



# SUI NORTHERN GAS PIPELINES LIMITED

GAS HOUSE, 21 KASHMIR ROAD, P.O. BOX 56, LAHORE (PAKISTAN)

CA/PSX/ 1970

Thru: Courier/Email

May 28, 2020

Hafiz Maqsood Munshi,  
Manager, Companies & Securities  
Compliance – RAD,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building, Stock  
Exchange Road,  
Karachi.

**ANNUAL GENERAL MEETING (AGM)  
FOR THE YEAR ENDED JUNE 30, 2019**

Dear Sir(s),

This is with reference to your letter no. PSX/Gen-1149 dated May 21, 2020 on the captioned subject.

It is to inform you that the Company vide its application no. ACL-4210/2044 dated May 04, 2020 requested Securities and Exchange Commission of Pakistan (SECP) for extension in date of holding Annual General Meeting (AGM) for the year ended June 30, 2019 from May 31, 2020 to August 15, 2020. However, the SECP vide its letter no. EMD/233/414/2002-636 dated May 11, 2020 did not entertain the Company's request for extension in the date for holding of AGM.

Foregoing above, the Company has again requested SECP vide its application no. ACL-4210/2046 dated May 19, 2020 (copy enclosed) for review of its direction with respect to holding of AGM for FY 2018-19. SECP has been requested that SNGPL be allowed to convene its AGM for FY 2018-19 on or before August 15, 2020 for the purpose of laying of audited accounts of the Company for the year ended June 30, 2019 before the shareholders of the company for their approval. In view of Company's legitimate constraints due to non-issuance of Final Revenue Requirements (FRR) for FY 2018-19 by OGRA, owing to Covid-19 coupled with other time bound assignments of OGRA, we hope that the Company's request will be given due consideration by SECP.

In view of the above, it is hereby assured that the reply from SECP shall be communicated immediately to Pakistan Stock Exchange (PSX) as soon as it is received.

This is for your kind information and record please.

Yours sincerely,

**SUI NORTHERN GAS PIPELINES LIMITED**

  
**(IMTIAZ MEHMOOD)**

Company Secretary  
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Ref: ACL-4210/ 2046

May 19, 2020

Commissioner,  
Company Law Division and Information System  
& Technology Division,  
Securities and Exchange Commission of Pakistan,  
Islamabad.

## Application for Review of SECP Direction with Respect to Holding of AGM for FY 2018-19

Dear Sir,

- 1) This is with reference to your letter Ref:EMD/233/414/2002-636 dated May 11,2020 in response to our letter Ref:ACL-4210/2044 dated May 04,2020 wherein Company's request for extension in the date for holding AGM for the year ended June 30, 2019, from May 31, 2020 to August 15,2020 has been refused.
- 2) It is submitted that Company in addition to SECP is highly regulated by Oil and Gas Regulatory Authority (OGRA) and as such presentation of its financial position is dependent upon issuance of Final Revenue Requirements by OGRA.
- 3) Company had submitted its petition for Final Revenue Requirements (FRR) to OGRA on March 03, 2020 after carrying out external audit for FY 2018-19. Historically, OGRA has issued FRR within 4 to 5 weeks of filing of petition by the Company. Once OGRA determines FRR, approximately 35 to 45 days are required to incorporate the adjustments by OGRA, their review by the auditors and holding of Audit Committee and Board of Directors meeting(s), printing of Annual Accounts and compliance with statutory timelines of 21 days' notice for AGM.
- 4) We understand that in addition to FRR 2018-19, OGRA is also obligated to determine Revenue Requirements for FY 2020-21 by end of May 2020. Public notice for which was issued by OGRA on March 10, 2020. We further understand that owing to Covid-19 situation OGRA has so far not been able to hold hearings which are required both for ERR 2020-21 and FRR 2018-19.
- 5) Company has approached OGRA number of times to request expediting provision of FRR. However, we were informed that due to Covid 19 situation, overall pace of work is slow and hearings required under the law have not been held so far. Further first priority is to issue ERR 2020-21 which is time bound as per OGRA laws.
- 6) While Company has agitated and explained non-compliances at SNGPL end as well but it appears that FRR is not likely to be finalized by end of June 2020 or early July 2020. Under the circumstances, Company had no other option but to seek further extension from SECP for holding of AGM for FY 2018-19.
- 7) It is reiterated that without determination of FRR by OGRA, Accounts for the year ended June 30, 2019, cannot be finalized and audit of Accounts cannot be completed. It is further intimated that since the Estimated Revenue Requirement (ERR) determined earlier by OGRA for FY 2018-19 does not consists of actual transactions rather is based on the budgeted numbers and for finalization of accounts actual OGRA determined figures are required especially that of Return on Assets (ROA), allowance for benchmark of UFG (line losses), therefore, finalization of company's Accounts by relying on ERR would not give true and fair view and state of affairs of the company as on June 30, 2019.

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- 8) Audit of the Company's accounts is otherwise complete and are now just waiting for final determination of FRR to incorporate adjustments by OGRA. As soon as FRR is issued, Company will be able to fast track remaining activities by complying strict statutory timelines and hold Annual General Meeting of the Company by or before the requested date.
- 9) In the light of the above, it is requested that earlier decision of refusal for grant of extension in holding the AGM conveyed to us vide your letter reference EMD/233/414/2002-636 dated May 11, 2020 may kindly be reviewed and SNGPL be allowed to convene the Annual General Meeting of the Company for FY 2018-19 **by or before August 15, 2020** for the purpose of laying of the audited accounts of the Company for the year ended June 30, 2019 before the shareholders of the Company for their approval.
- 10) An Affidavit duly signed by the undersigned and Bank Challan dated May 19, 2020 of Rs. 15,000/- (both in original), paid on account of application fee for extension in the date of holding of AGM, are enclosed herewith.

Looking forward for a favorable response from your side.

With best regards.

Yours truly,  
Sui Northern Gas Pipelines Ltd

  
**(Roohi R. Khan)**  
CHAIRPERSON

Enclosures (2):

1. Affidavit of Director.
  2. Bank Challan dated May 19, 2020 of Rs. 15,000/-
- } – in original

cc: Additional Registrar,  
SECP, 7 Egerton Road, Lahore

cc: The President,  
Pakistan Stock Exchange Limited, Karachi

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