

HI-TECH ENGINEERING
PETITIONS OF
KHASHKELI AND LAGHARI
FIELDS

وزارت توانائی و
پٹرولیم امور



Oil & Gas
Regulatory Authority

NOTICE FOR PUBLIC COMMENTS / HEARING

APPLICATION FOR GRANT OF LICENCES BY SALE OF FLARE GAS/NATURAL GAS

- (I) **SHAH LATIF ONG STATION PRIVATE LIMITED, (PASAKHI FIELD DISTRICT HYDRABAD)**
 (II) **HI-TECH PIPE & ENGINEERING INDUSTRIES PRIVATE LIMITED 2, (LAPHERI FIELD TANDO MUHAMMAD KHAN)**
 (III) **HI-TECH PIPE & ENGINEERING INDUSTRIES PRIVATE LIMITED (KHASHKHELI FIELD BADIN)**

The Oil and Gas Regulatory Authority is conducting the Public Hearing of above subject applications as per the given information/schedule

- M/s Shah Latif ONG Station Private Limited, (the applicant) has applied under OGRA's Natural Gas (Licensing) Rules, 2002 for grant of license for Sale of Flare Gas/Natural Gas via virtual pipeline (traversal system) as per Federal Government Flare Gas Guidelines, 2018. M/s OR and Gas Development Company Limited, (OGDCL) (Seller), the Lease Holder of Pasakhi Field District, Hyderabad, Sindh, is producing certain quantity of Natural Gas. The lease holder intends to sell gas to the third-party M/s Shah Latif ONG Station Private Limited and the applicant will sell out the Flare Gas/ Natural Gas in compressed form to industrial consumers and OMB Stations.
- Hi-Tech Pipe & Engineering Industries Private Limited, (the applicant) has applied under OGRA's Natural Gas (Licensing) Rules, 2002 for grant of license for Sale of Flare Gas/Natural Gas via virtual pipeline (Traversal System) as per Federal Government Flare Gas Guidelines, 2018. United Energy Pakistan Limited (UEPL) (Seller), the Lease Holder of (Laphari Field) District, Tando Mohammad Khan, Sindh, is producing certain quantity of Natural Gas. The lease holder is selling gas to the third-party Hi-Tech Pipe & Engineering Industries and the applicant (Hi-Tech Pipe & Engineering Industries) will sell out the Flare Gas/ Natural Gas in compressed form to industrial consumers.
- Hi-Tech Pipe & Engineering Industries Private Limited, (the applicant) has applied under OGRA's Natural Gas (Licensing) Rules, 2002 for grant of license for Sale of Flare Gas/Natural Gas via virtual pipeline (Traversal System) as per Federal Government Flare Gas Guidelines, 2018. United Energy Pakistan Limited (UEPL) (Seller), the Lease Holder of (Khashkhehli Field) District, Badin, Sindh, is producing certain quantity of natural gas. The lease holder is selling gas to the third-party Hi-Tech Pipe & Engineering Industries and the applicant (Hi-Tech Pipe & Engineering Industries) will sell out the Flare Gas/ Natural Gas in compressed form to industrial consumers.

After completion of the requisite data/information by the applicant, the Authority has admitted the instant applications for Public Comments and hearing. Therefore, all persons and parties who are likely to be affected by the grant of this license are hereby notified to file objections, written comments for intervention requests addressed to Registrar OGRA, describing the manner in which such persons/parties shall be affected and may also appear on below mentioned Public Hearing as well as can join through Zoom Application, the interested persons can register themselves, at email: registrar@ogra.org.pk for zoom attendance the intervention request shall be filed alongwith fee of Rs.500/- (bank draft) and affidavit verifying the contents of communication on or before the date of Public Hearing. Copies of the documents submitted by the applicant can be obtained on payment of prescribed charges of Rs. 2/- per page from the office of Registrar or can be downloaded from OGRA's website.

In sequel to all above, OGRA has decided to hold this Public Hearing in the above applications according to date, time and venue mentioned below:

Date	:	October 25, 2021 (Monday)
Time	:	10:30 a.m
Venue	:	OGRA Office, Islamabad

For any information required from the applicant please contact:

REGISTRAR

Oil and Gas Regulatory Authority

14-B, Faisal Chugh Road, F-7 Area, Islamabad

Phone: 051-9244208, 051-9244008-09 (Ext-157) Fax: 051-9244013, www.ogra.org.pk

Public Service Message:

قدرتی گیس کے غیر ضروری استعمال سے احتیاط ہم سب کا اخلاقی اور معاشرتی فریضہ ہے



To
The
Registrar OGRA
Oil & Gas regulatory Authority
Islamabad

Subject: APPLICATION FOR THE GRANT OF LICENSE FOR SALE OF LOW PRESSURE GAS UNDER THE RULE OF FOR LOW PRESSURE GAS AUTHORITY (LICENSE) RULE 2002 LAGHARI LOW PRESSURE GAS FIELD TANDO MUHAMMED KHAN

Dear Sir,

We enclose here with a Bank Demand Draft No,06880553 of amount RS,500,000/= words (Five Lac Rupees) from bank AL Habib Limited Sadder Hyderabad Dated: 14-10-2019 in favor of Oil & Gas Regulatory Authority Islamabad , for the purpose of Application for the Grant of License For Sale Low Pressure Gas Under the Rule of for Low Pressure Gas Authority (License) Rule ,2002 for LAGHARI LOW PRESSURE GAS FIELD TANDO MUHAMMED KHAN SINDH

Kindly acknowledge

Majid
SED (Gas)
ED (F-D)

For on Behalf of

HI TECH PIPE & ENGINEERING (PVT) LIMITED

DED.
AR.
2/11/19
2/11
AR
2/11/19
4966
2/11/19

Factory Office:

X-22 Extension Area SITE Kori, Sindh, Pakistan
Ph: +92 (0) 22-3875614, Fax: +92 (0) 22-3670606
Web: www.hitechpps.com
Email: h.s@hitechpps.com

Karachi Office:

B. # 152/G, Block-2 P.E.C.H.S Karachi
Sindh, Pakistan
P: +92 (0) 21-34547740,
Fax: +92 (0) 21-34311268

Hyderabad Office:

72/4, Nand Plaza Saddar, Cant. Hyderabad
Ph: # +92-22-3738975
Fax: +92-22-3738836



**BEFORE THE OIL AND GAS
REGULATORY AUTHORITY**

**APPLICATION FOR THE GRANT
OF LICENSE FOR SALE OF LOW
PRESSURE GAS UNDER THE
RULE OF 4 OF LOW PRESSURE
GAS AUTHORITY (LICENSE)
RULE, 2002**

Karachi
Suite # 101, 129/1, Saeedy Towers, Main Korangi Road,
Phase-1, C.H.A., Korachi - 75500 Pakistan
Ph +92 (0) 21-35894475

Factory:
Plot # X-22, Extension Area, S.I.T.E. Kotri, Sindh, Pakistan
Ph +92 (0) 22-3870614 Fax +92 (0) 22-3870606

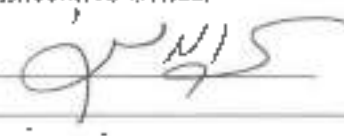
Email: info@hitechpiga.com Web: www.hitechpiga.com



SCHEDULE-I
[Reference Rule 4 (20)]
Oil and Gas Regulatory Authority
Application Form

Ref.No. HTPCI/005/19

Date: 14th Oct 2019**Company Profile**

Sr.No	Head / Title	Remarks
1	Name of the Company (Applicant)	Hi Tech Pipe & Engineering Industries (Pvt.) Ltd.
2	Company's Full Address along with telephone fax, e-mail and web details	Hi Tech Pipe & Engineering Industries (Pvt.) Ltd. X-22, Extension Area, SITC, Kotri. Tel: No. +92-22-2116500, Fax No. +92-22-3870606 Email: h.s@hitechpipe.com Web: www.hitechpipe.com
3	Name, Title and Authorized Signature of the Company's Chief Executive	Haji Sirajuddin Soomro Chief Executive Officer Sign: 
4	Name and address of the current Directors of the Applicant	List given under the requirements of Rule 4 (2)(e) Memorandum and Articles of Association of the Applicant)
	Name and address of any person or corporate body with a holding of more than one percent (5) or more in the applicant	Nil.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

Applicant: Hi Tech Pipe & Engineering Industries (Pvt) Ltd.

License Specification

1.	Regulated Activity for which a license is sought	(a) Transmission License
		(b) Distribution License
		(c) Sale License ✓
		(d) Integrated License
		(e) Project License
2.	Nature of License applied for (if exclusive, please provide detailed justification)	Exclusive, ___ No _____ Non-Exclusive _____
3.	Period for which the license is sought	From October 15, 2019 to September, 2039 (Twenty Years)
4.	Details of any license held, applied for, or applied for and refused under the Rules, by the Applicant, or any of their affiliated or related undertaking.	Nil.



Attested
 Mohammad Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Oath Commission

ATTACHMENTS FOR LICENSE APPLICANT

Hi Tech Pipe & Engineering Industries (Pvt) Ltd
Applicant for Sale of Low Pressure Gas License.
[LICENCING OF REGULATED ACTIVITIES]
Under Rule 4 [of natural Gas (Licensing) Rules, 2002]

Requirements	Attached	Not attached	Remarks
Application for a license – (1) Any company incorporated inside or outside Pakistan may submit an application to the Authority for obtaining a license to undertake a regulated activity, by filing it with the Registrar along with such fees as the Authority, may from time to time, determine.	Yes		Compliance being made as stipulated. Attached is the detailed application for Sale of Low Pressure Gas.
(2) An application filed under sub-rule (1) shall be made in the format specified in Schedule-C to these rules, clearly specifying the information required therein.	Yes		
(a) Attested copies of the memorandum and articles of association of business.	Yes		
(b) Attested copy of the applicant's certificate of commencement of business.	Yes		
(c) Attested copy of The latest yearly submitted to the Registrar of Companies.	Yes		
(d) attested copy of the latest audited annual and unaudited half yearly financial statement of the applicant.	Yes		
(e) Attested copy of the corporate authorization allowing the submission of the application.	Yes		
(f) In the case of applicant being a subsidiary company, the documents specified in clauses (a) to (d) of this sub rule, pertaining to its holding company.	N.A		Not Applicable, since applicant is not subsidiary company.
(g) Details of the consents required under applicable laws, from persons other than the Authority, for carrying on the relevant regulated activities and the status of such consents.	Yes		
(h) Details of the technical and financial expertise and resources available for carrying on the relevant regulated activities.	Yes		
(i) Details of the resources and expertise available to handle emergency situations arising out of natural calamities, accidental or criminal acts or omission, specifying which such resources are available and which are to be procured.	Yes		
Requirements			
(j) A list of the names and business addresses of the applicant's senior management, including without limitation, departmental and /or divisional heads.	Yes		
(k) if the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds ten percent or more of the	N.A		Remarks given under relevant

Attested
Shoukat Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Path Commission

voting interest in any other persons engaged in the production, transmission, distribution, or sale of natural gas, or in any person engaged in the financing, construction, maintenance or operation of such facilities a detailed explanation of each such relationship, including the percentage of voting interest owned, held or controlled.			sub-rule.
(l) a list of all other applications, petitions or filings filed by the applicant which are pending before the Authority at the time of the filing of this application and which directly and significantly affect this application, including an explanation of any material effect the grant or denial of those other applications, petitions, or filing will have on this application and of any material effect the grant or denial of this application will have on those other applications, petitions or filings.	N.A	/	However an application for capacity allocation under Rules (5) and (11) of the OGRA Natural Gas TPA Rules, 2012, has already been submitted to the Authority which is directly related to this application.
(m) Details of the following market data: (i) an estimate of the volume of natural gas to be transmitted, distributed or sold; (ii) number and consumption details of consumers; (iii) the applicant's total annual peak day natural gas requirement; (v) total past (if applicable) and expected curtailments of service by the applicant and	Yes	/	
(n) such other information or documentation as the Authority may, from time to time, require, including without limitation, supplementary information or documentation required by the authority to clarify the information contained in the application.	Yes	/	Note. Attached under this sub-rule.
(4) In the case of an application for a transmission license, in addition to the documents specified in sub-rule (3), the application shall be accompanied by---	N.A	/	Pertains to Distribution License.
Requirements			
(4) (a) maps issued or certified by the Survey of Pakistan, drawn to an appropriate scale showing details of areas where the transmission facilities are or are proposed to be located and the principal geographical features, of the said areas including without limitation, details of mountains, rivers, streams, roads, building or construction and habitation.	Yes	/	
(b) Details of the sources and quality of supply of low pressure including forecasts of the available quantity from such sources.	Yes	/	
(c) Details of how the applicant proposes to meet the safety and service obligations prescribed by the Authority.	Yes	/	
(d) Details of the Capacity and estimated throughput of the transmission facilities per annum for ten years following the proposed grant of the License.	Yes	/	
(e) Technical specification of the transmission facilities (existing and proposed), including without limitation, specification for the design, construction, operation and maintenance of the facilities.	Yes	/	
(5) In the case of an application for a distribution or sale license, in	Yes	/	

Attested
Shoukat Pathan
Senior Associate
High Court of Sindh
& Ombudsman

addition to the documents specified in sub-rule (3), the application shall be accompanied by--			
Requirements			
(a) maps issued or certified by the Survey of Pakistan, drawn to an appropriate scale showing the territory within which the applicant wishes to distribute and sell natural gas, details of areas where the distribution facilities are or are proposed to be located giving the principal geographical features of the said areas, including without limitation details of roads, buildings or construction and habitation and details of proposed connections and inter-connection with the transmission and distribution facilities of other licenses.	Yes		
(b) Details of the sources and quality of supply natural gas service obligations forecasts of the available quantity from such sources.	Yes		
(c) details of how the applicants proposes to meet the safety and service obligations prescribed by the Authority and	Yes		
(d) technical specification of the distribution facilities (existing and proposed) or pipelines for the sale of natural gas, as the case may be, including without limitation, specification for the design construction operation and maintenance of the facilities or pipeline, as the case may be.	Yes		
Rule 4(6) Specified Requirements for a Project (Construction) license.	N.A		Not Applicable since it pertains to project (construction License)



Attested
 Shoukat Ali Pathan
 Senior Magistrate
 High Court of Andhra
 & Oath Commissioner.

Rule 4(3) (a)

- Attested copies of the memorandum and articles of association of the Applicant,

Remarks:

[Attached overleaf]



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Or. Commissioner

*THE COMPANIES ORDINANCE, 1984
(A PRIVATE COMPANY LIMITED BY SHARES)*

MEMORANDUM

AND



ARTICLES OF ASSOCIATION

OF

*HITECH PIPE
AND
ENGINEERING INDUSTRIES
(PRIVATE) LIMITED*



*Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Andhra Pradesh
& Oath Commissioner.*

THE COMPANIES ORDINANCE, 1984
(A PRIVATE COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

BE TECH PIPE AND ENGINEERING INDUSTRIES
(PRIVATE) LIMITED

- i) The name of the Company shall be "BE TECH PIPE AND ENGINEERING INDUSTRIES (PRIVATE) LIMITED"
- ii) The registered office of the Company shall be situated in the province of Sindh
- iii) The Objects for which the company is established, are all or any of the following: -
 - 1. To carry on the business of manufacturing, import, export, trading of Polyethylene Pipes, HDPE, PPR Pipes, Iron, Steel, PVC, UPVC, Cement and Asbestos Pipes in Pakistan or in any other part of the world
 - 2. To manufacture, buy, sell, advertise and deal in Polyethylene Pipes and their accessories or any other kind of pipe that is suitable for the business of the company
 - 3. To carry on the business of importers, exporters, dealers, vendors, purchasers and general order suppliers of auxiliary merchandise, textile goods, commodities, products, consumer goods, capital goods and products including plants, machinery, equipment, spare parts and articles of any description whatsoever in Pakistan or in any part of the world
 - 4. To carry on the business of repair, overhaul, reconstruction, assembly or reconditioning of machinery and parts, accessories and instruments thereof and therefore belonging either to the company, or any other company, department or person within or outside Pakistan
- iv) To sell, improve, lease, mortgage, encumber, dispose of, and carry to any other otherwise lawful use all or any part of the property and rights of the Company
- v) To use with the surplus money of the Company not immediately required in its business or may from time to time be determined, but not to act as a trustee of funds for banking authority.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Notary Commissioner

7. To borrow funds by means of bills or to secure the payment of money from shareholders, directors, commercial banks and government approved agencies in such manner, as the Company shall think fit for the purposes of the Company.
8. To open, close and operate banking accounts of the Company with any Commercial bank/banks, Merchant Company, Mutual Fund Companies, Leasing Company and Finance Institutions.
9. To employ and remunerate the officials and servants of the Company or any person or firm or company rendering services to the Company.
10. To draw and turn to account any moneys acquired by the Company or in which the Company is invested, and to build office and buildings for the business of the Company.
11. To let out or hire mortgage, pledge, sell or otherwise dispose of the whole or any of the undertakings of the Company or any land, building, property, rights or assets of any kind as the Company or any share or interest therein respectively in such manner and for such consideration as the Company may think fit and in particular for shares, debentures or a ledger or in part similar to those of the Company.
12. To pay premium and to pay for any annuity, rights or privileges acquired by the Company or for services rendered in connection with the promotion or the objects or the business of the Company, or in connection with the acquisition of any property, rights or privileges for the Company or otherwise whatsoever either wholly in cash or in shares, debentures or other securities of the Company subject to any law which may be applicable.
13. To purchase or otherwise acquire and to devolve all or any part of the business, property and liabilities of any body, person, or company carrying on business, which the Company is authorized to carry on or possession of property suitable for the purposes of the Company.
14. To promote any other company for the purposes of acquiring all or any of the property of this Company or advancing directly or indirectly the objects or interests thereof and to take or otherwise acquire and hold shares in any such company and to guarantee the payment of any debentures or other securities issued by any company except the guarantor of this party.
15. To take or acquire and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted wholly directly or indirectly by this Company.



Attested
 Shoukat Ali Pathan
 Senior Oath Commissioner
 Government of Sindh



Signature

- 16. To acquire and undertake the whole or any part of the business, property and affairs of any person or company, partnership, government or local bodies, carrying on any business, where the Company is authorized to carry on or possession of property suitable for the purpose of the Company.
- 17. To obtain any Provincial Order or Act of the Legislature for enabling the Company to carry on any of its objects with effect or for allowing any modification of the Company's constitution or for any other purpose which may seem expedient, and to prosecute any proceedings or applications which may seem calculated directly or indirectly to oppose any proceedings or applications which may seem calculated directly or indirectly to the prejudice of the Company.
- 18. To nominate any person or company for directors rendered in placing or assisting to place or subscribe a placing of any of the shares in the Company's Capital or any debentures or preference stock or other securities of the Company or in about the formation or promotion of the Company for the conduct of its business.
- 19. To advance money to any company, association, firm or person and guarantee or undertake the performance of the obligations of any company, association, firm or person and the payment of dividends and the payment of capital or other money payable in respect of any stock, shares, debentures, debenture stock, securities and obligations of whatsoever nature of any company, association, or firm.
- 20. To capitalize such portion of profits as the Company as are not distributed among shareholders of the Company in the form of dividends and as the Directors of the Company may think fit and to issue bonus shares as full paid up in favor of the shareholders of the Company.
- 21. To employ experts to examine into the conditions, prospects, value, character and circumstances of any business, concerns and undertaking and generally to any assets, property or rights.
- 22. To draw, make accept, endorse, discount, execute and issue cheques, promissory notes, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable and transferable instruments, in the manner of the Company.
- 23. To distribute any of the property of the Company among the members and in particular any shares, debentures or securities or benefits belonging to the Company or over which the Company may have power of disposal in the event of winding up of the Company.
- 24. To amalgamate with or incorporate with any other company or companies having objects altogether or in part similar to those of the Company and to gain the interest of the Company, either as a partner.



Attested
 Shoukat Ali Pathan
 Senior Associate
 High Court, Feroz Road
 & Oath Commission

[Handwritten signature]

25. It is hereby undertaken that the Company shall not engage in the business of banking or of an investment company or any unlawful business or leasing business, and insurance business and that nothing contained in the object clause shall be construed to empower it to engage in such business.

Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force to undertake a particular business and the company shall not launch multilevel marketing pyramid or ponzy schemes.

