

CORPORATE PROFILE

Board of Directors

Mr. Salim Abbas Jilani	Chairman
Mr. Umair Khan	Chief Executive Officer
Mr. Abdul Rashid Lone	
Mr. Aslam Faruque	
Mr. Ayaz Dawood	
Mr. Faisal Ahmed	
Mr. Javaid Bashir Shaikh	
Mr. Mirza Mahmood Ahmad	
Mr. Nasir Mahmood Khosa	
Mr. Nessar Ahmed	
Mr. Saeed Ullah Shah	
Mr. Shahid Aziz Siddiqui	
Mr. Zahid Hussain	

Board of Directors' Committees

Audit Committee

Mr. Nessar Ahmed	Chairman
Mr. Abdul Rashid Lone	Member
Mr. Ayaz Dawood	Member
Mr. Faisal Ahmed	Member
Mr. Javaid Bashir Shaikh	Member

Finance Committee

Mr. Shahid Aziz Siddiqui	Chairman
Mr. Umair Khan	Chief Executive Officer
Mr. Aslam Faruque	Member
Mr. Mirza Mahmood Ahmad	Member
Mr. Saeed Ullah Shah	Member
Mr. Zahid Hussain	Member

Human Resource Committee

Mr. Salim Abbas Jilani	Chairman
Mr. Umair Khan	Chief Executive Officer
Mr. Aslam Faruque	Member
Mr. Ayaz Dawood	Member
Mr. Mirza Mahmood Ahmad	Member
Mr. Nasir Mahmood Khosa	Member
Mr. Saeed Ullah Shah	Member
Mr. Shahid Aziz Siddiqui	Member

Chief Financial Officer

Mr. S. Shahid H. Jafri

Company Secretary

Mr. Yusuf J. Ansari

Auditors

M/s. Deloitte M. Yousuf Adil Saleem & Co.
Chartered Accountants

Legal Advisor

M/s. Haidermota & Co.
Barrister-at-Law &
Corporate Counsels

Registered Office

SSGC House
ST - 4/B, Block-14,
Sir Shah Muhammad Suleman Road,
Gulshan-e-Iqbal, Karachi-75300
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DIRECTORS REPORT

On behalf of the Board of Directors of Sui Southern Gas Company Limited, we are pleased to present the un-audited results for the first quarter ended 30 September 2009.

REVIEW OF OPERATIONS

Gas sales volume during the quarter increased to 101 bcf versus 97 bcf in the corresponding period of FY 2008-09. By value (after GST) it increased to Rs. 27.6 billion as compared to Rs. 25.9 billion. Conversely, cost of gas sold dipped to Rs. 22.4 billion versus 24.1 billion of the comparative quarter of previous year. The increase or decrease in sale and purchase price has no impact on Company's profits due to its unique tariff regime.

In the three months period, your Company extended 81 new industrial connections, 441 commercial and 28,282 domestic. As a result, Company's customer base increased to 2.174 million. Gas Distribution System was extended by 595 km while another 87 km of distribution lines were laid under rehabilitation activities. With increased emphasis on domestic connections, especially in new towns and villages, the Company's resources are overstretched leading to additional UFG whereas recoveries are also posing a serious challenge.

Meter manufacturing plant produced 138,840 meters versus 174,850, a decrease of 21%. Sales to SNGPL were 105,000 meters as compared to 138,100 meters reflecting a decrease of 24%. The profit of the plant increased by Rs.6 million to Rs. 39 million as compared to corresponding period due to increase in sales prices of G-1.6 and G-4 meters.

There is a compensating increase of Rs. 794 million in non-operating income and increase of Rs. 771 million in financial cost mainly due to booking of financial charges on delayed recoveries from KESC, WAPDA and SNGPL and delayed payments to producers namely OGDC, PPL and GHPL. Blockade of sales tax refund to the tune of Rs. 7.5 billion is getting unbearable with no immediate relief in sight. FBR has admitted that system issues are causing the delay in processing the refund claims and the Company is pursuing the matter vigorously. Meanwhile your Company has to bear the burden of financial charges on the overdue claims amount which is not allowed in tariff by OGRA.

Profit before tax is recorded slightly higher than the comparative quarter of last year. However the re-imposition of minimum tax on turnover has been most unfortunate and has impacted the Company badly. As a regulated utility Company, the sales figures achieved is in billions and it is unfair to tax it on that basis as the bulk flows out as cost of gas. There is no correlation between turnover and profit in SSGC case. Further, there is no harmonization between turnover definition as per tax laws and turnover definition by OGRA which excludes cost of gas from turnover. Your Company has engaged tax consultants for better tax planning. Profit after tax stands at Rs. 65 million.

Unaccounted for Gas phenomenon, being gas volumes lost during transmission and distribution operations, is crucial to Company's bottom-line. After a great deal of efforts and deploying of resources, the UFG element was brought down to 6.43% compared to 6.87% of the corresponding quarter of the previous year and 7.93% for the whole of FY 2008-09. The excess UFG of 1.43% over permitted bench mark of 5% for FY 2009-10 resulted in loss in tariff return of Rs. 320 million compared to the hit of Rs. 414 million suffered in the corresponding quarter of the previous year. Obviously the Management and the Directors are concerned and taking all possible steps to bring about more improvement as it directly impacts Company's profitability. UFG control actions are also being monitored closely by our Audit Committee of Directors.

It is interesting to note that until 2003 the actual UFG has remained well above 7% per annum and no penalty was charged on UFG. After its establishment OGRA set efficiency benchmarks which were based on the best benchmarks of the most developed countries of the world and the ground realities of our country were not taken into account consequently your Company is extensively penalized on this account resulting in massive erosion of profits.

DEVELOPMENT PROJECTS

Capital expenditure incurred in the three months added upto Rs. 908 million as compared to Rs. 1,909 million for the previous corresponding period. Transfer to fixed assets amounted to Rs. 702 million versus Rs. 801 million in the corresponding period of the previous year.

In close collaboration with SNGPL and Itron of France under whose license G-4 meters are produced, the Meter Plant is working to produce a most modern meter, specifically made for local environment and with a number of anti-theft devices. This state of the art V-3 model is expected to be introduced by year's end.

