,478,006	25,269,474
		307,900,341	172,259,997

28.1 These include amounts due from the following related parties:

Sui Southern Gas Company Limited	54,434,564	52,768,937
State Life Insurance Corporation of Pakistan	302	383
Pak Arab Refinery Limited	103,255	81,336
Sheikh CNG	720	945
National Power Parks Management Company (Private) Limited	78,234,902	11,809,258
Quaid-e-Azam Thermal Power (Private) Limited	50,363,338	17,668,280
Fauji Fertilizers Company Limited	1,815	1,921
Northern Power Generation Company Limited	15,886,290	25,067,251
State Bank of Pakistan	(60)	205
Lucky Cement Limited	-	4,002,890
Mohsin Match Factory (Pvt) Limited	-	14,436
Premier Formica Industries Limited	-	45,314
Mohsin Enterprises (Pvt) Limited	-	2,860
A.J. Textile Mills Limited	-	789,122
A.J. Spinning Mills (Pvt) Limited	-	433
Nishat Mills Limited	5,436,563	4,301,539
	204,461,689	116,555,110

28.2 Allowance for expected credit loss

Balance as at July 01	25,269,474	24,899,088
Provision for expected credit losses	46	1,208,532
Balance as on June 30	26,478,006	25,269,474

28.2.1 For amounts due directly or ultimately from the Government of Pakistan, exemption is allowed by the SECP as more fully explained in note 2.2.3 to these financial statements. The Company is following the requirements of IAS 39 for these receivable balances and based on the assessment done by the management there is no incurred loss with respect to these balances.

28.3 Included in trade debts are amounts receivable from Government owned power generation companies, independent power producers and Sui Southern Gas Company Limited (SSGCL) of Rs. 225,813,194 thousand (2021: Rs. 100,641,087 thousand) along with interest thereon of Rs. 35,606,533 thousand (2021: Rs. 27,641,952 thousand) due to delayed payments. While trade and other payables as referred to in note 15 include an amount of Rs. 793,299,663 thousand (2021: Rs. 496,296,793 thousand) due to Pakistan Petroleum Limited, SSGCL, Oil and Gas Development Company Limited, Pakistan State Oil, Pakistan LNG Limited and Government Holding (Private) Limited on account of gas purchases along with interest accrued on delayed payments of Rs. 148,285,767 thousand (2021: Rs. 103,235,784 thousand) referred to in note 16 and interest accrued on delayed payment of Gas Development Surcharge of Rs. 4,101,732 thousand (2021: Rs. 4,101,732 thousand) payable to Government of Pakistan referred to in note 16. OGRA while deciding FRR of the Company for the years 2018-19, 2019-20 and 2020-21 have though acknowledged these liabilities but has not included aforesaid accrued interest in the determined shortfall and has pended unpaid Rs. 78,742,849 thousand (2021:Rs. 78,742,849 thousand) being the interest on delayed payments payable to Government owned entities till the eventual payment / settlement of circular debt by Government of Pakistan. The settlement of principal and interest on delayed payments is dependent upon the resolution of inter-corporate circular debt by the Government of Pakistan. Furthermore, recoverability of amounts of Rs. 437,346,524 thousand (2021: Rs. 322,049,427 thousand) and Rs. 165,032,746 thousand (2021: Rs. 124,084,891 thousand) as referred to in note 32 is dependent upon settlement by the Government of Pakistan directly or indirectly inter alia including increase in future gas prices and / or subsidy or through some alternate mechanism.

	Note	2022 (Rupees in thousand)	2021
29. LOANS AND ADVANCES			
Current portion of loans to employees - considered good:			
Executives	23	875	566
Other employees	23	253,765	195,699
		254,640	196,265
Advances - considered good:			
- Employees		2,347,369	1,820,279
- Suppliers and contractors	29.1	73,081	104,967
Advances to suppliers and contractors - considered impaired		3,227	3,227
Less: Allowance for expected credit loss		3,227	3,227
		-	-
		2,675,090	2,121,511

29.1 These include amounts due from the following related parties:

Ghandhara Tyre and Rubber Company Limited		
(Formerly The General Tyre & Rubber Company of Pakistan Limited)	482	675
Sui Southern Gas Company Limited	1,299	1,299
Lucky Cement Limited	13,128	644
	14,909	2,618

29.1.1 These are in the normal course of business and are interest free.

Notes to the Financial Statements

for the year ended June 30, 2022

		2022 (Rupees in thousand)	2021
29.1.2 Ageing of related party balance			
One to six months		12,667	363
More than six months		2,242	2,255
		14,909	2,618
30. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits and short term prepayments		138,124	120,866
Provision for doubtful deposits		(22,290)	(22,290)
		115,834	98,576
31. ACCRUED INTEREST			
This represent interest accrued on the amounts placed in saving accounts of the Company.			
	Note	2022 (Rupees in thousand)	2021
32. OTHER RECEIVABLES			
Excise duty recoverable		108,945	108,945
Less: Expected credit losses		(108,945)	(108,945)
		-	-
Tariff adjustment (indigeneous)	28.3 & 32.1	437,346,524	322,049,427
Tariff adjustment (RLNG)	28.3 & 32.3	165,032,746	124,084,891
Current account with Sui Southern Gas Company Limited	32.6	21,633	21,610
Current account with Interstate Gas Company (Pvt) Limited		-	2,129
Others		33,361	45,774
		602,434,264	446,203,831
32.1 Tariff adjustment (indigeneous)			
Opening balance		322,049,427	267,598,642
Differential margin determined for the year:			
- Recognized in statement of profit or loss	36	115,297,097	54,131,335
- Recognized in OCI		-	319,450
Closing balance		437,346,524	322,049,427
32.2			
This includes an amount as mentioned below, consisting of various expenses which have either been deferred or disallowed by the OGRA on various grounds, however, the Company has recognized tariff adjustment on such deferments / disallowances in these financial statements as the Company believes that the OGRA in its various determinations in the past years has consistently allowed such expenses and or pended such expenses till its resolution by Federal Government. Accordingly, the Company is in the process of filing a review appeal against the Final Revenue Requirements (FRR) decision by the OGRA and is confident of favourable outcome. Detailed break up of the deferred and / or disallowed expenses is as follows:			

	Note	2022 (Rupees in thousand)	2021
Late payment surcharge to gas creditors	32.2.1	124,031,834	78,742,849
Other operating cost		-	(564,000)
Return on assets	32.2.2	(43,000)	-
		123,988,834	78,178,849

- 32.2.1** This represents late payment surcharge payable to various gas suppliers deferred by the OGRA till actual payment. This amount has not been disallowed instead has been pended / deferred till resolution of circular debt by Federal Government.
- 32.2.2** This represents Return on assets net of depreciation inadvertently allowed by the OGRA which the Company will offer back in the motion for review to be filed with OGRA.

	Note	2022 (Rupees in thousand)	2021
32.3 Tariff adjustment (RLNG)			
Opening balance		124,084,891	65,093,590
Recognised for the year	36 & 32.5	101,640,258	58,991,301
Received from GoP		(60,692,403)	-
Closing balance		165,032,746	124,084,891

- 32.3.1** The balance of RLNG tariff adjustment represents the aggregate difference between the margin earned by the Company from the purchase and sale of RLNG based on the notified rates and the RLNG margin guaranteed to the Company till June 30, 2022. The settlement of this amount is expected to materialize in the shape of adjustment to future sale price of RLNG by OGRA and/or direct subsidy from Government of Pakistan.

The balance represents the difference of average cost of RLNG and the average sale price of system gas of the diverted RLNG volumes to system gas consumers. During the year, 43,252,859 MMBTUs (2021: 28,305,869 MMBTUs) of RLNG were diverted and sold as system gas. The tariff adjustment receivable resulting from RLNG sold as system gas will be adjusted upon directional changes in tariff adjustments in future periods to be determined by the OGRA. During the year Federal Government released subsidy amounting to Rs. 60,692,403 thousand.

- 32.3.2** OGRA vide its decision dated November 20, 2018 which was further clarified by the OGRA dated February 04, 2019, has directed that the stock of RLNG held with SSGCL to be sold to them on historical weighted average cost. Thereafter, SSGCL shall record sales as per relevant applicable OGRA notified rates. The gain / loss owing to the difference between the current and historical rates is required to be passed on to the Company. The tariff adjustment includes impact of such gain / loss to be realized / adjusted in the OGRA's future price adjustments.

Notes to the Financial Statements

for the year ended June 30, 2022

32.4 This includes an amount as mentioned below, consisting of various expenses which have either been deferred or disallowed by the OGRA on various grounds, however, the Company has recognized tariff adjustment on such deferments / disallowances in these financial statements. Accordingly, the Company is in the process of filing a review appeal against the Final Revenue Requirements (FRR) decision by the OGRA and is confident of favourable outcome. Detailed break up of the deferred and / or disallowed expenses is as follows:

	Note	2022 (Rupees in thousand)	2021
Capacity based cost of supply	32.4.1	2,698,000	2,698,000
Gas internally consumed / transportation	32.4.2	5,301,000	289,000
Late payment surcharge on gas bills and finance cost		-	1,464,810
Other	32.4.3	54,000	-
		8,053,000	4,451,810

32.4.1 This represents amounts partially disallowed by the OGRA pertaining to FY 2018-19, by diverting from the earlier consistent practice of allowing such expenses on actual throughput instead of capacity based throughput. It is pertinent to mention that for subsequent years OGRA is allowing the amounts on actual throughput basis. The above amount is also inclusive of an inadvertent error in the calculation of gas internally consumed.

32.4.2 This represents net amounts not allowed by the OGRA relating to transportation / cost of gas internally consumed by SSGC for transportation of RLNG for the Company. The Company is in the process of filing appeal and is confident of favourable outcome.

32.4.3 This represents the depreciation net of ROA inadvertently disallowed by the OGRA, against which the Company is in the process of filing a review appeal and is confident of favourable outcome.

32.5 This includes an amount of Rs. 13,768,112 thousand pertaining to Take or pay adjustment of prior years for diversion of RLNG to domestic sector consumer as fully explained in note 41.

32.6 This represents amount receivable from Sui Southern Gas Company Limited on account of certain facilities provided to their employees.

	2022 (Rupees in thousand)	2021
33. CONTRACT ASSETS		
Due from customers against construction contracts:		
Balance as at July 01	13,079	-
Additions during the year	-	13,079
Progress billing during the year	(13,079)	-
Balance as at June 30	-	13,079

	Note	2022 (Rupees in thousand)	2021
34. CASH AND BANK BALANCES			
At banks:			
On deposit accounts	34.1	9,241,091	8,655,769
On current accounts		6,550,861	1,670,583
		15,791,952	10,326,352
In hand		1,616	1,707
		15,793,568	10,328,059

34.1 Rate of return on bank deposits ranges between 4.50% to 12.25% (2021: 4.50% to 6%) per annum.

	2022 (Rupees in thousand)	2021
34.2 Balance with related parties		
Askari Bank Limited	96,985	9,749
Soneri Bank Limited	1,189	901
	98,174	10,650

34.3 Included in deposit accounts are amounts deposited by the Company in separate bank account(s) for funds released by the Government as grant to finance distribution development projects being the Government share of cost. Withdrawal from this account(s) is made on periodic basis to the extent of projects approved and sanctioned there from and until then, these funds amounting to Rs. 7,820,932 thousand (2021: Rs. 8,254,209 thousand) are not used for the normal treasury operations of the Company. Any profit earned thereon is credited to the funds instead of accounting for as Company's income.

34.4 This includes Rs. 182,875 thousand (2021: Rs. 156,270 thousand) restricted for outstanding dividend payments.

35 REVENUE FROM CONTRACTS WITH CUSTOMERS - GAS SALES

	Note	2022 (Rupees in thousand)	2021
Gross sales - Indigenous gas		203,609,983	203,031,611
Gross sales - RLNG	35.1	1,043,256,942	541,225,387
		1,246,866,925	744,256,998
Sales tax - Indigenous gas		(28,895,927)	(27,770,375)
Sales tax - RLNG		(141,230,889)	(71,982,204)
		(170,126,816)	(99,752,579)
		1,076,740,109	644,504,419

Notes to the Financial Statements

for the year ended June 30, 2022

35.1 The Company in the past has recognized take or pay (ToP) revenue of Rs. 10,367 million from M/s Quaid-e-Azam Thermal Power (Private) Limited ("QATPL"). QATPL is owned by the Provincial Government of Punjab. ToP revenue recognized by the Company represents the ToP payment that is required to be made under the Gas Supply Agreement ("GSA") adjusted for amounts recovered from domestic consumers from diversion of the gas not taken.

The Company initially partially recovered the ToP amounts by withdrawal of Rs. 3,265 million from the escrow account of QATPL against the ToP invoices raised under the ToP arrangement. The net receivable balance as at period end amounts to Rs. 7,102 million (2021: Rs. 7,102 million). QATPL tried to stop the Company from encashing the security provided under the GSA by initiating proceedings in the Civil Court. This attempt of QATPL failed and resulted in filing of a writ petition by QATPL before the Honorable Lahore High Court ("LHC"). The order of the LHC dated June 22, 2018 provides that the dispute should be dealt with in accordance with the dispute resolution mechanism available in the GSA. In light of section 18.1 of the GSA, various attempts were made to settle this dispute by mutual discussions but the matter remained unresolved. As required under section 18.2 of the GSA, the dispute was thereafter referred to an expert, after mutual agreement of the parties involved, on October 09, 2018. The Expert was a retired Judge of the Supreme Court of Pakistan.

The Company filed claims against QATPL before the Expert on March 15, 2019 and the proceedings before this forum were completed during September 2019. The recommendation of the Expert was issued in favour of the Company. Thereafter, QATPL initiated arbitration under the Rules of the London Court of International Arbitration (LCIA) since it did not accept the decision of the Expert. The Company also initiated arbitration proceedings under LCIA Rules but only to the extent of failure of the Expert to decide one of the issues put to him related to provision of security to the Company.

The Sole Arbitrator of the London Court of International Arbitration (LCIA) has decided in favour of the Company for all months apart from November and December 2017 and the Company has been awarded Rs. 5,901 million being the sum due after encashment of security plus interest. The Company was also awarded costs. QATPL has challenged the award dated 2 August 2022 granted in favour of the Company in High Court of England and Wales. Whereas, the Company has filed a petition with Honorable Lahore High Court, Lahore for recognition and enforcement of the said award.

The Company, under the terms of the license granted to it by the OGRA, the guidelines issued by the Federal Government vide decision of the Economic Coordination Committee of the Cabinet ("ECC") dated May 11, 2018, and as per determination of Final Revenue Requirement of the Company for FY 2017-18 ("FRR 2017-18") dated January 15, 2019, operates under a fixed rate of return regime. Keeping in view of the above, it is considered that the impact of the decision of QATPL will not have any impact on the profitability of the Company.

	2022	2021
	(Rupees in thousand)	
35.2 Disaggregated revenue information		
Type of goods:		
- Indigenous gas	174,714,056	175,261,236
- RLNG	902,026,053	469,243,183
	1,076,740,109	644,504,419
Timing of revenue recognition:		
- Revenue recognized at point in time	1,076,740,109	644,504,419
- Revenue recognized over time	-	-
Region wise revenue:		
- Multan	97,245,007	56,188,909
- Bahawalpur	31,094,106	26,398,273
- Sargodha	30,492,287	14,836,248
- Faisalabad	203,333,241	108,964,881
- Sahiwal	3,611,590	3,340,667
- Sheikhpura	198,371,457	108,953,889
- Lahore	240,377,548	115,387,431
- Sialkot	4,164,187	4,344,484
- Gujranwala	57,335,789	30,775,028
- Gujrat	3,276,457	2,955,437
- Islamabad and Rawalpindi	36,392,920	39,986,221
- Mardan	17,047,901	17,204,529
- Peshawar	24,464,490	25,002,480
- Abbottabad	14,430,432	14,316,966
- Head office	115,102,697	75,848,976
	1,076,740,109	644,504,419
Category wise revenue:		
- Domestic	74,413,723	75,377,338
- Commercial	22,615,968	20,901,346
- General industry	109,793,492	75,441,318
- Fertilizers	62,054,749	27,645,809
- Power sector	536,905,367	249,263,181
- CNG	34,692,423	41,114,726
- Cement sector	82,390	659,857
- SSGCL	115,102,697	75,848,976
- Captive power	90,489,506	64,322,868
- Textile	30,589,794	13,929,000
	1,076,740,109	644,504,419
Trade debts	307,900,341	172,259,997
Contract assets	-	13,079
Contract liabilities	29,066,808	18,332,424

The main reason for increase in trade debts is due to increased circular debt as more fully explained in note 28 to these financial statements.

Notes to the Financial Statements

for the year ended June 30, 2022

The transaction price allocated to the remaining unsatisfied performance obligations as on June 30, 2022 is as follows:

	2022	2021
	(Rupees in thousand)	
Within one year	9,319,765	3,069,917
Over one year	19,747,043	15,262,507

The performance obligation with respect to each category of revenue is disclosed in note 4.17 to these financial statements. The Company does not have any further segments, accordingly, the further disaggregation of Company revenue from contracts with customers has not been presented.

	Note	2022	2021
		(Rupees in thousand)	
36. TARIFF ADJUSTMENT			
Indigenous gas	36.1 & 32.1	115,297,097	54,131,335
RLNG	32.3	101,640,258	58,991,301
		216,937,355	113,122,636

36.1 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. OGRA vide its decision dated June 21, 2018 on the Estimated Revenue Requirement ('ERR') of the Company for the year 2018-19 decided in consultation with the Federal Government and other licensees in the natural gas sector to revise the tariff regime including the rate of return which is to be based on Weighted Average Cost of Capital ('WACC') from the financial year 2018-19. WACC was computed at 17.43% for financial year 2018-19 till 2020-21.

OGRA in its decision dated August 17, 2021 has in line with the tariff regime in vogue, reworked the Rate of Return on Average Net Assets (ROA) for the year 2021-22 and onwards at 16.60% as compared to the previous ROA rate of 17.43% determined up to 2020-21, however, the same will automatically reset if the reference figure changes by $\pm 2\%$. At the same time, OGRA has also advised the reduction in depreciation rates of the various operating assets particularly transmission and distribution network of the Company from present rates of nearly 6% per annum to rates ranging from 2.5% to 5% per annum. As per the tariff regime, the Company is required to earn an annual return of not less than WACC on the value of its average fixed assets in operation (net of deferred credit), before corporate income taxes, interest and other charges on debt and after excluding interest, dividends and other non operating income and before incorporating the effect of efficiency benchmarks prescribed by OGRA.

During the year, the Company could not meet the benchmarks prescribed by the OGRA and as a result the return for the year on the aforesaid basis works out to be 11.83% (2021: 12.64%). Among other disallowances made by the 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. 2,497,769 thousand (2021: Rs. 3,384,738 thousand), which is in excess of the UFG benchmark of 6.98% (2021: 6.98%) as determined by the OGRA.

	Note	2022	2021
		(Rupees in thousand)	
37. COST OF GAS SALES			
Opening stock of gas in pipelines / held with third party		4,680,416	6,824,823
Gas purchases:			
Southern system		101,861,318	83,732,078
Northern system		104,141,519	96,932,331
RLNG	37.1	977,825,361	486,266,525
		1,183,828,198	666,930,934
		1,188,508,614	673,755,757
Less:			
- Gas internally consumed		12,523,690	6,902,489
- Gas in pipelines	27	7,684,784	4,304,885
- Gas in floating storage & regassification Unit	27	4,812,201	375,531
		25,020,675	11,582,905
Distribution cost	37.3	44,667,820	42,602,466
		1,208,155,759	704,775,318
37.1 Gas purchases - RLNG			
Cost of RLNG		957,142,099	469,501,657
Cost of regasification		18,758,191	16,297,132
Service cost and margin		1,925,071	467,736
		977,825,361	486,266,525

37.2 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. As a result of UFG study conducted by the OGRA, the parameters used for the purpose of calculation of UFG have been revised with effect from July 01, 2017. Consequently non-consumer and law affected area's volumes which were earlier allowed by the OGRA, over and above the benchmark, have now become part of UFG. However, this has been partly compensated by an increase in UFG benchmark from 4.5% to 5% and a further 2.6% dependent on achievement of Key Monitoring Indicators (KMIs) as prescribed by the OGRA. UFG for each region of SNGPL network is given below in terms of volume and percentage.

Notes to the Financial Statements

for the year ended June 30, 2022

Sr. No.	Region / Area	Number of consumers as at June 30, 2022	UFG 2022	
			MMCF	%
1	Multan	613,266	1,684	4.49
2	Bahawalpur	304,761	409	0.58
3	Sargodha	299,636	257	4.62
4	Faisalabad	843,903	1,249	6.04
5	Sahiwal	274,114	182	2.64
6	Lahore / Sheikhpura	1,603,602	5,028	9.09
7	Sialkot	340,464	294	3.00
8	Gujranwala	603,601	853	4.95
9	Gujrat	305,666	571	7.33
10	Islamabad/Rawalpindi	1,198,509	5,148	9.94
11	Mardan	298,164	2,281	9.72
12	Peshawar	500,407	6,543	18.20
13	Karak	12,732	4,441	88.10
14	Abbottabad	200,270	151	0.96
Total distribution system		7,399,095	29,091	8.02
Transmission system		-	132	0.04
Total		7,399,095	29,223	8.06

Sr. No.	Region / Area	Number of consumers as at June 30, 2021	UFG 2021	
			MMCF	%
1	Multan	611,184	1,812	4.92
2	Bahawalpur	297,910	764	1.04
3	Sargodha	288,078	473	5.92
4	Faisalabad	821,300	572	2.09
5	Sahiwal	267,938	245	3.44
6	Lahore / Sheikhpura	1,575,929	3,604	6.31
7	Sialkot	332,982	576	5.48
8	Gujranwala	589,295	1,009	5.44
9	Gujrat	295,179	636	8.30
10	Islamabad/Rawalpindi	1,178,744	5,426	10.67
11	Mardan	286,012	2,874	11.82
12	Peshawar	479,392	7,903	20.41
13	Karak	10,107	5,132	89.26
14	Abbottabad	194,969	199	1.27
Total distribution system		7,229,019	31,225	8.33
Transmission system		-	1,937	0.27
Total		7,229,019	33,162	8.60

Note	2022	2021
	(Rupees in thousand)	
37.3 Distribution cost		
Salaries, wages and benefits 37.3.1	10,643,801	9,867,771
Employee's medical and welfare	681,173	582,141
Stores and spare parts consumed	640,011	537,332
Fuel and power	12,589,669	6,700,502
Repairs and maintenance	1,796,928	1,875,101
Rent, rates, electricity and telephone	309,191	245,591
Insurance	240,501	249,043
Travelling and conveyance	76,546	78,812
Stationery and postage	21,468	19,074
Transportation charges	838,623	752,372
Professional services	7,231	12,065
Provision for obsolete stores and spares	12,771	-
Security expenses	1,227,181	904,898
Advertisement	17,749	24,045
Depreciation 20.1.3	14,956,689	19,745,796
Depreciation on right-of-use assets 22.2	3,629,387	3,644,342
Others	346,658	447,031
	48,035,577	45,685,916
Allocated to fixed capital expenditure	(3,367,757)	(3,083,450)
	44,667,820	42,602,466

37.3.1 Included in salaries, wages and benefits are Rs. 337,898 thousand (2021: Rs. 275,610 thousand) in respect of the Company's contribution to the employees provident fund.