26. To carry on all or any of the businesses of selling, generating, purchasing, importing, transforming, converting, distributing, supplying for personal use for the factory and other domestic consumer, exporting and dealing in electricity and all other forms of energy and products or services associated therewith and promoting the conservation and efficient use of electricity and to perform all other acts which are necessary or incidental to the business of electricity generation, transmission, distribution and supply/sale if necessary and subject to the approval of the concerned authorities.

(a) to purchase/import spare parts, plant, machinery, raw materials and allied items required in connection thereto in any manner the company may think fit;

(b) to do and perform all other acts and things as are incidental or conducive to the attainment of the objects of the company;

- IV. The Liability of members is limited.

- V. The authorized capital of the Company is Rs.10,00,000/- (Rupees Ten Lacs only) divided into 10,000 (Ten Thousand) Ordinary shares of Rs.100/- (Rupees Hundred) each with the power to increase or reduce its capital.



Attested
Shoukat Ali Pathan
Senior
High Court of Andhra
& Orissa Commission

Section 10 of the Oath Commission Act, 1972 provides that where a person is called upon to give evidence in a court of law, he shall be sworn by the Oath Commission. The Oath Commission may also call upon any person to give evidence in a court of law.

S. No.	Name & Signature of the Person whose name is written in the column of the Oath Commission	Name of the witness	Address of the witness	Place of residence of the witness	Ranking of the witness	Signature of the witness
1	Mr. M. S. Reddy	Mr. M. S. Reddy	123, Main Street, Hyderabad	Hyderabad	1	[Signature]
2	Mr. K. Ramesh Babu	Mr. K. Ramesh Babu	456, Market Street, Hyderabad	Hyderabad	2	[Signature]
3	Mr. N. Venkatesh Reddy	Mr. N. Venkatesh Reddy	789, Park Road, Hyderabad	Hyderabad	3	[Signature]
4	Mr. P. Subrahmanyam	Mr. P. Subrahmanyam	101, Station Road, Hyderabad	Hyderabad	4	[Signature]
5	Mr. Q. Anwar Hussain	Mr. Q. Anwar Hussain	202, Airport Road, Hyderabad	Hyderabad	5	[Signature]

Witnesses called by the Oath Commission for the purpose of giving evidence in a court of law.

Certificate of the Oath Commission
 Hyderabad
 12/11/2011



Attested
 Shokat Ali Pathan
 Senior Judge
 High Court of Sindh
 Oath Commission

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- 1 -

THE COMPANIES ORDINANCE, 1984
(A PRIVATE COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION
OF
HI-TECH PIPE AND ENGINEERING INDUSTRIES
(PRIVATE) LIMITED

PRELIMINARY

1. Subject hereinafter provided, the Regulations contained in Table 'A' of the First Schedule to the Companies Ordinance, 1984, (hereinafter referred to as Table 'A') shall apply to the Company so far as those are applicable to private Companies, with the exception of the Regulations which are modified, altered or added hereunder.

DEFINITION AND INTERPRETATION

2. "The Company" means above named Company
- "The Ordinance" means the Companies Ordinance, 1984
- "The Director" means the Director for the time being of the Company.
- "The Office" means the Registered Office of the Company
- "The Register" means the register of member to be kept pursuant of Section 147 of the Companies Ordinance, 1984.
- "Dividend" includes bonus.
- "Major shareholder" means a family comprising of Husband, Wife, Children, Brother, Sister, Father and Mother, holding jointly in total 25% or more Shares in the issued Capital of the Company. Expression defined in the Ordinance shall have the meanings so defined and words imparting the singular shall include plural, and vice versa words, imparting the masculine gender shall include females and words imparting person shall include bodies corporate.

PRIVATE COMPANY

3. The Company is a private company and accordingly the following provisions shall have effect, namely:
- a. The number of members of the Company shall not exceed fifty.



Attested
Shoukhat Pathan
Secy
High Court of Sindh
& Ombudsman Commission



- 10
- Any invitation to the public to subscribe for shares or debentures or debenture stock of the Company is hereby prohibited.
 - The right of transfer of shares of the Company shall be restricted as hereinafter provided in these articles.

CAPITAL AND SHARES

- The authorized capital of the Company is Rs 10,00,000/- (Rupees Ten Lacs only) divided into 10,000 (Ten Thousand) Ordinary shares of Rs. 100/- (Rupees Hundred) each with the power to increase or reduce its capital.
- The shares shall be under the control of the Directors who may allot or otherwise dispose of the same.
- Shares may also be registered in the name of a limited company as well as in the name of minor.
- The certificate of title to shares and duplicates thereof when necessary, shall be issued under the seal of the Company, and signed by the Chief Executive or some other Director duly authorised by a resolution of the Board of Directors.
- Every member shall be entitled to one certificate for all the shares registered in his name or to, as many certificates as the Directors may from time to time decide. Every certificate of shares shall specify the number and denote the number of the shares in respect of which it is issued and the amount paid up thereon.
- A new certificate in place of one defaced, lost or destroyed, on proof thereof to the satisfaction of the Directors and on such indemnity as the Directors may deem adequate shall be issued.

TRANSFER AND TRANSMISSION OF SHARES

- The instrument of transfer of any shares in the Company shall be executed both by the transferor and transferee and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in register of members in respect thereof.
- Shares in the Company shall be transferred in the manner and in any usual or common form, which the Directors shall approve.
- No transfer of any share shall be made or registered without the consent of all major shareholders and previous sanction of the Board of Directors who may decline to give any such sanction but such right shall not be exercisable in the case of any transfer of share applied by a member to transfer his part or full shares to any existing share holder or to his father, mother, son, daughter, wife, sister and brother.
- No member shall be permitted to transfer his share to any person who is not member of the Company (i.e.) outsider if any member intending to transfer any of his/her shares, other than his family members and relatives as detailed herein above. But he will offer such transfer and sale of shares to the existing members of the Company.



Attested
Shoukat Ali Pathan
Senior Magistrate
High Court of Sindh
Oath Commissioner



[Handwritten signature]

through the Board of Directors. The Board of Directors on receiving such information in writing to the existing members of the Company who will either agree to purchase or decline within two weeks from the receipt of such information. In case of declines from all the existing members of the Company or expiration of two weeks the shares may be transferred to an outsider (not a member) subject to such conditions as the Board of Directors may prescribe and in default refuse to transfer.

- 14. Subject to restrictions herein before the Directors shall not refuse any fully paid shares, unless the transfer deed is defective or invalid. The Directors may also suspend the registration of transfers during the ten days immediately preceding a general meeting or prior to the determination of entitlement of rights of the shareholders. The Director may decline to recognize any instrument of transfer unless-

The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,

If the Directors refuse to register a transfer of share, they shall within ^{one} month after the date of which the transfer deed was lodged with the Company send to the transferee and the transferor notice of the refusal indicating the defect or invalidity to the transferee who shall, after removal of such defect or invalidity be entitled to re-lodge the transfer deed with the Company.

TRANSMISSION OF SHARES

- 15. The executors, administrators, heirs or nominees as the case may be, of a deceased shareholder of a share shall the Company recognize the only person as having any title to the share. In the case of a share registered in the names of two or more holders, the survivors or survivor, or the executors or administrators of the deceased survivor shall be the only persons recognized by the Company as having any title to the share.

- 16. Any person becoming entitled to a share in consequence of the death or insolvency of a member shall, upon such evidence being produced as may from time to time be required by the Directors, have the rights, either to be registered as member in respect of the share or instead of being registered himself to make transfer of the share shall as the deceased or insolvent person could have made, but the Directors would have had in the case of a transfer of the share by the deceased or insolvent person before the death or insolvency.

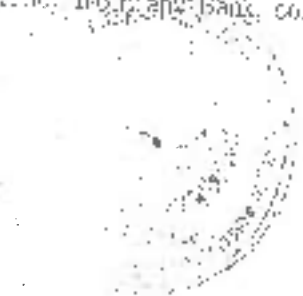
- 17. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he was the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

BORROWING POWER

- 18. The Directors shall be fully authorized to borrow from time to time on behalf of the Company or for a concern managed by the major shareholders, as approved by the Board of Directors from time to time, such sum of money as they may think proper, in any foreign and /or Pakistani currency, from any bank, corporation, or organization



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Qazi Commission



and secure the payment of such loan with interest thereon in any manner they may think proper, and with a view to create mortgage or charge on or any of the properties or assets of the Company both present and future including the uncalled capital to give any guarantee to receive the loan and effectual receipts and discharge for the deed of hypothecation or any other deed and documents on behalf of the Company, to get the mortgage deed or any other deed or document registered under the applicable Registration Act, and to do all other acts, deeds and things as may be deemed necessary or expedient in connection therewith, and they may themselves lend any money to the Company.

19. Any debentures, bonds or other securities may be issued at discount, premium or with special privileges as to the redemption, surrender, drawing, allotment, attendance at general meetings of the Company and otherwise.

RESERVE FUND

20. The Directors may set aside out of the profits of the Company such sums as they may think proper as Reserve Fund which shall at the discretion of the Directors be applicable for meeting contingencies or for the gradual liquidation of any debentures, debts or liabilities of the Company or for equalizing dividends or for distributing by way of bonus or for any other purpose of the Company may be properly applied with full power to employ assets constituting the Reserve Fund in the business of the Company and that without being bound to keep the same separate from other assets.

PROCEEDING AT GENERAL MEETINGS

21. At least twenty-one days notice, exclusive of the day on which the notice is served or deemed to have been served specifying the place, the day and the hour of the General Meeting and in case of special business the general nature of such business shall be given to the members in manner as is ordinarily applied by private companies, or in such other manner as may be prescribed the Company in General Meeting but accidental omission to give such notice to or non receipt of such notice by any member shall not invalidate the proceedings of the General Meeting or election of directors. A General Meeting may with the consent of all members be called by shorter notice and in such manner, as the members think fit.

22. No business shall be transacted at any General Meeting unless a quorum of members is present. Two members shall be a quorum for a general meeting, representing not less than 25% of the total voting power.

23. At any General Meeting unless a poll is demanded, a resolution relating to any matter other than election or removal of a Director put to the vote of the meeting shall be decided by a show of hands and a resolution thus carried or lost, and an entry under the signature of the Chairman to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact.

24. At a poll votes may be given in person or by proxy but on a show of hands members present in person shall be entitled to vote in all matters other than election or removal of a Director.



Attested
Shoukat Ali Pathan
Senior Associate
High Court of Sindh
& Ombudsman Commission



[Handwritten Signature]

- 25. If a poll is demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and the result of such poll shall be deemed to be the resolution of the meeting.
- 26. In all matter other than the election and removal of Directors every member present in person shall have one vote or a share of funds, and upon a poll being demanded every member present or by proxy shall have one vote in respect of every share held by him.
- 27. The instrument appointing a proxy shall be in writing under the hand of the appointee or his attorney in the usual form and it should be delivered at the registered office not less than 48 hours before the time of meeting.

DIRECTORS

28. The following persons who are also signatories to the Memorandum and Articles of Association shall be the first Directors of the Company

- | | | | |
|---|----------------|---|----------------|
| 1 | SIRAJ-UD-DIN | 2 | MOHAMMAD QASIM |
| 3 | SAIFULLAH KHAN | 4 | AZAM ALI |

29. The number of Directors of the Company shall not be less than two and more than seven. The qualification of the director shall be to hold atleast one share in the capital of the Company.

ELECTION OF DIRECTORS

30. All the Directors including the first directors, at the first ordinary meeting of the Company and at the ordinary meeting in every subsequent three years shall retire from office and their place shall be filled by election in accordance with the Company ordinance, 1984. Retiring Directors shall be eligible for re-election. The Directors shall be elected by the members of the Company in general meeting in the following manner:-

- a. A member shall have such number of votes as is equal to the product of the shares held by him and the number of directors to be elected.
- b. A member may give all his votes to a single candidate or divide them between more than one of candidates in such a manner as he may choose and, the candidate who gets the highest number of votes shall be elected as director and then the candidate who gets the next highest number of votes shall be so declared and so on until the total number of the directors elected has been so elected.

CASUAL VACANCY

31. The Directors may fill up any casual vacancy occurring among the Directors, and the person so appointed shall hold office for the remainder of the term of the Director in whose place he is appointed.



Attested
Shoukat Ali Pathan
Senior Associate
High Court of Sindh
& Orissa Commission



RESIGNATION OF DIRECTORS

32 A director may retire from his office upon giving one month's notice in writing to the Company of his intention to do so, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance

REMOVAL OF DIRECTORS

33 The Company in General Meeting may at any time remove and elect Director by a resolution duly passed by the members in accordance with the provision of the Company Ordinance, 1984.

REMUNERATION OF DIRECTORS

34 Each Director shall be paid out of the funds of the Company such fee for each meeting of the Board of Directors attended by him as may from time to time be decided in a Board Meeting in accordance with the provisions of law for the time being in force. The Directors may allow and pay to any Director who shall come to attend the meeting from a place outside the place of meeting fair compensation of his traveling and other expenses in addition to his fee for attending meeting.

35 If any Director shall be called upon to perform any special or extraordinary special exertion or to go out of the place of his ordinary residence for any purpose of the Company, or give special attendance to or be actively engaged in the business of the Company, the Company may remunerate the Director for so doing as may be determined in a general meeting.

POWER AND DUTIES OF DIRECTORS

36 The business of the Company shall be managed by the Directors who may pay all expenses including those which may be preliminary and incidental to the promotion, formation, establishment and registration of the Company and do in behalf of the Company such acts as may be exercised and done by the Company and as are got by the Statutes or by these Articles required to be exercised or done by the Company in General Meeting subject nevertheless to any regulations as may from time to time be prescribed by the Company in General Meeting shall not invalidate any prior act of the Directors, which would have been valid if such regulations had not been made

PROCEEDINGS OF DIRECTORS MEETING

37 The Directors may fix the amount necessary from the meeting of the Directors and unless so fixed shall be two.

The Directors may from time to time appoint out of them as the Chairman of the Board of Directors as well as of members' meetings. If at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting or express his inability to take the chair, the Directors present shall choose one of them to be the Chairman of the meeting. Question rising at any meeting shall be decided by a majority of votes in case of equality of votes, the Chairman shall have a second or casting vote.



Attested
Shoukat Ali Pathan
Notary Public
Hyderabad



Handwritten signature and date.

- b. A resolution in writing signed by the Directors shall be as effective for all purposes as resolution passed at the meeting of the Board of Directors duly called, held and constituted.
- 39. The Chairman, the Chief Executive, or the Directors may delegate any of their powers to any one or more persons who, in the exercise of such powers, shall conform to any restrictions that may be imposed on them.
- 40. The Directors may at any time call an extra-ordinary general meeting to consider any matter, which require the approval of the Company in a general meeting.

DISQUALIFICATION OF DIRECTORS

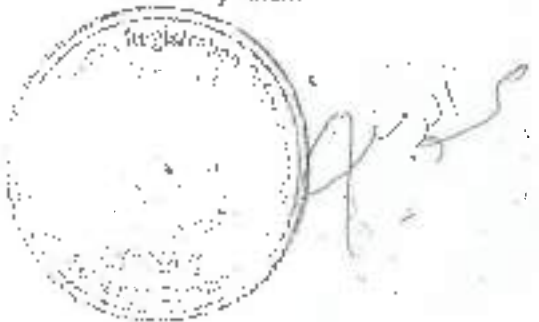
- 41. A Director shall vacate his office on the happening of any of the following events, that is to say:-
 - a. On his becoming bankrupt or insolvent or suspending payment or compromising with his creditors
 - b. On his being found a lunatic or on his becoming of unsound mind.
 - c. On his resignation from office by notice in writing to the Company, as provided in Article 32 hereof.
 - d. On his removal by the Company in general meeting as provided in Article 33.

CHIEF EXECUTIVE

- 42. The Managing Director shall be the Chief Executive of the Company and shall hold office in accordance with the provision of the Companies Ordinance, 1984 or any other law for time being in force.
- 43. The Chief Executive of the Company, subject to the control and supervision of the Board of Directors shall carry on the day to day business of the Company and have the power of engagement and dismissal of Managers, Engineers, Clerks and Assistants and other staff, with full powers to do all acts, matters, things connected with the day to day business of the Company. The Chief Executive shall also have power subject to the control and supervision of the Board of Directors to purchase/sell machineries, or stores the material and soil finished goods and to endorse sign, accept, negotiate and give all cheques, bills of lading, drafts, bills of exchange, letters of credit, promissory notes and all other negotiable instruments and may also sign and give all receipts, releases and other discharges for money payable to the Company for the claims and to exercise such powers of the Directors as may from time to time be delegated to him. The Chief executive shall also have the manager, secretary, or any other officer or to such other person as may be appointed by him. The Chief Executive shall also have the power to open banking account or to mortgage, personal guarantee or in any manner, which he considers fit. The Chief Executive shall also have powers to advance money to such persons, firms, companies, associations, bodies and industries and on such terms as may seem expedient.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner.



44. The Chief Executive shall be entitled to such remuneration as may be fixed by a Resolution in General Meeting. Such remuneration may be by way of salary, or commission or participation in profits or by any or all other modes.

DIVIDENDS AND RESERVE

45. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

46. Any General Meeting declaring a dividend may resolve that such dividend may be paid wholly or in part by the distribution of specific assets, and in particular it may pay up shares or debentures or debenture stock of any other company, or in any one or more of such ways and may give such directions as may be necessary for the purpose.

47. Any General Meeting may resolve that any money, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund and available for dividends be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion as the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum and the General Meeting may also give all directions as may be necessary for the purpose.

48. The Directors may also pay to the members from time to time such interim dividend as may appear to the Directors to be justified in view of the profit of the Company.

49. The Directors may carry forward any profits, which they may think prudent not to distribute, without setting them aside as a reserve.

THE SEAL

50. The Company shall have a seal and the Directors will provide for the safe custody thereof. The seal shall not be applied to any instrument except by the authority of a resolution of the Board of Directors and in the presence of the Chief Executive or some other Director duly authorized in that behalf, and the signature of the Chief Executive and such other Director shall be conclusive evidence of the fact that the seal has been properly affixed.

THE ACCOUNTS

51. The Directors shall cause true accounts to be kept of (a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place (b) all sales purchases of goods by the Company, and (c) the assets, capital and liabilities of the Company, and generally of all its commercial, financial and other affairs, transactions and engagements, and of all other matters necessary for showing the true financial state and condition of the Company, and the account shall be kept in English in such books and in such manner as the Directors



Attested
Shahid Ali Pathan
Senior
Huda Co
& Co. Chartered Accountants



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may deem fit, and the books of the account shall be kept at the office or such other place as the Director think fit and shall be open to inspection by the Directors

AUDIT

52. Once at least in every year the accounts of the Company shall be examined and the correctness of the Balance Sheet ascertained by the Auditors of the Company



WINDING UP

If the Company is ~~wound~~ ^{wind} up the Liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Ordinance, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they consist of property of the same kind or not

b. For the purpose aforesaid, the Liquidator may set such value as he deem fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members.

c. The Liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributors as the Liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities where there is any liability.

INDEMNITY

54. Every Directors, Chief Executive, Chairman, Auditors, Legal Advisors, Liquidators and Officers or Agents for the time being of the Company ~~shall~~ ^{shall} be indemnified with of the assets of the Company against any liability incurred by him in defending any proceedings whether Civil or Criminal, arising out of his dealing in relation to the affairs of the Company, except those brought by the Company against him in which judgment is given in his favour or in which he is acquitted, or in connection with any application under section 188 in which relief is granted to him by the Court.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Ombudsman

We, the several persons whose names, addresses and descriptions are subscribed below are desirous of being termed in a Company, in pursuance of this Memorandum of Association... We are desirous to take the number of Shares in the Company set opposite our respective names.