As the facilitator of Pakistan 'Mashal' LNG Project (PMLP), the Company has issued a letter of support to 4Gas to facilitate them to secure LNG for PMLP. The completion of project is planned in 2011-12 using initially a Floating Storage and Re-gasification Unit (FSRU) based solution followed by a conventional land based terminal. Currently the GoP appointed price negotiation committee is meeting LNG suppliers and terminal developers to finalize terminal tariff and LNG pricing mechanism for subsequent approval by ECC.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

as at 30 September 2009

		30 September 2009 (un-audited)	30 June 2009 (audited)
	Note	(Rupees in thousand)	
Non current assets			
Property, plant and equipment	6	38,418,302	38,095,632
Intangible assets		32,938	43,891
Long-term investments	7	111,096	107,442
Net investment in finance lease		1,126,609	1,159,336
Long-term loans and advances		107,860	111,779
Long-term deposits		3,250	3,250
		39,800,055	39,521,330
Current assets			
Stores, spares and loose tools		1,658,306	1,702,556
Stock-in-trade		475,793	490,539
Current portion of net investment in finance lease		118,334	118,796
Customers' installation work-in-progress		134,168	136,266
Trade debts	8	33,906,223	32,568,205
Loans and advances		201,095	93,580
Trade deposits and short term prepayments		135,543	110,812
Interest accrued		1,497,385	1,198,062
Other receivables	9	16,937,734	22,970,129
Taxation - net		79,115	166,500
Cash and bank balances		1,363,831	1,477,155
		56,507,527	61,032,600
Less: Current liabilities			
Current portion of long term financing		7,108,092	4,969,490
Trade and other payables	10	43,739,504	50,099,746
Interest and mark-up accrued		4,911,252	4,181,967
Short term borrowings		1,913,662	-
		57,672,510	59,251,203
Net current assets		(1,164,983)	1,781,397
Total assets and current liabilities		38,635,072	41,302,727
Financed by			
Authorised share capital		10,000,000	10,000,000
Share capital and reserves			
Issued, subscribed and paid-up capital		6,711,743	6,711,743
Reserves		2,619,662	2,619,662
Gain on remeasurement of available for sale securities		97,467	93,813
Unappropriated profit		323,618	258,306
		9,752,490	9,683,524
Non current liabilities			
Long term financing		14,611,473	17,496,775
Long term deposits		3,032,705	2,954,186
Deferred tax		5,013,538	5,013,538
Employee benefits		1,363,958	1,308,176
Deferred credit	11	4,860,908	4,846,528
		28,882,582	31,619,203
Total shareholders' equity and non current liabilities		38,635,072	41,302,727
Contingencies and commitments	12		

The annexed notes form an integral part of this interim financial information.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

for the quarter ended 30 September 2009

	Note	2009 (Rupees in thousand)	2008
Sales		31,471,574	29,426,582
Sales tax		(3,863,174)	(3,550,470)
		27,608,400	25,876,112
Gas development surcharge		(4,230,243)	(146,272)
Net sales		23,378,157	25,729,840
Cost of gas		(22,390,215)	(24,089,934)
Gross profit		987,942	1,639,906
Transmission, distribution and selling cost		(1,588,546)	(1,593,186)
Administrative expenses		(425,059)	(390,662)
Other operating expenses	13	(121,188)	(936,904)
		(2,134,793)	(2,920,752)
		(1,146,851)	(1,280,846)
Other operating income	14	1,746,770	1,830,337
		599,919	549,491
Other non-operating income	15	1,105,887	414,736
Finance cost	16	(1,509,558)	(831,205)
Profit before taxation		196,248	133,022
Taxation	17	(130,936)	(46,558)
Profit after taxation		65,312	86,464
		(Rupees)	
Basic and diluted earnings per share		0.10	0.13

The annexed notes form an integral part of this interim financial information.


Shahid Aziz Siddiqui
Director


Umair Khan
Managing Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

for the quarter ended 30 September 2009

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Gain / (loss) on remeasurement of available for sale securities	Unappro- priated profit	Total
	(Rupees in thousand)					
Balance at 30 June 2008	6,711,743	234,868	2,232,794	143,866	991,789	10,315,060
Changes in equity						
Net (loss) on remeasurement of available-for-sale securities	-	-	-	(43,801)	-	(43,801)
Profit for the quarter	-	-	-	-	86,464	86,464
Total income and expenses recognised during the quarter	-	-	-	(43,801)	86,464	42,663
Balance at 30 September 2008	<u>6,711,743</u>	<u>234,868</u>	<u>2,232,794</u>	<u>100,065</u>	<u>1,078,253</u>	<u>10,357,723</u>
Balance at 30 June 2009	6,711,743	234,868	2,384,794	93,813	258,306	9,683,524
Changes in equity						
Net gain on remeasurement of available-for-sale securities	-	-	-	3,654	-	3,654
Profit for the quarter	-	-	-	-	65,312	65,312
Total income and expenses recognised during the quarter	-	-	-	3,654	65,312	68,966
Balance at 30 September 2009	<u>6,711,743</u>	<u>234,868</u>	<u>2,384,794</u>	<u>97,467</u>	<u>323,618</u>	<u>9,752,490</u>

The annexed notes form an integral part of this interim financial information.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

for the quarter ended 30 September 2009

	Note	2009 (Rupees in thousand)	2008
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		196,248	133,022
Adjustments for non cash items			
Cash generated from operations	18	1,315,684	1,207,939
Service charges received from new customers		86,895	81,834
Security deposits received - net		78,519	52,796
Long-term loans and advances to staff - net		3,919	5,801
Changes in working capital	19	(1,802,669)	1,529,836
Income tax (paid)		(43,551)	(125,664)
Financial charges paid		(853,602)	(584,792)
Net cash flows from operating activities		(1,018,557)	2,300,772
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(908,200)	(1,908,577)
Proceeds from sale of fixed assets		4,652	5,350
Lease rental from net investment in finance lease		81,932	86,483
Profit / interest received on term deposits		561,204	284,133
Net cash flows from investing activities		(260,412)	(1,532,611)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from local currency loans		15,337	16,374
Repayments of local currency loans		(763,263)	(14,979)
Dividend paid		(91)	(76)
Net cash flows from financing activities		(748,017)	1,319
Net (decrease) / increase in cash and cash equivalents		(2,026,986)	769,480
Cash and cash equivalents at beginning of the period		1,477,155	4,356,300
Cash and cash equivalents at end of the period	20	(549,831)	5,125,780

The annexed notes form an integral part of this interim financial information.