Note	2022	2021
	(Rupees in thousand)	
38. OTHER OPERATING INCOME		
Income from financial assets		
Interest on staff loans and advances	98,008	117,400
Return on bank deposits	609,190	298,229
Gain on initial recognition of financial liabilities at fair value	4,734	6,073
	711,932	421,702
Interest income on late payment of gas bills		
- Government owned and other power generation companies 28.3	7,519,704	4,002,496
- Fertilizer and cement companies	686,456	483,724
- Interest income on late payment of gas bills - other consumers 38.1	4,123,225	4,833,716
	12,329,385	9,319,936
Income from assets other than financial assets		
Net gain on sale of fixed assets	51,174	118,762
Meter rentals and repair charges	4,115,870	3,693,989
Amortization of deferred credit 11, 12	2,135,576	3,258,650
Insurance claim 38.4	1,083	3,252
	6,303,703	7,074,653

Notes to the Financial Statements

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	Note	2022 (Rupees in thousand)	2021
Others			
Sale of tender documents		11,431	10,605
Sale of scrap		473,051	73,284
Liquidated damages recovered		151,927	243,308
Gain on construction contracts		137,113	155,395
Bad debt recovered		7,299	2,227
Exchange gain		-	419,202
Gas transportation income		818,332	760,159
Urgent fee for new meter connections		496,473	1,020,996
Miscellaneous		11,379	11,933
		2,107,005	2,697,109
		21,452,025	19,513,400
38.1 Interest income on late payment of gas bills - other consumers			
Interest on gas sales arrears	38.2	2,305,919	3,010,866
Surcharge on late payments	38.3	1,817,306	1,822,850
		4,123,225	4,833,716
38.2	This represents interest charged on gas sales arrears at the rate of 1.5% (2021: 1.5%) per month up to one year and thereafter 2% (2021: 2%) per month from other than domestic consumers.		
38.3	Late payment surcharge is charged to domestic consumers on over due amounts at the rate of 10% (2021: 10%) charged once.		
38.4	This represents claims received on account of rupture of gas pipelines.		
	Note	2022 (Rupees in thousand)	2021
39. SELLING COST			
Salaries, wages and benefits	39.1	6,272,976	5,563,052
Employees medical and welfare		331,600	309,386
Stores and spare parts consumed		1,788	1,339
Repairs and maintenance		472,562	404,972
Rent, rates, electricity and telephone		42,546	47,057
Travelling and conveyance		28,253	25,324
Stationery and postage		156,911	128,030
Dispatch of gas bills		162,857	136,327
Transportation charges		177,359	124,122
Gathering charges of gas bills collection data		50,000	39,669
Gas bills collection charges		593,108	556,869
Advertisement		157,011	6
Depreciation	20.1.3	226,249	251,334
Others		57,874	32,702
		8,731,094	7,620,189
Allocated to fixed capital expenditure		(550,998)	(483,432)
		8,180,096	7,136,757

39.1 Included in salaries, wages and benefits is Rs. 196,706 thousand (2021: Rs. 154,417 thousand) in respect of the Company's contribution to the employees provident fund.

	Note	2022 (Rupees in thousand)	2021
40. ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	40.1	6,540,232	5,867,570
Employees medical and welfare		352,389	310,303
Stores and spare parts consumed		43,754	77,776
Fuel and power		78,929	71,847
Repairs and maintenance		180,222	175,599
Rent, rates, electricity and telephone		104,182	174,291
Insurance		20,399	19,570
Travelling and conveyance		31,697	24,293
Stationery and postage		42,356	43,818
Transportation charges		142,812	104,436
Professional services	40.3	321,073	245,318
Security expenses		363,388	335,090
OGRA fee and expenses		227,625	528,160
Advertisement		8,438	166,056
Depreciation	20.1.3	218,809	251,463
Depreciation on right of use assets	22.2	8,725	34,160
Amortization of intangible assets	21	221,923	197,600
Others		250,682	198,447
		9,157,635	8,825,797
Allocated to fixed capital expenditure		(679,987)	(648,411)
		8,477,648	8,177,386

40.1 Included in salaries, wages and benefits is Rs. 211,133 thousand (2021: Rs. 170,683 thousand) in respect of the Company's contribution to the employees provident fund.

	2022		2021	
	As at June 30	Average during the year	As at June 30	Average during the year
40.2 Number of employees				
Operations	8,224	8,342	8,463	8,551
Projects	264	253	246	248
Total	8,488	8,595	8,709	8,799

Notes to the Financial Statements

for the year ended June 30, 2022

	2022	2021
	(Rupees in thousand)	
40.3 Professional services		
The charges for professional services include the following in respect of auditors' services for:		
Statutory audit	4,540	4,127
Half yearly review and other certifications	5,177	4,186
Out of pocket expenses	750	700
	10,467	9,013

41. TAKE OR PAY ADJUSTMENT RELATING TO PRIOR YEARS

This represents the amount recognized under Take or Pay ("ToP") arrangements from M/s National Power Parks Management Company Limited ("NPPMCL"). NPPMCL is owned by the Federal Government. ToP revenue recognized by the Company represents the ToP payment that is required to be made under the GSA by NPPMCL adjusted for amounts recovered from domestic consumers from diversion of the gas not taken.

The Company initially partially recovered the ToP amounts by encashment of standby letter of credit of NPPMCL for a net amount of Rs. 10,384 million. NPPMCL tried to stop the Company from encashing the security provided under the GSA by initiating proceedings in the Civil Court. This attempt of NPPMCL failed and resulted in filing of a writ petition by NPPMCL before the Honorable Lahore High Court ("LHC"). The order of the LHC dated June 22, 2018 provides that the dispute should be dealt with in accordance with the dispute resolution mechanism available in the GSAs. In light of section 18.1 of the GSA, various attempts were made to settle this dispute by mutual discussions but the matter remained unresolved. As required under section 18.2 of the GSA, the dispute was thereafter referred to an expert, after mutual agreement of the parties involved, on October 09, 2018. The Expert was a retired Judge of the Supreme Court of Pakistan.

The Company filed claims against GPPs before the Expert on March 15, 2019 and the proceedings before this forum were completed during September 2019. The recommendation of the Expert was issued in favour of the Company. Thereafter, NPPMCL initiated arbitration under the Rules of the London Court of International Arbitration (LCIA) since it did not accept the decision of the Expert.

London Court of International Arbitration (LCIA) in the arbitration of NPPMCL decided against the Company, in December 2021, declaring take or pay invoices raised by the Company as in-valid. Consequently, Company was required to pay the en-cashed deposits of Rs. 10.384 billion along with interest and partial cost to NPPMCL.

The Company aggrieved with the decision of LCIA filed a challenge against the decision of the sole arbitrator with High Court of England at London, which the said High Court has dismissed. It is pertinent to mention that in an identical case against QATPL, another sole arbitrator has decided the matter in favour of the Company and has been fully explained in note 35.1.

The Company, under the terms of the license granted to it by the OGRA, the guidelines issued by the Federal Government vide decision of the Economic Coordination Committee of the Cabinet ("ECC") dated May 11, 2018, and as per the determination of Final Revenue Requirement of the Company for FY 2017-18 ("FRR 2017-18") dated January 15, 2019, operates under a fixed rate of return regime. The Company shall take up the matter with the OGRA for determining the take or pay adjustment as diversion to domestic sector consumers in future petitions of the Company in line with the tariff regime and OGRA earlier decisions with respect to it. In view of the matters explained above, the impact of the decision of NPPMCL has been recognized as tariff adjustment with no impact on the profitability of the Company.

	Note	2022	2021
		(Rupees in thousand)	
42. OTHER OPERATING EXPENSES			
Exchange loss - net		1,704,676	-
Workers' Profit Participation Fund	15.7	815,980	833,784
Workers' Welfare Fund		-	(171,770)
Loss on initial recognition of financial assets at fair value		18,684	139,865
		2,539,340	801,879

43. FINANCE COST

Interest and mark up including commitment charges on

- Long term finances - secured	3,189,077	3,360,807
- Long term finances - unsecured	25,273	31,793
- Short term borrowing	2,727,657	2,029,199
- Late payment to gas suppliers	45,675,894	28,780,299
- Lease liabilities	4,525,998	4,868,904
- Security deposits	1,469,155	1,120,468
Bank charges	23,289	8,560
	57,636,343	40,200,030
Allocated to fixed capital expenditure	(339,954)	(163,205)
	57,296,389	40,036,825

44. TAXATION

Current Tax

Current year	8,398,473	4,869,695
Prior year	179,162	138,989
	8,577,635	5,008,684
Deferred tax	13	(3,440,253)
	5,137,382	4,855,910

	2022	2021
	Percentage (%)	
44.1 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	29.00	29.00
Tax effect of amounts that are:		
- Effect of changes in current tax of prior years	1.16	0.88
- Change in tax rate	3.03	0.00
- Super tax	1.84	0.00
- De-recognition of previously recognised minimum and alternate corporate tax available for carry forward	0.00	0.00
- Others	(1.88)	0.77
	4.15	1.65
Average effective tax rate charged to statement of profit or loss	33.15	30.65

Notes to the Financial Statements

for the year ended June 30, 2022

	Note	2022	2021
45. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the year	Rupees in thousand	10,366,231	10,985,994
Average ordinary shares in issue	Numbers of shares 5	634,216,665	634,216,665
Basic earnings per share	Rupees	16.34	17.32
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.			
	Note	2022 (Rupees in thousand)	2021
46. CASH GENERATED FROM OPERATIONS			
Profit before taxation		15,503,613	15,841,904
Adjustment for non-cash charges and other items:			
Depreciation on owned assets	20.1.3	15,401,747	20,248,593
Depreciation on right of use assets	22	3,638,112	3,678,502
Amortization on intangible assets	21	221,923	197,600
Employee benefits	14.13 & 25.13	3,282,346	2,892,065
Amortization of deferred credit	38	(2,135,576)	(3,258,650)
Net gain on sale of fixed assets	38	(51,174)	(118,762)
Finance cost	43	57,296,389	40,036,825
Return on bank deposits	38	(609,190)	(298,229)
Allowance for expected credit losses	28.2	1,208,532	370,386
Loss on initial recognition of financial assets at fair value	42	18,684	139,865
Gain on initial recognition of financial liabilities at fair value	38	(4,734)	(6,073)
(Gain) / Loss on initial recognition of financial assets / financial liabilities at fair value		13,950	133,792
Net interest expense due to the impact of IFRS-9		(65,425)	(81,061)
Working capital changes	46.1	(37,633,368)	(44,472,228)
Provision for obsolescence charge/(reversal)		8,204	(18,321)
		56,080,083	35,152,416

	Note	2022 (Rupees in thousand)	2021	
46.1 Working capital changes				
(Increase) / decrease in current assets:				
Stores and spare parts		(1,722,555)	(977,099)	
Stock-in-trade		(7,816,569)	2,144,407	
Trade debts		(143,735,638)	(16,493,560)	
Loans and advances		(495,204)	396,777	
Trade deposits and short term prepayments		(17,258)	64,431	
Other receivables		(190,629,637)	(105,284,325)	
		(344,416,861)	(120,149,369)	
Increase in current liabilities:				
Trade and other payables		300,533,645	75,914,288	
Contract liabilities		6,249,848	(237,147)	
		(37,633,368)	(44,472,228)	
46.2 Cash and cash equivalents				
Cash and bank balances	34	15,793,568	10,328,059	
Short term borrowing	17	(19,019,488)	(29,598,829)	
		(3,225,920)	(19,270,770)	
47. 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 Managing Director / Chief Executive and Executives of the Company is as follows:				
	Managing Director		Executives	
	2022	2021	2022	2021
	(Rupees in thousand)			
Remuneration	30,000	27,995	4,552,593	2,503,538
Contribution to provident, pension and gratuity fund	7,256	5,394	1,609,888	836,068
Housing and utilities	16,500	15,397	3,403,131	1,417,060
Medical reimbursement	260	159	267,692	120,535
Conveyance and other allowances	-	-	2,175,885	486,669
Special allowance	-	2,569	-	-
Leave encashment	-	-	56,663	27,456
Club subscription	1,457	74	7,857	1,949
	55,473	51,588	12,073,709	5,393,275
Number of persons	1	1	2,209	893

47.1 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.

Notes to the Financial Statements

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- 47.2

The aggregate amount charged in the financial statements in respect of directors’ fee paid to fourteen (2021: eighteen) non executive directors was Rs. 36,600 thousand (2021: Rs. 42,800 thousand) including the casual vacancies created. Total number of Directors as at year end are Twelve (2021: Twelve).
- 47.3

The aggregate amount charged in the financial statements in respect of honorarium paid to Chairperson / Chairman was Rs. 1,200 thousand (2021: Rs. 1,277 thousand). Moreover, Chairperson has been provided with free transport subject to certain specified limits for petrol consumption.
- 47.4

The aggregate amount charged in the financial statements in respect of medical reimbursement to One (2021: One) director was Rs. 25 thousand (2021: Rs. Nil).

48. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, other related group companies, directors, executives including 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 executives including key management personnel is disclosed in note 47 to these financial statements. Other significant transactions with related parties are as follows:

	2022	2021
	(Rupees in thousand)	
Gas sales		
Other related parties		
Sui Southern Gas Company Limited	116,324,468	77,101,016
Fauji Fertilizer Company Limited	13,330	12,306
Pak-Arab Refinery Limited (PARCO)	3,878,485	1,550,564
Oil and Gas Development Company Limited	-	43
Northern Power Generation Company Limited	7,041,530	3,980,999
Quaid-e-Azam Thermal Power (Private) Limited	103,954,173	56,955,145
National Power Parks Management Company (Private) Limited	246,365,113	104,201,552
State Life Insurance Corporation of Pakistan	3,323	3,083
Sheikh CNG	5,846	12,263
Nishat Mills Limited	7,516,020	4,919,482
Premier Formica Industries Limited	11,095	21,961
Mohsin Enterprises (Pvt) Limited	198	675
Lucky Cement Limited	1,886,027	766,215
A.J. Spinning Mills (Pvt) Limited	6,139	13,728
A.J. Textile Mills Limited	1,078,092	416,329
Mohsin Match Factory (Pvt) Limited	4,678	10,252
Mari Petroleum Company Limited	1,035	-
Lahore University of Management Sciences	-	2,105
State Bank of Pakistan	2,892	2,248
Directors and key management personnel		
Residential gas sales to directors	660	950
Residential gas sales to key management personnel	54	71
	488,093,158	249,970,987

	2022	2021
	(Rupees in thousand)	
Purchase of gas, regasification and transportation		
Sui Southern Gas Company Limited	28,642,732	25,089,558
Government Holdings (Private) Limited	12,923,893	12,860,606
Pakistan Petroleum Limited	60,505,004	54,815,798
Oil and Gas Development Company Limited	59,440,433	57,076,649
Mari Petroleum Company Limited	17,133,170	8,825,266
Pakistan State Oil Company Limited	592,068,931	267,220,242
Pakistan LNG Limited	387,774,926	216,913,318
	1,158,489,089	642,801,437
Purchase of materials		
Ghandhara Tyre & Rubber Company Limited		
(Formerly The General Tyre & Rubber Company of Pakistan Limited)	6,804	6,413
Sui Southern Gas Company Limited	7,409	52,161
Pakistan State Oil Company Limited	2,002,446	948,283
Lucky Cement Limited	4,348	15,818
	2,021,007	1,022,675
Purchase of services		
Pakistan Telecommunication Company Limited	20,362	24,806
State Life Insurance Corporation of Pakistan	3,267	15,509
Lahore University of Management Sciences	265	-
	23,894	40,315
Finance cost		
Sui Southern Gas Company Limited	-	1,036,564
Government Holdings (Private) Limited	4,485,583	2,702,802
Pakistan Petroleum Limited	21,564,938	13,458,331
Oil and Gas Development Company Limited	18,999,462	11,413,450
Mari Petroleum Company Limited	344,152	40,164
	45,394,135	28,651,311
Profit received on bank deposits		
Askari Bank Limited	21,546	11,225
Soneri Bank Limited	2,738	2,196
	24,284	13,421
Dividend paid		
Sui Southern Gas Company Limited	12,312	18,571
National Investment Trust	177,403	42,027
Askari Bank Limited	17,730	5,396
Adamjee Life Assurance Company Limited	273	6,708
Soneri Bank Limited	23,394	-
The President of Islamic Republic of Pakistan	1,205,587	401,862
SNGPL Employees Empowerment Trust	139,739	46,580
Directors	62	-
	1,576,500	521,144

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	2022	2021
	(Rupees in thousand)	
Insurance expenses		
National Insurance Company Limited	315,262	341,100
State Life Insurance Corporation of Pakistan	156,658	48,206
	471,920	389,306
Insurance claimed received		
National Insurance Company Limited	13,942	17,668
State Life Insurance Corporation of Pakistan	196,123	51,214
	210,065	68,882
Contribution to defined contribution plan	738,769	591,579
Contribution to defined benefit plans	3,500,038	2,989,185
Transmission charges - Pakistan Petroleum Limited	5,096	5,414
Payment against Joint Shared Services - Pakistan Petroleum Limited	51,765	46,603
Key Management Personnel	98,930	93,161
Finance cost on Loan - Askari Bank Limited	350,016	563,191
Transactions with related parties are carried out on mutually agreed terms and conditions.		
48.1	Maximum aggregate outstanding balance from related parties at the end of any month is as below:	
	2022	2021
	(Rupees in thousand)	
Included in trade debts (refer note 29.1)		
Oil and Gas Development Company Limited	33	84
Sui Southern Gas Company Limited	60,025,819	77,217,572
State Life Insurance Corporation of Pakistan	628	592
Pak Arab Refinery Limited (PARCO)	331,379	290,498
Sheikh CNG	1,301	1,803
National Power Parks Management Company (Private) Limited	96,944,461	12,375,626
Quaid-e-Azam Thermal Power (Private) Limited	50,363,338	17,759,504
Fauji Fertilizers Company Limited	2,332	3,461
Northern Power Generation Company Limited	29,654,402	25,067,251
Premier Formica industry	-	56,707
Lucky Cement Limited	-	5,083,850
State Bank of Pakistan	203	227
Mohsin Match Factory (Pvt.) Limited	-	20,413
Mohsin Enterprises (Pvt.) Limited	-	3,702
A.J. Spinning Mills (Pvt.) Limited	-	1,474
A.J. Textile Mills Limited	-	955,213
Mari Petroleum Company Limited	159	-
Nishat Mills Limited	5,436,563	5,005,069
included in loans and advances (refer note 30.1)		
Ghandhara Tyre & Rubber Company Limited (Formerly The General Tyre & Rubber Company of Pakistan Limited)	482	675
Lucky Cement Limited	13,128	644
Sui Southern Gas Company Limited	1,299	1,299

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

48.3 Following are the related parties with whom the Company has entered into transactions during the year excluding GoP, staff retirement benefit funds / trusts and employees, details of which have already been disclosed in these financial statements.

Name of the related party	Basis of relationship	Percentage of shareholding
Government Holdings (Private) Limited	GoP holdings	Not applicable
Pakistan State Oil Company Limited	GoP holdings	Not applicable
Northern Power Generation Company Limited	GoP holdings	Not applicable
National Insurance Company Limited	GoP holdings	Not applicable
National Investment (Trust) Limited	GoP holdings & common directorship	Not applicable
Oil and Gas Development Company Limited	GoP holdings & common directorship	Not applicable
State Life Insurance Corporation of Pakistan	GoP holdings & common directorship	Not applicable
Pakistan Petroleum Limited	GoP holdings & common directorship	Not applicable
Sui Southern Gas Company Limited	GoP holdings & common directorship	Not applicable
Pak-Arab Refinery Limited (PARCO)	GoP holdings & common directorship	Not applicable
Quaid-e-Azam Thermal Power (Private) Limited	GoP holdings	Not applicable
National Power Parks Management Company (Private) Limited	GoP holdings	Not applicable
Askari Bank Limited	Common directorship	Not applicable
Pakistan LNG Limited	GoP holdings	Not applicable
Fauji Fertilizer Company Limited	GoP holdings	Not applicable
Ghandhara Tyre & Rubber Company Limited (Formerly The General Tyre & Rubber Company of Pakistan Limited)	Common directorship	Not applicable
Soneri Bank Limited	Common directorship	Not applicable
Pakistan Telecommunication Company Limited	GoP holdings & common directorship	Not applicable
Mari Petroleum Company Limited	GoP holdings & common directorship	Not applicable
Sheikh CNG	Common directorship	Not applicable
A.J. Spinning Mills (Pvt.) Limited	Common directorship	Not applicable
A.J. Textile Mills Limited	Common directorship	Not applicable
Adamjee Life Assurance Company Limited	Common directorship	Not applicable
Lahore University of Management Sciences	Common directorship	Not applicable
Lucky Cement Limited	Common directorship	Not applicable
Mohsin Enterprises (Pvt.) Limited	Common directorship	Not applicable
Mohsin Match Factory (Pvt.) Limited	Common directorship	Not applicable
Premier Formica Industries Limited	Common directorship	Not applicable
State Bank of Pakistan	GoP holdings & common directorship	Not applicable
Nishat Mills Limited	Relative as Director	Not applicable

Notes to the Financial Statements

for the year ended June 30, 2022

48.4 A number of entities owned directly / indirectly by the Government of Pakistan (GoP) are the related parties of the Company due to significant influence of the GoP over the Company. Accordingly, the management has applied the exemption available under IAS 24 ‘Related Party Disclosures’ and the transactions with those entities, other than disclosed above, are considered highly insignificant at the financial statements level to be disclosed. Moreover, considering the nature of the Company’s business, utility services are being provided to a number of Directors and Executives, other than those disclosed above, which are also considered highly insignificant to be disclosed.