S. No.	Name & Surname (Persons & Formerly Partnership) Name in Full Block Letters.	Nationality with its former Nationality and Occupation	Residential Address in Full	Number of Shares taken by each.	Signature of the Subscriber
1	MRS. SYED AHMED 546 KOTLAH 546 KOTLAH CANTONMENT KARACHI CANTONMENT KARACHI	PAKISTANI RESIDENT OF PUNE MANUFACTURING	HOUSE NO. 211, GOUGH ROAD, UNDER KATE CROSS, MIRPURKHAS, SIND	200	<i>[Signature]</i>
2	MR. AHMED 546 KOTLAH 546 KOTLAH CANTONMENT KARACHI CANTONMENT KARACHI	PAKISTANI RESIDENT OF PUNE MANUFACTURING	HOUSE NO. 207-22, STATE USE COLONY, KARACHI, SIND	500	<i>[Signature]</i>
3	MR. AHMED 546 KOTLAH 546 KOTLAH CANTONMENT KARACHI CANTONMENT KARACHI	PAKISTANI RESIDENT OF PUNE MANUFACTURING	HOUSE NO. 167-172, STATE USE COLONY, KARACHI, SIND	500	<i>[Signature]</i>
4	MR. AHMED 546 KOTLAH 546 KOTLAH CANTONMENT KARACHI CANTONMENT KARACHI	PAKISTANI RESIDENT OF PUNE MANUFACTURING	HOUSE NO. 167-172, STATE USE COLONY, KARACHI, SIND	500	<i>[Signature]</i>

TOTAL SHARE = 1000
(TEN THOUSAND)

NAME: SYED AHMED NAGOR (MAGAZINE) 546 KOTLAH, KARACHI
ADDRESS: B-1 BLOCK 73, F.A. AREA, KARACHI

WITNESSES TO ABOVE SIGNATURES
MAGAZINE, KARACHI
CANTONMENT KARACHI



[Handwritten Signature]
Deputy Registrar of Company

Attested
Shouhat
Senior High
& Oath Commissioner



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
ACKNOWLEDGEMENT OF FILING
[Sec-regulation-13 (1)]

No. CR11-T/0064109 / 63933

Dated: 13/12/2017

In the name of HI-TECH PIPE AND ENGINEERING INDUSTRIES
(PRIVATE) LIMITED -
152-G BLOCK-2 P E C H S OFF KHALID BIN WALID ROAD KARACHI
Karachi east Sindh,

The Receipt of the under mentioned document(s) filed, registered and
recorded pursuant to the provisions of the Companies Act, 2017 (XIX of 2017), is hereby
acknowledged.

- 1. Form 29 dated 08-12-2017.
- 2. Form 35 dated 27-11-2017



Fee Rs. 2200/-

(Muhammad Nasir Khan)
Deputy Registrar
4th Floor, SLC Building No. 2, Karachi

Process ID: 2563628

Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

PARTICULARS OF DIRECTORS AND OFFICERS, INCLUDING THE CHIEF EXECUTIVE, MANAGING AGENT, SECRETARY, CHIEF ACCOUNTANT, AUDITORS AND LEGAL ADVISERS (IF OF ANY CHANGE THEREIN)

THE COMPANIES ACT, 2017
(SECTION 197)

FORM 29

1. Incorporation Number

10004150

2. Name of Company

HI-TACH PIPE AND ENGINEERING MANUFACTURING PRIVATE LIMITED

3. Tax Payers ID

9900

Name and Branch of Bank

KARACHI BCB - KARACHI, MAIN BRANCH (SVC)

4. Account No

2017-027000

5. Mode of Payment Details

Cash Cheque

6. Particulars

6.1. Name Appointed Director

Present Name in (English)	ID No. of Passport No. in case of Foreign National (S)	Former Name (S)	Usual Residential Address (S)	Designation (S)	Nationality (S)	Business Occupation (S)	Date of Present Appointment or Change (S)	Mode of Appointment / Change / any other remarks (S)
ABDUL AH	413742139955	ABDUL AH	HOUSE NO. 801-27, S-10 Road	Director	Pakistan	BUSINESS OF	25/10/2017	By Deed
ABDUL QADIR	4410719922145	MOHAMMAD HUS	HOUSE NO. 111, S-10	Director	Pakistan	BUSINESS OF	21/10/2017	By Deed
MUHAMMAD HUSAYN	410042220000	MOHAMMAD HUS	HOUSE NO. 111, S-10	Director	Pakistan	BUSINESS OF	21/10/2017	By Deed

6.2. Details of Director(s) who are disqualified

Present Name in (English)	ID No. of Passport No. in case of Foreign National (S)	Former Name (S)	Usual Residential Address (S)	Designation (S)	Nationality (S)	Business Occupation (S)	Date of Present Appointment or Change (S)	Mode of Appointment / Change / any other remarks (S)
SAJID AH KHAN	4410729751307	ABDUL AH	HOUSE NO. 801-27, S-10	Director	Pakistan	BUSINESS OF	21/10/2017	By Deed
MUHAMMAD HUSAYN	413067193045	ABDUL AH	HOUSE NO. 102-27, S-10	Director	Pakistan	BUSINESS OF	21/10/2017	By Deed

6.3. Any other change in particulars relating to directors (if any) since

Present Name in (English)	ID No. of Passport No. in case of Foreign National (S)	Former Name (S)	Usual Residential Address (S)	Designation (S)	Nationality (S)	Business Occupation (S)	Date of Present Appointment or Change (S)	Mode of Appointment / Change / any other remarks (S)



Certified to be True Copy
 Deputy Registrar of Companies

Name of Secretary

RYOT FANJAB EALAM

Designation

Secretary

Signature of the Executive/Secretary

Date (DD/MM/YYYY)

29/10/2017

Attested
 Shoukhat Pathan
 Oath Commissioner



Rule 4(3) (b)

- Attested copies of the applicant's certificate of commencement of business.

Remarks:

[Attached overleaf]



Attested
Shouket A. Pathan
Senior Associate
High Court of Andhra Pradesh
& Oath Commissioner

27/A



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
COMPANY REGISTRATION OFFICE
KARACHI

CERTIFICATE OF INCORPORATION

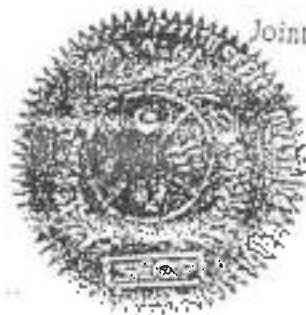
Under section 32 of Companies Ordinance 1984 (XLVII of 1984)

Company Registration No. 0064109

I hereby certify that HI-TECH PIPE AND ENGINEERING INDUSTRIES (PRIVATE) LIMITED is this day incorporated under the Companies Ordinance, 1984 (XLVII of 1984) and that the company is limited by Shares.

Given under my hand at Karachi this 21st day of January Two thousand and Eight.

Fee Rs 7,000/- (Seven Thousand Only)



(Sidney C. Pereira)
Joint Registrar of Companies
Karachi

By Mr. Mr. R. H. 9856

Date: 22/01/08

Attested
Shoukat Ali Pathan
Chairman
High Court of Sindh
& Youth Commission

SECURITIES & EXCHANGE COMMISSION OF PAKISTAN



ACKNOWLEDGEMENT OF FILING

[See - regulation - 13 (1)]

No.0064109

13913

Dated: 17 April 2015

In the matter of HI-TECH PIPE AND ENGINEERING INDUSTRIES (PRIVATE) LIMITED
G - 152, BLOCK 2, P.E.C.H.S KARACHI

The receipt of the under mentioned document (s) filed / registered / recorded, pursuant to the provisions of the Companies Ordinance, 1984 (XLVII of 1984) is hereby acknowledged.

1. Form-26 dated 30.03 2015



Sidney C. Pereira
SIDNEY C. PEREIRA;
JOINT REGISTRAR IN CHARGE
COMPANY REGISTRATION OFFICE
KARACHI



Rs. 200/-

Shoukat Ali Pathan
Shoukat Ali Pathan
Secretary to the Commission
& Oath Commissioner



(No. Joint.Reg.Off. 0064109) 139/2

SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Company Registration Office, Karachi Region
4th Floor State Life Bldg. No.2, Wallace Road, Karachi

[ORDER]

UNDER SECTION 21 OF THE COMPANIES ORDINANCE, 1984

IN THE MATTER OF HI-TECH PIPE AND ENGINEERING INDUSTRIES
(PRIVATE) LIMITED ("The Petitioner")

This Order shall dispose of the petition filed under Section 21 of the Companies Ordinance, 1984 (the Ordinance) seeking confirmation of Special Resolution passed by the Petitioner on 26 January 2015 in respect of alteration in the Object Clause of the Memorandum of Association. The newly inserted sub-clause 27 shall be read as under:

- 27 To establish and operate the business of purchase or otherwise acquire, sale, store, transport, market, distribute, supply, sell, import, export and otherwise dispose of and generally trade in any and all kinds of gas products such as natural gas, CNG, LNG, LPG and to undertake all such activities as are connected herewith or ancillary thereto. The requisite necessary approval/license shall be obtained from the concerned authorities, as and when required.
- (a) To purchase/import spare parts, plant, machinery, raw materials and allied items required in connection thereto in any manner the company may think fit;
- (b) To do and perform all other acts and things as are incidental or conducive to the attainment of the objects of the company

The abovementioned alteration is permissible in pursuance of Section 21(1)(e) and (d). There are no creditors to object to the proposed alteration.

Accordingly, the Special Resolution passed by the Petitioner on 26 January, 2015 is hereby confirmed.



(SIDNEY C. PEREIRA)
Joint Registrar/In-charge
Company Registration Office, Karachi

Announced
Karachi, 17 April, 2015

Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

Rule 4(3) (c)

- Attested copies of the applicant's latest yearly submission to the Registrar of Companies

Remarks:

Note applicable since, the Applicant (Company) is yet to start commercial operations.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Andhra
& Oath Commissioner

Rule 4(3) (d):

- Attested copy of the applicant's latest Audited Annual and Un-audited Half yearly Financial Statements of the Applicant

Remarks:

Note: Attached attested copy of last annual Audit Report



Attested
Shoukat Ali Khan
Senior Advocate
High Court of Sindh
& Oath Commissioner

FINANCIAL STATEMENTS

**M/S HI-TECH PIPE & ENGINEERING
INDUSTRIES (PVT.) LIMITED**

JUNE 30, 2019

**SALAHUDDIN & CO.
CHARTERED ACCOUNTANTS**

514, 5th FLOOR, MADINA CITY MALL,
ARBI'LATI HAROON ROAD, SAADAR,
KARACHI - 74100
TEL # 5217665, FAX # 924-37065176,
MOB # 033-2111558
Email: skh@slphigher.com



Signature of Salahuddin & Co. Chartered Accountants, Hyderabad. The text 'Salahuddin & Co. Chartered Accountants' is visible in the background of the signature.



SALAMUDDIN & CO. CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, (the Company), which comprise the statement of financial position as at June 30, 2019 and the statement of profit or loss and other comprehensive income 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, statement of profit or loss and other comprehensive income 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, 2019 and of the profit Rs. 242,180,408/- and other comprehensive income 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 Auditors' 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 adapted 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.

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 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 are 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 the 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:



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner



SALAHUDDIN & CO.
CHARTERED ACCOUNTANTS

- 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 the 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 the 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 the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 and other comprehensive income 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) in our opinion, the Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVII of 1980).

KARACHI.

Dated: August 24, 2019



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

SALAHUDDIN & CO.
(Chartered Accountants)

**M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
BALANCE SHEET
AS AT JUNE 30, 2019**

	2019 Rupees	2018 Rupees		2019 Rupees	2018 Rupees
CAPITAL & LIABILITIES			FIXED ASSETS		
AUTHORIZED CAPITAL 100,000 Ordinary Shares of Rs. 100/- each	100,000,000	100,000,000	Intangible Assets (W.D.V)	388,791,550	655,000,436
ISSUED, SUBSCRIBED & PAID UP CAPITAL 100,000 Ordinary Shares of Rs. 100/- each	100,000,000	100,000,000	CURRENT ASSETS		
Reserves: Un-Appropriated Profit / Loss Account	1,117,039,356	674,420,580	Stock in Trade	888,249,617	775,395,075
	1,217,039,356	674,420,580	Stores, Spares Parts & Loose Tools	2,707,571	2,421,885
LONG TERM LIABILITIES Loan from Directors	486,873,837	486,873,207	Goods in Transit	55,751,400	42,437,882
CURRENT LIABILITIES Creditors, Accrued & Other Liabilities	312,453,105	332,869,570	Accounts Receivable	417,102,831	290,127,857
Advances from Customers	650,090,895	574,453,157	Advances Deposits & Prepayments	489,602,546	324,102,709
	1,533,143,980	927,322,727	Cash & Bank Balances	329,511,032	288,560,347
	2,747,026,653	2,379,054,922		1,158,235,103	1,724,051,466
				2,747,026,653	2,379,054,922

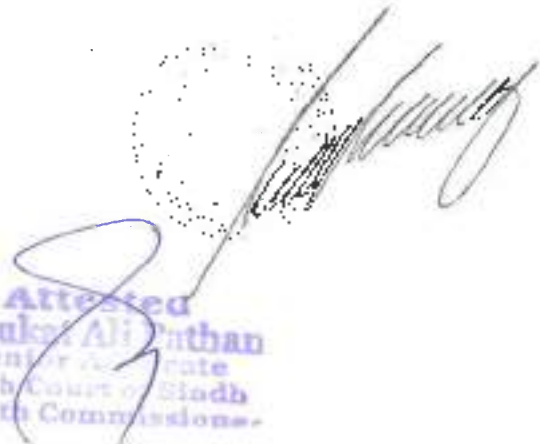
1. All assets are valued on the basis of their fair market value.



Chief Executive

Director




Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Madhya Pradesh
& Oath Commission

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 (Rupees)	2018 (Rupees)
Sales & Receipts Consolidated Sales Less: Sales Tax & Special Excise Duty		3,512,444,894 (508,334,510) 3,003,140,384	3,090,977,446 (442,626,730) 2,611,150,716
Less Cost of Goods Sold	13	(2,509,813,270)	(2,179,704,683)
Gross Profit		494,327,114	431,446,036
Less: Operating Expenses			
Administration Expenses	14	147,429,336	127,513,728
Selling & Distribution Expenses	15	97,071,506	78,958,716
Financial Expenses	16	2,703,265 (247,204,187)	2,455,841 (208,938,777)
Net Profit / (Loss) before Tax		247,122,927	222,507,259
Less Income Tax / W.W.F		14,942,459	(4,430,145)
Net Profit / (Loss) after Tax		242,180,468	215,057,114
Un-Appropriated Profit / (L)		874,828,508	656,771,474
Un-Appropriated Profit / (Loss) c/o to Balance Sheet		1,117,009,056	874,828,563

14%

PB Tam 7%

The annexed notes form an integral part of these financial statements


 Chief Executive

 Director




 Attested
 Shoukatali Pathan
 Senior Advocate
 High Court of Sindh
 & Oath Commissioner

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 (Rupees)	2018 (Rupees)
Cash flows from operating activities		
Net Profit for the period before tax	247,122,627	222,507,259
Adjustment for Depreciation	66,211,806	73,786,440
Financial Charges	2,703,265	2,166,841
Operating Profit before changes in working capital	316,038,088	298,460,540
(Increase)/decrease in Current Assets		
Stock-in-Trade	(123,533,741)	(104,189,405)
Accounts Receivables	(26,974,974)	488,672,829
Advances, Deposits & Prepayments	(145,725,937)	(12,522,917)
(Decrease)/increase in Current Liabilities		
Creditors, Accrued & Other Liabilities	39,553,536	5,358,741
Advances from Customers	66,237,728	54,699,182
Financial Charges	(2,703,265)	(2,466,841)
Income Tax paid	(4,542,459)	(1,450,146)
Net cash from Operating Activities	37,944,985	146,468,237
Cash flows from investment activities		
Increase in fixed Assets	-	-
Cash flows from financial activities		
Issued, Subscribed & Paid up Capital	-	-
Bank Borrowings	-	-
Loan from Director's	-	-
Net (decrease)/increase in cash and cash equivalents	37,944,985	146,468,237
Cash and cash equivalents at beginning of the year	✓ 298,566,047	142,079,810
Cash and cash equivalents at end of the year	326,511,032	288,548,047

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



 Chief Executive

 Director





 Attested
 Shoukat Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Cash Commissioner

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 2019

	Issued, subscribed and paid up capital	Accumulated Profit & (Loss)	Total
Rupees			
Balance as at June 30, 2017	100,000,000	658,771,474	758,771,474
Profit for the year ended June 30, 2018	-	218,057,114	218,057,114
Balance as at June 30, 2018	100,000,000	874,828,588	974,828,588
Profit for the year ended June 30, 2019	-	242,180,469	242,180,469
Balance as at June 30, 2019	100,000,000	1,117,009,056	1,217,009,056

Note: The annexed notes form an integral part of these accounts



Chief Executive

Director





Attested
Shoukat Ali Pathan
Senior Advocate
& High Court Commissioner

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

1 STATUS AND NATURE OF BUSINESS

- 1.1 M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD. Was incorporated as a private limited company under the Companies Ordinance, 1984 on 01st January, 2008. Principal activity of the company is manufacturing of various types of pipes & steel products.
- 1.2 These accounts have been prepared up to June 30, 2018. These accounts have been prepared on the assumption that the company would continue as a going concern. The assumption is based on understanding of continued support of the sponsoring Directors.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

These accounts have been prepared in accordance with accounting standards issued by the International Accounting Standards Committee (IASC), Interpretation issued by the Standing Interpretations Committee of the IASB as applicable in Pakistan and the requirements of the Companies Ordinance, 1984.

2.2 Accounting Convention

These accounts have been prepared under the historical cost convention.

2.3 Taxation

The company falls in the ambit of Presumptive Tax Regime and all its finished products is being exported. Tax is being deducted at source which is treated as final payment of tax liability.

2.4 Operating Fixed Assets

a) Fixed assets including all additions are stated at cost. Depreciation is provided under Reducing Balance Method at rates as detailed in note 3 to these accounts.

b) A full year's depreciation is charged on assets acquired during the year, while no depreciation is charged in the year of disposal.

c) Gains or losses on disposal of fixed assets, if any, are taken to profit and loss account, currently.

d) Normal repair and maintenance are taken to profit and loss account, currently.

e) Plant & Machinery received but not erected is shown as Capital Work in Progress.

2.5 STOCK & SPARES

a) All stock for export sales and sample sales are valued at lower of cost and net realizable value.

b) These are valued at moving average cost except items in transit which are valued at cost accumulated to the balance sheet date.

c) Net realizable value indicates the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

2.6 Trade Debtors

Known bad debts, if any are written off, while provisions are made against debts considered doubtful.

2.7 Revenue Recognition

Export sales are booked on shipment basis.



[Handwritten Signature]

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Shoukat Ali Pathan
Advocate
& Commissioner
Hyderabad

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 (Rupees)	2018 (Rupees)
3 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL:		
(Number of Shares)		
1,000,000 Ordinary Shares of Rs. 50/- each	<u>100,000,000</u>	<u>100,000,000</u>

3.1 ALLOCATION OF PAID UP CAPITAL:

PARTICULARS	NO. OF SHARES AS ON 01.07.18	PRICE PER SHARES	PAID UP CAPITAL	RATIO OF SHARES	SHARES AS ON 30.06.19
Mr. Haq Sirajuddin Socorro	950,000	100	95,000,000	95%	95,000,000
Mr. Muhammad Qasim	30,000	100	3,000,000	3%	3,000,000
Mr. Saifullah Khalid	50,000	100	5,000,000	5%	5,000,000
Mr. Azam Ali	50,000	100	5,000,000	5%	5,000,000
2019	1,000,000	100	100,000,000		100,000,000
2018	1,000,000	100	100,000,000		100,000,000

	2019 (Rupees)	2018 (Rupees)
4 CREDITORS, ACCRUED & OTHER LIABILITIES:		
Trade Creditors	292,894,982	254,208,579
Accrued Liabilities	7,380,850	7,055,506
Workers' Welfare Fund	1,418,261	1,404,210
Others	70,153,412	73,140,967
4.1 OTHERS:	<u>972,453,405</u>	<u>332,809,262</u>
Trade Creditors		
Accrued Liabilities		
Workers' Welfare Fund		
Others		
4.1 OTHERS:		
Sales Tax Payable	2,393,731	2,361,286
Short Term Borrowings (Free of Interest) (FROM FAMILY & FRIENDS FOR ONE YEAR)	68,059,681	68,059,681
	<u>70,453,412</u>	<u>70,410,967</u>
5 ADVANCE FROM CUSTOMERS:		
Security Deposits from Customers	570,506,572	496,116,630
Advance from Customers	80,054,212	78,334,521
	<u>650,560,784</u>	<u>574,451,151</u>



(Signature)
Shoukat Ali Pathan
Oath Commissioner

(Signature)
Shoukat Ali Pathan
Senior Oath Commissioner
High Court of Sindh
& Oath Commissioner

6 OPERATING FIXED ASSETS:

PARTICULARS	WRITTEN DOWN VALUE			DEPRECIATION		W.D.V.
	As on 01.07.18	Addition (During)	As on 30.06.19	Rate %	For the Year	As on 30.06.18
Plant & Machinery	647,175.073	-	647,175.073	10%	64,717.507	582,457.566
Furniture & Fixtures	38,875	-	62,675	13%	8,168	51,807
Office Equipment	44,106	-	44,106	13%	4,411	39,695
Generator & Electric Installation	6,577,842	-	6,577,842	20%	1,315,568	5,262,274
Air Condition	124,878	-	124,378	20%	24,896	99,482
Motor Vehicles	412,762	-	412,782	20%	82,556	330,225
2019	655,003,496	-	655,003,496		66,211,906	588,791,590
2018	728,799,696	-	728,799,696		73,766,440	655,033,256

6.1 ALLOCATION FOR DEPRECIATION:

Cost of Goods Manufactured
Administrative Expenses

	2019 (Rupees)	2018 (Rupees)
Cost of Goods Manufactured	65,464,390	72,867,347
Administrative Expenses	607,016	99,903
	66,211,906	73,758,440

Note: That the Land & Building using on H-Tech Pipe & Engineering Industries (Pvt.) Limited is in the name of Mr. Haji Sajjad (Director of H-Tech Pipe & Engineering Industries (Pvt.) Limited).