Shahid Aziz Siddiqui
Director


Umair Khan
Managing Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

for the quarter ended 30 September 2009

1. Status and nature of business

Sui Southern Gas Company Limited is a public limited company incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. The main activity of the Company is transmission and distribution of natural gas in the provinces of Sindh and Balochistan. The Company is also engaged in certain activities related to the gas business including the manufacturing and sale of gas meters and construction contracts for laying of pipelines.

2. Basis of preparation

This financial information has been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting" and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Stock Exchanges of Pakistan. This condensed financial information does not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2009.

The financial information comprises of the balance sheet as at 30 September 2009 and the profit and loss account, statement of changes in equity and the cash flow statement for the three months period ended 30 September 2009 which are unaudited.

3. Accounting policies

The accounting policies adopted in the preparation of this financial information are the same as those applied in preparation of the annual audited financial information of the Company for the year ended 30 June 2009.

4. Estimates

The preparation of financial information requires management to make judgments, estimates and assumption that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the company's accounting policies and the key sources of estimating uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2009.

5. Financial risk management

The Company's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and of the year ended 30 June 2009.

		30 September 2009 (un-audited) (Rupees in thousand)	30 June 2009 (audited)
	Note		
6. Property, plant and equipment			
Operating assets	6.1	34,563,031	34,557,963
Capital work-in-progress	6.2	3,855,271	3,537,669
		38,418,302	38,095,632

6.1 Additions to and disposal of fixed assets

Details of additions to and disposal of operating fixed assets during the quarter ended 30 September 2009 are as follows:

		Cost of additions	Written down value of (disposals/ transfers)
	Note	(Rupees in thousand)	
Owned			
Gas transmission and distribution pipeline system		662,430	-
Plant, machinery and other equipment		13,172	-
Motor vehicles		3,579	839
Buildings		23,305	-
		702,486	839
6.2 Capital work-in-progress			
Projects:			
Gas transmission and distribution system		896,944	(550,854)
Cost of building under construction		11,256	(39,744)
		908,200	(590,598)
Financial charges capitalised		73,329	(73,329)
Depreciation charged to projects		38,559	(38,559)
		1,020,088	(702,486)
		30 September 2009 (un-audited)	30 June 2009 (audited)
		(Rupees in thousand)	
7. Long-term investments			
Investments in related parties		63,710	71,883
Other investments		47,386	35,559
		111,096	107,442
8. Trade debts			
Considered good - secured		6,897,521	6,909,685
Considered good - unsecured		27,008,702	25,658,520
		33,906,223	32,568,205
Considered doubtful		2,229,496	2,163,753
		36,135,719	34,731,958
Provision against impaired debts		(2,229,496)	(2,163,753)
		33,906,223	32,568,205
9. Other receivables - considered good			
Gas development surcharge receivable from GoP		1,262,787	5,363,824
Receivable from Sui Northern Gas Pipelines Limited (SNGPL)	9.1	5,499,766	8,019,730
Receivable from Jamshoro Joint Venture Limited (JJVL)		637,518	303,506
Sales tax receivable		9,043,666	8,683,445
Receivable from staff pension fund - non executives		168,733	168,733
Balance receivable for sale of gas condensate		77,333	155,480
Pipeline rentals receivable		20,675	20,221
Claims receivable		2,011	1,266
Miscellaneous	9.2	226,730	255,409
		16,939,219	22,971,614
Provision against impaired receivables		(1,485)	(1,485)
		16,937,734	22,970,129

- 9.1** This includes pipeline rentals receivable Rs. 94.666 million (June 2009: Rs. 79.842 million) and Rs. 5,404.988 million (June 2009: Rs. 7,939.768 million) receivable under the uniform cost of gas agreement with Sui Northern Gas Pipelines Limited.
- 9.2** This includes Rs. 206.886 million (30 June 2009: Rs.225.694 million) recoverable from GoP under deferred tariff adjustment.

	Note	30 September 2009 (un-audited) (Rupees in thousand)	30 June 2009 (audited)
10. Trade and other payables			
Creditors for:			
- gas		39,382,738	45,490,188
- supplies		103,380	122,111
Amount received from customers / GOP for laying of mains etc.		2,815,947	2,806,125
Accrued liabilities		938,131	1,117,300
Provision for compensated absences - non executives		83,791	83,791
Payable to staff gratuity fund - non executives		1,493	-
Deposits / retention money		162,435	194,589
Foreign bills payable		-	23,521
Advance for sharing right of way		18,088	18,088
Unclaimed dividend		40,096	40,187
Unclaimed TFC redemption/ profit		1,975	1,975
Withholding tax payable		39,000	51,685
Inter State Gas System (Private) Limited (ISGSL)		4,906	8,628
Others		147,524	141,558
		43,739,504	50,099,746
11. Deferred credit			
- Government contributions / grants			
Balance at 1 July		2,161,269	1,444,501
Addition during the period		43,303	810,526
		2,204,572	2,255,027
Transferred to profit and loss account		(23,153)	(93,758)
		2,181,419	2,161,269
- Contribution from customers			
Balance at 1 July		2,685,259	2,375,430
Addition during the period		43,592	514,002
		2,728,851	2,889,432
Transferred to profit and loss account		(49,362)	(204,173)
		2,679,489	2,685,259
		4,860,908	4,846,528
12. Contingencies and commitments			
12.1 There has been no significant change in contingencies since the preceding annual published financial statements except for the matters stated as under:			
12.2 Claims against the Company not acknowledged as debt	12.6	518,163	518,163
12.3 Aggregate commitments for capital and other expenditure		1,434,831	1,051,609
12.4 Guarantees issued on behalf of the Company		1,791,423	1,792,153
12.5 Demand finance facilities to the Company's employees		15,418	16,797
12.6 The management is confident that ultimately these claims (note 12.2) would not be payable.			