48.5 The review report submitted by Internal Audit department to BAC/BOD on the investigation of related party transactions of Mr. Ahmad Aqeel was submitted to SECP and External Agency. Subsequent to year end, the External Agency has closed the matter. Certain observations were raised by SECP on the report which are being addressed and necessary action, if any, will be taken once the matter is concluded.

49. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Note	Long term financing	
	Secured	Unsecured
	(Rupees in thousand)	
Net debt as at July 1, 2020 (including current portion shown under current liabilities)	39,710,692	437,462
Cash inflows	6,041,000	-
Cash outflows	(9,063,850)	(145,503)
Others 49.1	-	16,605
Net debt as at June 30, 2021 (including current portion shown under current liabilities)	36,687,842	308,564
Cash inflows	25,964,000	(76,763)
Cash outflows	(31,054,947)	-
Others 49.1	-	65,425
Net debt as at June 30, 2022 (including current portion shown under current liabilities)	31,596,895	297,226

49.1 Other changes include non-cash movements and interest payments which are presented as operating cash flows in the statement of cash flows.

50. CAPACITY AND ACTUAL PERFORMANCE

The average daily gas transmitted during the year was 508,820 HM³ (2021: 489,098 HM³) against the designed capacity of 715,616 HM³ (2021: 715,616 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 and availability of gas.

51. FINANCIAL RISK MANAGEMENT

51.1 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.

	2022	2021
	(Rupees per US Dollar)	
The following significant exchange rates were applied during the year:		
Average rate	179.19	159.63
Reporting date rate	206.00	158.30

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.

Notes to the Financial Statements

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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 long-term interest-bearing assets in addition to the 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 reporting date, the interest rate profile of the Company's interest bearing financial instruments is as follows:

	2022	2021
	(Rupees in thousand)	
Fixed rate instruments		
Financial assets		
Loans to employees	1,423,550	830,974
Financial liabilities		
Long term financing	285,602	287,688
Floating rate instruments		
Financial assets		
Bank balances - deposit accounts	9,241,091	8,655,769
Financial liabilities		
Long term financing	31,658,130	36,762,395
Security deposit	30,267,768	29,936,249
Short term borrowing	19,019,488	29,598,829
Creditors for gas - overdue	367,845,694	299,483,617
Lease Liabilities	33,678,391	35,965,533

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 reporting 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. 374,062 thousand (2021: Rs. 412,104 thousand), mainly as a result of higher / lower interest expense in the year ended June 30, 2021. This analysis is prepared assuming the amount of floating rate instruments outstanding at the dates of statement of financial position 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:

	2022	2021
	(Rupees in thousand)	
Loans and advances	3,770,919	2,651,253
Deposits	101,444	89,625
Trade debts	307,900,341	172,259,997
Interest accrued	72,594	12,683
Other receivables	54,994	67,384
Contract assets	-	13,079
Bank balances	15,791,952	10,326,352
	327,692,244	185,420,373

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based historical loss rates for each category of customers. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed above. The Company also holds cash security and letter of guarantees from banks with strong credit ratings as security from consumers. Accordingly, expected credit loss rate for secured debtors is insignificant, hence gross amount equals to net carrying amount. However, for unsecured trade debts, the Company evaluates the concentration of risk with respect to each category of customer for the purpose of determining expected credit loss. The maximum exposure to credit risk for trade debts at the reporting date is as follows:

	2022	2021
	(Rupees in thousand)	
Not yet due	47,273,253	30,640,496
1 to 6 months	133,601,826	75,237,487
More than 6 months	153,503,268	91,651,488
	287,105,094	166,888,975
	334,378,347	197,529,471

Notes to the Financial Statements

for the year ended June 30, 2022

As at June 30, 2022, trade debts of Rs. 204,461,689 thousand (2021: Rs. 116,555,110 thousand) were past due but not considered impaired relating to receivables from a number of related parties from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2022 (Rupees in thousand)	2021
Not yet due	25,696,027	14,805,047
1 to 6 months	160,606,427	11,970,329
More than 6 months	18,159,235	89,779,734
	178,765,662	101,750,063
	204,461,689	116,555,110

	Total trade debts (Rupees in thousand)	Expected credit loss	Expected credit loss rate (Percentage)
As at June 30, 2022			
Category			
Fertilizer	9,486,667	256,089	3%
General industry	25,624,851	14,754,573	58%
Commercial	7,137,992	4,637,833	65%
Domestic	13,556,891	5,818,174	43%
Bulk domestic	2,748,754	1,011,337	37%
Receivable from entities under circular debt (refer note 2.2.3)	275,823,192	Not applicable for ECL	
	334,378,347	26,478,006	

As at June 30, 2021

Category			
Fertilizer	2,646,829	83,358	3%
General industry	34,151,412	13,810,002	40%
Commercial	6,884,590	4,597,897	67%
Domestic	13,740,864	5,765,673	42%
Bulk domestic	1,576,442	1,012,544	64%
Receivable from entities under circular debt (refer note 2.2.3)	138,529,334	Not applicable for ECL	
	197,529,471	25,269,474	

As at June 30, 2022, expected credit loss amounts to Rs. 26,478,006 thousand (2021: Rs. 25,269,474 thousand) against trade debts. The ageing analysis of these trade debts is as follows:

	2022 (Rupees in thousand)	2021
0 to 6 months	902,235	627,003
More than 6 months	25,575,771	24,642,471
	26,478,006	25,269,474

The Company deals with banks having credit ratings in the top categories therefore, considers these as low risk and does not expect credit loss to arise on the balances. Following are the credit ratings of banks with which balances are held or credit lines available:

Banks	Rating		
	Short Term	Long Term	Agency
MCB Bank Limited	A-1+	AAA	PACRA
National Bank of Pakistan	A-1+	AAA	PACRA
Habib Bank Limited	A-1+	AAA	VIS
United Bank Limited	A-1+	AAA	VIS
Allied Bank Limited	A-1+	AAA	PACRA
Askari Bank Limited	A-1+	AA+	PACRA
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA
Bank Al-Habib Limited	A-1+	AAA	PACRA
Faysal Bank Limited	A-1+	AA	VIS
Bank Alfalah Limited	A-1+	AA+	PACRA
Soneri Bank Limited	A-1+	AA-	PACRA
The Bank of Punjab	A-1+	AA+	PACRA
Citi Bank N.A.	P-1	Aa3	Moody's
First Women Bank Limited	A-2	A-	PACRA
Standard Chartered Bank (Pakistan)	A-1+	AAA	PACRA
Al Baraka Bank (Pakistan) Limited	A-1	A+	PACRA
Summit bank Limited	A-3	BBB-	VIS
JS Bank Limited	A-1+	AA-	PACRA
Bank Islami Pakistan Limited	A-1	A+	PACRA
Samba Bank Limited	A-1	AA	VIS
The Bank of Khyber	A-1	A	PACRA
Punjab Provincial Co-operative Bank		Not available	
Sindh Bank Limited	A-1	A+	VIS
Silk Bank Limited	A-2	A-	VIS
Meezan Bank Limited	A-1+	AAA	VIS

Notes to the Financial Statements

for the year ended June 30, 2022

(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. Inspite 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 date of SOFP 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, 2022					
Security deposits	56,479,161	56,479,161	-	56,479,161	-
Unclaimed dividend	171,940	171,940	171,940	-	-
Unpaid dividend	10,935	10,935	10,935	-	-
Interest / mark-up accrued					
on loans and other payables	159,280,590	159,280,590	159,280,590	-	-
Long term financing	31,894,121	46,523,875	10,629,358	32,307,178	3,587,338
Trade and other payables	827,528,490	827,528,490	827,528,490	-	-
Short term borrowings	19,019,488	21,499,106	21,499,106	-	-
Lease Liabilities	33,678,391	55,318,767	8,001,624	25,231,724	22,085,419
	1,128,063,116	1,166,812,864	1,027,122,043	114,018,063	25,672,757
June 30, 2021					
Security deposits	55,205,548	55,205,548	-	55,205,548	-
Unclaimed dividend	156,270	156,270	156,270	-	-
Interest / mark-up accrued					
on loans and other payables	111,748,560	111,748,560	111,748,560	-	-
Long term financing	36,996,406	46,584,873	12,327,472	30,595,314	3,662,087
Trade and other payables	526,936,430	526,936,430	526,936,430	-	-
Short term borrowings	29,598,829	30,664,045	30,664,045	-	-
Lease Liabilities	35,965,533	62,095,875	7,852,309	26,203,306	28,040,260
	796,607,576	833,391,601	689,685,086	112,004,168	31,702,347

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, 2022 and 2021. The rates of mark-up have been disclosed in respective notes to the financial statements.

51.2 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).

	2022	2021
(Rupees in thousand)		
51.3 Financial instruments by categories		
As at 30 June		
Financial instruments at amortized cost		
Loans and advances	3,770,919	2,651,253
Trade deposits and short term prepayments	101,444	89,625
Trade debts	307,900,341	172,259,997
Interest accrued	72,594	12,683
Other receivables	54,994	67,384
Cash and bank balances	15,793,568	10,328,059
	327,693,860	185,409,001
Total non current	1,466,806	864,224
Financial liabilities at amortized cost		
Long term financing	31,894,121	36,996,406
Security deposit	56,479,161	55,205,548
Accrued mark-up	159,280,590	111,748,560
Short term borrowings	19,019,488	29,598,829
Lease Liabilities	33,678,391	35,965,533
Unpaid dividend	10,935	-
Unclaimed dividend	171,940	156,270
Trade and other payables	827,528,490	526,936,430
	1,128,063,116	796,607,576
Total current	1,017,711,742	683,594,889
Total non current	110,351,374	113,012,687

Notes to the Financial Statements

for the year ended June 30, 2022

52. 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.

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 7, 8, 9 , 17 and 18. Total capital employed includes ‘total equity’ as shown in the statement of financial position 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, 2022 and June 30, 2021 were as follows:

	Note	2022 (Rupees in thousand)	2021
Debt	7,8,9,17&18	84,592,000	102,560,768
Equity		39,648,058	34,220,066
Total capital employed		124,240,058	136,780,834
Gearing ratio		68.09%	74.98%

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 7. The Company has complied with these covenants throughout the reporting period.

53. EVENTS AFTER THE REPORTING PERIOD

53.1 The Board of Directors have proposed a final dividend for the year ended June 30, 2022 of Rs. 1.5 per share (2021: Rs. 5.00 per share), amounting to Rs. 951,324,998 (2021: Rs. 3,171,083,325) at their meeting held on June 26, 2023 for approval of the members at the forthcoming Annual General Meeting (AGM). 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.

53.2 The Board of Directors of the Company in its meeting held on September 28, 2022 has proposed an interim cash dividend for the half year ended December 31, 2021 of Rs. 2.50 per share amounting to Rs. 1,585,541,663. These financial statements of the Company for the year ended June 30, 2022 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

53.3 The Board of Directors of the Company in its meeting held on July 02, 2022 has proposed a final cash dividend of Rs. 5 per share, aggregating to Rs. 3,171,083,325 for the year ended June 30, 2021. These financial statements of the Company for the year ended June 30, 2022 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

54. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. However, no significant reclassifications have been made during the year.

55. GENERAL

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

56. DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on June 26, 2023 by the Board of Directors of the Company.


Faisal Iqbal
Chief Financial Officer


Amer Tufail
Managing Director / CEO


Roohi Raees Khan
Chairperson

جائزہ چیئر پرسن اور ڈائریکٹرز رپورٹ

نوٹس:

- جناب عفاف عزیز نے 30 دسمبر 2021 کو ڈائریکٹر شپ سے استعفیٰ دے دیا۔
- اس مدت کے دوران جناب احمد عقیل کی فائننس اینڈ پروکیورمنٹ کمیٹی اور نو مینیشن کمیٹی کی رکنیت معطل رہی۔
- جناب حامد یعقوب شیخ کو جناب یوسف خان کی جگہ 11 دسمبر 2021 کو ڈائریکٹر مقرر کیا گیا۔
- چیئر پرسن ہونے کے ناطے محترمہ روجی رئیس خان آیب لاکھ روپے ماہانہ اعزاز پر ایک حقदार بھی تھیں (چیئر پرسن ہونے کے ناطے انہیں 9 لاکھ 60 ہزار روپے کی رقم ٹیکس کے علاوہ ادا کی گئی تھی)، کمپنی نے ایندھن اور مفت میڈیکل کی سہولت کے ساتھ گاڑی برقرار رکھی۔
- سید زکریا علی شاہ کو جناب ساجد محمود قاضی کی جگہ پر 31 اگست 2021ء کو ڈائریکٹر مقرر کیا گیا۔
- جناب یوسف خان کو 02 جولائی 2021 کو جناب کامران علی افضل کی جگہ ڈائریکٹر مقرر کیا گیا۔
- ڈائریکٹرز کی فی میٹنگ فیس آیب لاکھ روپے (بشمول ٹیکس) مان ایگزیکٹو ڈائریکٹرز کو ادا کی گئی، اس کے علاوہ اجلاس کے مقام سے پاکستان میں ان کی معمول کی رہائش گاہ تک ہینس کلاس/کلب کلاس ریفرن ایئر کرایہ بھی ادا کیا گیا۔
- ڈائریکٹرز کو ادا کی جانے والی فیس اور سی ای او کے معاوضے کی تفصیلات نوٹ 47 میں مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔

جناب علی بے ہمدانی کے معاہدہ کا خاتمہ۔

سال 2022-23 کے دوران کمپنی کے بورڈ آف ڈائریکٹرز نے جناب علی بے ہمدانی کا کمپنی کے فیجنگ ڈائریکٹر کی حیثیت سے مدت کا معاہدہ ختم کر دیا ہے۔

احوال بعد از میراثیہ

26 جون 2023ء 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 پیش کردہ گوشواروں پر اثر انداز ہو سکیں۔

ادارتی نظم و نسق

بورڈ آف ڈائریکٹرز نے کارپوریٹ گورننس کے متعلقہ اصولوں کی تعمیل کی ہے جیسا کہ پبلک سیکلیکچنیز (کارپوریٹ گورننس) رولز، 2013 اور سلیکچنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز،

2019 میں تصور کیا گیا ہے۔

ایگزیکٹو کی تعریف کے لیے حد

پی ایس ایکس۔ریگولیشنز کی شق 5.6.1 اور 5.6.4 کی تعمیل میں چیف ایگزیکٹو آفیسر، چیف فنانس

آفیسر، ہیڈ آف انٹرنل آڈٹ اور کمپنی سیکریٹری کے علاوہ بورڈ آف ڈائریکٹرز نے دلچسپی کا انکشاف کرنے کے لیے "ایگزیکٹوز" کی تعریف کے لئے ایگزیکٹوز ٹرم ایڈ (یعنی چیف آفیسر) اور اس سے اوپر کی حد مقرر کی ہے۔

بیان مدائے ادارتی اور مالیاتی ضابطہ کار

بورڈ آف ڈائریکٹرز سال مختتمہ 30 جون 2022ء کیلئے اعلان کرتے ہیں کہ:

(الف) مالیاتی گوشوارے اور ان سے متعلقہ نوٹ کمپنیز ایکٹ 2017ء کے جدول نمبر 4 سے مطابقت رکھتے ہیں۔ ان بیانات میں کمپنی کو چھرنے کیلئے ترسیلات زر (Cash Flow) اور ایکٹیوٹی 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 نافذ العمل ہے اور تمام مالیاتی گوشواروں اور محسوب اندازوں کی تیاری کی بنیاد مناسب اور محتاط فیصلے ہیں۔

(ت) بین الاقوامی مالیاتی معیارات مدائے 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 تھاؤ کے ساتھ مسلسل نگرانی میں ہے۔

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

(ج) بطور "آیب 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 "آیب کامیاب ادارہ" کی بنیاد پر تیار کئے گئے ہیں۔

(چ) پچھلے سال کے تجارتی نتائج سے اہم متفرقات کو جیسا مناسب سمجھا گیا "جائزہ چیئر پرسن 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 بنا دیئے گئے ہیں۔

(خ) وہ تمام قانونی ادائیگیاں جو کہ 30 جون 2022ء تک قابل ادا تھیں 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) مدد زمین کی ریٹائرمنٹ کے فنڈ میں کی جانے والی سرمایہ کاری کی قدر، جو کہ فنڈز کے سال مختتمہ 30 جون 2022ء کے پڑتا ہل شدہ گوشوارہ جات پر مشتمل ہے، درج ذیل ہے:

(روپے ہزاروں میں)	
SN سنئیر سٹاف پینشن فنڈ	4,531,022
SN جونیئر سٹاف پینشن فنڈ	24,547,298
SN ایگزیکٹو سٹاف ٹرمینوٹی فنڈ	240,007
SN مان ایگزیکٹو سٹاف ٹرمینوٹی فنڈ	7,576,904
SN ٹرسٹی پروویڈنٹ فنڈ	17,157,662
SNGPL سپرائیوانشمن فری گیس ایگزیکٹو فنڈ	170,379
SNGPL سپرائیوانشمن فری گیس سیورڈینٹ فنڈ	7,443,449
SNGPL سپرائیوانشمن کمپنیز ڈائریکٹنس فنڈ ایگزیکٹو فنڈ	923,171
SNGPL سپرائیوانشمن کمپنیز ڈائریکٹنس فنڈ سیورڈینٹ فنڈ	1,730,573
SNGPL سپرائیوانشمن میڈیکل ایگزیکٹو فنڈ	5,671,295
SNGPL سپرائیوانشمن میڈیکل سیورڈینٹ فنڈ	10,889,984
SN مدد زمین حادثاتی اموات وقف فنڈ	10,980
ٹوٹل	80,892,724

(ڈ) بورڈ اور کمیٹیوں کے اجلاس کی تعداد اور حاضری اس رپورٹ کے ادارتی نظم و نسق (Corporate Governance) سے متعلقہ جز میں بیان کردی گئی ہیں۔

(ذ) اس رپورٹ کے تعمیلی بیان میں بورڈ اور اُنکی کمیٹیوں میں شامل تمام مرد و خواتین۔ ایگزیکٹو، مان۔ ایگزیکٹو اور خود مختار، ڈائریکٹرز (Directors) کے اسم گرامی اور تعداد بیان کردی گئی ہے۔

(ر) کمپنی پبلک سیکٹرز کمپنیز (کارپوریٹ گورننس) رولز 2013ء اور سلیکچنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019ء کے تحت ڈائریکٹرز تک پروفگرام پر عمل پیرا ہے۔

(ڑ) حصّے داران کی درجہ بندی اور پیٹرن مدائے سال مختتمہ 30 جون 2022ء کو بطور علیحدہ جز رپورٹ کا حصہ بنا دیا گیا ہے۔

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

(ژ) ڈائریکٹران، منتظم اعلیٰ (CEO)، کمپنی سیکریٹری اُنکے شریبہ حیات، ذریعہ کفالت بچوں (آئمر کوئی ہیں) نے کسی بھی حصّے سے متعلقہ تجارتی سرگرمی، علاوہ وہ جو کہ قانونی طور پر بیان کردی گئی ہیں، میں حصہ نہیں لیا۔ اس رپورٹ کے اندر درجہ بندی مدائے حصّے داران میں اُن کے حصّے کی تعداد کو، اگر کوئی جوہر رکھتے ہیں، بیان کر دیا گیا ہے۔

پڑتا ہل کنندگان (Auditors)

میسرز یوسف عادل، چارٹرڈ اکاؤنٹینٹس کو کمپنی کے حسابات مدائے سال 2021-22ء کی پڑتا ہل کے لیے مورخہ 29 جولائی 2022ء کے سالانہ اجلاس عام میں بطور بیرونی پڑتا ہل کنندہ

(External Auditors) تعینات کیا گیا تھا۔ 2022-23ء کے مالی سال کیلئے بھی اُنہوں نے بطور پڑتا ہل کنندگان اپنی خدمت کی سرانجام دہی کیلئے رضامندی کا اظہار کیا ہے۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے مالی سال 2022-23ء کیلئے میسرز یوسف عادل کا نام بطور پڑتا ہل کنندگان، تقرری کیلئے تجویز کیا ہے۔


حصص کی صورت حال (Share Watch)

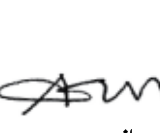
1 جولائی 2021ء کو کمپنی کے حصص کی خرید و فروخت 48 روپے 65 پیسے سے شروع ہوئی اور 30 جون 2022ء کو 34 روپے 21 پیسے پر بند ہوئی۔ زیر جائزہ عرصہ کے دوران زیادہ سے زیادہ قیمت 56 روپے 60 پیسے اور کم سے کم قیمت 25 روپے 40 پیسے رہی۔ 30 جون 2022ء کو حصص کی مجموعی مالیت 21ارب 69 کروڑ روپے تھی۔

اظہار تشکر (Acknowledgements)

بورڈ کارکردگی، گورننس، شفافیت کو بہتر بنانے اور آپ کی کمپنی کے کامیاب آپریشنز کے لئے اسٹریٹجک سمت فراہم کرنے کے لئے ہر عزم ہے۔ آپ کے ڈائریکٹرز اپنے شیئرز ہولڈرز اور قابل قدر صارفین کی طرف سے موصول ہونے والی مسلسل حمایت اور سرپرستی کے لئے اپنی تعریف کا اظہار کرتے ہیں۔ ہم ان تمام مدد زمین کی لگن اور عزم کا بھی اعتراف کرنا چاہتے ہیں جنہوں نے کمپنی کے تمام آپریشنز کو برقرار رکھنے کے لئے قابل قدر خدمت فراہم کیں۔ ہم حکومت پاکستان، وزارت توانائی (پیٹرولیم ڈویژن) اور آئل اینڈ گیس ریگولیٹری اتھارٹی (اؤگرا) کی جانب سے مسلسل رہنمائی اور تعاون کو سراہتے ہیں۔

