



**Sui Southern Gas  
Company Limited**

SSGC/PSX/November/2019/01

November 14, 2019

**The General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

Dear Sir,

**Subject: Extension In the Period of Holding Annual General Meeting for FY 2017-18 and laying of Financial Statements therein under Section 132 & 223 of the Companies Act, 2017**

This is with reference to the subject stated above, please find attached SSGCL letter Ref: DMD-F&A/SECP/38/2019 dated November 13, 2019 sent to Securities and Exchange Commission of Pakistan (SECP) in response to its letter No. EMD/233/415/2002-294 dated October 25, 2019 (copy attached).

You may please inform the TRE Certificate holders of the Exchange accordingly.

Thanking you,

**Shoaib Ahmed**

Company Secretary

Encl: aa

cc: **The Registrar of Companies**  
Securities and Exchange Commission  
Pakistan  
State Life Building No.2  
Wallace Road,  
Karachi.

**The Director / HOD**  
Surveillance, Supervision & Enforcement of  
Department,  
Securities and Exchange Commission of  
Pakistan,  
NIC Building, 63 Jinnah Avenue, Blue Area,  
Islamabad

13 November 2019

**Mr. Naveed A. Sethi**

Deputy Director  
Corporate Supervision Department  
Company Law Division  
Securities and Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue  
Islamabad

Subject: **Application for extension in period of holding Annual General Meeting (AGM) for the FY2017-18 and laying of Accounts therein under Section 132 & 223 read with Section 147 of the Companies Act, 2017**

Dear Sir,

This is in with reference to your letter No. EMD/233/415/2002-294 dated October 25, 2019 in response to SSGC's letter DMD-F&A/SECP/36/2019 dated 21 October 2019 (**Annexure A**).

You will appreciate that SSGC operates in a Regulated Regime under the OGRA Ordinance, 2002 which require the Company to finalize its Financial Statements based on determination of Final Revenue Requirements (FRR) by OGRA. The Financial Statements of FY 2017-18 are not yet finalized due to the fact that OGRA determination on Final Revenue Requirement for FY 2017-18 which will form the basis of finalization of Financial Statements is still pending.

The particulars required under Rule 27(2) of the Companies (General Provisions and Forms) Regulations, 2018 are given hereunder:

1	The registration number, name and address of the company	Registration No. 0000760 Sui Southern Gas Company Limited, Registered Office: SSGC House ST-4/B, Block-14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
2	The date on which the last AGM, if any, was held and the financial year of which the financial statements were laid at therein	The last Annual General Meeting (AGM) of Shareholders of the Company was held on February 15, 2019 and accounts for the year ended June 30, 2017 were laid therein.
3	The date up to which the AGM is required to be held for the purposes of the said sections and the date up to which the financial statements are required to be laid therein	The Annual General Meeting of the Shareholders of the Company is required to be held on 28 October 2018 and the Audited Accounts for the year ended 30 June 2018 are required to be laid down before the Shareholders.

4	Reasons for not being able to hold the AGM, or not laying the financial statements at the general meeting by the date mentioned in clause (iii) and justification for extension in the period to the extent applied for; and	The OGRA determination on Final Revenue Requirement for FY 2017-18 which will form the basis of finalization of Financial Statements is still pending. <b>(details provided hereunder right after this table)</b>  The Auditors have given the understanding that audit will be completed after getting OGRA decision on SSGCL Petition for FRR FY 2017-18. Hence extension is sought.
5	When the delay is attributed to non- completion of books of accounts or non-finalization of audit, the exact state of books of accounts with reasons for non-completion of such books or for non-finalization of the audit, as the case may be, such information being accompanied by a certificate of the company's auditor as to the state of its accounts, reasons for delay in completion of audit and the minimum time required for the purpose	Letter from Company's Auditors M/s Deloitte Yousuf Adil, Chartered Accountants is enclosed.

Detailed correspondence on the matter with SECP in terms of various letters is attached and marked as **Annexure B, C, D and E**. SSGC vide its letter SGM-F/SECP/19/01 dated June 27, 2019 (**Annexure F**) requested the SECP for Extension till October 31, 2019 due to the fact that OGRA raised various queries and through its letter dated 27 May 2019 requires Audit Report regarding implementation of KMLs on the SSGC's achievement / performance for Key Monitoring Indicators (KMLs) developed by the OGRA for Unaccounted for Gas (UFG) which was a new requirement and will take some time.

A detailed update on the status of SSGC's Petition for Final Revenue Requirement FY 2017-18 pending with OGRA and Policy Guidelines to OGRA was provided in the SSGC's letter DMD-F&A/SECP/36/2019 dated 21 October 2019 (**Annexure A**).

It is pertinent to mention that the last AGM of SSGC was held on 15th February 2019 in which the Audited Financial Statements for the year ended 30 June 2017 were presented and considered by the shareholders. Since then, the Management with the assistance of the Board and MOE(P), is striving its best to resolve the issues having material financial impact on the Annual Financial Statements for the year ended 30 June 2018.