7 STOCK - IN - TRADE:

Finished Goods
Work in Progress
Raw Materials

Finished Goods	627,300,970	544,825,169
Work in Progress	143,976,556	125,833,256
Raw Materials	114,972,187	99,695,351
	886,249,713	770,353,776

8 STORE, SPARES, PARTS & LCOS TOOLS:

Tools
Stores in Transit & Parts

Tools	666,600	608,474
Stores in Transit & Parts	2,930,079	1,646,421
	3,596,679	2,254,895

9 GOODS IN TRANSIT:

Goods in Transit

Goods in Transit	54,751,406	48,437,882
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10 ACCOUNT RECEIVABLE

From Customers

From Customers	417,107,831	250,427,867
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(Signature)

Shaukat Ali Pathan
Oath Commissioner
Hyderabad

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees)	2018 (Rupees)
11 ADVANCES, DEPOSITS & PREPAYMENTS:			
Advance Income Tax		25,587,643	21,748,959
Security Deposits		13,000,000	12,000,000
Advances to Staff		9,572,375	8,359,355
Advances to Supplier		143,954,837	94,357,442
Prepayments		274,817,730	161,542,067
		<u>456,832,645</u>	<u>324,102,763</u>
12 CASH & BANK BALANCES:		<u>326,511,032</u>	<u>250,568,047</u>
13 COST OF GOODS SOLD:			
Opening Stock - Finished Goods		544,828,169	463,72,232
Cost of Manufacturing	13.1	2,591,187,971	2,264,458,917
Closing Stock - Finished Goods		(627,300,872)	(544,923,186)
		<u>2,808,515,278</u>	<u>2,179,704,903</u>
13.1 COST OF GOODS MANUFACTURED:			
Opening Stock Work In Progress		175,801,266	126,992,955
Raw Material Consumed	13.2	1,412,656,169	1,105,907,036
Salaries, Wages & Benefits		82,279,572	78,800,511
Spares Parts & Other Maintenance		17,907,088	18,127,762
Packing Material Consumed		24,398,020	21,778,347
Fuel Water & Power		985,599,010	665,525,881
Rent, Rate & Taxes		2,193,542	1,986,924
Insurance		9,535,677	8,551,305
Repair & Maintenance of Factory & Electrical Fittings Building		9,278,067	9,318,544
Depreciation	5.1	65,404,080	72,987,247
Printing & Stationary		14,722,625	13,202,450
Closing Work In Progress		(1,439,76,868)	(125,803,256)
		<u>2,591,187,971</u>	<u>2,254,458,647</u>
13.2 RAW MATERIAL CONSUMED:			
Opening Stock		99,065,551	1,00,237,897
Purchases		1,427,572,909	1,104,415,450
Closing Stock		(1,43,372,181)	(99,665,651)
		<u>1,412,656,169</u>	<u>1,105,907,036</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees)	2018 (Rupees)
14 ADMINISTRATIVE EXPENSES:			
Salaries, Allowances & Other Benefits		48,825,176	40,435,377
Director Remuneration		31,556,250	27,284,862
Bonus to Staff		2,375,001	2,618,877
Electricity Expenses		2,794,703	2,413,336
Telephone & Mobile Cards		2,054,723	1,774,334
Entertainment		1,558,015	1,345,407
Legal & Professional Expenses		834,725	548,110
Property, Water Tax & Provisional		2,152,142	1,058,459
Repair & Maintenance		5,857,069	5,058,517
Printing & Stationery		1,375,652	1,187,930
Petrol & Diesel		14,470,564	12,495,900
Medical Expenses		2,812,116	2,433,553
News Paper		601,104	691,786
Amortisation of Deferred Expenses		1,659,773	5,245,925
Security Guard Salaries		4,801,647	2,734,566
Depreciation	6.1	807,313	698,093
General Expenses		15,929,743	12,028,649
		<u>147,479,336</u>	<u>127,513,220</u>
15 SELLING & DISTRIBUTION EXPENSES:			
Selling Staff Salaries		55,267,509	45,032,547
Courier & Communication		6,449,758	8,403,834
Advertisement		6,192,464	5,038,864
Entertainment		7,589,511	1,289,331
Conveyance & Traveling		27,357,396	18,105,396
Misc. Expenses		1,149,318	924,618
		<u>97,071,566</u>	<u>78,858,718</u>
16 FINANCIAL EXPENSES		<u>2,703,265</u>	<u>2,406,841</u>

17 DATE OF AUTHORISATION FOR ISSUE:

The financial statements were authorized for issue as at August 24, 2019 by the Board of Directors of the Company

18 GENERAL:

Figures have been rounded off to the nearest Rupee



Chief Executive

Director

[Handwritten Signature]
Senior & Oath Commissioner
High Court of Andhra Pradesh
& Oath Commissioner

[Handwritten Signature]
2019

48

Rule 4(3) (c):

- Attested copy of the Corporate Authorizations allowing the submission of the application:

Remarks:

[Attached overleaf]



[Handwritten Signature]
Shaukat Ali Pathan
Senior Secretary
High Court of Sindh
& Ombudsman



HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LTD

Resolution No. 009 of the Board of Directors

The BOD (Board of Directors) of Hi-Tech Pipe & Engineering Industries (Pvt) Ltd considered the matter of obtaining the License from Oil and Gas Regulatory Authority (OGRA) to acquire / purchase Low Pressure Gas from Laghari field [constructed to be Natural Gas] from UEPPL (United Energy Pakistan Limited) (authorized and licensed to carry out such operations /ventures), transport it through the skid tube containers which are ISO certified of existing Transportation and Distribution Industries through 3rd Part Access' regime and then to market the Low Pressure Gas to end industries consumers. The consideration was made in the meeting of the Company's Board of Directors, held on 1st August, 2019 at the principal registered office of the Company at Kotri. The Company's BOD resolved as under.

Quote

Resolution

"The Board of Directors unanimously resolved that Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall obtain License from Oil and Gas Regulatory Authority, Islamabad for sale of low pressure gas to the end Industries consumers.

The Board further resolved that Sirajuddin Soomro, Director and Muhammad Azam Soomro (Technical & Regulatory Affairs) are authorized for and behalf of Hi-Tech & Engineering Industries (Pvt) Ltd to do all the needful in the matter, related to acquisition of the License, including but not limited to submit, explain, discuss, finalize and execute any application, supplementary material / documents, as may be required from time to time and to appear before OGRA, as and when so required / solicited.

Us quote



[Handwritten signature of Sirajuddin Soomro]

**Sirajuddin Soomro
Director / CEO**

[Handwritten signature of Muhammad Azam Soomro]

**Muhammad Azam Soomro
Director**

[Handwritten signature of Shaukat Ali Pathan]
 Shaukat Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Oath Commission

Factory Office:

X-22, Extension Area S.I.T.E Kotri, Sindh, Pakistan
 Ph: +92 (0) 22-3873614, Fax: +92 (0) 22-3870808
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 Ph: +92-22-2790635
 Fax: +92-22-2790635

46
46

Rule 4(3) (f):

- In the case of an Applicant being a subsidiary company, the documents specified in clauses (a) to (d) of this sub-rule, pertaining to its holding company.

Remarks:

Note Applicable since the applicant (Hi-Tech & Engineering Industries (Pvt) Ltd) is not a subsidiary company and has been registered with SECP in its own entity.



Shaukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

Rule 4(3) (g):

- Details of the consents required under applicable laws, from persons other than the Authority, for carrying on the relevant regulated activities and the status of such consents.

Remarks:

The DCO concerned and Chief of Inspector of Explosive are the relevant authorities / entities to issue 'NOC's consents and approvals to carry activities and establish installations relevant to the regulated activities' for which, the instant License is being applied for. The same have been obtained, copies of which, are placed as Appendices 1 & 2' herewith.



Shri
Senior Advocate
High Court of Sindh
& Oath Commissioner

"SAY NO TO CORRUPTION"

OFFICE OF THE
DEPUTY COMMISSIONER
TANDO MUHAMMAD KHAN

No. JB/DC/TMK/ 467 /2019
Dated: 13-07-2019



READ:

- Agreement for Hare Gas in Tando Ghulam Hyder between united energy Pakistan Ltd and M/S HI-Tech Pipe and Engineering Industries (PVT) Ltd against Deh Mahi Laghari Tapa Mahi Laghari Taluka Tando Ghulam Hyder District Tando Muhammad Khan
- Lease Agreement Between Mr. Siraj-U-Din Soomro S/o Muhammad Hassan Soomro and M/S HI-Tech Pipe And Engineering Industries Pvt Ltd Hyderabad.
- Letter No.Nill, Dated Nill, Mr. Siraj-U-Din Soomro, HI-Tech Pipe & Engineering Industries (pvt) Ltd requesting for grant of NOC to setup low pressure at survey no. 453 total area 4-00 Acres Deh & Tapa Mahi Laghari Taluka Tando Ghulam Hyder District Tando Muhammad Khan.
- Letter No.EC/II/8725, Dated: 13-09-2019, from Senior Superintendent of Police, Tando Muhammad Khan.
- Letter No.AC/TGI/333/of 2019, Dated: 06-09-2019, from Assistant Commissioner, Tando Ghulam Hyder.
- Letter No.SC/400/2019/TG-I Dated 02-09-2019, of Mukhtakar Tando Ghulam Hyder.

NO OBJECTION CERTIFICATE

In Pusuance of letter no. nill dated nill, of Mr.Siraj U-Din Soomro, propriter M/S HI-Tech Pipe & Engineering Industries (PVT) Ltd Hyderabad **NO OBJECTION Certificate** is hereby issued in favour of **M/S HI-Tech, Pipe & Engineering Industries (PVT) Ltd Hyderabad** for setup Low Pressure Gas Field at Survey No. 453, Deh & Tapa Mahi Laghari Taluka Tando Ghulam Hyder District Tando Muhammad Khan.

The said NOC is valid for setup low pressure gas field and will be subject to clearance from the Chief Inspector of Explosive OGKA and fulfillment of all cadal formalities as required by Law /Rules for the time being in force. The layout plan duly countersigned by the undersigned is also attached herewith.

[Signature]
Additional Deputy Commissioner
Tando Muhammad Khan

13/7

C.C. to:

1. The Secretary Energy, Department, Government of Sindh Karachi
2. The Secretary Home Department, Government of Sindh Karachi
3. The Secretary OGKA, Government of Pakistan, Islamabad
4. The Commissioner Hyderabad Division Hyderabad
5. The Chief Inspector of Explosive Department, Government of Pakistan, Karachi.
6. M/S United Energy Pakistan Ltd Karachi.
7. M/S HI-Tech Pipe and Engineering Industries (PVT) Ltd Hyderabad.
8. Office File - 2019.



[Signature]
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Qath Commission

Additional Deputy Commissioner-I
Tando Muhammad Khan

GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES & PRODUCTION
DEPARTMENT OF EXPLOSIVES
CIRCLE OFFICE, KARACHI

NO. HYD-439/P

2594
M/s Hi-Tech Pipe & Engineering Industries,
B # 152/G, Block-2, P.E.C.H.S.
Karachi.

40
State Cement Corporation Building
Main Stadium Road, Dalmia Karachi
Dated: 09.10.2019.

Subject. GRANT OF LICENSE IN FORM 'A' UNDER MINERAL AND
INDUSTRIAL GASES SAFETY RULES, 2010 FOR HANDLE
LOW PRESSURE GAS AT SURVEY NO. 453, DEH & TAPA
MAHI LAGHARI TALUKA TANDO GHULAM HYDER,
DISTRICT TANDO MUHAMMAD KHAN.

REF Your letter No. Nil dated 09.10.2019.

Dear Sirs,

The proposed drawing No. AJA-824, dated 30.9.2019 received with the letter
dated above showing for handle low pressure gas is approved and returned herewith duly
signed in token of approval as per description of the plan.

2 You are allowed to undertake the proposed installation/constructional work
and submit the said approved plan alongwith safety completion certificate within 6
months from the date of issue of this letter to consider further necessary action.

Encl: As above.

Yours truly,

(RAJ KUMAR)
For Deputy Director
For Director General of Explosives
Ph: 34982101

Copy to the Director General Department of Explosives, Islamabad alongwith
approved plan with reference to their letter No. HYD/4050/CNG(A)/6523, dated
04.10.2019



(RAJ KUMAR)
For Deputy Director
For Director General of Explosives
Ph: 34982101

Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

Rule 4(3) (b):

- Details of the technical and financial and resources available for carrying on the relevant regulated activities.

Remarks:

Hi-Tech & Engineering Industries (Pvt) Ltd possess technical and financial resources to establish, manage and operate the facilities for which the License is applied for. A brief of the same is appended below.

Sr. No	Name	Title/ Designation	Business Address
1.	Sirajuddin Soomro	Chief Executive Officer	72/41 Hamid Plaza Saddar Cantt: Hyderabad Sindh.
2	Muhammad Azam	Director Tech. & Regulatory Affairs	---do---
3.	Muhammad Hassan	Chief Finance Officer	.. do ..
4.	Mr. Muhammad Alam Soomro	Manager Admin & Logestic	---do---
5.	Mr. Raheel Anwer	Project Engineer	---do---



Beside the above, the Company has a panel of experts in financial / Accountancy and Legal / Corporate Affairs as stated below:

- 1) Auditors: Salahuddin & Co.
- 2) Legal and Corporate Affairs: Seyed Zaffar Abbas Naqvi
11 BO- B1 Block-B, F.3 Area Karachi
- 3) Chartered Accountant: 514-Madina City Mall A.H Karachi

Note: CVs of key technical personnel attached as Appendix-I

Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Qazi Commission

Rule 4(3) (i):

- > Details of the resources and expertise available to handle emergency situation arising out of natural calamities, accidental or criminal acts or omission, specifying, which such resources are available and which are to be procedure.

Whereas, Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall be transporting Low Pressure Gas through existing Skid Tube Container of the two integrated Gas Companies, through 'Third Party Access' arrangements, subject distribution, allocation, which will be approved and a formal application for capacity allocation by the Authority (OCRA), under Rules 5 and 11 of the Low Pressure Gas Regulated Third Party Access Rules, 2012 has already been submitted, for allocation where upon, the responsibility to counter emergency situations shall lie exclusively with the suppliers / shippers (Up-stream of delivery points), who shall bear the responsibility to counter emergency situations arising out of any reasons, including but not limited to those mentioned in the sub-rule 4(3)(i) above.

However, Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall maintain complete liaison with the suppliers of Low pressure Gas, to ensure safe practices with minimum risks involved. The personnel of Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall coordinate with the suppliers in maintenance of the spares, firefighting equipment, shut off valves and protection of other equipment installed at the delivery points, to mitigate risks involved. Complete liaison with the local government shall be ensured to eliminate risk in case of natural calamities, accidental or criminal acts which may pose dangers to the installations. The technical expertise of Hi-Tech Pipe & Engineering Industries (Pvt) Ltd will extend all out support to the suppliers of Lower Pressure Gas to handle such emergency situation.

Once the agreement for allocation and transportation of Low Pressure Gas are executed, all necessary metering and safety equipments will be installed by supplied by suppliers/ shippers under Rule 4 of NCIRTPA Rules, 2012 and hence, augmentation of resources for combating emergency and hazardous situations shall be carried out by the Low Pressure Gas suppliers in close coordination of Hi-Tech Pipe & Engineering Industries (Pvt) Ltd. The entities with whom such agreement are being executed are of repute with long standings in similar venture, for whom, such operation will not pose situation of concern.



Attested
 Shoukat Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Oath Commissioner

Rule 4(3) (j):

- A list of the names and business addresses of applicant's senior management, including without limitation, department and / or divisional heads

LIST OF SENIOR MANAGEMENT

Sr. No	Name	Title/ Designation	Business Address
1.	Sirajuddin Soomro	Chief Executive Officer / Chairman	72/41 Hamid Plaza Saddar Cantt: Hyderabad Sindh
2.	Muhammad Azam	Director Tech & Regulatory Affairs	---do---
3.	Muhammad Hassan	Chief Finance Officer	---do---
4.	Mr. Muhammad Alam Soomro	Manager Airfare & Logestic	---do---
5.	Mr. Raheel Anwer	Project Engineer	---do---

The Project Engineer is experienced in Gas related projects, including handling of emergency situation, CNG Storage Vessels and instrumentation, as well as auxiliary activities.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Civil Commission

Rule 4(3) (k):

- If the applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds ten percent or more of the voting interest in any other person engaged in the production, transmission, distribution, or sale of Natural Gas, or in any person engaged in the financing, construction, maintenance or operations of such facilities, detailed explanation of each such relationship, including the percentage of voting interest owned, held or controlled.

Remarks / Statement

None of the Directors and Officers of the Company either possesses 10% or more of voting interest, nor are engaged in a regulated activity of natural gas operations, as mentioned above.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

Rule 4(3) (D):

- A list of all others applications, petitions or filings filed by the applicant which are pending before the Authority at the time of the filing of this application and which directly and significantly affect this application, including an explanation of any material effect the grant or denial of those other applications, petitions or filings will have on this application and of any material effect the grant or denial of this application will have on those other applications, petitions or filings.

Remarks / Statement:

No Application of the applicant is pending before the Authority, except on 'Application for Capacity Allocation' under Rules 5 and '1 of OGRA Natural Gas (Third Party Access) Rules, 2012, which is directly related to this 'Application'.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioners

Rule 4(3) (m):

➤ Details of the following Market Data.

- (i) An estimate of the volume low pressure gas.
- (ii) Number and consumption details of the consumers.
- (iii) The applicant's total annual peak day Natural Gas.
- (iv) Total past if applicable and expected curtailments of service by the applicant.

Remarks / Statement:

(i) An estimate of the volume of low pressure gas to be distributed or sold to:	Hi-Tech Pipe & Engineering Industries (Pvt) Ltd in advanced stage of executing GSAs with prospective suppliers of low pressure gas through to Skid Tube Container to the end industries consumers for transporting on Third party Access basis. The expected commencement of supply will be 1 MMcfd in December, 2019
(ii) Number and consumption details of the consumers.	Currently, about 12 industries have given their consent to purchase low pressure gas from the company and more are to follow/ the consumption pattern would be compatible with a quantum of supply from the injection points/ suppliers.
(iii) The applicant's total Annual peak day low pressure gas requirement	The peak day low pressure gas requirement will be compatible with the supplies as mentioned against serial number (i)
(iv) Total past if applicable and expected curtailments of service by the applicant;	Since the applicant is yet to start its operations, there is no history of Gas curtailments in the past. As regards the curtailments in future the same shall be based of force majeure short falls from the suppliers / injection points



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

➤ Sub-Rule 4 (5) concerns 'Sales License', therefore being complied/ responded as proposed

Rule 4(3) (n)

➤ Such other information or documentation as the Authority may, from time to time, require, including without limitation, supplementary information or documentation required by the Authority to clarify the information contained in the application.