منجانب بورڈ


(روچی رئیس خان)
چیئر پرسن بورڈ آف ڈائریکٹرز


(عاطف قیل)
مینجنگ ڈائریکٹر/منتظم اعلیٰ

اسلام آباد

مورخہ: 26 جون 2023ء

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

جائزہ چیئر پرسن اور ڈائریکٹرز رپورٹ

(2)۔ غیر محسوب شدہ گیس (UFG)

(UFG) کمپنی کے لیے سب سے بڑی تشویش ہے۔ اس سے نہ صرف کمپنی کے منافع پر منفی اثر پڑتا ہے بلکہ اس کے نتیجے میں ملک کے قدرتی گیس کے وسائل بھی ضائع ہوتے ہیں۔

UFG کے نقصانات کی اہمیت اور شدت کو مد نظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز کی ایک علیحدہ کمیٹی نے UFG کے نقصانات کو اوگرا کی اجازت کے مطابق قابل قبول حدود میں رکھنے کے لیے مناسب اقدامات کو اپنانے کے لیے انتظامیہ کو فعال طور پر رہنمائی کی ہے۔ کمپنی نے قانون نافذ کرنے والے اداروں کے تعاون سے زیادہ UFG علاقوں میں نگرانی بڑھانے، ٹیٹ ورک کی تقسیم، بروقت رساؤ کا پتہ لگانے اور اس کی اصلاح، جدید ترین ٹیکنالوجیز کی تلاش اور تعیناتی کے ذریعے پیمائش کی سہولیات کو مسلسل جانچنے اور اپ گریڈ کرنے کے لیے کئی اقدامات شروع کیے ہیں۔

(3)۔ مکمل لاگت کی بازیابی کا خطرہ

وفاقی حکومت کی جانب سے گیس کی قیمتوں پر نا کافی نظر ثانی اور پاور سیکٹر کی جانب سے ادائیگیوں میں تاخیر کی وجہ سے کمپنی اپنے گیس قرض دہندگان کو ادائیگیاں روکنے پر مجبور ہے جس کے نتیجے میں گردشی قرضے جمع ہو رہے ہیں۔

کمپنی گیس کی قیمتوں میں بروقت اور خاطر خواہ اضافے کے لئے مناسب فورمز پر اس معاملے کو مسلسل اٹھا رہی ہے۔ وفاقی حکومت نے گیس کی قیمتوں میں بروقت نظر ثانی سے نمٹنے کے لیے قانون سازی میں بھی تہدیلیاں کی ہیں۔

(4)۔ ریگولیٹری خطرہ

کمپنی متعلقہ قوانین، قواعد و ضوابط اور پالیسیوں کے ساتھ ایک ریگولیٹری منظر نامے کے تابع ہے۔ متضاد ریگولیٹری طریقوں سے کمپنی کے منافع اور آپریشنل کارکردگی پر اثر پڑ سکتا ہے۔ کوئی بھی منفی ریگولیٹری پیش رفت یا پالیسی کے نفاذ میں تاخیر کمپنی کی مالی کارکردگی کے لئے خطرہ پیدا کر سکتی ہے۔

کمپنی نے قابل اطلاق قوانین، قواعد و ضوابط کی تعمیل کو یقینی بنانے کے لئے تنظیم میں اہل اور تجربہ کار پیشہ ورافراد کی ایک ٹیم تیار کی ہے۔ کمپنی فعال طور پر ریگولیٹرز اور وفاقی حکومت کے ساتھ رابطے میں رہتی ہے تاکہ اس بات کو یقینی بنایا جاسکے کہ کمپنی کے بہترین مفادات کا تحفظ کیا جائے اور مناسب نمائندگی کی جائے۔

(5)۔ سائبر سیکورٹی کا خطرہ

نئی اور ابھرتی ہوئی ٹیکنالوجیز، ہیکنگ اور سائبر حملوں کے نتیجے میں بے مثال خطرات پیدا ہوتے

ہیں۔

کمپنی سائبر سیکورٹی خطرات کا پتہ لگانے اور انہیں کم کرنے کے لئے جدید ترین ٹکنالوجیز کے نفاذ اور بہترین طریقوں کو شامل کر کے مستقل سیکیورٹی پالیسیوں اور طریقہ کار کو ممکن بناتی ہے

قانونی کارروائیاں

NPPMCL

لندن کی بین الاقوامی ثالثی عدالت (ایل سی آئی اے) نے دسمبر 2021ء میں این پی پی ایم سی ایل کی ثالثی میں کمپنی کے خلاف فیصلہ سناتے ہوئے کمپنی کی جانب سے اٹھائے گئے انوائسز کو غیر قانونی قرار دیا تھا۔ اس کے نتیجے میں کمپنی کو 10.384 ارب روپے کے این کیش ڈپازٹس سود کے ساتھ این پی پی ایم سی ایل کو ادا کرنے پڑے۔ کمپنی نے واحد ٹالسٹ کے فیصلے کو انگلینڈ اور ویلز کی ہائی کورٹ میں چیلنج کیا، جسے کمپنی کے خلاف مسترد کر دیا گیا ہے۔

کمپنی اوگرا کی جانب سے اسے دیئے گئے لائسنس کی شرائط کے تحت وفاقی حکومت کی جانب سے 11 مئی کو کابینہ کی اقتصادی رابطہ کمیٹی ("ای سی سی") کے فیصلے کے تحت جاری کردہ رہنما خطوط، اور 15 جنوری، 2019ء کو مالی سال 2017-18 ("ایف آر آر 2017-18") کے لئے کمپنی کی حتمی آمدنی کی ضروریات کے تعین کے مطابق مقررہ شرح منافع کے تحت کام کرتی ہے۔ کمپنی اس معاملے کو اوگرا کے ساتھ اٹھائے گی تاکہ کمپنی کی مستقبل کی درخواستوں میں گھر پیلوشیے کے صارفین کو منتقلی کے طور پر ٹیک یا پے ایڈجسٹمنٹ کا تعین کیا جاسکے۔ اوپر بیان کردہ معاملات کے پیش نظر، این پی پی ایم سی ایل کے فیصلے کے اثرات کو ٹیرف ایڈجسٹمنٹ کے طور پر تسلیم کیا گیا ہے، جس کا کمپنی کے منافع پر کوئی اثر نہیں پڑا ہے۔

QATPL

کیس کا فیصلہ 2 اگست 2022ء کو کمپنی کے حق میں آیا۔ لندن کی بین الاقوامی ثالثی عدالت (ایل سی آئی اے) کے واحد ٹالسٹ نے نومبر اور دسمبر 2017ء کے علاوہ تمام مہینوں کے لئے کمپنی کے حق میں فیصلہ دیا ہے اور کمپنی کو سیکورٹی اور سود کی نقد رقم کے بعد واجب الادا رقم کے طور پر 5,901 ملین روپے دیئے گئے ہیں۔ کمپنی کو اخراجات سے بھی نوازا گیا تھا۔ کیو اے ٹی پی ایل نے کمپنی کے حق میں 2 اگست 2022ء کو دیے گئے فیصلے کو انگلینڈ اور ویلز کی ہائی کورٹ میں چیلنج کیا ہے۔ جبکہ کمپنی نے مذکورہ فیصلے کو تسلیم کرنے اور اس پر عمل درآمد کے لئے لاہور ہائی کورٹ لاہور میں درخواست دائر کی ہے۔ منافع پر کوئی اثر پڑنے کی توقع نہیں ہے کیونکہ متعلقہ آمدنی پہلے ہی اوگرا کے حوالے کر دی گئی ہے۔

آپ کی کمپنی نے تین (3) آئی پی پی یعنی میسرز اورینٹ پاور لمیٹڈ، میسرز سفارز الیکٹرک کمپنی لمیٹڈ اور میسرز سیف پاور لمیٹڈ کے خلاف 22 اپریل 2022ء کو غیر ملکی ایوارڈ جیتا۔ آئی پی پیز کی جانب سے ایس این جی پی ایل کے واجب الادا انوائسز کی غیر قانونی ایڈجسٹمنٹ/سیٹ آف کی وجہ سے متعلقہ گیس سپلائی معاہدوں ("جی ایس اے") کے تحت فریقین کے درمیان تنازعہ پیدا ہوا تھا۔ زیر نظر مدت کے دوران 4.9 ارب روپے مالیت کے 2419 ریگوری مقدمات اور عدالتوں سے کمپنی کے حق میں 1196 ڈکلیئرنگ مقدمات کا فیصلہ کیا گیا۔

بورڈ میں ردوبدل

سال کے دوران یوسف خان، سیدزکریا علی شاہ اور حامد یعقوب شیخ کو با ترتیب کامران علی افضل،

ساجد محمود قاضی اور یوسف خان کی جگہ ڈائریکٹر مقرر کیا گیا۔ تاہم، عفان عزیز کے استعفی کے نتیجے میں بورڈ میں ایک عارضی خالی جگہ موجود ہے۔ بورڈ آف ڈائریکٹرز بورڈ کے سبکدوش ہونے والے ممبران کو کمپنی کے ڈائریکٹرز کی حیثیت سے ان کی مدت کار کے دوران ان کی سخت محنت، رہنمائی اور حمایت پر ان کی تعریف اور شکریہ ادا کرتے ہیں۔

ترکیب بورڈ

سال کے دوران چیئر پرسن روجی رئیس خان، ٹیجنگ ڈائریکٹر سید علی جاوید ہمدانی، احمد عقیل، منظور احمد، ڈاکٹر سہیل راضی خان، محمد ہارون، ساجد محمود قاضی، عفان عزیز، سید اختر علی، محمد صالح احمد فاروقی، کامران علی افضل، ہارون الرفیق، یوسف خان، سیدزکریا علی شاہ اور حامد یعقوب شیخ کمپنی کے بورڈ پر رہے۔

اس وقت بورڈ چیئر پرسن روجی رئیس خان، ٹیجنگ ڈائریکٹر عامر طفیل، امیر احمد مرزا، احمد عقیل، سید اختر علی، علی طاہر، منظور احمد، محمد ہارون، ڈاکٹر سہیل راضی خان، محمد صالح احمد فاروقی اور شہباز طاہر ندیم پر مشتمل ہے۔

مشاہرہ ڈائریکٹرز:

ڈائریکٹرز کے نام	مذاہرہ بعد از اصل 7	بورڈ آف ڈائریکٹرز			بورڈ آفٹ گیسٹ			فائنانس ایگزیکٹو ڈیپوٹ کمپنی			ریگولیشن کمپنی ہیومن ریسورس اینڈ		
		ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ
جناب عفان مزیز 1	320,000	✓	9	4	✓	2	-	-	-	-	-	-	-
جناب احمد عقیل 2	1,280,000	✓	16	16	-	-	-	-	-	-	-	-	-
جناب حامد یعقوب شیخ 3	800,000	✓	7	5	✓	4	3	✓	-	4	2	-	-
جناب منظور احمد	3,840,000	✓	16	16	✓	8	8	✓	✓	9	✓	13	13
جناب محمد ہارون	4,160,000	✓	16	16	✓	8	8	✓	✓	9	✓	12	13
جناب محمد ہارون الرفیق	3,360,000	✓	16	16	-	-	-	-	-	2	✓	13	13
جناب محمد صالح احمد فاروقی	1,440,000	✓	16	16	-	-	-	-	-	-	-	-	-
محمد مس روجی رئیس خان 4	2,720,000	✓	16	16	-	-	-	-	-	-	✓	13	13
ڈاکٹر سہیل راضی خان	4,640,000	✓	16	16	✓	8	8	✓	✓	9	✓	13	13
سیدزکریا علی شاہ 5	3,600,000	✓	16	16	✓	8	8	✓	✓	9	-	-	-
جناب یوسف خان 6	2,160,000	✓	13	13	✓	6	6	✓	✓	7	-	-	-
	960,000	✓	9	6	✓	3	3	✓	-	5	-	-	-

ڈائریکٹرز کے نام	آئی ٹی ڈیجیٹل ٹرینیشن کمپنی			ٹوٹیشن کمپنی			ریسک مینجمنٹ اینڈ ٹیکنالوجی کنٹرول کمپنی			کاسٹ ریلیٹڈ انیٹریشن کمپنی			جوائنٹ مینٹل آف بورڈ آفٹ ایگزیکٹو ریسورس اینڈ ریگولیشن کمپنی		
	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ	ممبر	ڈپٹی	ایگزئڈ
جناب عفان مزیز 1	-	-	-	✓	1	-	-	-	-	-	-	-	-	-	-
جناب احمد عقیل 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
جناب حامد یعقوب شیخ 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
جناب منظور احمد	-	-	-	-	-	-	-	-	-	✓	1	1	✓	2	2
جناب محمد ہارون	-	-	-	✓	1	1	✓	5	4	✓	1	1	✓	2	2
جناب محمد ہارون الرفیق	✓	5	5	-	-	-	✓	4	4	-	-	-	✓	2	2
جناب محمد صالح احمد فاروقی	-	-	-	✓	1	-	✓	5	4	-	-	-	-	-	-
محمد مس روجی رئیس خان 4	-	-	-	-	-	-	✓	5	5	✓	-	-	✓	2	-
ڈاکٹر سہیل راضی خان	✓	5	5	-	-	-	✓	5	5	✓	1	1	✓	2	2
سید اختر علی	-	-	-	-	-	-	-	-	-	-	-	-	✓	2	1
سیدزکریا علی شاہ 5	-	-	-	✓	1	1	✓	-	-	-	-	-	✓	2	1
جناب یوسف خان 6	-	-	-	-	-	-	-	-	-	-	-	-	✓	2	1

ڈائریکٹرز کے لئے اورینٹیشن پروگرام

ڈائریکٹرز کو سال کے دوران کمپنی کے کاروبار، آپریشنز اور معاملات پر بریفنگ دی گئی۔

بورڈ، ٹیجنگ ڈائریکٹر/ای ای او اور سینئر مینجمنٹ کی کارکردگی کا جائزہ

پبلک سیکرٹریٹ (کارپوریٹ گورننس) رولز 2013 اور سڈکپیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق بورڈ اور اس کی کمیٹیوں کی کارکردگی کا جائزہ تھرڈ پارٹی یعنی پاکستان انسٹی ٹیوٹ آف کارپوریٹ گورننس (پی آئی سی جی) کے ذریعے سیلف ایویلیویشن موڈ کے تحت کیا گیا، جو کہ سکیورٹیز اینڈ کمیشن آف پاکستان (ایس ای سی پی) کی جانب سے ایک تسلیم شدہ ادارہ ہے، جس کے ذریعے بورڈ ممبران کو ان کی کارکردگی کا جائزہ لینے کے لئے ایک آن لائن سوانامہ تقسیم کیا جاتا ہے۔ ٹیجنگ ڈائریکٹر اور دیگر سینئر مینجمنٹ کی کارکردگی کی تفصیل کے لئے ایک جامع پرفارمنس مینجمنٹ سسٹم موجود ہے اور سالانہ بنیاد پر باقاعدگی سے کارکردگی کا جائزہ لیا جاتا ہے۔

ایس این جی پی ایل نے اس کے علاوہ 50 کی تعداد میں موبائل ویکسینیشن ٹیمیں بھی بنائی ہیں جو COVID-19 کی ویکسینیشن کیلئے لاہور، راولپنڈی، فیصل آباد، پشاور، گجراتوالہ اور مردان کے علاقوں میں کام کر رہی ہیں۔ جس میں اب تک 366,244 لوگوں کی ویکسینیشن ہو چکی ہے۔

اعزازات:

a) ایس این جی پی ایل نے کارپوریٹ سماجی ذمہ داری کے تحت شاندار کوشش اور اقدامات کی بنیاد پر نیشنل فورم کا انوار نمٹ ایڈ ہیلیتھ (NFEH) کا فائرفینڈی کا ایوارڈ 2021 جیتا۔

b) ایس این جی پی ایل نے کارپوریٹ سماجی ذمہ داری کے تحت شاندار کوشش اور اقدامات کی بنیاد پر نیشنل فورم کا انوار نمٹ ایڈ ہیلیتھ کا چودھواں (14) ایوارڈ جیتا۔

ہمیں یقین ہے کہ مقابلے کی فضا میں اپنے مقاصد کو حاصل کرنے کیلئے ہماری سال بھر کی کوششوں نے ہمیں مزید مضبوط بنا دیا ہے۔ ہم مسلسل بہتری کے وعدے کے ساتھ آئیو اے محفوظ سال کی خواہش رکھتے ہیں۔

انسانی وسائل کی ترقی

آپ کی کمپنی کا ماننا ہے کہ اعلی پیداواری صلاحیت اور بہتر کارکردگی کے لئے اس کے انسانی وسائل کی ترقی ضروری ہے۔ ہم علم کے تبادلے، مہارت کی ترقی اور کمپنی کے وژن اور مشن کے ساتھ منسلک طرز عمل کی ترمیم پر توجہ مرکوز کرتے ہیں جو تنظیمی اہداف کے حصول میں مدد کرتا ہے۔ ہم انسانی وسائل کی ترقی کے ذریعے زیادہ سے زیادہ ملازمت کے اطمینان اور ملازمین کی شمولیت برقرار رکھنے کا ارادہ رکھتے ہیں۔

ایس این جی پی ایل میں ملازمین کی ترقی کے لئے ابتدائی اور بنیادی قدم ٹریننگ اینڈ اسمنٹ (ٹی این اے) ہے۔ ٹی این اے کارکردگی کے انتظام اور تکنیہ ٹھیس ٹیسٹ کا ایک لازمی حصہ ہے۔ ہمارے پاس تقریباً 120 جامع ترقیاتی کورسز ہیں، دونوں تکنیکی اور سافٹ اسکلز، جن میں سے ملازمین کے لئے مناسب کورسز کی سفارش کی جاتی ہے۔ ایس این جی ٹی آئی (ٹریڈنگ انسٹی ٹیوٹ) ترقیاتی ضروریات کے جائزے کے مطابق تربیت کے لئے ملازمین کو نامزد کرتا ہے۔ اس کے علاوہ، ایس این جی پی ایل میں مختلف انفرادی مسائل کو حل کرنے کے لئے کونسلنگ اور کوچنگ کے عمل کا استعمال کیا جاتا ہے۔

گریڈ 6 تک کے تمام ایگزیکٹوز کو پرموشن بورڈ میں شامل ہونے سے پہلے مکمل پوینشل اسمنٹ ٹیسٹ (پی اے ٹی) سے گزرنا ہوگا۔ یہ تقیص اگلے گریڈ کے لئے ضروری مہارت کا اندازہ کرنے کے لئے ڈیزائن کیا گیا ہے۔ مالی سال 2021-22 کے دوران مجموعی طور پر 1196 ایگزیکٹوز کا پوینشل اسمنٹ ٹیسٹ کیا گیا ہے جن میں سے 57 کی نشاندہی مخصوص شعبوں میں مزید بہتری کے لیے کی گئی ہے۔ آپ کی کمپنی نے "سوئی ناردرن گیس ورچوئل لرننگ پلیٹ فارم" (ایس این جی وی ایل پی) کے نام سے ایک ورچوئل لرننگ پلیٹ فارم بھی تیار کیا ہے جس کا آغاز 2020ء میں کیا گیا تھا۔ اس کے بعد سے 71 آن لائن کورسز ڈیزائن، ریکارڈ اور اپ لوڈ کیے گئے ہیں جو ملازمین کی طرف سے آف لائن تربیت کی ضروریات کے لئے فعال طور پر استعمال کیے جا رہے ہیں۔

ملازمین کے کیئر میز کی بہتر ترقی کے لئے، آپ کی کمپنی کراس فنکشنل تربیت پر بھی زور دیتی ہے۔ ہمارے پاس ایک جامع روٹیشن پالیسی رائج ہے جو اگلی سطح کی پوزیشنوں کے لئے صلاحیت تیار کرنے میں مدد کرتی ہے۔ مذکورہ بالا کے علاوہ مختلف آگاہی سیشنز بھی منعقد کئے جاتے ہیں۔ کام کی جگہ کی حفاظت سے متعلق بہتر آگاہی کے لئے، ہر محکمہ میں باقاعدگی سے حفاظتی بات چیت کا بھی اہتمام کیا جاتا ہے۔

صنعتی تنوع

آپ کی کمپنی صنعتی مساوات کو ایک انسانی حق سمجھتی ہے جو مساوی روزگار اور ترقی کے مواقع کے ذریعے آگے بڑھ رہی ہے۔ آپ کی کمپنی کی انتظامیہ کو یقین ہے کہ مخلوط قیادت کی ٹیمیں مسابقتی فائدہ دیتی ہیں۔ ایس این جی پی ایل خواتین کو سازگار اور ہر انگی سے پاک کام کا ماحول فراہم کر کے کام کرنے کی حوصلہ افزائی کرتی ہے اور انہیں موثر انداز میں کارکردگی کا مظاہرہ کرنے میں سہولت فراہم کرتی ہے۔

خواتین عملے کی فلاح و بہبود بھی ہماری اولین توجہ ہے۔ خواتین میں چھاتی کے سرطان کی نوعیت کے پیش نظر، آپ کی کمپنی نے 04 نومبر، 2021 کو ہیڈ آفس میں "پنک ربن آگاہی یشن" کا انعقاد کیا جس میں خواتین ملازمین نے شرکت کی۔