Quarter ended 30 September
2009 **2008**
(un-audited)
(Rupees in thousand)

13. Other operating expenses		
Auditors' remuneration	313	313
Workers' Profit Participation Fund	10,329	7,001
Exchange loss on foreign transactions	105,771	919,148
Others	4,775	10,442
	121,188	936,904
14. Other operating income		
- Income from other than financial assets		
Meter rentals	134,200	139,593
Recognition of income against deferred credit	72,515	67,790
Sale of gas condensate	110,033	213,141
Gas shrinkage - JJVL	806,355	770,837
Gas transportation	13,256	12,655
Royalty income	539,104	569,763
Meter manufacturing profit - net	39,778	33,268
Income from LPG distribution operation in Gwadar	3,386	3,410
Gain on sale of fixed assets	3,813	3,783
Recoveries from customers	6,933	6,755
Liquidity damages recovered	6,120	727
Advertising income	1,415	1,192
Miscellaneous	4,242	2,985
	1,741,150	1,825,899
- Income from investment in debts, loans, advances and recoveries from related party		
Contingent rental income - SNGPL	5,620	4,438
	1,746,770	1,830,337
15. Other non-operating income		
- Income from financial assets		
Late payment surcharge	196,617	78,726
Income from net investment in finance lease	13,365	12,163
Interest / profit on bank deposits	40,629	36,241
Interest on staff loans	405	578
Interest income from KESC	514,721	232,382
Interest income from WAPDA (JPCL)	134,488	-
Interest income from SNGPL	144,280	-
Interest income from JJVL	26,004	13,208
	1,070,509	373,298
- Income from investment in debts, loans, advances and recoveries from related party		
Income from net investment in finance lease - SNGPL	34,222	39,787
Income from net investment in finance lease - OGDCL	1,156	1,651
	1,105,887	414,736
16. Finance cost		
Mark-up on :		
- musharaka	303,375	308,678
- local currency financing	430,548	250,286
- short term financing	51,216	52,459
- consumers' deposits	23,854	17,480
- delayed payment of gas bills	771,603	232,382
- others	2,291	214
	1,582,887	861,499
Finance cost charged to projects	(73,329)	(30,294)
	1,509,558	831,205

Quarter ended 30 September
2009 **2008**
(un-audited)
(Rupees in thousand)

17. Taxation

Current	130,936	-
Deferred	-	46,558
	130,936	46,558

Current tax has been provided under Section 113 of the Income Tax Ordinance 2001.

18. Cash generated from operations

Depreciation	658,020	675,978
Amortization of intangibles	10,953	13,533
Finance cost	1,509,558	831,205
Amortization of transaction cost	1,226	1,226
Provision against doubtful debts	65,743	65,818
Provision for employee benefits	55,782	27,762
Recognition of income against deferred credit	(72,515)	(67,790)
Profit / interest on term deposits	(860,527)	(282,409)
Income from net investment in finance lease	(48,743)	(53,601)
Profit on disposal of fixed assets	(3,813)	(3,783)
Net cash generated from operations	1,315,684	1,207,939

19. Changes in working capital

Stores and spares	44,250	164,238
Stock-in-trade	14,746	93,362
Customers' installation work-in-progress	2,098	6,956
Trade debts	(1,403,761)	(7,396,863)
Loans and advances	(107,515)	(106,428)
Trade deposits and short term prepayments	(24,731)	49,872
Other receivables - net	6,032,395	(1,399,324)
Trade and other payables - net	(6,360,151)	10,118,023
	(1,802,669)	1,529,836

20. Cash and cash equivalents

Cash and bank balances	1,363,831	5,125,780
Short term borrowings	(1,913,662)	-
	(549,831)	5,125,780

21. Transactions with related parties

The related parties comprise of subsidiary companies, associated companies, joint venture companies, state controlled entities, staff retirement benefit plans and the Company's directors and key management personnel (including their associates). Purchase and sale of gas from / to related parties are determined at rates fixed and notified by Ministry of Petroleum & Natural Resources and Oil and Gas Regulatory Authority and the prices and other conditions are not influenced by the Company (comparable uncontrolled price method).

The details of transactions with related parties not disclosed elsewhere in this financial information are as follows:

		Quarter ended 30 September	
		2009	2008
		(un-audited)	
		(Rupees in thousand)	
	<i>Note</i>		
Sui Northern Gas Pipelines Limited			
- Pipeline rental income		97,377	103,399
- Sale of gas meters		257,705	279,547
- Gas purchases		61,425	24,033
- Uniform cost of gas		4,307,479	6,597,648
Oil and Gas Development Company Limited			
- Pipeline rental income		9,041	9,816
- Gas purchases		4,798,370	5,641,276
Mari Gas Company Limited			
- Gas purchases		2,036	1,449
State Life Insurance Corporation Limited			
- Rent of premises		131	137
Liaqat National Hospital			
- Medical services		4,790	4,180
Inter State Gas Systems (Private) Limited			
- Reimbursement of expenses on the basis of joint venture agreement		8,224	9,872
Petroleum Institute of Pakistan			
- Subscription		243	241
Siemens Pakistan Engineering Limited			
- Supplies and maintenance		-	632
Dawood Islamic Bank Limited			
- Profit on investments		22,431	-
Staff retirement benefit plans			
- Contribution to provident fund	21.1	25,990	18,388
- Contribution to pension fund		(25,354)	(4,419)
- Contribution to gratuity fund		29,284	27,140
Remuneration of key management personnel			
	21.2	16,436	15,885
21.1	Contribution to the defined contribution and benefit plans are in accordance with the terms of the entitlement of employees and actuarial advice.		
21.2	Remuneration to the executive officers of the Company are as per the terms of employment.		
21.3	Several companies in which SSGCL Directors are also interested as Directors are customers for the gas sold by the Company. This sale is made at prices notified by the GOP for all the industrial and commercial establishments.		

- 21.4** Banking relationship maintained with the related parties (common directorship) at normal commercial terms.
- 21.5** Gas purchases figures reported above and sale of meters to SNGPL are exclusive of GST.
- 21.6** As per agreement for equalization of cost of gas between SSGCL and SNGPL, monthly adjustment is effected to equalize the input cost of gas of both the companies.