Remarks:

The applicant makes a firm commitment that it shall provide any supplemental information, documents and data to the Authority as and when so required in the shortest possible time, after requisition of the same



Rule 4(3)

➤ Applies for 'Application for a Transport License, hence not applicable.
Sub-Rule 4(5) concerns 'Sales License' therefore being complied/ responded as proposed



Shoukatali Pathan
Senior Advocate
High Court of Andhra Pradesh
& Oath Commissioner

64

Annexure-I

To
The Registrar
Oil & Gas Regulatory Authority
Islamabad

Subject GRANT OF LICENCE OF THE SALE FLARE GAS/CNG M/S HI TECH PVT LIMITED

Respected sir,

With reference to our case provide detail of our industrial customer and CNG Station are as under

PARA #1

- 1 BRIDGE POWER BATTERIES SITE KOTRI HYDERABAD
- 2 HI TECH PIPE & INDUSTRIES SITE KOTRI HYDERABAD
- 3 MILLENIUM COTTON & GINNING INDUSTRIES MATIARI
- 4 ISLAND TEXTILE MILL SITE KOTRI
- 5 COLGATE PAKISTAN LTD SITE KOTRI
- 6 DIAMOND TEXTILE SITE KOTRI
- 7 DAIRY LAND PVT LIMITED KARACHI
- 8 GUL PAPER MIRPURKHAS
- 9 RAFFIAN MEZINE PRODUCTION LTD SITE KOTRI
- 10 FAYAKUN TEXTILE MILL KARACHI

PARA #2

- 1 AL MADINA TRADERS address: Plot No 30 R.S 282 Deh Sari Main wadho wah Qasimabad Hyderabad
- 2 AL MADINA CNG STATION II Address: Plot No 278 Deh Mirzapur Tapo Qasimabad Main National Highway Hyderabad
- 3 SHAH LATIF CNG STATION address: Plot No. 295, survey No. 415-3 & 417/2 tapo Bhit Shah Taluka Hala
- 4 AL MADINA TRADERS Mirpurkhas address: survey No 108, Main Hyderabad Road Mirpurkhas
- 5 SAFE & SAVE CNG STATION (PSO Outlet) Muslim Petroleum Service Auto Dhan Road Industrial Area Hyderabad
- 6 AJAZ CNG STATION FATEH CHOWK



CERTIFIED TRUE COPY



Rule 4 (a):

- Maps issued or certified by the Survey of Pakistan, drawn to an appropriate scale showing details of areas where the transmission facilities are to be proposed to be located and the principal geographical features, of the said areas, including without limitation, details of mountains, rivers, streams, roads, building or construction and habitation

Remarks:

Attached is the Map and Layout Plan of the low pressure gas distribution where no delivery points, will be put in place' installed for Low Pressure Gas into the "Transporter's System for transportation of the same based on "TDA (Third Party Access), for utilization by the applicant, i.e. sale of low pressure gas the transporter shall carry out installation of Skid Tube Container and instrumentation for Low Pressure Gas as per the OGRA low pressure gas Regulated (Third Party Access) Rules, 2012.





Scale: 1:1,000,000
 Survey of India
 Sindh
SINDH

REFERENCES

International Boundary	—	Railway	—	Headline	—
Province Boundary	—	Highway	—	Town	—
Province Headquarter	○	State Road	—	Well	—
Capital of Province	●	Canal	—	Water	—
Sea Level	—	Sea Level	—	Major International City	—

Map 1747
 Survey of India

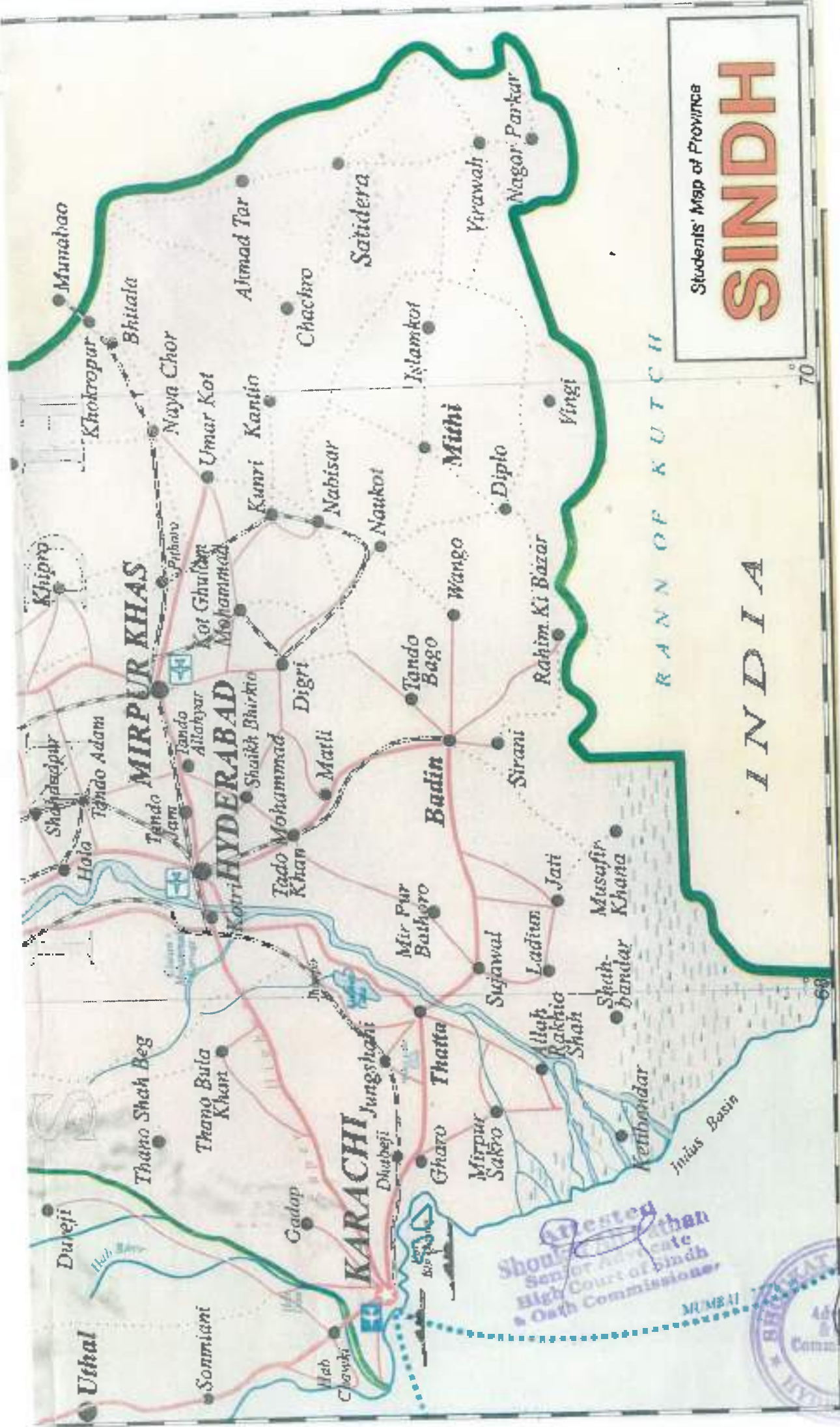
Survey of India
 Major Survey
 Department



Shri
 High Court of Sindh
 & Qazi Commissioner

SINDH

Students' Map of Province



Attested
 Shoukat Ali Pathan
 Senior Advocate
 High Court of Sindh
 & Oath Commissioner



MUMBAI



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner



74

GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES & PRODUCTION
DEPARTMENT OF EXPLOSIVES

No. GC-104/2015/71

289, F-Block, Mughal Plaza,
Satellite Town, Rawalpindi.
Dated: 09-31-2015

To ✓
M/s Luxi New Engineering
Equipment Group Co. Ltd,
No. 28, Liaoh Road, Economic
Development Zone, Liaocheng,
Shandong, China.

Subject: REGISTRATION AND APPROVAL OF JUMBO SEAMLESS STEEL
CYLINDERS MANUFACTURED BY M/S LUXI NEW ENERGY
EQUIPMENT CO LTD AS PER STANDARD ISO 11120.


Ref: Your letter No. N1, dated N1.

Dear Sir,

The detailed manufacturing drawing No. ISODQH-659-C3, pertaining to
Jumbo Seamless Steel Cylinders having the capacity of 1050 and 2348 water liter
each manufactured by M/s Luxi New Energy Equipment Co. Ltd as per standard ISO
11120 is hereby approved as per rule 129 of Mineral and Industrial Gases Safety
Rules, 2010.

This issue with the approval of Chief Inspector of Explosives.

Enc: 2/21

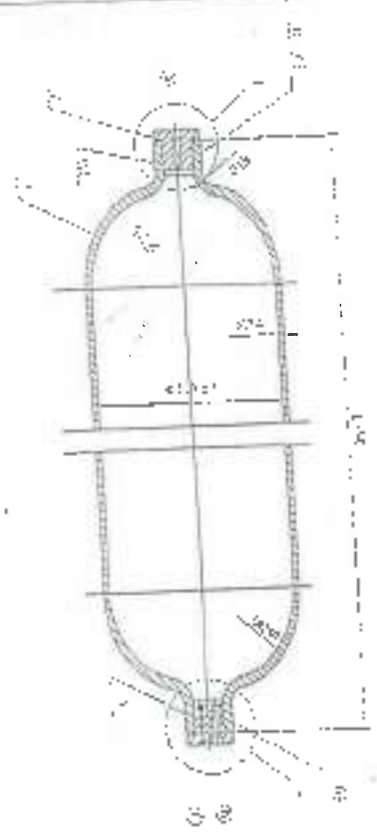

(MUHAMMAD AFTAB QAZI)
Inspector of Explosives
For Chief Inspector of Explosives

Copy for information to File No. TP-0015, for further necessary action.



Attested

Shahid Khan
Secretary
High Commission
& Consulate General



Technical Requirements

- The design, construction and inspection of this product are compared with the ISO 1129 1990.
- The external appearance and mechanical property of cylinder are compared with the Table 1.2
- The parts made of cylinder shall be completed with 4.2 material (steel or cylinder steel) as compliance with ISO 1129-1:1992 in part special requirements of cylinders.
- The cylinder test must be done after hydraulic pressure test, the testing medium should be dry compressed air and the working pressure should be 25MPa, the holding time should be longer than 1 min and no any leakage.
- The stamping failure the marking appearing, the marking must be clear and the letter identification height shall be visible. The depth of marking on cylinder should be 0.1-0.2mm.
- The color of painting should be white. There are no bubbles, cracks and any other defects.
- There are two pressure relief devices on the top ends of cylinder, the bursting pressure should be 37.5MPa.
- The 100% IT should be done according to ISO 1129 since B The 100% IT should be done on the external and internal mark (crests) without any cracks.
- The releasing area of bursting disc should be larger than 144 mm² and the diameter of releasing hole should be larger than 20mm.

The drawing is used for cylinder with ISO 1129 1990 to 141506 20mm

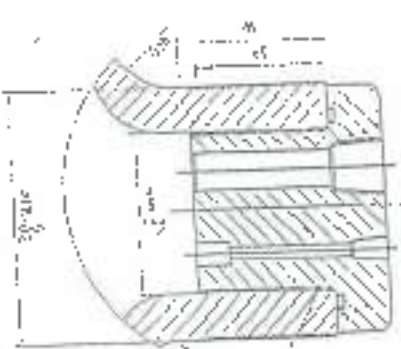
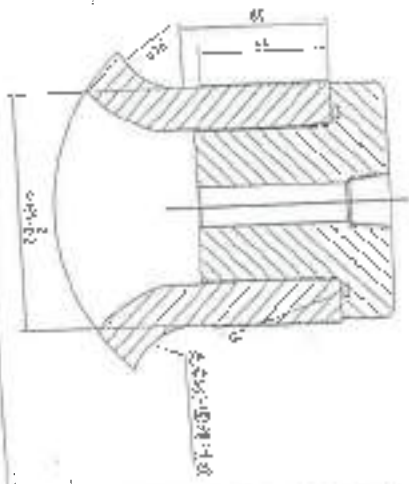


Figure 1.1



Figure 1.2



Item	Code	Material	Quantity	Unit	Remarks
1	SH-10-110	Steel	1	PC	Body
2	SH-10-110	Steel	1	PC	Head
3	SH-10-110	Steel	1	PC	Flange
4	SH-10-110	Steel	1	PC	Bracket
5	SH-10-110	Steel	1	PC	Support
6	SH-10-110	Steel	1	PC	Valve
7	SH-10-110	Steel	1	PC	Seal
8	SH-10-110	Steel	1	PC	Washer
9	SH-10-110	Steel	1	PC	Nut
10	SH-10-110	Steel	1	PC	Pin
11	SH-10-110	Steel	1	PC	Key
12	SH-10-110	Steel	1	PC	Shaft
13	SH-10-110	Steel	1	PC	Roller
14	SH-10-110	Steel	1	PC	Bracket
15	SH-10-110	Steel	1	PC	Support

Table 1	Table 2								
<table border="1"> <tr> <th>Table 1</th> <th>Table 2</th> </tr> <tr> <td>...</td> <td>...</td> </tr> </table>	Table 1	Table 2	<table border="1"> <tr> <th>Table 2</th> <th>Table 3</th> </tr> <tr> <td>...</td> <td>...</td> </tr> </table>	Table 2	Table 3
Table 1	Table 2								
...	...								
Table 2	Table 3								
...	...								



Technical Data

Table 1: Chemical Composition

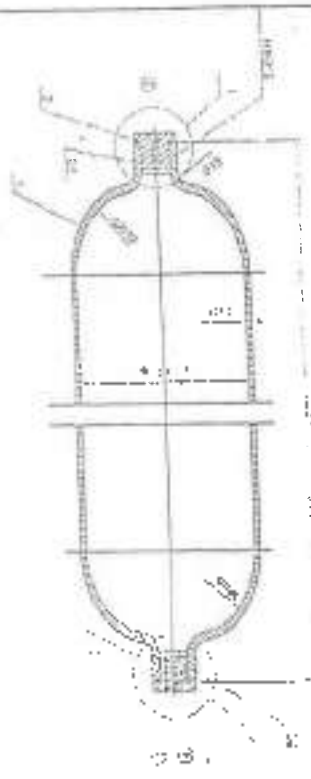
Element	Symbol	Value
Carbon	C	0.25
Manganese	Mn	0.35
Sulfur	S	0.005
Phosphorus	P	0.008
Iron	Fe	Balance

Table 2: Mechanical Properties

Property	Value
Tensile Strength	570 MPa
Yield Strength	235 MPa
Elongation	22%
Impact	27 J

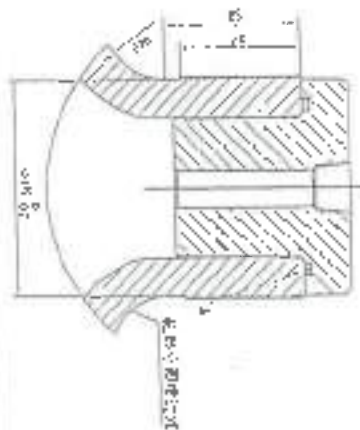
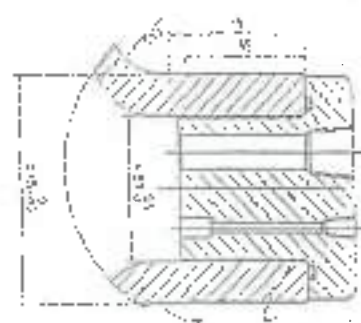
Signature: [Signature]

Date: [Date]



Technical Requirements

- 1 The design construction and fabrication of this product are covered under the IS: 10-1991.
- 2 The general composition and mechanical properties of the material used should be given in Table 1.
- 3 End plates should be non-stress and temperature resistant.
- 4 Material used in cylindrical body should conform with IS: 1012-1982 or get special permission from ISIRI.
- 5 The technical test must be done after hydrostatic pressure test. The failure mode should be in the cylindrical body and the rupture test specimen should be 1000 N.
- 6 The drawing shall be in accordance with the IS: 10-1991.
- 7 The drawing shall be in accordance with the IS: 10-1991.
- 8 The drawing shall be in accordance with the IS: 10-1991.
- 9 The drawing shall be in accordance with the IS: 10-1991.
- 10 The drawing shall be in accordance with the IS: 10-1991.
- 11 This drawing is used for cylinders with 1000 N capacity.



Sl. No.	Particulars	Quantity	Unit
1	Steel Plate	1	kg
2	Steel Plate	1	kg
3	Steel Plate	1	kg
4	Steel Plate	1	kg
5	Steel Plate	1	kg
6	Steel Plate	1	kg
7	Steel Plate	1	kg
8	Steel Plate	1	kg
9	Steel Plate	1	kg
10	Steel Plate	1	kg
11	Steel Plate	1	kg
12	Steel Plate	1	kg
13	Steel Plate	1	kg
14	Steel Plate	1	kg
15	Steel Plate	1	kg
16	Steel Plate	1	kg
17	Steel Plate	1	kg
18	Steel Plate	1	kg
19	Steel Plate	1	kg
20	Steel Plate	1	kg

Issued for
 Date: 10/10/2015
 By: [Signature]
 [Stamp: SHRI RAVI KUMAR, Senior Advocate, High Court of Madhya Pradesh, Jabalpur]

Issued for
 Date: 10/10/2015
 By: [Signature]
 [Stamp: SHRI RAVI KUMAR, Senior Advocate, High Court of Madhya Pradesh, Jabalpur]

10/10/2015
 10/10/2015
 10/10/2015

GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES & PRODUCTION
DEPARTMENT OF EXPLOSIVES

No.GC-104/2015/71

259, F-Block, Mughal Plaza,
Sate lite Town, Rawalpindi.
Dated: 06-01-2015

To ✓
M/s Luxi New Engineering
Equipment Group Co. Ltd,
No. 28, Liaohu Road, Economic
Development Zone, Liaocheng,
Shandong, China.

Subject: REGISTRATION AND APPROVAL OF JUMBO SEAMLESS STEEL
CYLINDERS MANUFACTURED BY M/S LUXI NEW ENERGY
EQUIPMENT CO. LTD AS PER STANDARD ISO 11120

Ref: Your letter No. Nil, dated Nil.

Dear Sir,

The detailed manufacturing drawing No. ISODQP-559-03, pertaining to
Jumbo Seamless Steel Cylinders having the capacity of 1050 and 2348 water liter
each manufactured by M/s Luxi New Energy Equipment Co. Ltd as per standard ISO
11120 is hereby approved as per rule 123 of Mineral and Industrial Gases Safety
Rules, 2010.

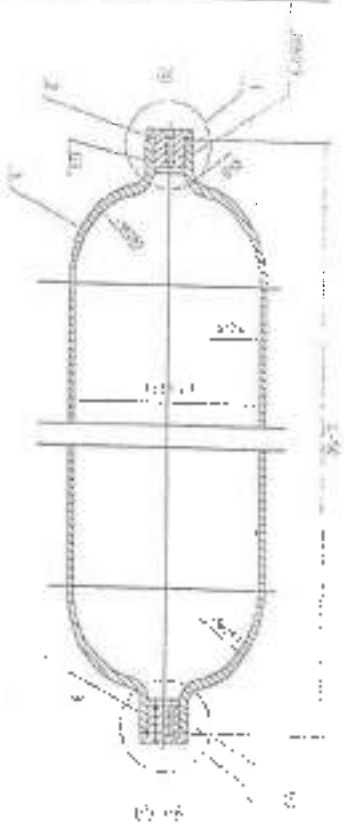
This issue with the approval of Chief Inspector of Explosives.

Encl: Blank


(MUHAMMAD AFTAB QAZI)
Inspector of Explosives
For Chief Inspector of Explosives

Copy for information to File No. TP-0015 for further necessary action.