صنعتی تعلقات

آپ کی کمپنی ہمیشہ سی بی اے کے ساتھ خوشگوار تعلقات اور دو طرفہ مذاکرات کے ذریعے صنعتی امن برقرار رکھنے کی کوشش کرتی ہے۔ سال کے دوران، سی بی اے کے تعلقات پر امن رہے اور تنظیم بھر میں کوئی ناخوشگوار واقعہ رپورٹ نہیں ہوا۔ ایس این جی پی ایل سی بی اے کے ساتھ باہمی اتفاق رائے سے پالیسیوں پر عمل درآمد کی حوصلہ افزائی کرتا ہے۔ کل 33 افراد کو مرحوم بلڈریلیشن کوٹا کے تحت بھرتی کیا گیا تھا۔ مزید برآں پیشہ ورانہ تعلیم کے حصول کے لئے خدمات انجام دینے والے ملازمین کے بچوں کو 80 اسکالرشپس دی گئیں اور 80 ملازمین کوچ کے لئے ماحز کیا گیا۔

معذور افراد کا روزگار (ڈی اے پی ایس)

آپ کی کمپنی سماجی طور پر ذمہ دار ہونے کی وجہ سے یقین رکھتی ہے کہ ہر معذور شخص کو انہیں مرکزی دھارے کے معاشرے میں ضم کرنے کا مناسب موقع فراہم کیا جانا چاہئے۔ کمپنی نے معذور افراد (روزگار اور بحالی) آرڈیننس، 1981ء کی تعمیل میں 2 فیصد کوٹہ کی وضاحت کی ہے۔ اس وقت ایس این جی پی ایل میں 82 معذور کام کر رہے ہیں۔

کاروباری اخلاقیات اور بدعنوانی کے خلاف اقدامات

آپ کی کمپنی کاروباری اخلاقیات کا وسیع نقطہ نظر رکھتی ہے اور کچھ اخلاقی اور سماجی ذمہ داریوں کے ساتھ کام کرتی ہے جو اس کے تمام اسٹیک ہولڈرز کے مفادات کی حفاظت کرتی ہیں۔ ہم تسلیم کرتے ہیں کہ بدعنوانی کئی شکلیں اختیار کر سکتی ہے اور کسی تنظیم کے کاروبار پر منفی اثر ڈال سکتی ہے۔ کمپنی میں نظم و ضبط اور کارپوریٹ گورننس کے اعلی ترین معیارات کو تقویت دی گئی ہے جس کے بعد زیادہ بہتر ڈسپلنری فریم ورک بنایا گیا ہے۔ مزید برآں، ایک جامع وسل بلونگک پالیسی موجود ہے

جو ہر سطح پر بدعنوانی یا کسی قسم کی بدانتظامی کے خاتمے میں حفاظتی اور جاسوسی کنٹرول کے طور پر کام کرتی ہے۔

ایس این جی پی ایل میں رسک مینجمنٹ اور اعزل کنٹرول سسٹم

ایس این جی پی ایل میں بورڈ آف ڈائریکٹرز (BOD) اپنی مختلف کمیٹیوں کے ذریعے اپنے ٹی او آرز کے مطابق رسک گورننس اور اندرونی کنٹرولز کی نگرانی کرتے ہیں۔ تاہم، رسک گورننس اور اندرونی کنٹرول کے معاملات بنیادی طور پر رسک مینجمنٹ کمیٹی اور (BOD) کی آڈٹ کمیٹیوں کے ذریعے حل کیے جاتے ہیں۔ یہ نظام لنڈ کمینیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور پبلک سیکٹر (کارپوریٹ گورننس) رولز کے مطابق ہے۔

کمپنی میں مضبوط اندرونی کنٹرول کا نظام موجود ہے جو کہ ہر سطح پر موثر طریقے سے نافذ اور برقرار ہے۔ اندرونی کنٹرول کو بنانے کا مقصد کمپنی کے اثاثوں کی حفاظت اور کمپنی کو درپیش ابھرتے ہوئے خطرات سے متعلق معاملات کو حل یا کم کرنا ہے۔ BOD انتظامی سطح پر رسک گورننس اور اندرونی کنٹرول کے نظام کو یقینی بناتا ہے اور اس کا نفاذ انتظامیہ کے سپرد ہے۔

انتظامیہ کی ذمہ داریوں میں شامل ہے کہ اس معاملے میں BOD کی راہنمائی کرے اور فیصلہ سازی سے متعلق اہم خدشات و معلومات سے آگاہی فراہم کرے۔ مندرجہ ذیل انتظامیہ کی ذمہ داریوں میں شامل ہے:

☆ ہر سطح سے متعلق خدشات کا اندازہ لگانا اور ان کو کنٹرول کرنے کے مضبوط جات ترتیب دینا۔

☆ بورڈ کی طرف سے منظور شدہ حکمت عملیوں کو لاگو کرنا اور اس سے متعلق آگاہی رکھنا۔ اور ساتھ ہی ساتھ ان کو متعلقہ افراد تک قابل فہم طریقے سے پہنچانا۔
☆ کمپنی کو درپیش خدشات کی شناخت اور پیمائش کرنا اور ان سے متعلق نگرانی اور کنٹرول کے عمل کو تیار کرنا۔
☆ ملازمین کے فرائض کو مناسب طریقے سے تقسیم کرنا تاکہ یہ متنازعہ نہ بنیں۔

☆ فعال سطح پر مناسب کنٹرول کی پالیسیاں ترتیب دینا۔

☆ اس بات کو یقینی بنانا کہ متعلقہ معلومات کمپنی کی ہر سطح پر متوازن طریقے شامل ہیں۔
☆ اندرونی کنٹرول کے نظام کو برقرار رکھنا اور ساتھ ہی ساتھ اس کی نگرانی کرنا۔
☆ طے شدہ کنٹرول کی خامیوں کو دور کرنے کی کوشش کرنا۔

☆ ایسا ماحول ترتیب دینا جس کو عملے کو اپنے درپیش خدشات کی شناخت کرنے اور حل کا طریقہ دریافت کرنے کی ترغیب دی جائے۔

رسک مینجمنٹ فریم ورک

SNGPL کا رسک مینجمنٹ فریم ورک بہترین بین الاقوامی طرز عمل اور کمپنی آف سپانسرنگ آرگنائزیشنز (COSO) اور ISO-31000 کی طرف سے فراہم کردہ رہنما خطوط پر مبنی ہے۔ فریم ورک پالیسیوں، طریقہ کار اور طریقوں پر توجہ مرکوز کرتا ہے جو کہ تمام متعلقہ خطرات پر غور کرتے ہوئے فیصلہ سازی اور کاروباری مقاصد کے حصول میں SNGPL کی مدد کرتے

ہیں۔ رسک مینجمنٹ کا عمل چار (04) مراحل پر مشتمل ہے۔ خدشے کی شناخت خدشات کی تشخیص اور خدشات کا علاج اور کنٹرول، خدشات کی نگرانی اور جائزہ۔

رسک مینجمنٹ فریم ورک کی تعمیل اور افادیت کو یقینی بنانے کے لیے ایک وقف رسک مینجمنٹ ڈیپارٹمنٹ کام کر رہا ہے۔ یہ فریم ورک پوری کمپنی میں واضح حکمرانی اور رپورٹنگ کے تقاضوں کے ساتھ خدشات کو منظم کرنے کے لیے ایک منظم اور جامع رسک مینجمنٹ اپروچ فراہم کرتا ہے، اور اسے درج ذیل سرگرمیوں کے ذریعے لاگو کیا جا رہا ہے:

☆ خدشے سے متعلق آگاہی رسک مینجمنٹ فریم ورک کی پیٹنگی شرط ہے اور یہ آگاہی سرگرمیاں تنظیم کے تمام محکموں اور کاموں میں بڑے پیمانے پر کی جاتی ہیں۔

☆ محکمہ کی سطح پر، اہم حکمانہ خدشات کے انتظام کے لیے رسک رجسٹر کو برقرار رکھا جا رہا ہے۔ کنٹرول سسٹمز کا باقاعدگی سے جائزہ لیا جاتا ہے اور ان خدشات کو کم کرنے کے لیے اپ گریڈ کیا جاتا ہے۔

☆ تفصیلی سطح پر، اہم خدشات کی نشاندہی کی جا رہی ہے، ان کا اندازہ لگایا جا رہا ہے، اور وقتاً فوقتاً مینجمنٹ کے ذریعے ان کی نگرانی اور جائزہ لیا جا رہا ہے۔ ان خدشات کے خلاف تخفیف کی مخصوص حکمت عملی بھی وضع کی جاتی ہے اور انتظامیہ کی طرف سے باقاعدگی سے ان کا جائزہ لیا جاتا ہے۔ اس سلسلے میں سہ ماہی رپورٹ بورڈ آف ڈائریکٹرز کی رسک مینجمنٹ کمیٹی کو بھی پیش کی جاتی ہے۔

☆ رسک پروفائل انڈیکس (RPI) کا ایک تصور نافذ کیا گیا ہے جو پہلے سے طے شدہ رسک ایپیٹائٹ کے مقابل خدشے کی اصل قدروں کا موازنہ کر کے کمپنی کے سرفہرست موروثی خدشات کی نگرانی میں مدد کرتا ہے۔

ایس این جی پی ایل کے سب سے اہم خدشات اور ان کی تخفیف کی حکمت عملی

ایس این جی پی ایل کو اسٹرٹیجک، آپریشنل اور مالیاتی محاذوں پر متعدد چیلنجز کا سامنا ہے۔ رسک مینجمنٹ ڈیپارٹمنٹ کے ساتھ مل کر رسک اونر کے محکمے انتظامیہ اور بورڈ آف ڈائریکٹرز کی رسک مینجمنٹ اور UFGC کمیٹی کی رہنمائی میں ان خدشات سے نمٹنے کے لیے سرگرمی سے کوششیں کر رہے ہیں۔

1)۔ ڈیپانڈ اور سپلائی کا فرق

ملک کے گیس کے ذخائر میں کمی اور معیشت کے تمام شعبوں میں گیس کی بڑھتی ہوئی طلب کی وجہ سے طلب اور رسد کا فرق کمپنی کے لیے ایک بہت بڑا خطرہ بن گیا ہے۔ آرائیل این جی پر بڑھتا ہوا انحصار اور اس کی عدم دستیابی اور بین الاقوامی مارکیٹ میں بڑھتی ہوئی قیمت نے ملک کی گیس کی طلب کو پورا کرنے میں کمپنی کے لیے ایک سنگین چیلنج پیدا کر دیا ہے۔

SNGPL نے حکومت پاکستان (GoP) کے ساتھ رابطے میں رہ کر گیس کی طلب اور رسد کی مسلسل نگرانی کی ہے۔ اس مسئلے کو حل کرنے کے لیے کئی تخفیف کے اقدامات کیے گئے ہیں، جن میں لوڈ مینجمنٹ گیس کے نئے کنویں کی تلاش اور سسٹم میں RLNG کا انجیکشن شامل ہے۔ نئے دریافت شدہ گیس کے ذخائر کو کمپنی کے ٹرانسمیشن نیٹ ورک سے جوڑنے کے لیے توسیعی منصوبوں پر کام کر رہی ہے۔

جائزہ چیمپرسن اور ڈائریکٹرز رپورٹ

کرتی ہے۔ بورڈ آف ڈائریکٹرز کی نئی قائم کردہ آئی ٹی / ڈیجیٹائزیشن کمیٹی نے کمپنی میں نئی زندگی، جدت طرازی اور ڈیجیٹلائزیشن کی رفتار میں اضافہ کیا ہے۔ ڈیجیٹلائزیشن ہم انسانی تعامل کو کم سے کم کر رہی ہے اور اس کے نتیجے میں روزمرہ کے کاموں کی تیزی سے تکمیل ہو رہی ہے۔

گزشتہ سال کے دوران قابل ذکر کامیابیوں میں شامل ہیں:

انٹرپرائز سسٹمز

انٹرپرائز سسٹمز، یعنی سی سی اینڈ بی اور ای آر پی کا مختلف بنیادی کاروباری عمل کے ساتھ انضمام حاصل کیا گیا جس میں صارفین کی جانب سے ایس ایم ایس الرٹس اور فیڈ بیک، سی سی اینڈ بی میں فیلڈ سرگرمیوں کی آؤتخلیق کے لئے اسکا ڈائرام کی آؤ جزیٹیشن، جیوگرافک انفارمیشن سسٹم (جی آئی ایس) کے ساتھ صارفین کی شکایات اور صارفین سے متعلق دیگر ڈیٹا کی میپنگ شامل ہے تاکہ ڈیجیٹل ڈیش بورڈ بشمول ریسل ٹائم ڈیٹا تجزیاتی ٹولز کے ذریعے موثر نگرانی کی جاسکے۔

اس عرصے کے دوران 13 لاکھ سے زائد ایس ایم ایس الرٹس بھیجے گئے اور 11 ہزار 700 صارفین کی جانب سے فیڈ بیک حاصل کیا گیا۔ ایس سی اے ڈی اے کے ساتھ سی سی اینڈ بی کے انضمام کے نتیجے میں اسکا ڈائرام کی بنیاد پر 3000 فیلڈ سرگرمیاں پیدا ہوئیں۔

ویب اور موبائل ٹیکنالوجیز

ویب اور موبائل ٹیکنالوجیز اب آئی ٹی خدمات کا بنیادی حصہ ہیں جس کے ذریعے آپ کی کمپنی اپنے قیمتی صارفین کو سہولت فراہم کرتی ہے۔ ان ٹیکنالوجیز کے استعمال کے ساتھ، آپ کی کمپنی کے صارفین کو اب کمپنی کے احاطے کا دورہ کرنے کی ضرورت کے بغیر اپنے گھروں یا اپنی پسند کی جگہ سے کمپنی کی خدمات تک رسائی حاصل ہے۔ ان خدمات میں شامل ہیں: گیس کنکشن کی منتقلی، نئے گھر پلو کنکشن کے لئے درخواست، باؤسنگ سوسائٹیوں کے لئے درخواست، صنعتی صارفین کے لئے خدمات، شکایت درج کرنا اور ٹریک کرنا اور ای میل/ ایس ایم ایس الرٹ کے ذریعے بل کے لئے اندراج کرنا۔

آن لائن ویب سروسز کے آغاز سے ایک لاکھ 69 ہزار گھر پلو گیس کنکشن کی درخواستیں موصول ہوئیں جس سے صارفین کو کمپنی کے دفاتر کا دورہ کرنے سے بچایا گیا۔ ویب پر گیس کنکشن کی منتقلی کی 1580 درخواستیں موصول ہوئیں۔ اسی عرصے کے دوران 74 ہزار صارفین نے ای میلز کے ذریعے بل وصول کرنے کے لیے اندراج کرایا۔

موبائل ایپ

نئی کمپنٹ آن موبائل ایپ کے متعارف ہونے سے صارفین کے تجربے میں کئی گنا اضافہ ہوا ہے جو گوگل اور ایپل پلے اسٹورز دونوں پر دستیاب ہے۔ 80,000 سے زائد صارفین نے آن لائن ادائیگی کے طریقہ کار کا استعمال کرتے ہوئے اپنے بلوں کو حاصل کرنے کے ساتھ ساتھ ادائیگی کرنے کے لئے اپیلی کیشن انسٹال کی ہے۔

مزید برآں، سروے کے عمل کی شفافیت اور درستی کو بہتر بنانے کے لئے، ایک ہیلز سروے ایپ متعارف کروائی گئی ہے اور ایک پائلٹ پروجیکٹ نفاذ کے آخری مرحلے میں ہے۔

فیلڈ بہتری آپریشنز ماڈل

آئی ٹی / ڈیجیٹلائزیشن کمیٹی کی رہنمائی کے مطابق، اوریکل بزنس انٹیلی جنس ٹولز کا استعمال کرتے ہوئے مختلف ڈیش بورڈز تیار کیے گئے ہیں تاکہ انتظامیہ کو روزمرہ کی آپریشنل سرگرمیوں کی نگرانی کی جاسکے۔

آپریشنل سرگرمیوں کو آسان بنانے اور انتظامیہ کی اسٹریٹجک فیصلہ سازی میں مدد کے لئے 100 سے زیادہ ڈیش بورڈز تیار کیے گئے ہیں۔

کاروباری عمل کی ری انجینئرنگ

ڈیجیٹل تبدیلی کے لئے ثقافتی تبدیلی اور کاروباری عمل کی ری انجینئرنگ دونوں کی ضرورت ہوتی ہے۔ ڈیجیٹل بننے کے لئے کمپنی کو صارفین کی ضروریات کے لئے زیادہ جوابدہ ہونے اور روزمرہ کی آپریشنل سرگرمیوں میں زیادہ فعال ہونے کی ضرورت ہے۔ آپ کی کمپنی نے آئی ٹی / ڈیجیٹلائزیشن کمیٹی کی رہنمائی کے مطابق اپنی توجہ ڈیجیٹلائزیشن کی طرف موڑ دی ہے اور بڑی تعداد میں عمل کا بی پی آر شروع کیا ہے تاکہ انہیں بہتر بنایا جاسکے اور کارکردگی میں اضافہ کیا جاسکے۔ 200 سے زائد پروجیسٹس کی نشاندہی کی گئی ہے اور اگلے مرحلے میں بی پی آر کے لئے ترجیحات کو اعلیٰ درمیانے اور کم کے طور پر بھی مقرر کیا گیا ہے۔

سماجی ریسکوری (آئی ایس او-27001 سرٹیفیکیشن)

آپ کی کمپنی نے مطلوبہ آئی ایس ایم اے کو کامیابی سے مکمل کیا ہے اور آئی ایس او/آئی ای سی 27001 سرٹیفکیٹ حاصل کیا ہے۔

صحت، حفاظت، اور ماحول

بین الاقوامی معیار ISO 14001-2015 اور ISO 45001-2018 کی بنیاد پر منظم شدہ مینجمنٹ سسٹم کمپنی کے تمام آپریشن کو ملحوظ خاطر رکھتے ہوئے بنایا گیا ہے۔

کمپنی کے صحت، حفاظت اور ماحولیاتی نظام کو جانچنے کے لئے ہر سال دومرتبہ باہر کی کمپنی کی مدد سے آڈٹ کروائے جاتے ہیں۔ اور تیسری پارٹی کی مدد سے کامیاب آڈٹ اس بات کا ثبوت ہیں کہ ایچ ایس ای سے متعلقہ نظام بہتر حالت میں موجود ہے۔

اسی طرح ایچ ایس ای سے متعلقہ تربیت کا اہتمام کیا جاتا ہے جس میں متعلقہ آفیسر اور سٹاف کو شامل کیا جاتا ہے جو کہ اُن کی ذاتی اور متعلقہ کام کی متواتر بہتری کیلئے ضروری ہے۔ اس سال ڈرائیورز کی دوران ڈرائیونگ طرزِ عمل کو بہتر بنانے کیلئے 2055 ڈرائیورز کو ٹینشل ہائی وے سے تربیت دی گئی ہے۔

ایس این جی پی ایل ٹینشل سیفٹی کونسل کی رکنیت رکھتی ہے۔ جو کہ ایک این جی او کی طرح کا ادارہ ہے۔ جس کا مقصد کام کی جگہ پر لوگوں کو آنے والی چوٹوں اور اموات سے محفوظ بنانا ہے اسی طرح ایچ ایس ای انجینئر ز بھی امریکن سوسائٹی آف سیفٹی پروفیشنل (ASSP) کے رکن ہیں۔

پیشہ وارانہ صحت:

ایچ ایس ای ڈیپارٹمنٹ نے کام کے موقع پر ملازمین کی صحت سے متعلقہ آگاہی کے لئے پیشہ ورانہ صحت موبائل یونٹ مہیا کر دیا ہے۔ ایچ ایس ای ڈیپارٹمنٹ یہ کام باقاعدگی سے سرانجام دیتا ہے تاکہ لوگوں کو اپنی صحت سے آگاہی ملتی رہے۔ عام طور پر کئے جانے والے ٹیسٹوں میں پھیپھڑوں کا ٹیسٹ سماعت کا ٹیسٹ، آنکھوں کا ٹیسٹ، شوگر، بلڈ پریشر، ہپا ٹائٹس وغیرہ شامل ہیں۔ یہ طریقہ پیشہ ورانہ صحت کو درپیش خطرات اور کمپنی کے رائج شدہ کنٹرول کے متعلق آگاہی فراہم کرتا ہے۔ اس سال پانچ میڈیکل کیمپس سوئی ناردرن گیس پائپ لائنز کے مختلف مقامات پر لگائے گئے ہیں۔ ایس این جی پی ایل نے ایک ذمہ دار کارپوریٹ ادارہ ہونے کے ناطہ ٹینشل انسٹی ٹیوٹ آف ہیلتھ (NIH) اور نرسری آف ٹینشل ہیلتھ ریگولیشن اور کوآرڈینیشن اسلام آباد کی جاری کردہ ہدایات پر عمل کرتے ہوئے COVID-19 کی مینجمنٹ کے حوالے سے منوٹر حکمت عملی کی ہے۔ پاکستان میں وباء کے دوران سماجی دوری، ہاتھوں کی صفائی، ماسک پہننا، صارفین کو ماسک کی فراہمی جیسے تمام اقدامات پر عملدرآمد ہو رہا ہے۔ سماجی حوالے سے لوگوں کے رویے میں تبدیلی کو روکنے اور سماجی دوری اور ماسک کی پابندی کیلئے ایچ ایس ای اور ایڈمین سکیشن کی طرف سے مسلسل نگرانی کی جارہی ہے۔ اور COVID-19 کے پھیلاؤ کو روکنے کیلئے COVID کے شکار افراد کے قریبی روابط تک رسائی کی جاتی ہے۔

افران کی جانب سے دفاتر، سائٹ پر کام کرنے والی ٹیموں، پروجیکٹ سائٹ ورکشاپس، سٹورز اور ہائی کالونیوں اور MESS میں سرپرائز معائنہ کیا جاتا ہے اور SOPs پر عملدرآمد کا جائزہ لیا جاتا ہے۔ فروری 2021 سے ایچ ایس ای الرٹ کی صورت میں COVID-19 کے واقعات کی اپڈیٹ اور آگاہی ہر سطح کے ملازمین کو دی جاتی ہے۔