21.7 Amount (due to) / receivable from related parties

The details of amount (due to) / receivable from related parties not disclosed elsewhere in this financial information are as follows:

	Receivable / (Payable) at	
	30 September	30 June
	2009	2009
	(un-audited)	(audited)
	(Rupees in thousand)	
Sui Northern Gas Pipelines Limited		
- Lease rentals	<u>97,377</u>	<u>79,842</u>
- Sale of gas meters	<u>72,955</u>	<u>15,258</u>
- Gas purchases	<u>(88,108)</u>	<u>(26,683)</u>
- Cost of gas levelisation	<u>5,404,988</u>	<u>7,939,768</u>
Oil and Gas Development Company Limited		
- Gas purchases	<u>(12,514,327)</u>	<u>(12,924,481)</u>
Mari Gas Company Limited		
- Gas purchases	<u>(1,515)</u>	<u>(3,478)</u>
Inter State Gas Systems (Private) Limited		
- Reimbursement of expenses on the basis of joint venture agreement	<u>(4,906)</u>	<u>(8,628)</u>
Dawood Islamic Bank Limited		
- Bank balances	<u>98,887</u>	<u>51,134</u>
- Profit receivable	<u>22,431</u>	<u>8,800</u>

22. General

- 22.1** This interim financial information was authorized for issue on 29 October 2009 by the Board of Directors of the Company.
- 22.2** Previous period's figures have been rearranged wherever necessary, for the purpose of comparison.
- 22.3** Figures have been rounded off to the nearest thousand rupees.


Shahid Aziz Siddiqui
 Director


Umair Khan
 Managing Director

Karachi
 29 October 2009

SUI SOUTHERN GAS COMPANY LIMITED
CONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION
(UN-AUDITED)

FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2009

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

as at 30 September 2009

		30 September 2009 (un-audited)	30 June 2009 (audited)
	Note	(Rupees in thousand)	
Non current assets			
Property, plant and equipment	6	38,418,302	38,095,632
Intangible assets		32,938	43,891
Long-term investments	7	105,996	102,342
Share of investment in jointly controlled entity	8	5,100	5,100
Net investment in finance lease		1,126,609	1,159,336
Long-term loans and advances		107,860	111,779
Long-term deposits		3,250	3,250
		39,800,055	39,521,330
Current assets			
Stores, spares and loose tools		1,658,306	1,702,556
Stock-in-trade		475,793	490,539
Current portion of net investment in finance lease		118,334	118,796
Customers' installation work-in-progress		134,168	136,266
Trade debts	9	33,906,223	32,568,205
Loans and advances		201,095	93,580
Trade deposits and short term prepayments		135,543	110,812
Interest accrued		1,497,385	1,198,062
Other receivables	10	16,937,734	22,970,129
Taxation - net		79,115	166,500
Cash and bank balances		1,363,831	1,477,155
		56,507,527	61,032,600
Less: Current liabilities			
Current portion of long term financing		7,108,092	4,969,490
Trade and other payables	11	43,739,504	50,099,746
Interest and mark-up accrued		4,911,252	4,181,967
Short term borrowings		1,913,662	-
		57,672,510	59,251,203
Net current assets		(1,164,983)	1,781,397
Total assets and current liabilities		38,635,072	41,302,727
Financed by			
Authorised share capital		10,000,000	10,000,000
Share capital and reserves			
Issued, subscribed and paid-up capital		6,711,743	6,711,743
Reserves		2,619,662	2,619,662
Gain on remeasurement of available for sale securities		97,467	93,813
Unappropriated profit		323,618	258,306
		9,752,490	9,683,524
Non current liabilities			
Long term financing		14,611,473	17,496,775
Long term deposits		3,032,705	2,954,186
Deferred tax		5,013,538	5,013,538
Employee benefits		1,363,958	1,308,176
Deferred credit	12	4,860,908	4,846,528
		28,882,582	31,619,203
Total shareholders' equity and non current liabilities		38,635,072	41,302,727
Contingencies and commitments	13		

The annexed notes form an integral part of this interim financial information.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

for the quarter ended 30 September 2009

	Note	2009 (Rupees in thousand)	2008
Sales		31,471,574	29,426,582
Sales tax		(3,863,174)	(3,550,470)
		27,608,400	25,876,112
Gas development surcharge		(4,230,243)	(146,272)
Net sales		23,378,157	25,729,840
Cost of gas		(22,390,215)	(24,089,934)
Gross profit		987,942	1,639,906
Transmission, distribution and selling cost		(1,588,546)	(1,593,186)
Administrative expenses		(425,059)	(390,662)
Other operating expenses	14	(121,188)	(936,904)
		(2,134,793)	(2,920,752)
		(1,146,851)	(1,280,846)
Other operating income	15	1,746,770	1,830,337
		599,919	549,491
Other non-operating income	16	1,105,887	414,736
Finance cost	17	(1,509,558)	(831,205)
Profit before taxation		196,248	133,022
Taxation	18	(130,936)	(46,558)
Profit after taxation		65,312	86,464
		(Rupees)	
Basic and diluted earnings per share		0.10	0.13

The annexed notes form an integral part of this interim financial information.


Shahid Aziz Siddiqui
Director


Umair Khan
Managing Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

for the quarter ended 30 September 2009

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Gain / (loss) on remeasurement of available for sale securities	Unappro- priated profit	Total
	(Rupees in thousand)					
Balance at 30 June 2008	6,711,743	234,868	2,232,794	143,866	991,789	10,315,060
Changes in equity						
Net (loss) on remeasurement of available-for-sale securities	-	-	-	(43,801)	-	(43,801)
Profit for the quarter	-	-	-	-	86,464	86,464
Total income and expenses recognised during the quarter	-	-	-	(43,801)	86,464	42,663
Balance at 30 September 2008	6,711,743	234,868	2,232,794	100,065	1,078,253	10,357,723
Balance at 30 June 2009	6,711,743	234,868	2,384,794	93,813	258,306	9,683,524
Changes in equity						
Net gain on remeasurement of available-for-sale securities	-	-	-	3,654	-	3,654
Profit for the quarter	-	-	-	-	65,312	65,312
Total income and expenses recognised during the quarter	-	-	-	3,654	65,312	68,966
Balance at 30 September 2009	6,711,743	234,868	2,384,794	97,467	323,618	9,752,490