Technical Requirements

1. The gas concentration and inspection of this product are compliance with the ISO 11179-1999.
2. The chemical composition and mechanical properties of cylinder are compliance with the Table 1.
3. End rings should be quenched and tempered.
4. External threads of cylinder meet GB 12 compliance with ISO 10305-1-1997 in particular requirement of external threads.
5. The leakage test must be done after hydrostatic pressure test. The testing medium should be dry compressed air and the working pressure should be 1.5MPa. The holding time should be longer than 5 min and no any leakage.
6. The stamping follow the marking drawing. The marking must be clear and the letter should be height and thin width. The depth of marking on cylinder should be 0.1-0.3mm.
7. The color of painting should be white. There are no bubbles, stripes and any other defects.
8. There are two pressure relief devices on the two ends of cylinder. The bursting pressure should be 3J.3MPa.
9. The 100% HT should be done according to ESO 11120 Annex R. The 100% HT should be done on the external and internal neck threads without any cracks.
10. The releasing area of bursting disc should be larger than 144.2mm² and the diameter of releasing hole should be larger than 2mm.
11. This drawing is used for cylinder batch from 103551 to 141530.

Signature and Name of the responsible person.

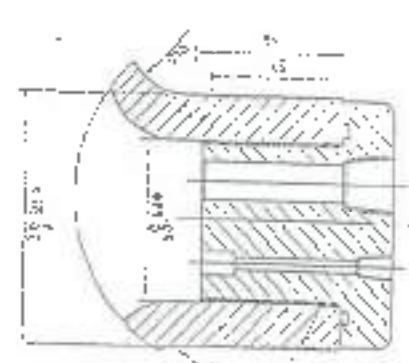


FIGURE 1.5



FIGURE 1.2

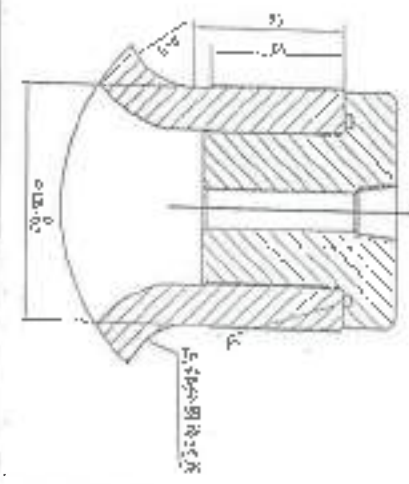


Table 1.1

Item	Requirement	Unit	Value
1	Design		100%
2	Material		100%
3	Manufacturing		100%
4	Inspection		100%
5	Storage		100%

Signature and Name of the responsible person.

Table 2

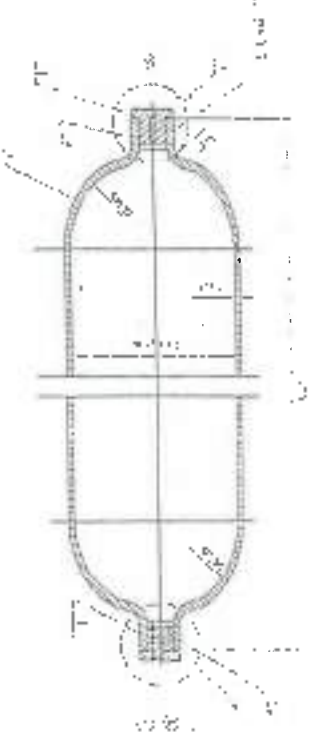
Element	Symbol	Content	Unit	Value
Carbon	C	0.08	%	0.08
Manganese	Mn	0.01	%	0.01
Silicon	Si	0.01	%	0.01
Phosphorus	P	0.005	%	0.005
Sulfur	S	0.005	%	0.005
Iron	Fe	Balance	%	Balance

Table 3

Property	Symbol	Content	Unit	Value
Yield strength	R _e	235	MPa	235
Tensile strength	R _m	375	MPa	375
Elongation	A ₅	24	%	24
Impact energy	K _{CV}	27	J	27

Item	Requirement	Unit	Value
1	Design		100%
2	Material		100%
3	Manufacturing		100%
4	Inspection		100%
5	Storage		100%





Technical Requirements

1. The design, construction and inspection of this product are compliance with the ISU 11120-1998
2. The essential requisition and mechanical property of cylinders are:
 - a) The design should be suitable for intended.
 - b) The material should be suitable and as compliance with ISU 11120-1-1998 or ISI Spec. for mechanical properties.
 - c) The leakage test must be done after hydrostatic pressure test. The testing medium should be air compressed at a test pressure should be 200% the working time should be longer than 1 hour for every testing.
 - d) The standing test on the working drawing the working time be 1 hour for every testing and the result of the test of working of cylinders should be 1-0.5%.
 - e) The ratio of printing should be 4% to there are no bubbles, cracks and any other defects.
 - f) There are two Pressure Relief Devices on the top side of cylinder, the working pressure should be 12 MPa.
 - g) The 100% RT should be done according to ISO 1175 code of ISO 100% RT should be done on the external and internal neck thickness without any cracks.
 - h) The relieving area of floating jet should be larger than 144.3mm² and the diameter of relieving hole should be larger than 30mm.
3. This drawing is used for cylinders came from 141501 to be released.

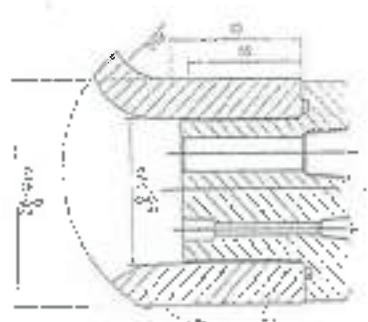
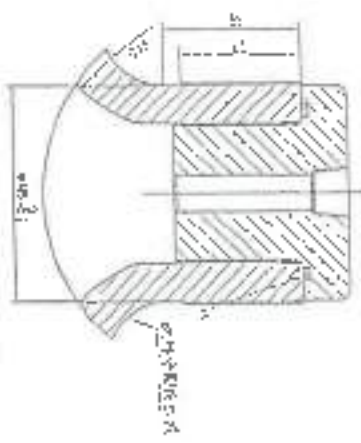


Figure 5



Figure 2



Technical Drawing

Part Name: _____

Scale: _____

Author: _____

Checked: _____

Date: _____

Project: _____

Sheet No: _____

Total Sheets: _____

Shoukail Pathan
Senior Advisor
High Court of Sindh
Oath

Table 1
Mechanical Property

Property	Value
Tensile Strength	500 MPa
Yield Strength	300 MPa
Elongation	10%
Impact	20 J
Hardness	150 HB

Table 2
Mechanical Property

Property	Value
Tensile Strength	500 MPa
Yield Strength	300 MPa
Elongation	10%
Impact	20 J
Hardness	150 HB

Table 3
Mechanical Property

Property	Value
Tensile Strength	500 MPa
Yield Strength	300 MPa
Elongation	10%
Impact	20 J
Hardness	150 HB



1991

06/02/2015

Rule 4 (b):

➤ Details of the sources and quality of supply of Low Pressure Gas forecasts of the available quantity from such sources

Remarks:

The details of sources indicating proportion from each source is as below [Figures / volumes are tentative]

Source / Supplier	Volume of Low Pressure Gas MMcfd	Expected Month of Commencement of Supply
Hi-Tech & Engineering Industries (Pvt) Ltd in advance stage of executing GSAs with prospective supplier (s)	1 MMcfd and if increase	1 MMcfd in December, 2019.

Hi-Tech & Engineering Industries (Pvt) Ltd are in advance stage of executing GSA with prospective suppliers.

Generalized Quality of Low Pressure Gas anticipated to be procured is attached over-leaf



Shoukat Ali Patil
 Senior Advocate
 High Court of Sindh
 High Court Complex, Lower



PERAC RESEARCH & DEVELOPMENT FOUNDATION

Government of Pakistan Ministry of Energy, Petroleum Division

TEST REPORT		Page 1 of 2	
Customer's Name	Mitchell Energy Pakistan	Test Report No	000637-001
Customer's Ref	1-3011-25-10-19	Reporting Date	31-10-2019
Date	24-10-2019	Sample Code	1900605-01
Sample Description	Gas Sample of Flare Gas, 70 ml Separator Gas Outlet Date: 20/10/19, (Facility: Sohali)	Receiving Date	24-10-2019

TEST METHOD	PARAMETERS	TEST RESULTS
D-1945	COMPONENTS	
D-1945	Carbon Dioxide, Mole %	2.746
D-1945	Nitrogen, Mole %	9.696
D-1945	Methane, Mole %	65.744
D-1945	Ethane, Mole %	10.550
D-1945	Propane, Mole %	6.459
D-1945	iso-Butane, Mole %	1.345
D-1945	n-Butane, Mole %	1.254
D-1945	iso-Pentane, Mole %	1.047
D-1945	n-Pentane, Mole %	0.730
D-1945	Hexane Plus, Mole %	0.649
D-1945	Hydrogen Sulphide, Mole %	Traces
D-3588	Calculated Gas Gravity (SG) (40)	0.8240
D-3588	Calc. GVI (10) (14.85) (SI) (60)	200.50
D-3588	Unk. NIP (10) (14.05) (SI) (6.7)	190.25
D-4591	Hydrogen Sulphide (ppm)	Nil
D-4591	Moisture Content (mg/L)	* 1.8

OGRA
Specs
137

← off spec →

→ off spec →

7/2/2019

Prepared By: [Signature] Section Incharge (D. J. H. C. S. T. I) Head R&SD



1.8 mg/L = 112.3703 lb/mmscf

Flare Gas MMSCfd	Facility	CO2	N2	C1	C2	C3	i-C4	n-C4	Men-C5	i-C5	n-C5	C6+	Total mole %	Relative Density Air=1.00	Gross BTU
1.7	khaskheh	1.722	2.653	84.201	5.725	2.502	0.538	0.885	0.015	0.342	0.321	1.097	100%	0.697	1142



Attested
Shoukat Ali Pathan
 Senior Advocate
 High Court of Andhra Pradesh
 Geth Commission

Flare Gas MMscfd	CO2	N2	C1	C2	C3	i-C4	n-C4	Neo-C5	i-C5	n-C5	C6+	Total mole %	Relative Density Air=1.00	Gross BTU
1	1.498	14.588	65.698	8.057	4.689	1.25	1.778	0.031	0.717	0.595	1.098	100%	0.813	1131



Shoukat Ali Khan
Senior Associate
High Court of Sindh
& District Commissioner

85

Rule 4 (c):

- Details of how the applicant proposes to meet the safety and service obligations prescribed by the Authority.

1. Safety:

Hi-Tech Pipe & Engineering Industries (Pvt) is committed to make concerted efforts to implement best practices on Health, Safety and Environment (HSE) and attaches paramount importance to this aspect. To Hi-Tech Pipe & Engineering Industries (Pvt), safety of personnel and plants / equipment is of utmost priority.

Whereas, The issue concerns more to the suppliers / shippers / transporters of Low Pressure Gas, who shall manage the installation / delivery points for Pressure Gas in the gas transported by Skids Tube Container but considering the importance of the issue Hi-Tech Pipe & Engineering Industries (Pvt), shall extend all out coordination to them for successful outcomes of the measures taken to meet the objectives. Immediately on grant of License and prior to start of operations, Hi-Tech Pipe & Engineering Industries (Pvt) Ltd envisages to prepare a HSE Policy in association with Low Pressure Gas, including, beside others, following components.

- Compliance with all statutory stipulations of the Regulatory Authority, Federal and Provincial government.
- Maintain safe and environmental work-place
- Infuse sense of accountability at all levels for safety.
- Mitigate or even eliminate possible of emissions/
- Reporting and monitoring of HSE issues.
- Periodic review of HSE and Security policies / plans/
- Review plans to mitigate risk factors
- Initiate Environmental friendly factors.
- Establish regular contact with law and order agencies, fire-fighting departments, hospitals and ambulance services.
- Foster leadership as far as HSE and Security practices are concerned. As regards the Code of practice on safety for end users of Low Pressure Gas, which predominantly are industries, their individual Licenses for Production, Storage and Marketing of Low Pressure Gas granted to them by the Regulator (OGRA), under Low Pressure Gas (Production and Marketing) Rules 1992. Cover this aspect and they remain under Regulatory obligation to maintain prescribed safety standards, under the terms of their Licenses

2. Compliance with Service Obligations

The company Hi-Tech Pipe & Engineering Industries (Pvt) Ltd commits to fully comply with the service obligation as set out under performance and Service Standards Regulations, 2003 (of OGRA) applicable to its licenses and also with any other obligations which shall be imposed through the license for which the instant application is being filed.



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 Shoukat Ali Pathan
 Senior Advocate
 High Court of Andhra
 & Oath Commissioner.

Rule 4 (d):

- Technical Specification of the distribution facilities (existing and proposed) or pipelines for the sale of Low Pressure Gas, as a case may be, including without limitation, specification for the design, construction, operation and maintenance of the facilities or pipeline, as a case may be.

Remarks

The applicant Company Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall transport gas on basis of Transportation / Access Agreement with the existing Integrated Gas companies on basis of OGRA Low Pressure Gas (Third Party Access) Rules, 2012. These Skid Tube Containers (Transportation and Distribution) are constructed, operated and maintained in accordance with the OGRA's notified Low Pressure Gas Transportation technical standards, regulation, 2004 and Low Pressure Gas Distribution Technical Standards Regulations, 2004. The equipment and materials used on these systems conform to the specification for materials and equipment imposed by the Authority (OGRA). Therefore, it is construed that, the sale of Low Pressure Gas which the instant license is applied for, will be through the system conforming to Technical Specification/ Standards already imposed by the Authority (OGRA).



Shoukat Ali Khan
Senior Advocate
High Court of Sindh
& Bench Commissioners

Technical Feasibility / Business Process Flow

1. Six (06) compressors will be used to compress Low Pressure Permit gas to the pressure of 250bars.
2. Eight (08) Boozers will be filled with the CNG and stored in CIE approved CNG storage cylinders.
3. The boozers will be moved from Badin to all over Sindh to transport CNG.
4. Sales meters stations installed at industries will be reduced the pressure up to 15Psi and then Natural Gas will be sold to industrial consumers.



Feasibility Report

1. We have installed six (06) CNG compressors at the cost of 32.4 million.
2. We have installed one gas generator cost of 9.7 million.
3. Complete Camp with boundary walls, staff quarters and office for the work as invest are 15million
4. Filling station, Pipes SS fitting etc worth of 13million.
5. We import six (06) CNG Skid Containers, each containing twelve tubes with length of 40 feet and worth of 210 million.

As the above, the total approximately cost of our proposed will be 280.1 million.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Andhra
& Orissa Commission

APPENDIX-I

CV ATTACHED OF TECHNICAL PERSON



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Karnataka
& Cash Commissioner

RESUME

RAHEEL ANWAR

Production/Operations Engineer

Current Location: PGNIG Rehman EWT Gas Field, Sindh Pakistan.
Tel: +923215202095, +923115533123; +92519267109
E-mail: r.raheelanwar@hotmail.com (Preferred Mode of Contact)



OBJECTIVE

To seek a career in a reputable organization where I can use my technical knowledge and professional abilities to become a valuable asset and crack a difference in overall goal of the organization.

TECHNICAL SKILLS

- Natural Gas Sweetening (using MDEA)
- Natural Gas Dehydration (using TEG)
- Annual Turn Arounals (2010-12)
- DCS
- JMC of Custody Transfer equipments (Flow Boss & GC) with buyer.
- Dehydration Plant Direction & Commissioning.
- Trouble Shooting & Emergency Handling of MDEA & DHP Unit.
- MON (Daniel GC Operating Software).
- Recklink (Flow Boss operating software).
- Plant inventory & Spares Management
- Technical Bid Evaluations Sale Gas Invoicing.
- Feasibility Studies for different projects.

PROFESSIONAL EXPERIENCE

Chemical (Process) Engineer with about 06 years of hands on experience within Oil and Gas processing environment. Extensive knowledge of Operations, Instrumentation, PIDs, Technical bids evaluation, SOPs and Power generation. Good understanding of equipment configuration and work flow requirements for Natural Gas Treating operations. Excellent benchmarking knowledge of standard industry practices. Critical thoughts with an innovative approach to problem solving.

Employee : Project Support Services Asia (PSSA)
Year : October 2013 to till date
Position Held : Production Engineer

Description of duties In brief:

Working as a Production/Operations Engineer at PGNIG Rehman EWT gas processing facility in Kirhar Block, District Dadu, Sindh Province, Pakistan at gas dehydration facility; and also working on the full field development comprising of 15 MMSCFD dehydration Plant which includes Production separators, Ariel Reciprocating Gas compressors, Caterpillar Diesel & Gas Generators, HCLDP control unit, sales gas metering, condensate storage and loading, diesel storage loading and unloading, fuel gas system and Instrument air system etc. Brief summary of the duties performing are as under:

- Adhering to strict HSE standards achieving the world-class operation efficiencies and meeting the Annual Contractual quantity nominations.
- Operational system performance monitoring and proactive intervention to correct and/or enhance reliability of plant operations.
- Ensure that safe work practices are in place and utilized within the operation and

- 91
- ensuring the achievement of HSE targets, safe operating philosophy, cost and plant reliability through industry standard practices and management
 - Commissioned 25 MMSCFD dehydration plant
 - Ensure safe operations of the plant to maintain quality assured sale of gas as per GSA
 - Preparing daily and monthly reports on the performance of the plant.
 - Technical integrity, overall effectiveness and efficiency of process design.
 - Provide Process and Operation related inputs and support for plant Engineering Change Review (ECR).
 - Undertake and implementation of technical integrity and HSE reviews and audits.
 - Participation in process safety management, including HAZARD and HAZOP studies and activities.
 - Verification of equipment issuance lists, data sheets including sizing of equipment and pipelines and contribution to cost estimation and optimization.
 - Projects. Support within all project phases with the objective of maintaining plant wide quality and consistency.
 - To arrange and/or participate in Value Assurance reviews and Value improvement process (VIP) reviews for production delivery assurance.
 - To coach and mentor young operational staff.

Employee : Petroleum Exploration Pvt. Limited (PEPL)
 Year : November 2008 to October 2013
 Position Held : Process Engineer

AT FIELD:

Worked as an Engineer Process at Production facility Hassan Gas Field (Block - 22) of Petroleum Exploration (Pvt.) Limited (PEL) near Shikarpur, Sindh, for the removal of Sour gases, H₂S (<16 PPM), CO₂ (<2%) & moisture content to the maximum of 7 Lbs/MMSCFD from the raw gas.

Production facility was designed to process maximum of 30 MMSCFD of raw gas through MDEA and Glycol based units. Equipments involved in the process are Slug catcher; Gas scrubbers; Heat exchangers; Particulate filters; Coalescent filter; MDEA contactor; Flash Tank; Stripping Tower; Surge Tank; Reboilers; Glycol Tower; Kinray Pumps; Centrifugal pumps & PD Pumps etc.

Description of duties in brief:

- Ensure safe operation and optimum production of processing plant and supervise the work of the shift personnel.
- Ensure safe and smooth operation of the plant and utilities like power generation Units, instrument Air compressors and water treatment etc.
- Regular liaison with the production and maintenance departments to recommend / propose solutions for the operational problems and optimal solutions.
- Daily report pertaining to gas supply to buyer; activities performed; plant performance, power generation status at site; and condensate recovered etc.
- Operate planimeter for chart readings, calculate volume and generate invoices of the total gas sales to SNGPL on monthly basis.
- Identification of maintenance requirement of equipments at plant and monitor that all maintenance jobs at plant and utility area are carried out safely and ensure that Permit to Work (PTW) system is being implemented.
- Handling of emergencies regarding equipments like Centrifugal & Positive Displacement pumps; Gas generators; Reboilers; Heat Exchangers; Instrument Air failure; Stripping Tower; contacting tower; and loss of utilities etc.
- Chemical inventory and consumption monitoring.
- Handling of shut downs and startup of gas sweetening & dehydration plants, also managed the Annual Turn Arounds for 2010, 2011 and 2012.



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 Senior Advocate
 High Court of Sindh
 & Gas Commission

- Collecting gas analysis reports on daily/weekly/monthly basis from the Gas Chromatograph (GC - Daniel) and calibration of GC.
- Carry out site inspection of material/chemical degradation and usage to report and investigate any unusual consumption.
- Prepare process performance tests, discuss test procedures with plant operators, collect performance data and prepare performance test report and findings
- Project Support- Review of contractor documentation and vendor data with a particular emphasis on providing suggestions to the Senior Process Engineer.
- Fire & gas monitoring and shutdown system, PLC/ HMI based centralized controlling & monitoring
- Managed workforces to ensure the availability of resources (people, budget, materials, transport etc.) to allow timely completion of work programs.