آگ سے بچاؤ

ایس این جی پی ایل آگ سے بچاؤ کی منوٹر حکمت عملی پر زور دیتا ہے۔ اس مقصد کے لیے مختلف اقسام کے آگ بجھانے والے آلات، فائر ہائیڈرنٹ سسٹم، فائر ٹرک، آگ لگنے کی اطلاع دینے والے الارم اور دھواں کی موجودگی کی نشاندہی کرنے والے آلات مہیا کئے گئے ہیں۔ رواں سال بھی ایک فائر ہائیڈرنٹ سسٹم (AC-4) اوپن شریف، ایک فائر ہائیڈرنٹ سسٹم (CC-3) گلی جاگیر اور (SMS-II) پر پہلے سے لگے ہوئے فائر ہائیڈرنٹ سسٹم کی صلاحیت میں اضافے کی خریداری جاری ہے۔ اسی طرح 353 آگ بجھانے والے آلات، 350 بیٹری سے چلنے والے دھوئیں کی نشاندہی کرنے والے سسٹم اور 50 آگ کی اطلاع دینے والے آلات کی خریداری بھی جاری ہے۔

حفاظتی سامان

ملازمین کو کام کی جگہ پر درپیش حادثات سے بچانے کے لیے انہیں مختلف حفاظتی سامان مہیا کیا جاتا ہے۔ جن میں ہیلمٹ، حفاظتی جوتے، ڈاگری، دستانے وغیرہ شامل ہیں۔ رواں سال تقریباً 44324 کی تعداد میں حفاظتی سازو سامان خریدا گیا ہے اور ملازمین میں تقسیم کیا گیا ہے۔

ماحول کا تحفظ ایس این جی پی ایل کی پالیسی کا ایک بڑا حصہ ہے اور معیار ISO 14001 کی ضرورت ہے۔

ماحولیاتی جائزہ:

تمام مشینوں اور گاڑیوں سے نکلنے والے دھویں کے ماحول پر اثرات کا جائزہ لیا جاتا ہے۔ تاکہ یہ یقین کیا جاسکے کہ تمام اخراج PEQS/NEQS کے مطابق ہوں۔ ماحول کے تحفظ کو یقینی بنانے کیلئے اس سال 1794 گاڑیوں، 86 جنریٹر اور 271 مشینوں کے نکلنے والے دھویں کا جائزہ لیا گیا ہے۔

ایس این جی پی ایل کے پاس دھوئیں اور ناقص پانی کے اخراج کی نگرانی کیلئے LANCOM اور TESTO-3501 جیسے پورٹیبل آلات دستیاب ہیں۔ ان پورٹیبل آلات کے علاوہ دھوئیں کے اخراج (EMISSION) کی نگرانی کیلئے (Crypton Emission Analyzer) کرپٹون اینالائزر سے مزین ایک گاڑی ڈیزائن کی گئی ہے۔

ماحولیات کا عالمی دن:

کمپنی میں ماحولیاتی جائزہ کا عالمی دن 6 جون 2022 کو منایا گیا ہے۔ ہیڈ آفس میں تقریب کا انعقاد مینجنگ ڈائریکٹر نے کیا اور اپنے عزم کا مظاہرہ کرتے ہوئے کمپنی کے ملازمین اور خصوصاً بچوں کی شرکت کو سراہا۔ ملازمین کی بھرپور شرکت اور تعاون کے ذریعے کمپنی بھر کے مقامات پر خوب جوش و خروش دیکھا گیا۔

آن لائن رپورٹنگ سسٹم:

یہ سسٹم کمپنی آفیسرز کو حادثات کی اطلاع دینے کی رہنمائی فراہم کرتا ہے جو خطرات کی جلد نشاندہی اور ان کو کنٹرول کرنے میں منوٹر ثابت ہوتا ہے۔ کمپنی میں ایچ ایس ای پالیسی کے عملدرآمد کے عزم کے اظہار کیلئے محترم ایم ڈی صاحب کی سربراہی میں ایچ ایس ای مینجمنٹ سسٹم کا متواتر جائزہ اور ششماہی بنیادوں پر مینجمنٹ ریویو مینٹنگ کی جاتی ہے۔

کارپوریٹ سماجی ذمہ داری:

کمپنی میں کارپوریٹ سماجی ذمہ داری کا باقاعدہ آغاز 2013ء میں ہوا۔ BOD کی منظور شدہ CSR پالیسی کے مطابق کارپوریٹ سماجی ذمہ داری کے اقدامات میں صحت، تعلیم اور ماحول کے شعبے توجہ کا مرکز ہیں۔

CSR پالیسی سکيورٹیز اینڈ ایڈجسٹمنٹ آف پاکستان (SECP) کی فراہم کردہ ہدایات کی تعمیل کرتی ہے OGRA کی جانب سے درج ذیل منصوبوں کیلئے اخراجات کیئے گئے ہیں۔

موبائل آپکسینیشن میمز:

ٹینشل کمائنڈ اینڈ کنٹرول سنٹر کی ہدایات کے مطابق ایس این جی پی ایل نے پنجاب اور خیبر پختونخواہ کے دور دراز علاقوں میں عام عوام کی COVID-19 کے خلاف آپکسینیشن کیلئے 28 کمپ لگائے ہیں۔ جس میں 4188 لوگوں کی ویکسینیشن کی گئی ہے۔

جائزہ چیئر پرسن اور ڈائریکٹرز رپورٹ

پورا کرنے اور کارکردگی کو برقرار رکھنے کے لئے روٹر کی حرکات کو تبدیل کرنے کے لئے بوسٹ کپریسز کی فیلڈری اسٹچنگ اور اوور ہالنگ کی گئی ہے۔

کپیوٹرائزڈ مینٹیننس مینجمنٹ سسٹم کا نفاذ:

Oracle enterprise Asset Management system کے اثاثہ جات کے ریکارڈ کے نظام کو تمام کپریسز اسٹیشنوں پر مکمل طور پر لاگو کر دیا گیا ہے۔ یہ نظام زیادہ موثر طریقے سے انجینئرنگ کے عمل اور آپریشنل سرگرمیوں کو بہتر بنانے میں مدد دے گا۔ اس نظام کو پہلے سے قائم کردہ ISO-9001-2015 QMS سسٹم سے منسلک کیا گیا ہے تاکہ موثر نظام، تمام حکمانہ سرگرمیوں پر لاگت کنٹرول کے ساتھ ساتھ موثر inventory management اور آلات کی مرمت کے وقت میں کمی کی مدد ملے۔

خوردگی کنٹرول

:آپ کی کمپنی کو فٹنر اور کیتھوڈک پروفیکشن (سی پی) کے اطلاق کے ذریعے زیر زمین قیمتی ایم ایس پائپ لائن ٹیٹ ورک کو خوردگی کے حملے سے بچانے کے لئے مسلسل کوشش کر رہی ہے۔ ٹیٹ ورک کے تحفظ کے لئے ڈسٹری بیوشن اور ٹرانسمیشن ڈپارٹمنٹ میں بالترتیب 33002 اور 6700 ٹیٹ پوائنٹس کے ذریعے 1874 سی پی اسٹیشنز نصب کئے گئے ہیں اور ان کی نگرانی کی جارہی ہے۔

میٹرنگ:

آپ کی کمپنی گیس کی پیمائش کی درستگی کو یقینی بنانے کے لئے خصوصی نوعیت کی سرگرمیوں یعنی معائنہ، بہاؤ ثابت کرنے، میٹر/ ای وی سی کی کلیبریشن اور بین الاقوامی طریقوں کے مطابق میٹر شاپس پر ای وی سی میں پیمائش پیرامیٹرز کی تشکیل کو یقینی بنانے کے لئے ہر ممکن کوشش کر رہی ہے۔ آپ کی کمپنی نہ صرف گھریلو، تجارتی، صنعتی میٹروں/ ای وی سیز کی مرمت/ دیکھ بھال کے ذریعہ آمدنی کی بچت کر رہی ہے بلکہ تبدیل شدہ/ منقطع میٹروں اور ای وی سیز کے اہم معاملے کے ذریعہ یو ایف جی نقصانات کو روکنے کے لئے گیس کی چوری کا پتہ لگانے میں بھی اہم کردار ادا کر رہی ہے۔

زیر غور سال کے دوران سنٹرل میٹر شاپ لاہور، ریجنل میٹر شاپس (ملتان، اسلام آباد اور فیصل آباد) اور ڈومیسٹک میٹر انسپکشن شاپس ملتان، فیصل آباد، ساہیوال اور لاہور کا سر ویلنس آڈٹ تھرڈ پارٹی سرٹیفیکیشن باڈیز کی جانب سے کیا گیا اور اس بات کی تصدیق کی گئی کہ میٹر شاپس میں لاگو تمام طریقہ کار بین الاقوامی معیار ISO 9001:2015 کے مطابق ہیں۔

سنٹرل/ ریجنل میٹر شاپس نے اوگرا کے ایم آئی نمبر 6، 7، 8، 9، 10 اور 11 کو حاصل کرنے کے لئے ریجنز کو ان کی ضرورت کے مطابق میٹر فراہم کیے اور جی پی آر ایس کے قابل ای وی سیز کے انضمام کے منصوبے کو پی او ڈی کی طرف سے مقرر کردہ ٹائم لائن سے پہلے ہی کامیابی سے مکمل کیا۔ مزید برآں سینٹرل/ ریجنل میٹر شاپس اور ڈومیسٹک میٹر انسپکشن شاپس نے طریقہ کار کے مطابق چارجز کی بروقت بٹنگ کے لیے اپنے سالانہ اہداف سے زیادہ ایم آئی آرز تیار کیے ہیں۔

مزید برآں، ریجنز میں 16 ڈومیسٹک میٹر انسپکشن شاپس (ڈی ایم آئی ایس) قائم کی گئیں تاکہ

تبدیل شدہ/ منقطع گھریلو میٹروں کے بہاؤ کو جاہت اور اُن کا معائنہ کیا جاسکے۔ آپ کی کمپنی بین الاقوامی معیارات کے مطابق پیمائش کی جدید ترین تکنیکوں کو شامل کر کے اور مسلسل تحقیق اور ترقی کے ذریعے پیمائش کے آلات کی خصوصیات کو، بہتر بنا کر گیس میٹرنگ میں بہتری کے لئے مسلسل کوشش کر رہی ہے۔ مالی سال 2021-22ء کے دوران مرکزی/ علاقائی میٹر شاپس پر کی جانے والی مختلف سرگرمیوں کے حوالے سے پیداواری صلاحیت/ کام کے معیار کو بہتر بنانے کے لیے درج ذیل جدید ترین آلات متعارف کرائے گئے ہیں:

* ریجنل میٹر شاپ، اسلام آباد میں صنعتی/ ہائی پریشر کرسٹل گیس میٹرز کے بہاؤ کو ثابت کرنے کے لئے سوئک نوزل آٹوپرور (ایس این اے پی) کی تنصیب اور کمیشننگ۔

* سی ایم ایس لاہور میں جدید ترین ڈیجیٹل حجم کلیبر میٹرز خریدے جا رہے ہیں۔ اس آلے میں صارف دوست انٹرفیس، ایچ ایم آئی (ہیومن مشین انٹرفیس) ہے، جو ای وی سی کے پلسر بورڈز کی کلیبریشن کے پیرامیٹرز سیٹ کرنے کے لئے استعمال ہوتا ہے۔

* اس سے ای وی سی کے ذریعہ حجم کی درست رجسٹریشن کو یقینی بنانے میں مدد ملے گی۔ نیو نیٹک اوزار خریدے گئے ہیں اور پیداواری صلاحیت اور معیار کو بڑھانے کے لئے میٹر کی مرمت کے لئے استعمال کیا جا رہا ہے۔

کوالٹی انشورنس:

آپ کی کمپنی معیار کی یقین دہانی کے لئے آئی ایس او 9001:2015 سرٹیفائڈ ہے جو عام طور پر متعلقہ معیارات خاص طور پر اے ایس ایم ای اور اے پی آئی معیارات، قومی اور بین الاقوامی کوڈز اور طریقوں، متعلقہ حکمانہ مینوئلز، منظور شدہ طریقہ کار، اور ٹرانسمیشن اور ڈسٹری بیوشن گیس ٹیٹ ورک کی تعمیر، آپریشنز اور بحالی کے لئے تمام انجینئرنگ حکموں میں وضاحتوں، کمپنی کی تنصیب پر کام کرنے والے اہلکاروں کی تربیت اور اہلیت کا احاطہ کرتی ہے۔

سال کے دوران ڈسٹری بیوشن اینڈ ٹرانسمیشن گیس ٹیٹ ورک کا سخت معائنہ کیا گیا جس کی تفصیل 564620 نمبر بریڈسروس والوز، 10129 نمبر اور ہینڈ/ انڈر گراؤنڈ والوز، 597307 نمبرز کے طور پر بیان کی گئی ہے۔ سی ایم ایس، 8583 نمبر ٹی بی ایس، 1953 نمبر ڈی آر ایس، 48928 نمبر سروس لائنز، 2960.73 کلومیٹر مین لائن، 17822 نمبر سیز پائپ، 17192 نمبر لیپڈ پائپوں کا معائنہ کیا گیا اور ٹرانسمیشن اور ڈسٹری بیوشن لائنوں کی 875 نمبر چیچ اسٹیشن تیار کی گئیں۔

آپ کی کمپنی نے سال کے دوران بین الاقوامی غوثکیٹ حاصل کیے تھے یعنی دوسرا سر ویلنس کیوا ایم ایس (آئی ایس او 9001:2015)، خوردگی کنٹرول سینر کا ڈٹ، آئی ایس او/ آئی ای سی 27001:2013 آئی ٹی/ ایم آئی ایس کی سرٹیفیکیشن، آئی ایس او 27001:2013 ایس سی اے ڈی اے ڈیٹا سینئر آف ٹیلی کام کی سرٹیفیکیشن، آئی ایس او 9001:2015 کا کپریشن، کیو ایم ایس کی ری سرٹیفیکیشن کے لئے کام کا اپوارڈ۔

تمام معاملے اوگرا کے تکنیکی معیار کے مطابق اور کمپنی کے منظور شدہ سالانہ کوالٹی انشورنس پلان (کیواے پی) کے مطابق کیے گئے۔

بٹنگ

آپ کی کمپنی اپنے قابل قدر صارفین کو غلطی سے پاک بٹنگ، گیس بلوں کی بروقت فراہمی اور صارفین کی شکایات کے ازالے کے ذریعے معیاری خدمات کی فراہمی پر توجہ مرکوز رکھے ہوئے ہے۔

کمپنی پہلے ہی مختلف دستی کاروباری عمل کے مختلف پہلوؤں کے بارے میں آٹومیشن کے اپنے مقصد کو حاصل کرنے کے لئے آگے بڑھ چکی ہے۔ بنیادی مقصد انسانی مداخلت کو کم کرنا اور کسی بھی ممکنہ غلطی سے بچنا ہے۔ مزید برآں فوری اور فوری رد عمل کے لئے کمپنی بھر کے بٹنگ ڈپارٹمنٹ میں اوگرا شکایات کے اختتام کا جامع نظام بھی متعارف کرایا گیا ہے۔

بٹنگ کی سرگرمیوں میں سب سے اہم پہلو ڈیٹا لٹ صارفین سے بقایا جات کی وصولی ہے۔ بقایا جات کی موثر وصولی اور ادائیگی کو یقینی بنانے کے لئے ہر ممکن کوششیں کی جارہی ہیں، جس کے نتیجے میں خصوصی/ بلک گھریلو صارفین کی طرف سے مخصوص اور پائیدار کی دیکھی گئی ہے۔ گیس (چوری کنٹرول اینڈ ریکوری) ایکٹ 2016ء کی دفعات بغیر کسی استثنی کے نافذ کی جارہی ہیں اور سیکشن 27(2) کے تحت زیادہ سے زیادہ ریکوری کے لئے خاص طور پر لینڈر یونیوا تھا ریٹیز، ایس ای سی پی، نادرا وغیرہ سے تعاون حاصل کیا جا رہا ہے۔

آپ کی کمپنی میٹر ریڈنگ کی درستگی اور شفافیت، بروقت بٹنگ اور شکایات کے موثر انداز میں حل کو یقینی بنا کر اپنے قابل قدر صارفین کو معیاری خدمات کی فراہمی کے لئے پرعزم ہے۔

ٹیلی کمیونیکیشن:

آپ کی کمپنی اپنے آغاز سے ہی کمپنی کے ٹرانسمیشن رائٹ آف وے (آراواو) کے ساتھ ایک وقف وائرلیس ٹیلی کمیونیکیشن ٹیٹ ورک کو برقرار رکھے ہوئے ہے۔ آپ کی کمپنی وائس، ڈیٹا، ویڈیو اور اسکاڈا سروسز کے لیے جنوب میں سوئی اینڈ ساون سے نارتحہ میں پشاور، مردان اور ایبٹ آباد تک ہائی پریشر گیس پائپ لائن ٹیٹ ورک کے ساتھ ڈیجیٹل مانیٹر دو یوریڈیو کمیونیکیشن سسٹم چلا رہی ہے۔ مانیٹر دو یوریڈیو ٹیٹ ورک 86 نمبروں پر مشتمل ہے۔ مانیٹر دو یوریٹیز اور ٹینل اسٹیشنز مندرجہ ذیل کمپنی گیر خدمات کی فراہمی کے لئے مواصلاتی ٹیٹ ورک کے طور پر خدمات انجام دے رہے ہیں:

* انٹرئل ٹیلی فون ٹیٹ ورک

* ایس سی اے ڈی اے سسٹم

* آئی پی ٹیٹ ورک کنکٹیو یٹی آئی ٹی/ ایم آئی ایس/ سی سی اینڈ بی/ ای میل خدمات

* ویڈیو کانفرنسنگ

* وائرلیس ڈیٹا کمیونیکیشن ٹیٹ ورک فار بیوٹ اسکاڈا سائٹ کے لئے

* ریوٹ دفاتر اور پروجیکٹ کیپوں میں وائس اور ڈیٹا سروسز کے لئے آخری میل وائرلیس آئی پی لنکس۔

* یو ایچ ایف وائس کمیونیکیشن ٹیٹ ورک (گاڑیوں کے لئے پش ٹو ٹاک سسٹم، والو اسمبلیاں، ریوٹ سائٹس پرفیلڈ سرگرمیاں)

آپ کی کمپنی نے 6 ایس ایم ایس اور ان کے متعلقہ ٹی بی ایس اور صنعتی سی ایم ایس کے درمیان ڈسٹری بیوشن ٹیٹ ورک میں گیس کی مفاہمت کے لئے ایک پائلٹ پروجیکٹ کامیابی سے مکمل کیا ہے جس میں براہ راست/ رینٹل ٹائم ڈیٹا کے ساتھ اسکیٹیک لائن ڈایا گرام اسکاڈا ڈیش بورڈز کا استعمال کیا گیا ہے۔ ٹرانسمیشن ٹیٹ ورک کے کھرپا۔ بھکر سیکشن کے ساتھ ساتھ رینٹل ٹائم ٹکرائی کے لئے بھی اسی طرح کا ایک منصوبہ ڈسپلے قائم کیا گیا ہے۔ مزید برآں، آئی او ٹی پمپنی پریشر مانیٹرنگ آف ڈسٹری بیوشن ٹیل اینڈز کے لئے ایک پائلٹ پروجیکٹ شروع کیا گیا ہے اور ایس سی اے ڈی اے سسٹم کے ذریعے ایس ایم ایس میں ایس سی اے ڈی اے ڈیٹا سینئر ز اور ریوٹ پریشر ریگولیشن کے لئے آئی ایس او 27001:2013 سرٹیفیکیشن کا عمل بھی آخری مراحل میں ہے۔ ٹرانسمیشن ٹیٹ ورک کے 350 نمبروں پر ایس سی اے ڈی اے سسٹم کے قیام کے لئے خریداری کا آغاز کر دیا گیا ہے۔

آنے والے مالی سال میں مندرجہ ذیل اہم ٹیلی کمیونیکیشن اور اسکاڈا سسٹم کی توسیع کی منصوبہ بندی کی گئی ہے:

* تمام انڈسٹریل کنزرویو میٹرنگ اسٹیشنز (سی ایم ایس) پر 340 ملین روپے کی لاگت سے الیکٹرانک ایکسیس کنٹرول سسٹم (ای اے سی ایس) کی تنصیب، تاکہ سائٹ تک کسی بھی غیر مجاز رسائی پر پابندی لگا کر یو ایف جی میں کمی لائی جاسکے۔

* باقی تمام تحویل منتقلی سائٹس یعنی ٹرانسمیشن ٹیٹ ورک کی پیمائش کی سائٹس بشمول گیس ذرائع اور سیلز میٹر اسٹیشنز اور مین لائن چیک میٹرز پر ایس سی اے ڈی اے سسٹم کی تنصیب۔

* ہائی ٹریفک مائکرو پولکس پر 400 فیصد صلاحیت میں اضافہ۔

* ایس سی اے ڈی اے ڈسٹری بیوشن ٹیٹ ورک میں 400 سے زائد ٹاؤن بارڈر اسٹیشنوں (ٹی بی ایس) کی نگرانی کرتا ہے۔

* ریگولیٹر آٹومیشن (ریوٹ پریشر ایڈجسٹمنٹ) اور ٹرانسمیشن اور ڈسٹری بیوشن سائٹس پر پائلٹ پروجیکٹس۔

کاروباری عمل کو ڈیجیٹائز کرنا

آپ کی کمپنی تنظیم کے مقاصد کے حصول کے لئے ٹیکنالوجی کے تخلیقی اور جدید استعمال کو فروغ دے کر اسٹرٹیجک فائدہ فراہم کرنے کے لئے پرعزم ہے۔ کمپنی انفارمیشن اٹا ثوں کے موثر انتظام کو فروغ دیتی ہے اور اپنے کاروباری صارفین کی بدلتی ہوئی ضروریات کو پورا کرنے کے لئے اعلی معیار، کسٹمر پر مبنی خدمات اور مدد کے ساتھ ایک محفوظ، انتہائی قابل اعتماد ٹیکنالوجی انفراسٹرکچر فراہم