The annexed notes form an integral part of this interim financial information.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

for the quarter ended 30 September 2009

	Note	2009 (Rupees in thousand)	2008
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		196,248	133,022
Adjustments for non cash items			
Cash generated from operations	19	1,315,684	1,207,939
Service charges received from new customers		86,895	81,834
Security deposits received - net		78,519	52,796
Long-term loans and advances to staff - net		3,919	5,801
Changes in working capital	20	(1,802,669)	1,529,836
Income tax (paid)		(43,551)	(125,664)
Financial charges paid		(853,602)	(584,792)
Net cash flows from operating activities		(1,018,557)	2,300,772
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(908,200)	(1,908,577)
Proceeds from sale of fixed assets		4,652	5,350
Lease rental from net investment in finance lease		81,932	86,483
Profit / interest received on term deposits		561,204	284,133
Net cash flows from investing activities		(260,412)	(1,532,611)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from local currency loans		15,337	16,374
Repayments of local currency loans		(763,263)	(14,979)
Dividend paid		(91)	(76)
Net cash flows from financing activities		(748,017)	1,319
Net (decrease) / increase in cash and cash equivalents		(2,026,986)	769,480
Cash and cash equivalents at beginning of the period		1,477,155	4,356,300
Cash and cash equivalents at end of the period	21	(549,831)	5,125,780

The annexed notes form an integral part of this interim financial information.


Shahid Aziz Siddiqui
 Director


Umair Khan
 Managing Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

for the quarter ended 30 September 2009

1. Status and nature of business

Sui Southern Gas Company Limited is a public limited company incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. The main activity of the Company is transmission and distribution of natural gas in the provinces of Sindh and Balochistan. The Company is also engaged in certain activities related to the gas business including the manufacturing and sale of gas meters and construction contracts for laying of pipelines.

Sui Southern Gas Provident Fund Trust (Pvt.) Limited is wholly owned subsidiary of Sui Southern Gas Company Limited (the holding company). The company's registered office is situated at ST-4/B, Block-14, Sir Shah Muhammad Suleman Road, Gulshan-e-Iqbal Karachi. The company was formed to facilitate administration of employees' retirement funds.

Inter State Gas Systems (Pvt.) Limited ("The Jointly Controlled Entity") is incorporated in Pakistan as a private limited company and is a joint venture between Sui Southern Gas Company Limited (SSGCL) and Sui Northern Gas Pipelines Limited (SNGPL). ISGS has been established to explore and make arrangements for import of natural gas from neighbouring countries. The controlling interest of holding company in Inter State Gas Systems (Pvt.) Limited is 51%.

1.1 Basis of consolidation

The group consists of:

- Sui Southern Gas Company Limited (SSGCL)
- Sui Southern Gas Provident Fund Trust (Pvt.) Limited

The consolidated financial information includes the financial information of SSGCL - Holding Company and its subsidiary company - "The Group":

The assets and liabilities of subsidiary company have been consolidated on a line-by-line basis and the carrying value of investments held by the Holding Company is eliminated against the subsidiary's share holder's equity in the consolidated financial information.

Intra-group balances and transactions have been eliminated.

2. Basis of preparation

This consolidated financial information has been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting" and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Stock Exchanges of Pakistan.

The consolidated financial information comprises of the consolidated balance sheet as at 30 September 2009 and the consolidated profit and loss account, consolidated statement of changes in equity and the consolidated cash flow statement for the quarter ended 30 September 2009 which are unaudited.

3. Accounting policies

The accounting policies adopted in the preparation of this consolidated financial information are the same as those applied in preparation of the annual audited consolidated financial information of the Company for the year ended 30 June 2009.

4. Estimates

The preparation of consolidated financial information requires management to make judgments, estimates and assumption that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the company's accounting policies and the key sources of estimating uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2009.

5. Financial risk management

The Company's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 30 June 2009.

		30 September 2009 (un-audited)	30 June 2009 (audited)
	<i>Note</i>	(Rupees in thousand)	
6. Property, plant and equipment			
Operating assets	6.1	34,563,031	34,557,963
Capital work-in-progress	6.2	3,855,271	3,537,669
		38,418,302	38,095,632

6.1 Additions to and disposal of fixed assets

Details of additions to and disposal of operating fixed assets during the quarter ended 30 September 2009 are as follows:

	Cost of additions	Written down value of (disposals/ transfers)
	(Rupees in thousand)	
Owned		
Gas transmission and distribution pipeline system	662,430	-
Plant, machinery and other equipment	13,172	-
Motor vehicles	3,579	839
Buildings	23,305	-
	702,486	839
6.2 Capital work-in-progress		
Projects:		
Gas transmission and distribution system	896,944	(550,854)
Cost of building under construction	11,256	(39,744)
	908,200	(590,598)
Financial charges capitalised	73,329	(73,329)
Depreciation charged to projects	38,559	(38,559)
	1,020,088	(702,486)

	30 September 2009 (un-audited)	30 June 2009 (audited)
	(Rupees in thousand)	
7. Long-term investments		
Investments in related parties	58,610	66,783
Other investments	47,386	35,559
	105,996	102,342
8. Share of investment in jointly controlled entity		
Inter State Gas System (Private) Limited		
510,000 ordinary shares of Rs. 10 each	5,100	5,100

8.1 This represents a 51% (June 2009: 51%) interest of SSGCL share in Inter State Gas Systems (Private) Limited (the jointly controlled entity).