AT HEAD OFFICE:

Maintained supply chain for the production facility of Block -22. Worked for the development of 120 MW Kandra Thermal Power Project & Low BTU Kandra gas processing facility which is a joint venture Undertaking of Petroleum Exploration (Pvt) Limited (PEL) with Frontier Holdings Limited (FHL; a subsidiary of Jura Energy Corporation, which is a publicly listed Canadian Company).

Description of duties in brief:

- Technical evaluation of bids received for the spares to be utilized for gas processing facility and all the related repair and maintenance jobs.
- Supervise the work of the consultants appointed for the Feasibility Study of 120 MW Kandra Power Project.
- Worked for the preparation of Terms of reference (TORs) for Feasibility study consultants, EPC consultants for Kandra Gas processing facility and 120 MW Thermal power project; and Legal consultants.
- Evaluation of Technical & Financial aspects of proposals on the basis of ITB submitted by EPC (Engineering, Procurement & Commissioning) Consultants through competitive bidding.
- Assisted in development of Tender documents for the EPC Contractor and Tariff petition document for NEPRA.
- Liaison with the Environmental Experts to carry out the IEE study.
- Evaluation of gas processing schemes using membrane technology as per OEM
- Participated in all corporate meetings pertaining to the development of 120 MW Thermal Power Project and processing of 120 MMSCFD low BTU raw Kandra gas.

EDUCATION		
Qualification	Institution	Years of Study
Bachelors of Engineering (Chemical)	University of Engineering & Technology, Lahore (Through affiliated Institute NFC-IEPR Faisalabad)	2004-2009

PROFESSIONAL TRAININGS & COURSES

- Renewable Technologies for Power Production. (Pakistan Engineering Council)
- Environmental Chemistry & Microbiology. (4 Months NUST)
- Physico-Chemical Processes In Environmental Systems (4 Months NUST)
- Water Resource Management. (4 Months NUST)
- Internship at Attock Oil Refinery in 2007 at Reformer Unit. (1 Month)
- Fire Fighting & SCBA Training from PEL.
- Decision Making Skills from PEL.
- First Aid Training from PEL.



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Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner

AREAS OF PROFICIENCY

- ◆ MS Office Application.
- ◆ MS Project.
- ◆ MS Visio
- ◆ Ability to work on different tasks, meeting deadlines and making decisions
- ◆ Strong English Communication and writing skills
- ◆ Great ability in accepting responsibility and task
- ◆ Good Team Player and Motivator.
- ◆ Strong Analytical Skills.
- ◆ MON (Daniel - GC Operating Software).

EXTRA-CURRICULAR ACTIVITIES

- ◆ Cricket
- ◆ Soccer

PERSONAL INFORMATION

NIC No. : 34567-6917910-9
 Father's Name : Nisqat Ali
 Date of birth : 1st July, 1986
 Domicile : Punjab
 Marital Status : Single
 Address : Block No.15, Flat No.4, Cat III, C-10/2, Islamabad.

REFERENCES

- | | |
|---|--|
| <p>1) Mr. Bilal Kiyani
 Field Superintendent, PGNIG
 Mob No. = 0300 - 9732183</p> | <p>2) Mr. Faisal Sabir
 Pakistan Oil Fields Limited
 Mob No - 0300 - 6690584</p> |
|---|--|



Rule 4(6)

➤ Rule 4 (6): Specific Requirements for a project (Construction License)

Remarks:

Note Applicable since it pertains to project (Construction License)



Attested
Shoukat Ali Pathan
Secretary
Muz Court of Sindh
Muz Commission

SECOND ORIGINAL

95

FLARE GAS SALE PURCHASE AGREEMENT



SALE PURCHASE AGREEMENT

FOR

FLARE GAS IN BADIN

Between

United Energy Pakistan Limited

and

**HI-TECH PIPE AND ENGINEERING
INDUSTRIES (PVT.) LIMITED**



Witnessed
Shoukat Ali Pathan
Commissioner
U.A.B.
Hyderabad



96

FLARE GAS SALE PURCHASE AGREEMENT

This Flare Gas Sale Purchase Agreement ("Agreement") is made at Karachi on this 15 day of July 2019 ("Effective Date").

By and Between

United Energy Pakistan Limited, a company incorporated in the Republic of Mauritius and operating in Pakistan as a branch office having its place of business at 4th Floor, Bahria Complex I, 24 Moulvi Tamizuddin Khan Road, Karachi, (the "Seller") which expression where the context so admits shall include its successors, affiliates, assigns and representatives.

AND

Hi Tech Pipe and Engineering Industries (Pvt) Limited a company incorporated under the laws of Pakistan and having its place of business at X-22, Extension Area Site, Kotri, 76101, Sindh (the "Buyer") which expression where the context so admits shall include its successors, affiliates, assigns and representatives.

Seller and Buyer hereinafter together referred to as "Parties" and individually as a "Party".

WHEREAS:

- (i) The Seller has been granted the Khashkeli and Laghari mining leases (together referred to as "Leases" and individually as the "Khashkeli Lease" and the "Laghari Lease") in its Badin I concession.
- (ii) The Seller owing to operational limitations is constrained to flare gas from the said Leases
- (iii) Pursuant to the Utilisation of Flared Gas Guidelines 2016 issued by the Ministry of Petroleum and Natural Resources through the Directorate General of Petroleum Concessions, as published in the Gazette of Pakistan on 20th February 2017, the Seller wishes to utilize the gas being flared from the said Leases by selling it to third parties on an arm's length basis ("Flare Gas" as more specifically defined here in below).
- (iv) The Buyer has expressed an interest to purchase the said Flare Gas from the Leases.
- (v) Based on the representations and warranties of the Buyer, the Seller has agreed to make available for delivery and sell the Flare Gas from the Leases at the Delivery Point (as defined here in below) to the Buyer and the Buyer agrees to accept such Flare Gas at the Delivery Point and pay for such quantities of the Flare Gas on the terms and conditions stated hereinafter.



Attested
Shoukat Ali Pathan
Senior Advocate
High Court of Sindh
& Oath Commissioner



FLARE GAS SALE PURCHASE AGREEMENT

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. DEFINITIONS

- "Authority" shall mean any federal or provincial regulatory of Pakistan that regulates the Buyer's operations including but not limited to the Oil and Gas Regulatory Authority and the Chief Inspector of Explosives.
- "Billing Month" shall mean a period beginning at nine am on the first day of the calendar month and ending at nine am on the corresponding day of the next succeeding Month.
- "Buyer's Facilities" shall mean all facilities including but not limited to all machinery, equipment and compressors that are necessary to enable Flare Gas to be delivered hereunder by the Seller and more specifically stated in Article 4 herein below.
- "Business Day" mean a day on which banks in Karachi are open for business.
- "Commencement Date" shall mean the date on which deliveries of Flare Gas shall begin to the Buyer in accordance with Article 3.2 of this Agreement.
- "Delivery Point" shall mean the downstream flange of Seller's gas metering point.
- "DGPC" shall mean the Director General Petroleum Concession of Pakistan.
- "Effective Date" means the date on which this Agreement is signed and executed
- "Flare Gas" shall mean flammable hydrocarbon gas which is disposed by venting, flaring or safe burning irrespective of pressure and heating values.
- "Lease(s)" shall means the Laghari and Khaskali mining leases located in the Badin Concession.
- "MMSCFD" shall mean million standard cubic feet per day.
- "OGRA" shall mean the Oil and Gas Regulatory Authority.
- "Seller's Facilities" shall mean all necessary wellheads, gas gathering lines and separators needed to deliver the Flare Gas to the Buyer.

2. DOCUMENTS

The Agreement comprises the following documents

- Section 1 Agreement
- Section 2 Health, Safety and Environment Policy of Seller
- Section 3 Code of Conduct

The sections shall be read and constituted as one document, the content of which in case of ambiguity or discrepancy or contradiction between sections shall be considered in the order of precedence set forth

The terms and conditions within the above several documents constitute the only Agreement between the Parties and no agreement or understanding between the Parties varying or extending the same shall be binding upon either party hereto unless in writing, signed by a duly



Attested by Senior Advocate High Court of Sindh & Oath Commissioner



98

FLARE GAS SALE PURCHASE AGREEMENT

authorized officer or representative thereof in which writing this Agreement shall be specifically referred

3. TERM and COMMENCEMENT DATE

- 3.1 The term of this Agreement shall be a period of 03 (three) years from the Commencement Date ("Term"). The Agreement may be terminated at an earlier date in accordance with Article 12 and/or Article 2.3 hereof. However, the Buyer shall begin construction and setting up of the Buyers Facilities from the Effective Date.
- 3.2 Deliveries of Flare Gas shall commence upon written intimation by the Seller to the Buyer ("Commencement Date") subject to:
- (i) The approval of the draft of this Agreement by OGRA and the Parties agree to amend this Agreement if so indicated by OGRA.
 - (ii) Categorization of Flare Gas by a third party consultant as appointed by the DGPC
 - (iii) Buyer's obtaining all necessary licences, approvals, consents (or providing waivers thereof) required under Pakistan laws, rules and regulations for the setting up of Buyer's facilities and carrying out of its operations under this Agreement.

4. BUYER'S FACILITIES

- 4.1 The Buyer shall install or cause to be installed and operate at the Buyer's sole cost, risk and expense certain facilities ("Buyer's Facilities") which are necessary to enable Flare Gas to be delivered hereunder by the Seller and to be accepted by the Buyer at the Delivery Point in accordance with applicable laws, rules and regulations and any standards and the Seller's policies especially those relation to health, safety and environment as annexed hereto as Section 2.
- 4.1 The Buyers Facilities shall be completed within ninety (90) days from the Effective Date for the Khaskeli Lease and one hundred and twenty days (120) from the Effective Date for the for the Laghari Lease.
- In the event there is a delay in the completion of the Buyer's Facilities over and above the time period stated hereinabove, Buyer shall be liable to pay the Seller an amount equivalent to sale of the monthly Flare Gas volume at an average of 20 MMscf from each of the Leases.
- 4.2 Buyer's Facilities shall include:
- (i) Any required connection from the measurement equipment to the Buyer's Facilities.
 - (ii) the pipeline from the Seller's Flare Gas take off point to the Buyer's Facility and any other pipeline downstream from the Delivery Point
 - (iii) Surface setup approved by inspector of Explosives constructed by the Buyer for Flare Gas compression
 - (iv) Any mounted gas bowsers owned by the Buyer for Flare Gas transportation
 - (v) A dedicated gas flaring setup in case of emergency shutdown at Buyer's Facilities
 - (vi) A gas reservoir tank to ensure adequate gas availability to Buyer's compressors during startup



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Shoukat Ali Pathan
Senior Magistrate
High Court of Sindh
& Oath Commissioner



FLARE GAS SALE PURCHASE AGREEMENT

- (vii) Boarding & lodging of the Buyer's employees and workforce (whether direct or contractual) at a safe distance from the process area.
- 4.3 The Buyer shall submit a location plan of Buyer's Facilities duly approved by Inspector of Explosives to Seller for further approval. Such Buyer's Facility shall be constructed at least five hundred (500) meters away from the Delivery Point.
- 4.4 The maintenance of the Buyer's Facilities or replacement of the same or of any part of such Buyer's Facilities shall be the sole responsibility of the Buyer with no cost to the Seller.
- 4.5 The Buyer shall have adequate arrangement to ensure constant supply pressure to compressors suction especially during startup of the Buyer's Facilities.
- 4.6 The Buyer shall be solely responsible to procure land for right of way and for laying, constructing and installing the Buyer's Facilities as per the relevant laws, rules and regulations and shall pay the due rent due to the landlord or Government as the case may be on a timely basis. Buyer shall ensure resolution of any issues with locals or land owners pertaining to stoppage of works at the Buyers Facilities.
- 4.7 The Buyer's Facilities shall have all necessary equipment with the operating flexibilities to adjust quantity, quality and pressure of Flare Gas in order to allow continuous flow of Flare Gas from the Seller's Facilities to the Buyer's Facilities.
- 4.8 The Buyer's Facilities shall have provision to flare the Flare Gas during the period of non-utilization or of temporary shutdown. The Buyer shall pay for such Flare Gas irrespective of whether such non utilization or temporary shutdown is an event of Force Majeure, so long as the Seller promptly shuts down supply of Flare Gas upon receipt, at the Seller's address for services, of a notice of force Majeure in accordance with the provision of the Agreement.
- 4.9 The Buyer shall ensure safe operation and integrity of the Buyer's Facilities including the design, construction, operation and maintenance of the Buyer's Facilities and any equipment of the Buyer by implementation of the standards and codes approved by the applicable regulatory Authority.
- 4.10 In the event of expiry or termination of this Agreement, the Buyer shall re-instate the surface set up and land to its original condition including but not limited to removal of pipelines and all associated surface infrastructure to the complete satisfaction of the Seller.
- 4.11 In case of expiry of contract or termination by any party, 'Buyer' shall reinstate surface setup to its original condition and this includes removal of pipeline and all associated surface infrastructure for purchase of Flare Gas under the terms of this agreement and reinstating the land to its original condition to the satisfaction of UEPL.
- 4.12 Buyer shall not sub-contract its operations or any part of it under the terms of this agreement without prior approval from Seller.

5. SELLER'S FACILITIES

- 5.1 The Seller undertakes that, at its sole cost, risk and expense, it has already constructed and installed all necessary wellheads, gas gathering lines and separators ("Seller's Facilities") needed to deliver the Flare Gas to the Buyer.



100

FLARE GAS SALE PURCHASE AGREEMENT

6. QUANTITY

- 6.1 Seller shall supply, and Buyer shall accept all quantities of Flare Gas at the Delivery Point as made available by the Seller but which quantity from each of the Khaskeli Lease and the Laghari Lease shall not be below 0.24 MMSCFD on 'take or pay' basis
- 6.2 In the event the quantity of Flare Gas to be sold from each of the Khaskeli Lease and the Laghari Lease falls below 0.24 MMSCFD for a continuous period of one (1) month, the Parties agree that:
- (i) the Buyer shall give one(1) months' notice to the Seller to improve the volume of Flare Gas being sold
 - (ii) The Seller shall endeavor to make available Flare Gas from the affected Lease or any other fields in the Badin I concession and the Buyer shall purchase the said Flare Gas on the same terms and conditions as stated in this Agreement
 - (iii) In the event, the Seller is unable to make available Flare Gas from alternate fields, the Buyer shall not be liable to purchase such quantities of Flare Gas below 0.24 MMSCFD and shall discontinue its operations from the affected Lease at its sole risk and cost to the complete exclusion of the Seller
- 6.3 Notwithstanding the provisions of clause 6.2 hereinabove, Buyer recognizes and agrees that the Seller shall not be held liable for any inconsistent flow, unavailability or interruption in supply of Flare Gas caused by the operation of the Seller's jet pumps or any other technical reason whatsoever.
- 6.4 The Buyer recognizes that Flare Gas is being produced from a liquid reservoir and there may be variations in the quantity and quality of Flare Gas produced and sold and the Seller shall not be held liable for any damages, loss, injury or claims for such variations, in the quantity and or quality of Flare Gas, delivery pressure, specifications or complete stoppage of Flare Gas supply due to reservoir constraints/depletion.
- 6.5 The Buyer recognizes that the Flare Gas pressure may vary from time to time and the Buyer shall have adequate arrangement to ensure constant supply pressure (e.g. surge vessel, suction pressure control valve etc.) to compressors suction especially during startup.

7. TITLE AND RISK OF LOSS

- 7.1 Flare Gas shall be sold and delivered to the Buyer at the Delivery Point. Title to and Risk of Loss or damage in relation to the sale of Flare Gas shall pass from the Seller to the Buyer at the Delivery Point.

8. INSPECTION

- 8.1 The Seller shall be entitled to inspect the Buyer's Facilities at any time upon giving prior reasonable notice to the Buyer.

9. MEASUREMENT

- 9.1 Measurement of Flare Gas will be done through 3-pen chart recorder (FPTR) installed at the Seller's Facilities ('Seller Chart Recorder'). Flare Gas specification shall be measured through wetler sampler installed upstream of the Seller Chart Recorder.
- 9.2 The quantity of Flare Gas delivered shall be determined through Seller's gas meters installed at the Seller's Facilities ('Seller's Gas Meters').



Attested
Shahid Ali Pathan
Notary Public
High Court of Sindh
Oath Commission



101

FLARE GAS SALE PURCHASE AGREEMENT

- 9.3 Monthly Flare Gas analysis to be done taking monthly gas sample from installed wetter sampler and the analysis shall be done at the Seller's Lab.
- 9.4 The measurement or reading of the Seller's gas Meter and analysis of the Flare Gas being sold shall be carried out by the Seller at its lab and shall be considered accurate, conclusive and final. Buyer shall have the right to witness Seller's Flare Gas measurement meters upon a written request of 07 (seven) days in advance of such inspection. However, the Buyer shall not dispute the quality of Flare Gas in any manner and shall accept the same on an as where is basis without objection.
- 9.5 The quantity of Flare Gas as determined by the Seller pursuant to Article 6 hereof shall be the invoiced quantity.

10. PERMITS, LICENCES AND APPROVALS

- 10.1 The Buyer shall obtain all necessary approvals, licences and permits (or waiver thereof) from the relevant Authority (including OGRA and the Department of Explosives) as applicable and as required as per applicable laws, rules and regulations prior to the Commencement Date.
- 10.2 In the event of the Buyer's failure to procure the necessary permits, licences and approvals from the Authority within a reasonable time as mutually decided between the Parties, the Seller shall have the right to terminate this Agreement.
- 10.3 The Buyer shall procure and keep in force at its risk and expense such authorizations, permits and licenses as may be necessary and required by the laws and authorities of Pakistan for as long as the Agreement remains valid.

11. UTILIZATION OF FLARE GAS

- 11.1 The Buyer shall not allow the use of the Buyer's Facilities to any third party for the purpose of compression, storage, transportation or marketing of Compressed Natural Gas ("CNG").
- 11.2 As confirmed by the Buyer, the Flare Gas received under this Agreement shall be used by the Buyer in accordance with the best industry practice applicable laws and HSE standards after necessary processing and removal of any contaminants not allowed under respective regulatory requirements.

12. PRICE, PAYMENT AND INVOICING

- 12.1 The price ("Price") of Flare Gas applicable during the first year of the term shall be as follows:
- **Khashkeli Lease:** Pakistani Rupees 240/MMBtu
 - **Laghari Lease:** Pakistani Rupees 195/MMBtu
- 12.2 The Price shall be increased by fifteen percent (15%) every year provided that the monthly average of Flare Gas from each of the Leases remains above 0.48 MMSCFD. Except in the case of operational constraints, well related issues or shutdown, the Seller shall provide a yearly discount of fifteen percent (15%) on the preceding year's price in the event the quantities of Flare Gas from each of the Leases falls below 0.48 MMSCFD but in no event less than 0.24 MMSCFD from each of the Khashkeli Lease and the Laghari Lease.