5- ہوں ویسٹ ویل 1 سے داؤد خیل تک 18 انچ کی 230.00 کلومیٹر

نئی دریافت شدہ بنوں ویسٹ اور ولی گیس فیلڈ زکوالیس این جی پی ایل ٹرانسمیشن ٹیٹ ورک سے جوڑنے کے لئے مطلوبہ پائپ لائن انفراسٹرکچر بچھانے کا کام شروع کر دیا گیا ہے جو بنوں ویسٹ گیس فیلڈ (کنوین نمبر 1) سے 40 ایم ایم سی ایف ڈی تک گیس اور ولی گیس فیلڈ (کنوین #1) سے 30 ایم ایم سی ایف ڈی گیس بنوں، ڈی آئی خان، لکی مروت اور ملحقہ علاقوں کو فراہمی کے قابل ہوگا۔ سال ختم ہونے کے بعد ولی گیس فیلڈ سے مکمل الحاق کر لیا گیا ہے اور ایس این جی پی ایل ٹیٹ ورک میں گیس کا بہاؤ شروع ہو گیا ہے۔

6- شیڈو میری سے یار حسین تک ٹرانسمیشن پائپ لائن، 18 انچ کی 22.50 کلومیٹر

ضلع صوابی کے حلقہ این اے 12 کے مختلف دیہاتوں کو گیس کی فراہمی کے لیے منصوبے کی منظوری دے دی گئی ہے جس میں 18 انچ کی 22.03 کلومیٹر پائپ لائن سائٹ پر بچھائی جا چکی ہے۔

7- اسلام آباد اور راولپنڈی شہروں کے گیس ٹیٹ ورکس میں اضافہ/تقسیم

اسلام آباد اور راولپنڈی شہروں کے ڈسٹری بیوشن ٹیٹ ورکس کو بڑھانے اور تقسیم کرنے کا منصوبہ بنایا گیا ہے تاکہ صارفین کے کم گیس پریشر کے مسائل کو حل کیا جاسکے۔ یہ منصوبہ مندرجہ ذیل سپلائی میز پر مشتمل ہے:

1- 24 انچ 11 کلومیٹر (کیشنڈ آفس ٹو کنونشن سینٹر)

2- 24 انچ 4.5 کلومیٹر (سرینا ہوٹل سے ٹریل-3 پارکنگ)

3- 10 انچ 0.85 کلومیٹر (پی ٹی اے ہیڈ کوارٹر سے انچ بی ایل ٹاور)

4- 18 انچ 13.65 کلومیٹر (ایس ایم ایس ریپنیاں کو آرائیس سیلان تک)

5- 16 انچ 15 کلومیٹر (ایس ایم ایس باڑہ کو سٹھل چوک تک)

منصوبے کا سروے اور انجینئرنگ ڈیزائن مکمل کر لیا گیا ہے جبکہ میٹر یل کی خریداری کا کام جاری ہے۔

کاروبار کی ترقی

آپ کی کمپنی گزشتہ پندرہ سالوں سے ضلع کوہاٹ/ہنگو میں مختلف گیس فیلڈز بشمول مرمرئی، منزلائی، مامی خیل، سکوری ڈیپ ون، تونج ویسٹ اور ماکوری کے لیے ایم اوایل پاکستان کی فلو لائن/ٹرک لائنز اور فابریک کیبل کی پائپ لائن انجینئرنگ اور تعمیراتی کام کر رہی ہے۔

1 فی الحال ایم اوایل نے ایس این جی پی ایل کو ڈبل ایف او سی بچھانے کے ساتھ ساتھ 6 انچ ڈیا 0.5 کلومیٹر ٹونج ویسٹ-2 فلو لائن دی ہے۔ منصوبے کی تعمیراتی سرگرمیاں جاری ہیں۔ ایس این جی پی ایل کو بولی لگائے بغیر ایم اوایل کی طرف سے پروجیکٹ کا ایوارڈ آپ کی کمپنی کے برقرار تعمیراتی خدمات کے اعلیٰ معیار پر اعتماد کو ظاہر کرتا ہے۔

2 فوجی فریلائزر کمپنی لمیٹڈ (ایف ایف سی) نے 1105 ایم ایم سی ایف ڈی گیس کی فراہمی کے لئے کیو ی-2 والوا سبلی سے میرپور ماٹیل میں ایف ایف سی تنصیبات تک 20 انچ 14 x کلومیٹر ٹرانسمیشن اسپر پر مشتمل گیس انفراسٹرکچر ڈولپمنٹ پروجیکٹ کی تعمیر آپ کی کمپنی کو سوپ دی ہے۔

3 آپ کی کمپنی اسپیشل اکنامک زون کے لئے پائپ لائن بچھا رہی ہے اور اب کمپنی اسپیشل اکنامک زون ڈولپمنٹ کمپنیوں کو ان کے گیس انٹرنل ڈسٹری بیوشن پائپ لائن ٹیٹ ورک کے لئے آپریشن اور بحالی کی خدمات فراہم کرنے کے عمل میں ہے۔ متعلقہ معاہدے کے تحت اسپیشل اکنامک زون مالکان سے ایسی خدمات پر غور کرنے کا دعویٰ کیا جائے گا۔

4 آپ کی کمپنی نے بورڈ کی ہدایت کے مطابق گرین انیشی ایٹو کی ضروریات کو پورا کرنے کے لئے ہائیڈریکس پلانٹ کی تنصیب کے لئے بھی کام شروع کر دیا ہے۔ اس سلسلے میں کمپنی نے چند فریقین کو انڈھار دلچسپی (ای او آئی) جاری کیا ہے اور ہائیڈریکس پلانٹس کی تنصیب کی فرہمبائی رپورٹس تیار کی جارہی ہیں۔

5 آپ کی کمپنی گرین آفس انیشی ایٹو بھی کر رہی ہے جس کے تحت اسلام آباد اور لاہور کے دفاتر میں سولر سسٹم کی تنصیب کا عمل شروع کر دیا گیا ہے۔

6 آپ کی کمپنی تھرڈ پارٹی شپرز کے لئے گیس مارکیٹ کھولنے کا خیر مقدم کرتی ہے جو ایس این جی پی ایل ٹیٹ ورک میں دستیاب گنجائش کے ذریعے اس کی نقل و حمل کے لئے اپنی گیس لارہے ہیں۔ پی ٹی اے رولز اور پاکستان گیس ٹیٹ ورک کوڈ کی تعمیل میں کمپنی کی ویب سائٹ پر دستیاب گنجائش باقاعدگی سے اپ لوڈ کی جارہی ہے۔ آپ کی کمپنی پہلے ہی مقامی شپرز میں سے ایک کے لئے گیس کی نقل و حمل کر رہی ہے اور مستقبل قریب میں دوسرے شپرز کے نقل و حمل کے ٹیٹ ورک میں شامل ہونے کی توقع کر رہی ہے۔ یہ آپ کی کمپنی کو دستیاب صلاحیتوں کو مکمل طور پر استعمال کرنے اور اضافی آمدنی پیدا کرنے کے قابل بنائے گا۔

کسٹمر سروسز

سوئی ناردرن گیس کمپنی کی پالیسیوں اور فیصلہ سازی میں صارفین کا اطمینان ہمیشہ ہماری ترجیح رہی ہے جو ہمارے وٹن اور مشن میں پوری طرح جھلکتی ہے۔ سوئی ناردرن گیس کمپنی کے 16 علاقائی دفاتر، 36 ذیلی علاقائی دفاتر، 41 کسٹمر سروس سینٹرز اور 86 شکایتی مراکز ہیں، جو پنجاب، خیبر پختونخوا، اسلام آباد اور آزاد جموں و کشمیر میں 73 لاکھ سے زائد صارفین کی شکایات وصول کرنے اور ان کے حل کے لیے ہیں۔ ہمارے شکایتی مراکز ہنگامی حالات سے نمٹنے کے لیے سال کے 365 دن اور روزانہ چوبیس گھنٹے کام کرتے ہیں۔ ان دفاتر کے علاوہ، ایس این جی پی ایل نے کال سنٹر کے ذریعے تمام شکایات وصول کرنے اور ان کے ازالے کے لیے متعلقہ دفاتر کو بھیجنے کے انتظامات کیے ہیں۔ کال سینٹر پر رابطہ مختص کوڈ نمبر 1199 ملا کر کیا جاسکتا ہے۔ کمپنی کی خدمات کو بہتر بنانے کے لیے تمام شکایت کنندگان سے ایس ایم ایس فیڈ بیک بھی طلب کی جاتا ہے۔ علاوہ ازیں، درج ذیل سوشل میڈیا پر سال کے 365 دن چوبیس گھنٹے شکایات درج کروائی جاسکتی ہیں۔

1- کسٹمر سینٹر پر آنے والے واک ان کسمنر
2- عوام کی سہولت کے لیے شاہینگ سنٹر اور نیرپورٹس پر کیوسک کی تنصیب
3- بل پر درج شدہ لینڈ لائن نمبر

4- کمپنی کی ویب سائٹ: "www.sngpl.com.pk"

5- کمپنی کا فیس بک اکاؤنٹ: "www.facebook.com/SNGPLofficial"

6- کمپنی کا ٹویٹر اکاؤنٹ: "www.twitter.com/SNGPLofficial"

7- کمپنی کا یوٹیوب اکاؤنٹ: "www.youtube.com/SNGPLofficial"

8- کمپنی کا انسٹاگرام اکاؤنٹ: "www.instagram.com/sngplofficial"

9- موبائل ایپ SNGPL ConnectOn

10- پاکستان سٹیزن پورٹل PMDU

موصول ہونے والی شکایات کو اوریکل پڑھنی کسٹمر کیئر اینڈ بلگ (سی سی اینڈ بی) سافٹ ویئر کے ذریعے نامزد دفاتر تک پہنچایا جاتا ہے۔ آئیکل اینڈ گیس ریگولیٹری اتھارٹی (اوگرا) کی جانب سے مقرر کردہ معیار کے مطابق فوری کارروائی کے لیے تمام شکایتی مراکز میں شکایات کی اصلاح کرنے والی ٹیمیں مناسب آلات، آلات اور ٹرانسپورٹ سے لیس ہیں۔ آپ کی کمپنی نے صارفین سے ایس ایم ایس پر ہنی فیڈ بیک میکانزم بھی شروع کیا ہے جو آپ کی کمپنی کو گورننس، ٹائم لائنز اور خدمات کے معیار کو بہتر بنانے میں نمایاں مدد کرے گا۔

یو ایف جی کنٹرول

کمپنی کے منافع کے ساتھ ساتھ کمپنی کے آپریشنز پر اس کے براہ راست اثرات کی وجہ سے یو ایف جی کنٹرول کمپنی کے لئے بنیادی تشویش ہے۔ بورڈ اور یو ایف جی کنٹرول کمیٹی کی ہدایات کے مطابق انتظامیہ وقتاً فوقتاً ڈسٹری بیوشن رینجنز کو یو ایف جی کے نقصانات کو کم کرنے کے لئے مختلف اقدامات کرنے کی ہدایات جاری کرتی ہے۔ آپ کی کمپنی مالی سال 2019-20 سے مالی سال 2021-22 تک 3 سالہ یو ایف جی کمی کے منصوبے پر عمل پیرا ہے اور توقع ہے کہ تین سالوں میں 18 بی سی ایف گیس کم ہو جائے گی۔

انتظامیہ کی رہنمائی، نگرانی اور وقتاً فوقتاً کارکردگی کے جائزے اور فیلڈ ٹیموں کی انتھک کوششوں کے نتیجے میں، کمپنی نے بورڈ کی طرف سے تفویض کردہ 3 سالہ یو ایف جی کمی کے اہداف کو عبور کر لیا ہے۔ حجم کے نقصان میں مجموعی طور پر 23,348 ایم ایم سی ایف (یعنی حجم میں کمی کے ہدف کا 128 فیصد حاصل کرنا) ہے جبکہ فیصد میں یہ 3.80 فیصد ہے۔ حجم کے نقصان میں اس کمی کا مطلب 12,453 ملین روپے کی مالی بچت ہے (مالی سال 2021-22 کی اوسط لاگت کی قیمت کے مطابق)۔ کمپنی کی جانب سے حاصل کردہ نتائج کو بورڈ کے ساتھ ساتھ وزارت توانائی (پیٹرولیم ڈویژن) سمیت تمام اسٹیک ہولڈرز نے اپنے مختلف اجلاسوں میں تسلیم کیا ہے اور سراہا ہے۔

ایل پی جی ایئر کس

آپ کی کمپنی ملک کی توانائی کی ضروریات کو پورا کرنے کے لئے متبادل ایندھن کی فراہمی کے لئے دستیاب قابل عمل اختیارات کو تلاش کرنے کے لئے مسلسل کام کر رہی ہے۔ اس وقت آپ کی کمپنی گلگت میں 2.6 ایم ایم سی ایف ڈی گنجائش کے لحاظ سے ملک کا جدید ترین اور سب سے بڑا ایل پی جی ایئر کس پلانٹ نصب کر رہی ہے جس کے لئے تمام پیشگی ضروریات پوری کر دی گئی ہیں۔

اس پلانٹ کی تنصیب سے پائپ لائن ٹیٹ ورک کے ذریعے 14 ہزار گھروں تک مصنوعی قدرتی گیس (ایس این جی) فراہم کی جائے گی۔ اس سے نہ صرف رہائشیوں کی توانائی کی ضروریات پوری ہوں گی بلکہ گلگت کے قدرتی جنگلات بھی محفوظ ہوں گے۔

کمپریشن

سوئی ناردرن گیس پائپ لائنز لمیٹڈ کا کمپریشن ڈیپارٹمنٹ پاکستان میں گیس ٹربائٹوں کے سب سے بڑے بیڑے کا مالک ہے، جو پوری کمپنی میں موجود 11 کمپریسر اسٹیشنوں پر کل نصب شدہ 226,200 ہارس پاور کے ذریعے 69 گیس ٹربائٹوں کو چلاتا ہے تاکہ قومی گیس سپلائی لائن کو پائیدار طریقے سے گیس فراہم کی جاسکے۔ سال 2021-22 کے دوران، کمپریشن ڈیپارٹمنٹ نے مختلف کمپریسر اسٹیشنوں پر مجموعی طور 114,960 گھنٹے گیس ٹربائٹز چلا کر 983-BCF ایل این جی اور مقامی گیس کا پریشر بڑھایا۔ جس سے گیس کی ترسیل کو یقینی بنایا گیا۔ تاکہ مختلف ذرائع سے آنے والی کم اور متغیر پریشر سپلائی کو کمپنی کے ٹرانسمیشن ٹیٹ ورک کے ذریعے صارفین تک پہنچایا جاسکے اور ڈیمانڈز اور سپلائی میں بڑی تبدیلیوں کے درمیان استحکام اور یکساں سسٹم آپریشن کو برقرار رکھا جاسکے۔ اس کے ساتھ ساتھ، ڈیپارٹمنٹ نے بہتر کارکردگی کے لیے مسلسل بہتری اور تکنیکی ترقی پر مختلف سنگ میل بھی حاصل کیے۔

کمپریسر ٹیکہ کی تجدید اور کنٹرول سسٹم اپ گریڈیشن پروجیکٹ:

گزشتہ سالوں کے دوران تکنیکی ترقی کی وجہ سے ٹیکنالوجی کے متروک ہونے سے پیدا ہونے والے چیلنجز سے نمٹنے کے لیے، ۱۹۹۵ ماڈل کے 9 عدد Centaur-47 کمپریسر ٹیکیز کی تجدید اور کنٹرول سسٹم کی اپ گریڈیشن کا پراجیکٹ بورڈ آف ڈائریکٹرز اور آئیکل اینڈ گیس ریگولیٹری اتھارٹی کی منظوری کے بعد شروع کیا گیا ہے۔

گیس ٹربائن انجن اور ہالٹک پروجیکٹ:

آپ کی کمپنی اپنے پانچ سالہ منصوبے (2021-26) پر کام کر رہا ہے جس میں ان ٹربائن انجنوں کی ازسرنے نو اور ہالٹک کی گئی ہے، جو بین الاقوامی معیار API-616 کے مطابق اپنے آپرینگ گھنٹے (TBO) مکمل کر چکے ہیں۔ مشینری ماہرین کی ایک انتہائی پیشہ ورانہ تجربہ کار ٹیم کے ساتھ، ہمیں پاکستان کی واحد بااختیار کمپنی ہونے کا اعزاز حاصل ہے جو کہ ٹیکنالوجی کے لحاظ سے جدید ترین ٹیمئنگ کی سہولت کے ساتھ گیس ٹربائٹوں کی اوور ہالٹک کرتی ہے۔ سال 2021-22 کے دوران، چار (۴) عدد (Centaur) گیس ٹربائن انجن کو اوور ہال کیا گیا۔

ملٹی اسٹیشنری ٹیوگل کمپریسرز فیلڈ اوور ہال:

آپ کی کمپنی گیس پریشر بڑھانے کے لیے استعمال ہونے والے کمپریسرز کی فیلڈ اور ہالٹک اور re-staging کرنے میں بھی خود انحصار ہے۔ عام طور پر، ان کمپریسرز کو 50,000-60,000 آپرینگ گھنٹوں کے بعد اوور ہال کیا جاتا ہے۔ پچھلے سال کے دوران، ماڈل نمبر C-304 کے 5 عدد کمپریسرز کو فیلڈ اوور ہال کیا گیا اور کمپریشن سسٹم کو زیادہ سے زیادہ کارکردگی اور پیداوار پر چلانے کے لیے دوبارہ re-stage کیا گیا۔ پروسیس کی ضروریات کو

جائزہ چیمپرسن اور ڈائریکٹرز رپورٹ

میں ترمیم شامل ہے جس کے تحت وفاقی حکومت کے لیے اس بات کو یقینی بنانا لازمی قرار دیا گیا ہے کہ اس کی جانب سے تجویز کردہ کینیڈا کی لحاظ سے سیلز پرائس اتھارٹی کی جانب سے مقرر کردہ ریونیو کی ضروریات سے کم نہ ہو۔ اس ترمیم سے مستقبل میں گردش قرضوں کے جمع ہونے کے مسئلے کو حل کرنے میں مدد ملے گی۔ رواں مالی سال کے دوران کمپنی کو حکومت کی جانب سے 60 ارب روپے سے زائد کی سبسڈی موصول ہوئی ہے تاکہ آرائل این جی کو مقامی شعبے میں منتقل کرنے کی وجہ سے گردش قرضوں کے جزوی تصفیے کے لیے سبسڈی فراہم کی جاسکے۔ مزید برآں، وفاقی حکومت نے مقامی گیس کی قیمتوں پر 01 جنوری 2023ء سے نظر ثانی کی ہے۔ اگر یہ عمل جاری رہا تو کمپنی کو گردش قرضوں کو کافی حد تک کم کرنے میں مدد ملے گی۔

کمپنی کو ریٹس اہم چیلنجز

آپ کی کمپنی کو اسٹریٹجک، آپریشنل اور مالی محاذوں پر متعدد چیلنجوں کا سامنا ہے جن میں مکمل لاگت کی قیمتوں کی کمی، مقامی گیس کے ذرائع میں تیزی سے کمی اور کسٹمر سروسز میں بہتری شامل ہیں۔ آپ کی کمپنی ان چیلنجوں سے نمٹنے کے لئے مسلسل کوششیں کر رہی ہے۔

1۔ مکمل لاگت کی عکاس قیمت حکومت پاکستان کی ہدایات کے مطابق، آپ کی کمپنی سسٹم گیس کی قیمتوں پر آرائل این جی کو گھریلو شعبے کی طرف موڑنے پر مجبور ہے۔ پچھتا اس مد میں 188 ارب روپے جمع ہو چکے ہیں۔ سبسڈی والے ٹیرف کے ساتھ ساتھ سبسڈی کے اجراء میں تاخیر، قابل واپسی سیلز ٹیکس جمع ہونے کی وجہ سے، آپ کی کمپنی کی آرائل این جی سپلائرز یعنی پی ایس اداور پی ایل ایل کی ادائیگی کی صلاحیت کم ہوگئی ہے۔ آپ کی کمپنی نے بتایا جات کے جلد تصفیے کے لئے مناسب فورمز پر معاملے کو حاس بنانے کے لئے مختلف اقدامات اٹھائے ہیں۔

سسٹم گیس:

ایس این جی پی ایل کے سسٹم/مقامی گیس کے حوالے سے قابل وصول رقم 400 ارب روپے سے زائد جمع ہو چکی ہے۔ اس رقم کے تصفیے کے لئے گیس کی فروخت کی قیمتوں کو معقول بنانے کی ضرورت ہوگی جو کافی عرصے سے زیر التوا ہے۔ 90 فیصد سے زائد گھریلو صارفین انتہائی سبسڈی والے ٹیرف سے فائدہ اٹھاتے ہیں لہذا، پوری لاگت کی عکاسی کرنے والی قیمتوں کو پورا کرنے کے لئے، فروخت کی قیمت میں مناسب نظر ثانی ناگزیر ہے۔ جنوری 2023ء سے وفاقی حکومت نے صارفین کی قیمتوں پر نظر ثانی کی ہے جس سے مالی سال 2023ء کے شارٹ فال کے بڑے حصے کو پورا کرنے کی توقع ہے۔ مستقبل میں یہ ضروری ہوگا کہ فروخت کی قیمتوں پر بروقت نظر ثانی کے ذریعے اس کمی کو پورا کیا جائے خاص طور پر گھریلو شعبے کے لئے تاکہ اس کمی کو مزید بڑھایا جا سکے۔

2۔ مقامی گیس کے ذرائع میں تیزی سے کمی

آپ کی کمپنی کو اس وقت مخصوص صورتحال کا سامنا ہے جس کی وجہ ہر سال مقامی گیس کی فراہمی میں کمی اور وفاقی حکومت کے سماجی و اقتصادی ایجنڈے کے مطابق نیٹ ورک کی توسیع اور نئے اقتصادی زونز کی طرف نیٹ ورک کی توسیع کے نتیجے میں ہوتی ہوئی طلب ہے۔ اس صورتحال نے

ایس این جی پی ایل کا آرائل این جی پر انحصار بڑھا دیا ہے جبکہ اس کا حصہ اب کل سپلائی کے تقریباً 50 فیصد کی سطح تک پہنچ گیا ہے۔

