
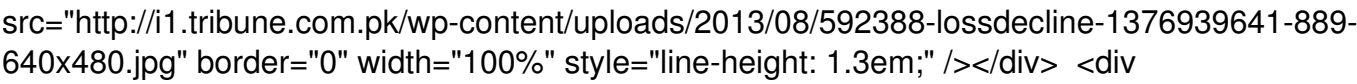


Written by Administrator

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  **KARACHI:** On Monday, Sui Northern Gas Pipelines (SNGPL) reported a loss of Rs1.58 billion or a loss of Rs2.49 per share in the quarter ending March 31, 2013 against a profit of Rs366 million or Rs0.59 per share earned in the same period of fiscal 2012. After posting a profit in the first quarter (July to September) of the current fiscal year, this was a second consecutive quarter in which the company incurred losses. Overall, the utility company's earnings declined significantly in the first nine months (July 2012 to March 2013). SNGPL incurred a gigantic loss of Rs2.15 billion or per share loss of Rs3.39 against a profit of Rs1.01 billion or per share earnings of Rs1.6. The company in its third quarterly report said that the Oil and Gas Regulatory Authority (Ogra) could not set the Unaccounted for Gas (UFG) benchmark for SNGPL, without holding meaningful, purposive and consensus-based consultation with the SNGPL, which the utility provider says it has not done. Ogra does not have the jurisdiction to treat incomes of SNGPL not arising out of the regulated/licensed activity of SNGPL as operating incomes for the purposes of tariff determination, it added. The regulator says that UFG benchmark for SNGPL should be less than 5%, but the utility company insists that it should be around 7% as it is difficult for the company to stop gas losses in the presence of gas theft in the country. To oppose Ogra's decision, the company first went to the Lahore High Court, which declined its request. Resultantly, SNGPL appealed in the Supreme Court against the orders of the Lahore High Court.