		30 September 2009 (un-audited) (Rupees in thousand)	30 June 2009 (audited)
	<i>Note</i>		
9. Trade debts			
Considered good - secured		6,897,521	6,909,685
Considered good - unsecured		27,008,702	25,658,520
		33,906,223	32,568,205
Considered doubtful		2,229,496	2,163,753
		36,135,719	34,731,958
Provision against impaired debts		(2,229,496)	(2,163,753)
		33,906,223	32,568,205
10. Other receivables - considered good			
Gas development surcharge receivable from GoP		1,262,787	5,363,824
Receivable from Sui Northern Gas Pipelines Limited (SNGPL)	10.1	5,499,766	8,019,730
Receivable from Jamshoro Joint Venture Limited (JJVL)		637,518	303,506
Sales tax receivable		9,043,666	8,683,445
Receivable from staff pension fund - non executives		168,733	168,733
Balance receivable for sale of gas condensate		77,333	155,480
Pipeline rentals receivable		20,675	20,221
Claims receivable		2,011	1,266
Miscellaneous	10.2	226,730	255,409
		16,939,219	22,971,614
Provision against impaired receivables		(1,485)	(1,485)
		16,937,734	22,970,129
10.1	This includes pipeline rentals receivable Rs. 94.666 million (June 2009: Rs. 79.842 million) and Rs. 5,404.988 million (June 2009: Rs. 7,939.768 million) receivable under the uniform cost of gas agreement with Sui Northern Gas Pipelines Limited.		
10.2	This includes Rs. 206.886 million (30 June 2009: Rs.225.694 million) recoverable from GoP under deferred tariff adjustment.		
11. Trade and other payables			
Creditors for:			
- gas		39,382,738	45,490,188
- supplies		103,380	122,111
Amount received from customers / GOP for laying of mains etc.		2,815,947	2,806,125
Accrued liabilities		938,131	1,117,300
Provision for compensated absences - non executives		83,791	83,791
Payable to staff gratuity fund - non executives		1,493	-
Deposits / retention money		162,435	194,589
Foreign bills payable		-	23,521
Advance for sharing right of way		18,088	18,088
Unclaimed dividend		40,096	40,187
Unclaimed TFC redemption/ profit		1,975	1,975
Withholding tax payable		39,000	51,685
Inter State Gas System (Private) Limited (ISGSL)		4,906	8,628
Others		147,524	141,558
		43,739,504	50,099,746

		30 September 2009 (un-audited) (Rupees in thousand)	30 June 2009 (audited)
	<i>Note</i>		
12. Deferred credit			
- Government contributions / grants			
Balance at 1 July		2,161,269	1,444,501
Addition during the period		43,303	810,526
		2,204,572	2,255,027
Transferred to profit and loss account		(23,153)	(93,758)
		2,181,419	2,161,269
- Contribution from customers			
Balance at 1 July		2,685,259	2,375,430
Addition during the period		43,592	514,002
		2,728,851	2,889,432
Transferred to profit and loss account		(49,362)	(204,173)
		2,679,489	2,685,259
		4,860,908	4,846,528
13. Contingencies and commitments			
13.1	There has been no significant change in contingencies since the preceding annual published financial statements except for the matters stated as under:		
13.2	Claims against the Company not acknowledged as debt	13.6	
		518,163	518,163
13.3	Aggregate commitments for capital and other expenditure	1,434,831	1,051,609
13.4	Guarantees issued on behalf of the Company	1,791,423	1,792,153
13.5	Demand finance facilities to the Company's employees	15,418	16,797
13.6	The management is confident that ultimately these claims (note 13.2) would not be payable.		

	Quarter ended 30 September 2009 (un-audited) (Rupees in thousand)	2008 (audited)
14. Other operating expenses		
Auditors' remuneration	313	313
Workers' Profit Participation Fund	10,329	7,001
Exchange loss on foreign transactions	105,771	919,148
Others	4,775	10,442
	121,188	936,904

Quarter ended 30 September
2009 **2008**
(un-audited)
(Rupees in thousand)

15. Other operating income

- Income from other than financial assets

Meter rentals	134,200	139,593
Recognition of income against deferred credit	72,515	67,790
Sale of gas condensate	110,033	213,141
Gas shrinkage - JJVL	806,355	770,837
Gas transportation	13,256	12,655
Royalty income	539,104	569,763
Meter manufacturing profit - net	39,778	33,268
Income from LPG distribution operation in Gwadar	3,386	3,410
Gain on sale of fixed assets	3,813	3,783
Recoveries from customers	6,933	6,755
Liquidity damages recovered	6,120	727
Advertising income	1,415	1,192
Miscellaneous	4,242	2,985
	1,741,150	1,825,899

- Income from investment in debts, loans, advances and recoveries from related party

Contingent rental income - SNGPL	5,620	4,438
	1,746,770	1,830,337

16. Other non-operating income

- Income from financial assets

Late payment surcharge	196,617	78,726
Income from net investment in finance lease	13,365	12,163
Interest / profit on bank deposits	40,629	36,241
Interest on staff loans	405	578
Interest income from KESC	514,721	232,382
Interest income from WAPDA (JPCL)	134,488	-
Interest income from SNGPL	144,280	-
Interest income from JJVL	26,004	13,208
	1,070,509	373,298

- Income from investment in debts, loans, advances and recoveries from related party

Income from net investment in finance lease - SNGPL	34,222	39,787
Income from net investment in finance lease - OGDCL	1,156	1,651
	1,105,887	414,736

17. Finance cost

Mark-up on :

- musharaka	303,375	308,678
- local currency financing	430,548	250,286
- short term financing	51,216	52,459
- consumers' deposits	23,854	17,480
- delayed payment of gas bills	771,603	232,382
- others	2,291	214
	1,582,887	861,499

Finance cost charged to projects

	(73,329)	(30,294)
	1,509,558	831,205

Quarter ended 30 September
2009 **2008**
(un-audited)
(Rupees in thousand)

18. Taxation

Current	130,936	-
Deferred	-	46,558
	130,936	46,558

Current tax has been provided under Section 113 of the Income Tax Ordinance 2001.