ایل این جی انفراسٹرکچر چیلنجز

آرائل این جی کی درآمد کے ذریعے طلب اور رسد کے درمیان فرق کو پر کرنا ہے۔ فی الحال، 1200 ایم ایم سی ایف ڈی کی ریلیسیفیکیشن کی کل گنجائش کے ساتھ دو (2) ٹرمینل کام کر رہے ہیں۔ مزید برآں، موجودہ آرائل این جی نقل و حمل کی صلاحیت ملک کے جنوب سے شمال تک تقریباً 1200 ایم ایم سی ایف ڈی ہے جو طویل مدت میں ایس این جی پی ایل کے نیٹ ورک کی کمی کو پورا کرنے کے لئے کافی نہیں ہے۔

نئے ایل این جی فرمینٹو

طویل مدت میں ملک کی گیس کی ضروریات کو پورا کرنے کے لئے بہت اہم ہے۔ دودارے پہلے ہی ایل این جی ٹرمینٹو کے قیام پر آمادگی ظاہر کر چکے ہیں اور ہم سمجھتے ہیں کہ وہ مطلوبہ برقی کارروائیاں مکمل کرنے کے عمل میں ہیں۔

3۔ کسٹمر سروسز

کسٹمر سروس ہمیشہ ایس این جی پی ایل کی پالیسیوں اور فیصلہ سازی میں بنیادی قدر رہی ہے۔ کسٹمر سروس کے مسائل بنیادی طور پر موسم سرما کے مہینوں میں محدود رسد کے مقابلے میں 7 ملین سے زیادہ گھریلو صارفین کی بڑھتی ہوئی طلب کی وجہ سے پیدا ہوتے ہیں۔ صارفین کی شکایات کے ازالے کے لیے آپ کی کمپنی نے پنجاب، خیبر پختونخوا، اسلام آباد اور آزاد جموں و کشمیر میں 16 ریجنل دفاتر، 35 ذیلی علاقائی دفاتر، 91 کسٹمر سروس سینٹرز اور 177 کمپلیٹ سینٹرز قائم کیے ہیں۔ محدود انسانی وسائل کے باوجود ایس این جی پی ایل کسٹمر سروسز ڈپارٹمنٹ کے ملازمین کو باقاعدگی سے تربیت کی فراہمی اور ٹیکنالوجی امپلی منٹیشن پر وگرامز (ٹی آئی پیز) کے تحت مختلف اقدامات کے ذریعے اس چیلنج کو کم کرنے میں کامیاب رہا ہے۔ علاوہ ازیں وزیراعظم پر فارمنس ڈیلیوریونٹ (پی ایم ڈی یو) کے تحت پاکستان سٹیزن پورٹل '(پی سی پی) پر شروع کی گئی شکایات کی موثر مانیٹرنگ کو یقینی بنایا گیا۔ مزید برآں، بہتر رسائی کے لئے الیکٹرانک میڈیا کا استعمال کرتے ہوئے، آپ کی کمپنی ریجنل ہیڈز کی طرف سے کمپنی کے تمام خطوں میں ماہانہ بنیادوں پر ای۔ کچہری کا انعقاد کر رہی ہے۔ اس کے علاوہ کمپنی کی سطح پر مجموعی کسٹمر سروسز کی نگرانی کے لئے باقاعدگی سے چیٹنگ ڈائریکٹر کی جانب سے براہ راست علیحدہ ای کچہری بھی منعقد کی جارہی ہے۔

آپریشنل جائزہ

آپ کی کمپنی کا ٹرانسمیشن نیٹ ورک اپنے فرہنجائز کے علاقے میں 9051.57 کلومیٹر بائی پریشر پائپ لائنوں تک پھیلا ہوا ہے، جس کا قطر 6 انچ سے 42 انچ تک ہے۔ سال کے دوران 108 نئے قصبوں، دیہاتوں کو 3,328 کلومیٹر ڈسٹری بیوشن مین اور سروس لائنیں چھا کر موجودہ نظام سے منسلک کیا گیا، جس سے ڈسٹری بیوشن نیٹ ورک کو مجموعی طور پر 146,327 کلومیٹر تک بڑھایا گیا۔ کمپنی کے نیٹ ورک پر اب کل 5392 قصبے، دیہات، ڈسٹرکٹ ہیڈ کوارٹرز اور تحصیل

ہیڈ کوارٹرز موجود ہیں۔ کمپنی نے اپنے وژن اور مشن اسٹیمنٹ کے مطابق زیر غور سال کے دوران 189,020 نئے گیس کنکشن فراہم کر کے اپنے صارفین کے معیار زندگی کو بہتر بنایا ہے۔

پروجیکٹس

سال کے دوران آپ کی کمپنی نے 8" سے 24" تک کے قطر کے ساتھ 104.50 کلومیٹر ٹرانسمیشن لائنیں بچھائی ہیں۔ ٹرانسمیشن لائنوں کے علاوہ رواں مالی سال 2021-22 کے دوران پریشر کو بہتر بنانے اور نئے شہروں کو گیس کی فراہمی کے لئے 554.204 کلومیٹر ڈسٹری بیوشن مینس بچھائے گئے جس سے صارفین کے اطمینان کی سطح میں اضافہ ہوا ہے۔

آپ کی کمپنی جغرافیائی انفارمیشن سسٹم (جی آئی ایس) ٹیکنالوجیکے استعمال کے ذریعے ٹرانسمیشن اور ڈسٹری بیوشن سسٹم کے ڈیجیٹل نقشے تیار کرنے پر کام کر رہی ہے۔ جی آئی ایس نقشے ان نظامیہ اور صارفین کو انٹرا ایکٹو ویب ایپس اور جی آئی ایس ڈیش بورڈز کے ذریعے پائپ لائن نیٹ ورک اور صارفین سے متعلق معلومات کو دیکھنے میں مدد دے رہے ہیں۔ آپ کی کمپنی نے مکمل ٹرانسمیشن نیٹ ورک کو ڈیجیٹلایز کیا ہے، مکمل فعال صارفین کے مقامات کو چوبٹک کیا ہے جبکہ پانچ شہروں کے ڈسٹری بیوشن پائپ لائن نیٹ ورک ("4" -"24 ڈیا) کو ڈیجیٹلایز کیا گیا ہے۔ مزید برآں، بقیہ ڈسٹری بیوشن پائپ لائن نقشوں کی ڈیجیٹلایزیشن کے لئے ایک جامع جی آئی ایس پروجیکٹ شروع کیا گیا ہے۔ اس اقدام کے ایک حصے کے طور پر، جی آئی ایس سے متعلق تمام ترقیاتی اور نافذ کی سرگرمیوں کو انجام دینے کے لئے ایک جدید جی آئی ایس لیب بھی قائم کی گئی ہے۔

جاری اور مستقبل کے منصوبوں پر

1. خصوصی اقتصادی زون

سی بیک کے تحت صنعت کاری کے فروغ کے لئے انفراسٹرکچر کی ترقی کے منصوبے کے پیش نظر حکومت پاکستان نے علامہ اقبال انڈسٹریل اسٹیٹ، ایم تھری انڈسٹریل سٹی، فیصل آباد اور بھلوال انڈسٹریل سٹی کی نشاندہی کی ہے اور وہ ان انیشیل اکنا ملک ووز (ایس ای زیڈ) کو ترقیاتی بنیادوں پر ترقی دینے کا ارادہ رکھتے ہیں۔

مندرجہ بالا ابتدائی جلد انیشیل اکنا ملک زون منصوبوں کو گیس کی فراہمی کے لئے، آپ کی کمپنی کی طرف سے مندرجہ ذیل گیس پائپ لائن انفراسٹرکچر کی منصوبہ بندی کی گئی ہے:

علامہ اقبال انڈسٹریل سٹی ایس ای زیڈ کو گیس کی فراہمی کے لیے 12 انچ کی 19.75 کلومیٹر طویل ٹرانسمیشن اسپر اور 140 ایم ایم سی ایف ڈی کی گنجائش والے ایس ایم ایس کم سی ایم ایس کی تعمیر شامل ہے کے ساتھ 19.75 کلومیٹر طویل ٹرانسمیشن اسپر ہے۔ ضروری منظور یوں کے بعد تعمیراتی سرگرمیاں شروع کی گئیں اور زیر غور سال کے دوران اس حصے کا ایک اہم حصہ رکھا گیا ہے۔

125 ایم ایم سی ایف ڈی گیس کی موجودہ فراہمی کے علاوہ کمپنی نے ایم 3 انڈسٹریل سٹی فیصل آباد کو 100 فیصد لاگت شیئرنگ کی بنیاد پر 15 ایم ایم سی ایف ڈی گیس کی اضافی فراہمی کے لئے گیس انفراسٹرکچر ڈویلپمنٹ پراجیکٹ کا بھی منصوبہ بنایا ہے جو چیٹیوٹ کے قریب سی وی 3 والو اسبلی سے

موجودہ ایم 3 انڈسٹریل سٹی ایس ایم ایس کے قریب ٹرمینل پوائنٹ تک 8 انچ کی 15.60 کلومیٹر ٹرانسمیشن لوپ لائن پر مشتمل ہے۔

* کمپنی نے بھلوال انڈسٹریل سٹی کو 110 ایم ایم سی ایف ڈی گیس کی فراہمی کے لئے گیس انفراسٹرکچر ڈویلپمنٹ پروجیکٹ کی منصوبہ بندی کی ہے جو 100 فیصد لاگت شیئرنگ کی بنیاد پر رکھا جائے گا جس میں ایم پی 66 سی لیگ سے بھلوال انڈسٹریل سٹی ایس ای زیڈ کے ٹرمینل تک 8 انچ کی 12.25 کلومیٹر ٹرانسمیشن اسپر اور بھلوال انڈسٹریل سٹی ایس ای زیڈ کی چار دیواری کے اندر 110 ایم ایم سی ایف ڈی کی گنجائش والے ایس ایم ایس کم سی ایم ایس شامل ہیں۔ مذکورہ منصوبے کو کمپنی کے بورڈ آف ڈائریکٹرز نے منظور کیا تھا۔ منصوبے کے مواد کی خریداری کا عمل جاری ہے۔ منصوبے کی تعمیراتی سرگرمیاں جلد شروع ہونے کا امکان ہے۔

2- لاہور ڈسٹری بیوشن نیٹ ورک کی توسیع/تقسیم

آپ کی کمپنی نے لاہور شہر میں گیس نیٹ ورک کو بڑھانے /تقسیم کرنے کے لئے ایک جامع منصوبے کی منصوبہ بندی اور منظوری دی ہے تاکہ لاہور شہر کے گیس ڈسٹری بیوشن نیٹ ورک کو بہتر طریقے سے چلانے کے لئے نئے فیڈ پوائنٹس (ایس ایم ایس) نئے ٹرانسمیشن اسپرز) اور لاہور شہر کے گیس لوڈ/نیٹ ورک کی تقسیم کی جائے۔ دوسرے مرحلے میں برکی سے مجوزہ ایس ایم ایس ڈائل تک 8 انچ کی 16.00 کلومیٹر ٹرانسمیشن لائن اور مانگا منڈی سے سندرا انڈسٹریل اسٹیٹ سروے اور انجینئرنگ ڈیزائن مکمل کر لیا گیا ہے۔ مواد کی خریداری کا کام جاری ہے۔ دونوں پائپ لائنوں کی تعمیراتی سرگرمیاں جلد شروع ہونے کا امکان ہے۔

3- چیٹیوٹ سے پنڈی بھٹیاں تک ٹرانسمیشن پائپ لائن، 8 انچ کی 25.20 کلومیٹر:

ضلع حافظ آباد کے مختلف دیہاتوں کو گیس کی فراہمی کے منصوبے کی منظوری دے دی گئی ہے جس میں 8 انچ کی 25.20 کلومیٹر ٹرانسمیشن اسپر، 16 انچ کی 32.00 کلومیٹر سپلائی مین بچھانے کے ساتھ ساتھ 110 ایم ایم سی ایف ڈی کی گنجائش والے ایس ایم ایس کی تعمیر شامل ہے۔ آپ کی کمپنی نے 25.20 کلومیٹر مطلوبہ نیٹ ورک میں سے 25.08 کلومیٹر پائپ لائن بچھائی ہے۔

4- چارسدہ-نژادہ تھگی سے ٹرانسمیشن پائپ لائن، 10 انچ 72.55 x کلومیٹر

مردان اور پشاور کے علاقوں میں موسم سرما کے دوران گیس کے شدید کم پریشر کے مسائل کو حل کرنے کے لئے، کمپنی نے مندرجہ ذیل دومراحل میں سسٹم میں اضافہ کرنے کا منصوبہ بنایا ہے:

مرحلہ-1

چارسدہ ٹرانسمیشن لوپ لائن کے پہلے مرحلے میں 25.21 کلومیٹر پائپ لائن بچھائی جا چکی ہے تاہم 10 انچ کی 20.80 کلومیٹر چارسدہ ٹرانسمیشن لوپ لائن میں سے 14.45 کلومیٹر پائپ لائن بچھائی جا چکی ہے۔

مرحلہ-2

چارسدہ تا تھگی ٹرانسمیشن لوپ لائن کا فیوز سروسے اور انجینئرنگ ڈیزائن مکمل کر لیا گیا ہے۔ تعمیراتی سرگرمیاں جلد ہی شروع ہونے کا امکان ہے۔

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 58th Annual General Meeting of the Company to be held

on Tuesday, August 01, 2023 at 10:30 a.m. at Pearl Continental Hotel, Palace Hall, Lahore and /or at any adjournment

thereof.

Signed under my/our hand this _____ day of _____, 2023.

**Signature on
appropriate value
of Revenue Stamp**

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

WITNESSES:

1. Signature: _____ 2. Signature: _____

Name: _____ Name: _____

Address: _____ Address: _____

CNIC / Passport No. _____ CNIC / Passport No. _____

Dated: _____

NOTES:

- 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.
- 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.

For CDC account holders / legal entities:

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

- 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.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the Passport of the beneficial owners and of the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- 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.

جائزہ چئیر پرسن اور ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز 30 جون 2022ء کو ختم ہونے والے مالی سال کے لئے آپ کی کمپنی کی 59 ویں سالانہ رپورٹ اور پڑتال شدہ مالی گوشوارہ جات بمعہ آڈیٹرز کی رپورٹ پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

توانائی کا جائزہ

پاکستان کی توانائی کا منظر نامہ بنیادی طور پر قدرتی گیس پر منحصر ہے، جو اس کے توانائی کس کا اہم حصہ ہے۔ قدرتی گیس بجلی کی پیداوار، صنعتی عمل اور رہائشی استعمال سمیت مختلف شعبوں میں اہم کردار ادا کرتی ہے۔ تاہم، ملک کو طلب اور رسد کے فرق کو بڑھانے کے بڑے چیلنج کا سامنا ہے جس کی بنیادی وجہ صارفین کی تعداد میں اضافہ اور ناقابل متلافی مقامی گیس کے وسائل کی کمی ہے۔ نتیجتاً متبادل ذرائع کی تلاش اور گیس پر انحصار کو کم کر کے توانائی کے پورٹ فولیو کو متنوع بنانے کی بڑھتی ہوئی ضرورت ہے۔ حالیہ برسوں میں مانع قدرتی گیس (ایل این جی) پر پاکستان کا انحصار بڑھ گیا ہے جس کی وجہ مقامی قدرتی گیس کے ذخائر میں کمی ہے۔ پاکستان کی توانائی کی ضروریات میں اضافہ ہو رہا ہے اور آنے والی دہائیوں میں توانائی کی طلب میں خاطر خواہ اضافہ ہوگا۔ گیس ڈسٹری بیوشن کمپنی کی حیثیت سے، ایس این جی پی ایل موثر گیس لوڈ مینجمنٹ حکمت عملی کو نافذ کر کے اس مسئلے کو حل کر رہا ہے، جس سے گیس (یو ایف جی) کے نقصان کو کم کیا جاسکتا ہے۔

مالیاتی جائزہ (Financial Review)

آئیکل اینڈ گیس ریگولیٹری اتھارٹی (اگر) کی جانب سے سال 2021-22 کے لیے کمپنی کی حتمی محصولات کی ضروریات (ایف آر آر) کے تعین کو شامل کرنے کے بعد ہمیں 30 جون 2022ء کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے پڑتال شدہ مالی گوشوارے پیش کرتے ہوئے خوش ہے۔ سال کے دوران آپ کی کمپنی نے 15,504 ملین روپے کا قبل از محاصل منافع کمایا ہے۔ سال کے دوران بعد از محاصل منافع 10,366 ملین روپے اور ای پی ایس 16.34 روپے ریکارڈ کیا گیا ہے جبکہ گزشتہ سال کے اسی عرصے کے دوران 10,986 ملین روپے کا بعد از محاصل منافع اور 17.32 روپے کا ای پی ایس حاصل ہوا تھا۔ آپ کی کمپنی 2.5 روپے فی حصص کے عبوری اثنتہ منافع کے علاوہ 1.5 روپے فی حصص کے حتمی اثنتہ منافع کا اعلان کرتے ہوئے خوش ہے۔

زیر جائزہ سال کے مالی نتائج کا خلاصہ ذیل میں دیا گیا ہے:	ملین روپے
1 منافع قبل از محاصل	15,504
2 محاصل کی دستیابی	(5,138)
3 بعد از محاصل منافع	10,366

کچھ اہم عوامل جنہوں نے آپ کی کمپنی کو منافع کی صورتحال کو برقرار رکھنے میں مدد کی وہ درج ذیل ہیں:

(الف) مالی سال 2020-21 کے دوران، آپ کی کمپنی کے بورڈ نے وزارت توانائی کی جانب سے 6 بی سی ایف ہدف کے مقابلے میں یو ایف جی نقصانات کو 12 بی سی ایف تک کم کرنے کا پرمز ہدف مقرر کیا تھا۔ 2020-21 میں تقریباً 15 بی سی ایف کی کمی کے ذریعہ حاصل کی گئی رفتار جاری رہی اور آپ کی کمپنی 2021-22 میں مزید 4 بی سی ایف نقصانات کو کم کرنے میں کامیاب رہی۔ اس کے مطابق مالی سال 2021-22 میں یو ایف جی 8.60 فیصد سے کم ہو کر 8.06 فیصد ہو گیا ہے اور اس کے نتیجے میں یو ایف جی کی مد میں کوٹائی بھی مالی سال 2020-21 میں 3,426 ملین روپے سے کم ہو کر مالی سال 2021-22 میں 2,498 ملین روپے رہ گئی ہے۔ بورڈ کی جانب سے فراہم کردہ رہنمائی اور انتظامیہ اور عملے کی مربوط کوششوں سے یو ایف جی نقصانات میں خاطر خواہ کمی حاصل کی گئی ہے۔

(ب) سال کے دوران کمپنی کا یو ایف جی نیٹج مارک ریگولیٹر نے 6.98 فیصد (مالی سال 2021-22 کے لئے ایف آر آر میں طے کردہ 76.23 فیصد کلیدی مانیٹرنگ انڈیکسٹرز) (کے ایم آئیز) کی کامیابی کی بنیاد پر مقرر کیا تھا۔

(ج) منافع میں معمولی کمی کی بنیادی وجہ اگر) کی جانب سے مختلف آپریشنل اخراجات کی مد میں عدم اجازت، سال کے دوران شرح سود میں اضافے کی وجہ سے نان آپریشنل فنانس اخراجات میں اضافہ، آرایمل این جی سے متعلق فنانس آمدنی اور اخراجات کے ساتھ غیر متوازن سلوک اور اثاثوں پر شرح منافع میں 17.43 فیصد سے 16.60 فیصد تک کمی ہے۔

کمپنی اگر) کی جانب سے جاری کردہ اُلٹس کے تحت کام کرتی ہے جس کے تحت اثاثوں پر ریٹرن ڈیبلوے سی سی ماڈل کے تحت مقرر کیا جاتا ہے جس کی بنیاد پر سال کے لیے شرح منافع 16.60 فیصد تھی۔ ریگولیٹر کی جانب سے کی جانے والی تمام ایڈجسٹمنٹس کے بعد سال کے لیے منافع کی موثر شرح 12.88 فیصد بنتی ہے جو گزشتہ سال 12.64 فیصد تھی۔ حاصل کردہ یو ایف جی اہداف کو برقرار رکھنے کے لئے، آپ کی کمپنی متعدد اقدامات اٹھا رہی ہے جن میں نیٹ ورک کی بڑے پیمانے پر بحالی، نگرانی میں اضافہ، گیس چوری کے خطرے والے علاقوں کی خصوصی نگرانی، بروقت رساؤ کا پتہ لگانا اور اس کی اصلاح اور مسلسل چیکنگ اور پیمائش کی سہولیات کی اپگریڈیشن وغیرہ شامل ہیں۔

آپ کی کمپنی گیس سیکٹر کے ردشی قرضوں کا حصہ ہے جس کی بنیادی وجہ مقامی گیس اور آرایمل این جی شعبوں میں 602 ارب روپے کی ٹیرف ایڈجسٹمنٹ جمع کرنا اور ایس ایس جی سی کی جانب سے آرایمل این جی کی کچھ مقدار کو برقرار رکھنا ہے۔ ان رقوم کی وصولی کا انحصار وفاقی حکومت کی جانب سے براہ راست یا بالواسطہ طور پر ردشی قرضوں کے تصفیے پر ہے جس میں مستقبل میں گیس کی قیمتوں میں اضافہ، اثنتہ سبسڈی کے طور پر ادائیگی اور ایس ایس جی سی کے ساتھ حساب کے تصفیے شامل ہے۔

زیر غور سال کے دوران حکومت کی جانب سے ردشی قرضوں کے مسئلے کے حل کے لیے کچھ اقدامات کیے گئے ہیں جن میں آئیکل اینڈ گیس ریگولیٹری اتھارٹی آرڈیننس 2002ء کے سیکشن 8

پراکسی فارم

سوئی ناردرن گیس پائپ لائنز لمیٹڈ

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

میں مسی / مسات _____

ساکن _____

بحیثیت ممبر سوئی ناردرن گیس پائپ لائنز لمیٹڈ (کمپنی) عامل _____
 (تعداد حصص) (تقریباً)

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 موجودہ

مسی / مسات _____ ساکن _____

کو بطور مختار (پراکسی) مقرر کرتا / کرتی ہوں تاکہ وہ میری جگہ کمپنی کے اٹھاون واں سالانہ اجلاس عام، جو بتاریخ یکم اگست 2023ء بروز منگل بوقت 10:30 بجے

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