Keeping in view of the above background and the fact that the circumstances are beyond the control of SSGC, it is apparent that the finalization of Annual Financial Statements for the period ended 30 June 2018 will be delayed, however, we would like to ensure that

the Financial Statements for FY 2017-18 will be finalized and circulated to the shareholders within 60 days from the date of the decision by OGRA in terms that the matter of implementation of ECC Policy Guidelines by OGRA is resolved as mentioned above.

Accordingly SSGC is seeking further extension in period of holding Annual General Meeting (AGM) for the FY 2017-18 and laying of accounts therein under section 132 & 223 read with section 147 of the Companies Act, 2017. As explained in SSGC's letter DMD-F&A/SECP/36/2019 dated 21 October 2019 (**Annexure A**), since the time required for culmination of the process for issuance of ECC policy guidelines to OGRA is not in control of the Company, we reiterate that the direction be issued under section 147 for holding of AGM 2017-18 in the manner that allows the Company to lay therein accounts and hold AGM under section 132 & 223 within 60 days from the date of decision by OGRA. You will appreciate that the request is consistent with the approval granted by the Commission in similar circumstances of the Company for FY 2016-17 vide SECP letter dated EMD/233/259/2002.514 dated January 1<sup>st</sup>, 2018 (**Annexure G**). The operative part of letter is reproduced below:

*"In this context, it has been submitted that finalization and circulation of financial statements of the Company is dependent on resolution of various matters specified in your application including decision awaited from OGRA. In view thereof, I am directed to advise you to seek direction of this office pursuant to provisions of Section 147 of the Act for holding AGM once the said matters are settled, preferably, not less than thirty days before the last date on which such AGM is to be held."*

Moreover, we would like to draw your attention on the sub-rule (1) of Rule 24 of the Public Sector Companies (Corporate Governance) Rules, 2013, which requires that every public sector company shall publish and circulate a Statement of Compliance along with its annual report to set out the status of its compliance with the Rules, and shall also file Statement of Compliance with the Commission and the Registrar concerned along with its annual report. Therefore, the Statement of Compliance for the Year Ended June 30, 2018 under Rule 24 of the Public Sector Companies (Corporate Governance) Rules, 2013, will also be submitted along with Annual Report.

We are also enclosing herewith Affidavit duly signed by the Acting Senior General Manager Finance in original and Bank Challan dated 8 November, 2019 of Rs. 15,035/- in original, paid on account of application fee for extension in the date of holding of AGM for FY 2017-18 (**Annexure H**).

It is respectfully prayed that the company may kindly be granted extension.

Furthermore, considering the circumstances which are beyond the control of SSGCL, the finalization of quarterly/interim financial statements since September 2017 are also delayed. We would like to ensure that quarterly/interim financial statements since September 2017 will be finalized and circulated to the shareholders after finalization of Financial Statements and holding of AGM for FY 2017-18 and FY 2018-19 respectively.







SAY NO TO CORRUPTION

Corporate Supervision Department  
Company Law Division

No EMD/233/415/2002- 294

October 25, 2019

**Mr. Muhammad Wasim**  
Acting Managing Director  
Sui Southern Gas Company Limited  
SSGC House, Sir Shah Suleman Road  
Gulshan-e-Iqbal  
Karachi

**Sub: Extension in time for Holding of Annual General Meeting for FY 2017-18 and laying of Accounts therein under section 132 & 223 read with section 147 of the Companies Act, 2017**

Dear Sir,

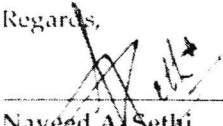
Please refer to your application dated October 21, 2019 seeking direction to hold overdue Annual General Meeting (AGM) for the period ended June 30, 2018 in terms of section 147 of the Companies Act, 2017 (the "Act") by Sui Southern Gas Company Limited (the "Company").

2. In this regard, your application has been examined and found deficient in respect of the following;

- i. Application on the format prescribed under Regulation 27(2) of the Companies (General Provisions and Forms) Regulations, 2018 (Regulations);
- ii. The original receipt challan for application fee of Rs. 15,000/- as required vide item 12(i) of the Seventh Schedule to the Act;
- iii. Affidavit duly signed and verified by the Company Secretary, in terms of Regulation 5(c)(i) of the Regulations affirming the contents of the application;

3. Moreover, your application does not contain a specific date on which the company is planning to hold its overdue AGM for the aforesaid period. You are therefore, advised to communicate the same along with the above-mentioned documents to enable us to provide a direction under section 147 of the Act.

Regards,

  
Naveed Ali Sethi  
Deputy Director

SECURITIES AND EXCHANGE  
COMMISSION OF PAKISTAN  
NIC Building, 63 Jinnah Avenue,  
Islamabad, Pakistan

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