19. Cash generated from operations

Depreciation	658,020	675,978
Amortization of intangibles	10,953	13,533
Finance cost	1,509,558	831,205
Amortization of transaction cost	1,226	1,226
Provision against doubtful debts	65,743	65,818
Provision for employee benefits	55,782	27,762
Recognition of income against deferred credit	(72,515)	(67,790)
Profit / interest on term deposits	(860,527)	(282,409)
Income from net investment in finance lease	(48,743)	(53,601)
Profit on disposal of fixed assets	(3,813)	(3,783)
Net cash generated from operations	1,315,684	1,207,939

20. Changes in working capital

Stores and spares	44,250	164,238
Stock-in-trade	14,746	93,362
Customers' installation work-in-progress	2,098	6,956
Trade debts	(1,403,761)	(7,396,863)
Loans and advances	(107,515)	(106,428)
Trade deposits and short term prepayments	(24,731)	49,872
Other receivables - net	6,032,395	(1,399,324)
Trade and other payables - net	(6,360,151)	10,118,023
	(1,802,669)	1,529,836

21. Cash and cash equivalents

Cash and bank balances	1,363,831	5,125,780
Short term borrowings	(1,913,662)	-
	(549,831)	5,125,780

22. Transactions with related parties

The related parties comprise of subsidiary companies, associated companies, joint venture companies, state controlled entities, staff retirement benefit plans and the Company's directors and key management personnel (including their associates). Purchase and sale of gas from / to related parties are determined at rates fixed and notified by Ministry of Petroleum & Natural Resources and Oil and Gas Regulatory Authority and the prices and other conditions are not influenced by the Company (comparable uncontrolled price method).

The details of transactions with related parties not disclosed elsewhere in this financial information are as follows:

		Quarter ended 30 September	
		2009	2008
		(un-audited)	
		(Rupees in thousand)	
	<i>Note</i>		
Sui Northern Gas Pipelines Limited			
- Pipeline rental income		<u>97,377</u>	<u>103,399</u>
- Sale of gas meters		<u>257,705</u>	<u>279,547</u>
- Gas purchases		<u>61,425</u>	<u>24,033</u>
- Uniform cost of gas		<u>4,307,479</u>	<u>6,597,648</u>
Oil and Gas Development Company Limited			
- Pipeline rental income		<u>9,041</u>	<u>9,816</u>
- Gas purchases		<u>4,798,370</u>	<u>5,641,276</u>
Mari Gas Company Limited			
- Gas purchases		<u>2,036</u>	<u>1,449</u>
State Life Insurance Corporation Limited			
- Rent of premises		<u>131</u>	<u>137</u>
Liaqat National Hospital			
- Medical services		<u>4,790</u>	<u>4,180</u>
Inter State Gas Systems (Private) Limited			
- Reimbursement of expenses on the basis of joint venture agreement		<u>8,224</u>	<u>9,872</u>
Petroleum Institute of Pakistan			
- Subscription		<u>243</u>	<u>241</u>
Siemens Pakistan Engineering Limited			
- Supplies and maintenance		<u>-</u>	<u>632</u>
Dawood Islamic Bank Limited			
- Profit on investments		<u>22,431</u>	<u>-</u>
Staff retirement benefit plans			
- Contribution to provident fund	22.1	<u>25,990</u>	<u>18,388</u>
- Contribution to pension fund		<u>(25,354)</u>	<u>(4,419)</u>
- Contribution to gratuity fund		<u>29,284</u>	<u>27,140</u>
Remuneration of key management personnel	22.2	<u>16,436</u>	<u>15,885</u>
22.1	Contribution to the defined contribution and benefit plans are in accordance with the terms of the entitlement of employees and actuarial advice.		
22.2	Remuneration to the executive officers of the Company are as per the terms of employment.		
22.3	Several companies in which SSGCL Directors are also interested as Directors are customers for the gas sold by the Company. This sale is made at prices notified by the GOP for all the industrial and commercial establishments.		

- 22.4** Banking relationship maintained with the related parties (common directorship) at normal commercial terms.
- 22.5** Gas purchases figures reported above and sale of meters to SNGPL are exclusive of GST.
- 22.6** As per agreement for equalization of cost of gas between SSGCL and SNGPL, monthly adjustment is effected to equalize the input cost of gas of both the companies.

22.7 Amount (due to) / receivable from related parties

The details of amount (due to) / receivable from related parties not disclosed elsewhere in this financial information are as follows:

	Receivable / (Payable) at	
	30 September 2009 (un-audited)	30 June 2009 (audited)
	(Rupees in thousand)	
Sui Northern Gas Pipelines Limited		
- Lease rentals	<u>97,377</u>	<u>79,842</u>
- Sale of gas meters	<u>72,955</u>	<u>15,258</u>
- Gas purchases	<u>(88,108)</u>	<u>(26,683)</u>
- Cost of gas levelisation	<u>5,404,988</u>	<u>7,939,768</u>
Oil and Gas Development Company Limited		
- Gas purchases	<u>(12,514,327)</u>	<u>(12,924,481)</u>
Mari Gas Company Limited		
- Gas purchases	<u>(1,515)</u>	<u>(3,478)</u>
Inter State Gas Systems (Private) Limited		
- Reimbursement of expenses on the basis of joint venture agreement	<u>(4,906)</u>	<u>(8,628)</u>
Dawood Islamic Bank Limited		
- Bank balances	<u>98,887</u>	<u>51,134</u>
- Profit receivable	<u>22,431</u>	<u>8,800</u>

23. General

- 23.1** This interim financial information was authorized for issue on 29 October 2009 by the Board of Directors of the Company.
- 23.2** Previous period's figures have been rearranged wherever necessary, for the purpose of comparison.
- 23.3** Figures have been rounded off to the nearest thousand rupees.



Shahid Aziz Siddiqui
Director



Umair Khan
Managing Director

Karachi
29 October 2009

KEY DATA

– FRANCHISE AREA

SINDH AND BALOCHISTAN

Quarter ended 30 September
2009 2008

– NATURAL GAS SALES VOLUME (MMCF)

100,677 97,193

– NUMBER OF CUSTOMERS (CUMULATIVE)

INDUSTRIAL

3,759 3,583

COMMERCIAL

23,302 22,613

DOMESTIC

2,147,689 2,059,461

2,174,750 2,085,657

– GAS METERS MANUFACTURED (NOS.)

(SSGC MEETS 100% REQUIREMENT
OF DOMESTIC GAS METERS IN
PAKISTAN)

138,840 174,850

– TRANSMISSION NETWORK - CUMULATIVE (KM)

DIAMETER

12"

344 344

16"

558 558

18"

933 933

20"

852 852

24"

624 594

30"

9 9

3,320 3,290

– DISTRIBUTION NETWORK - CUMULATIVE (KM)

MAINS (1" - 30" DIAMETER)

27,571 25,629

SERVICES

7,306 6,829

34,877 32,458