Senior Counsel
High Court of Sindh
& Oath Commissioner



FLARE GAS SALE PURCHASE AGREEMENT

- 12.3 In the event the monthly average of the quantity of Flare Gas sold from the Leases falls below 0.48 MMSCFD due to operational constraints, well related issues and shut downs, such volumes of Flare Gas shall be adjusted in the next month.
- 12.4 The Seller shall provide the Buyer with fuel gas during the pre-commissioning of the Buyer's Facilities and such fuel gas shall be invoiced to the Buyer on agreed rates.
- 12.5 On the Effective Date, the Buyer shall deposit with the Seller, a sum of Rs. 10 million or a sum not less than the sales volume of one and half month sale of Flare Gas, whichever is greater, as security for the performance of its obligations under the terms of the Agreement ("Performance Security"). The Performance Security shall be maintained by the Buyer with the Seller in the Seller's nominated bank account at all times during the term of this Agreement.
- 12.6 Monthly Invoicing shall be done on MMBtu basis. Average Gross Calorific Value (GVC) shall be determined from Flare Gas analysis done at the Seller's Lab. The Seller's Chart Recorder shall be used to calculate delivered volume during the month. The Buyer may install gas meter and analyzer at its facilities at its own cost.
- 12.7 Within first ten (10) days of each month, the Seller shall raise an invoice to the Buyer for the quantity of Flare Gas delivered in the preceding month, giving details of the volume of Flare Gas delivered, the amount due against Flare Gas on the basis of prevailing gas price and the amount of Government levies i.e. Federal Excise Duty, General Sales Tax and any other tax levied now or in future. A separate invoice shall be raised for General Sales Tax.
- 12.8 The Buyer shall pay the Seller's monthly invoice (including Federal Excise Duty, General Sales Tax and any other tax levied now or in future) within thirty (30) days of the date of the invoice through bank draft or pay order
- 12.9 If the payment by the Buyer is received later than the last Business Day in the period specified above, then the amount due shall bear late payment surcharge ("LPS") at the rate of KIBOR plus 0.5% percent per annum. KIBOR means the average rate of the fast five (5) business days immediately before due date "Offer Side" of the three (3) months Karachi Inter Bank Offered Rate as published on the State Bank of Pakistan's website. For subsequent periods, the KIBOR will reset quarterly on the first day of each quarter (viz-January 01, April 01, July 01, October 01), by averaging of last five (5) business days, immediately before first day of each subsequent quarter.
- 12.10 In the event the Buyer disputes the invoice amount or any part thereof, the Buyer shall notify Seller of such dispute within 10 days of receipt of such monthly invoice specifying the amount which is in dispute therein with reasons. The Buyer shall however pay any undisputed portion of the disputed invoice in accordance with Article 9.6. In the event any amount is not paid by the Buyer on account of a dispute as aforesaid, the said amounts or any portion thereof subsequently determined to be payable or agreed to be paid pursuant to the mutual settlement shall be paid with surcharge at the rate specified at Article 9.6. If upon resolution of disputes it is established that the Buyer is not liable to pay the disputed amount or any part thereof, then the Seller shall issue credit note for such amount finally determined to be not payable by the Buyer.
- 12.11 In the event the Seller's invoices are not paid by the Buyer in accordance with the provisions or in case the Buyer violates or breaches the Agreement, the Seller shall have right to forfeit the amount of Performance Security without notice to the Buyer in addition to availing any other remedy available to it under the law or in terms of the Agreement.



Senior Advocate
High Court of Sindh
& Oath Commissioner



FLARE GAS SALE PURCHASE AGREEMENT

13. SUSPENSION OF SUPPLY

13.1 In the event that the payment of the invoiced amount or of any LPS is not made within the period of 7 (seven) days of becoming due the Seller shall have the right to suspend entirely at the Buyer's risk and cost, deliveries of Flare Gas till such time all due payments and arrears together with LPS are paid

14. DUTIES AND TAXES

14.1 The Seller shall have the responsibility to pay all lawfully applicable royalties and taxes on its income in accordance with the applicable laws in force from time to time.

14.2 The Buyer agrees to register with all requisite authorities where required under the laws of Pakistan including the tax authorities prior to commencing the operations in Pakistan.

14.3 Subject to Article 9 above, the Buyer shall assume full and exclusive liability of payment of all charges, fees and taxes and excise duty whether arising directly or indirectly in Pakistan or anywhere else, now or hereafter imposed by any local and/or any national fiscal authority of Pakistan in respect of the Flare Gas purchased by the Buyer under terms of this Agreement.

14.4 Payments by the Buyer to the Seller may be subject to such withholding tax as may be applicable or any other law rule or circular. If the Buyer is required to withhold any amount from an invoice, which amount would otherwise be due, the Buyer shall provide the due date for payment of such invoice to the Seller a copy of valid notification, rule or circular requiring such withholding.

14.5 Excise duty and other taxes levied now or in future on Flare Gas delivered by the Seller shall be passed on to the Buyer. The Seller shall recover such excise duty and taxes in the following manner:

- a) The Seller shall invoice the Buyer for the amount of excise duty and other taxes in accordance with the relevant laws, rules and or notifications/circulars.
- b) The Buyer shall pay such invoiced amounts in accordance as mutually agreed between the Seller and the Buyer

14.6 The Buyer agrees to protect, indemnify and hold the Seller harmless from and against any sales tax, income tax, additional interest and penalties levied by the Pakistan tax authorities on the Buyer or the Buyer employees which the Seller may be required to pay in the first instance.

14.7 Except as otherwise expressly provided in the Agreement all taxes including but not limited to, income tax, stamp duty, Sindh Sales Tax, toll taxes etc. imposed upon the Buyer, its assignee or any of their employees in connection with the Agreement by the Government of Pakistan shall be on account of the Buyer. The Buyer shall indemnify the Seller against any liability in respect of such taxes.

15. TERMINATION

15.1 Notwithstanding any other provisions of this Agreement, the Seller has the sole right to terminate this Agreement after giving the Buyer a notice of seven (7) days with or without assigning any reason.

15.2 The Seller may terminate the Agreement, in whole or in part, by notice in the event of the following occurrences:



Attested
Signature of
High Court of Sindh
& Oath Commissioner



104

FLARE GAS SALE PURCHASE AGREEMENT

- i. In the event the Buyer is in default of any provision of this Agreement
- ii. The Buyer fails to make timely payment as per Article 12.
- iii. Withdrawal of Government approval/authorization to sell /purchase the Flare Gas under this Agreement
- iv. Buyer fails to obtain necessary licenses or provide a waiver by the relevant Authority
- v. Depletion or failure for any reason of the reservoir
- vi. Termination for a reason of Force Majeure
- vii. Inability of the Buyer to receive the referred quantity of Flare Gas subject to the contents of Article 6
- viii. Noncompliance with Seller's HSE standards and policies attached hereto as Section 2.
- ix. Sub-contracting, novating or assigning the Agreement without the Seller's permission.

16. INDEMNITIES

- 16.1 The Buyer shall indemnify and hold harmless the Seller from and against any and all claims, expenses, liabilities, claims, proceedings or loss suffered either by Seller or any third parties for damages or losses including injury and/or death, environmental damage and/or pollution
- (i) which may occur downstream of the Delivery Point
 - (ii) which may occur upstream to the Delivery Point owing to any malfunction, accident or error in the Buyer's Facilities.
- 16.2 No Party shall be liable to any other Party in respect of any consequential loss or damage suffered by any other such Party howsoever caused, whether or not due to the negligence of a party including loss of profit, contract or revenue.

17. SAFETY, ENVIRONMENT AND PUBLIC AWARENESS

- 17.1 The Buyer undertakes and acknowledges that the Seller has entered into this Agreement with the Buyer on the understanding that the Buyer shall operate the Buyer's Facilities and undertake the compression, storage and transport of Flare Gas with full responsibility, adequacy, stability and with health, safety and environmental protection of all its operations and shall comply with the Seller's Health, Safety and Environmental Standards and Policy attached hereto as Section 4.
- 17.2 The Buyer shall ensure availability and implementation of competent manpower, processes and procedure to ensure safety of people and the Buyer's Facilities
- 17.3 The Buyer shall adopt appropriate Health, Safety and Environment measures/practices and public awareness campaign in accordance with applicable national/international standards or any other standard approved by the applicable Authority.
- 17.4 The Buyer will arrange disposal of removed hazardous liquid from browsers line pipe, storage and storage cascades if any in accordance with national/international best practices.

SHO
HYDRABAD
Senior Advocate
High Court of Sindh
& Oath Commissioner



105

FLARE GAS SALE PURCHASE AGREEMENT

- 17.5 The Buyer should take all measures to ensure safety of general public and property. In case of any untoward incident/accident the Buyer will be responsible to compensate the same in accordance with the directions of relevant Authority.
- 17.6 The Buyer shall be solely responsible for any mishap that takes place at downstream to the Delivery Point and at any filling station during transportation of the Flare Gas.
- 17.7 Except to the extent that it may be illegal or physically impossible or create a hazard to safety, the Buyer shall comply with the Seller's instructions and directions on all matters relating to sale of Flare Gas.

18. AUDIT RIGHTS

The Seller and /or its authorized representative shall have the right at its own expense to inspect and audit Buyer's Facilities and the Buyer's record including data stored on computers, books, personal records, accounts, correspondence, memo, receipts, vouchers and any other papers of every kind in and all transactions related thereto as may be necessary in the opinion of the Seller to verify that the requirements of the Agreement are being met.

19. INSURANCE

- 19.1 The Buyer shall obtain and maintain in effect during the tenure of the Agreement insurance from an insurer or syndicate approved by the Seller to cover all liabilities that may arise from the Agreement including but not limited to insurance coverage of all transportation risks, Worker's Compensation and Employer's Liability Insurance at Buyer's cost and expense and General Public Liability Insurance to cover liabilities in respect of the persons and property of third Parties at Buyer's cost and expense.
- 19.2 Certificates of all above insurances shall be furnished to the Seller within 90 days of signing of the Agreement failing which the Seller shall have the option to terminate this Agreement without notice to the risk and cost of the Buyer.

20. GOVERNING LAW AND JURISDICTION

The Agreement shall be governed by and construed in accordance with the laws of Pakistan. Any dispute, question or difference whatsoever arising between the Parties under or in connection with this Agreement or any Article or provision herein contained or the construction thereof or as to any matter in any way connected therewith or arising therefrom, which cannot be amicably resolved by the Parties within thirty (30) days of the said dispute, shall be subject to the jurisdiction of the courts of Karachi.

21. ASSIGNMENT AND SUBCONTRACTING

- 21.1 The Buyer shall not sub-contract, assign, novate or transfers its rights or obligations and/or any part of this Agreement without the prior written approval of the Seller. The sub-contracting or assignment of the Agreement, if so permitted by the Seller, shall not relieve Buyer of its duties or obligations hereunder.
- 21.2 If the Buyer sub-contracts, novates or assigns the Agreement without approval by Seller, such assignment shall be treated as a material breach of the Agreement and the Agreement may be immediately terminated at Seller's option.



FLARE GAS SALE PURCHASE AGREEMENT

22. AMENDMENTS

All additions, modifications, amendments and variations to this Agreement shall be binding only if in writing and signed by the Parties or their duly authorized representatives. However, once duly executed any additions, modifications, amendments and variations will form an integral part of the Agreement.

23. FORCE MAJEURE

23.1 In the event of Force Majeure, the obligations of the Parties (other than the obligation to make payment due as provided by this Agreement) under this Agreement shall be excused during the time to the extent that the performance thereof is prevented wholly or in part by Force Majeure.

23.2 The term Force Majeure shall mean acts of public enemy, wars (whether declared or not) invasion, hostilities, revolution, insurrection or civil disturbance, epidemics, riots, strikes (other than among the Buyer's own employees) or other industrial disturbances which prevent the delivery or acceptance of Flare Gas at delivery point, acts of Government or State or any representative thereof, fires, floods, earth quake, commotion, disorder, freezing of wells or pipelines partial or entire failure of natural gas reserves or non-availability of or shortage of Flare Gas due to inadequate reserves or poor quality of gas naturally extracted and other causes similar in kind to those herein mentioned and which are not under the control of either Party, which makes the performance of this Agreement unfeasible and which by the exercise of due diligence the Party seeking excuse from performance is unable to overcome.

23.3 Force Majeure shall not include the inability of the Buyer to make any payment due in terms of this Agreement or to accept the deliveries of Flare Gas due to the loss of Buyer's commercial demand or commercial use or loss of profit from the Flare Gas.

23.4 A Party claiming to be affected by the Force Majeure shall:
i) Promptly notify the other Party of the occurrence and details of any event or circumstances said to give rise thereto and the estimated nature and extent of the delay in performance of its obligations under this Agreement resulting therefrom, and
ii) If the Force Majeure event has caused damage to or destruction of any facilities, submit a plan for the repair or reinstatement thereof, provided that no party shall be obliged to take such action by the provision of this Article 20.4 if, in the reasonable opinion of such party, it would not be economical or commercially viable to do so

23.5 The Seller is not liable to the Buyer for any damage or loss caused by Force Majeure directly or indirectly and in case of Force Majeure no idle time claim will be paid.

23.6 If a Party is prevented from performing an obligation under this Agreement as a result of Force Majeure and such obligation to be performed within a given time frame, such time frame shall be extended by the duration of the Force Majeure period.

23.7 In the event that a Party affected by Force Majeure could only overcome the Force Majeure by incurring the expenditure which would make it uneconomical for that Party to continue to be a party to this Agreement or circumstances or events caused by the Force Majeure are incapable of remedy and in either case the delivery or acceptance of Flare Gas at the Delivery Point is prevented, it shall have the right to terminate this Agreement upon giving thirty (30) days' notice to the other Party.



Signature of the High Court of Andhra Pradesh



FLARE GAS SALE PURCHASE AGREEMENT

23.8 Where the period of Force Majeure exceeds three (3) months, the Parties may with mutual consent terminate the Agreement.

24. INTEGRITY PACT

The Buyer represents and warrants that it has not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from the companies, except that which has been expressly declared pursuant hereto. The Buyer shall adhere to and comply with the Seller's Code of Conduct attached hereto as Section 3.

25. BUYER'S PERSONNEL

25.1 The Buyer shall engage such number of personnel as it may consider necessary and shall be directly responsible for determining the terms and conditions of their service. All such workers/ employees/ persons/ personnel shall continue to be the workers of the Buyer and the Seller shall not be responsible for their dues, claims, damages, disputes for terminal benefits, whatsoever that may arise in connection with their employment with the Buyer.

25.2 The Buyer alone shall be responsible for the payment of any and all compensation to his workers/labor/personnel employed and or authorized by him for the execution of this agreement.

25.3 The Buyer shall be responsible for registration of his employees/personnel for any contributory funds as per applicable laws and keep the Seller indemnified against any such claims, fines and/or penalties if levied by any competent authority. If the Seller paid any amount against any such claim(s), fine(s) and/or penalties Seller shall have right to add such amounts in the invoice.

25.4 The Buyer shall ensure strict compliance with all relevant laws, rules and regulations including those applicable to his workmen/ employees and shall indemnify the Seller against all losses, damages, costs and expenses that may be incurred by them owing to the Buyer's failure to strictly comply with any such law, rule or regulation.

26. NO WAIVERS, CUMULATIVE REMEDIES

26.1 The failure of the Seller to insist, in one or more instances, upon the performance of any of the terms or conditions of this Agreement, or to exercise any right hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms or conditions or the future exercise of such right, and the obligation of the Buyer with respect to such future performance shall continue in full force and effect.

26.2 Except if expressly stated otherwise, all remedies under this Agreement at law or in equity are cumulative and nonexclusive.

27. NOTICES

All communications and notices in respect of the Agreement shall be in English language given in writing and delivered by hand, by courier or through email to the relevant address specified below:

Attested
Shahid Ali Pathan
Sole Proprietor
Sindh
Pakistan



FLARE GAS SALE PURCHASE AGREEMENT

THE SELLER:

UNITED ENERGY PAKISTAN LIMITED

Address: 4th Floor, Bahria Complex- 1, M.T. Khan Road, Karachi
Name: Asrar Muhammad
Designation: Head of Commercial
Email: mohamma5@uep.com.pk

THE BUYER:

HI-TECH PIPE AND ENGINEERING INDUSTRIES (PVT.) LIMITED

Address: X-22, Extension Area Site, Kotri, 76101, Sindh
Name: Siraj Soomro
Designation: CEO
Email: HSssoomro@gmail.com

IN WITNESS WHEREOF, the Parties hereto execute this Agreement on the date first written above.

Brian Lei



THE SELLER
UNITED ENERGY PAKISTAN LIMITED

Name: Brian Lei
Designation: Head of PSCM

Siraj Soomro



THE BUYER
HI-TECH PIPE AND ENGINEERING INDUSTRIES (PVT.) LIMITED

Name: Siraj Soomro
Designation: CEO

WITNESSES:

1. Munib Farid
Name: Syed Muhammad Munib Farid
CNIC No: 42301-2403182-8

2. Yasir Mahdi
Name: Yasir Mahdi
CNIC No: 37201-4518687-1

1. Pir Muhammad
Name:
CNIC No: 44107-2481458-9

2. Munawar Ali
Name: MUNAWAR ALI
CNIC No. 44107-9970358-7



Shoukat Ali High Court Hyderabad
Senior Advocate
& Oath Commissioner

FINANCIAL STATEMENTS

**M/S HI-TECH PIPE & ENGINEERING
INDUSTRIES (PVT.) LIMITED**

JUNE 30, 2019

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

SALAHUDDIN & CO.
CHARTERED ACCOUNTANTS

114, 2ND FLOOR, MARINA CITY MALL,
ABDULLAH KHAN ROAD, SADDAR,
KARACHI - 741004
TEL # 3277605. FAX # 931 57015176.
MOB # 0332 2111 331
Email: sksalah@pfsystems.com



SALAHUDDIN & CO. CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, (the Company), which comprise the statement of financial position as at June 30, 2019 and the statement of profit or loss and other comprehensive income 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 to let, 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, statement of profit or loss and other comprehensive income 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, 2019 and of the profit Rs. 242,180,459/- and other comprehensive income 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 Auditors' 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.

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 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 are 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 the 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:

ATTESTED
Shoukat Ali Pathan
Chartered Accountant
Firm Head



SALAHUDDIN & CO. CHARTERED ACCOUNTANTS

- 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 the 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 the 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 the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other comprehensive income 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business, and
- in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

KARACHI,
Dated: August 24, 2019

ATTESTED
Shoukat Ali Pathan
Advocate & Legal Commissioner
Karachi

SALAHUDDIN & CO.
[Chartered Accountants]

145

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
BALANCE SHEET
AS AT JUNE 30, 2019

	2019	2018		2019	2018
Note	Rupees	Rupees	Note	Rupees	Rupees
<u>CAPITAL & LIABILITIES</u>			<u>FIXED ASSETS</u>		
<u>AUTHORIZED CAPITAL</u>			Tangible Assets (M.C.V.) 6		
100,000 Ordinary Shares of Rs.100/- each	<u>100,000,000</u>	<u>100,000,000</u>		588,791,560	855,001,450
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>			<u>CURRENT ASSETS</u>		
100,000 Ordinary Shares of Rs. 100/- each	3 100,000,000	100,000,000	Stock or Trade	7 888,249,017	772,395,078
Reserves:			Stores, Spares Parts & Loose Tools	8 2,787,671	2,421,889
Un-Appropriated Profit / (Loss) Account	1,117,509,068	274,828,588	Goods in Transit	9 55,751,408	48,437,882
	<u>1,217,509,068</u>	<u>274,828,588</u>	Accounts Receivable	10 417,102,831	290,127,857
<u>LONG TERM LIABILITIES</u>			Advances, Deposits & Prepayments	11 609,832,546	324,102,709
Loan from Directors	486,873,507	486,873,507	Cash & Bank Balances	12 328,511,032	388,568,047
<u>CURRENT LIABILITIES</u>				<u>2,156,236,183</u>	<u>1,724,051,465</u>
Creditors, Accrued & Other Liabilities	4 372,453,105	312,899,570			
Advances from Customers	5 650,690,325	574,457,157			
	<u>1,023,143,430</u>	<u>907,356,727</u>			
	<u>2,747,420,558</u>	<u>2,379,054,822</u>		<u>2,747,026,883</u>	<u>2,379,054,922</u>

The amount shown here is a legal part of the financial statements.

ATTESTED
Shoukat Ali Pathan
 Advocate & Oath Commissioner
 Hyderabad.

 Chief Executive

 Director



196

**M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD,
STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees)	2018 (Rupees)
Sales & Receipts			
Consolidated Sales		3,512,441,834	3,053,977,445
Less: Sales Tax & Special Excise Duty		(509,304,510)	(442,826,730)
		<u>3,003,140,394</u>	<u>2,611,150,715</u>
Less: Cost of Goods Sold	13	(2,508,613,270)	(2,173,704,680)
Gross Profit		<u>494,527,114</u>	<u>431,446,035</u>
Less: Operating Expenses			
Administration Expenses	14	147,429,338	127,513,220
Selling & Distribution Expenses	15	97,071,583	78,358,716
Finance Expenses	16	2,703,255	2,466,841
		(217,204,187)	(208,338,777)
Net Profit / (Loss) before Tax		<u>247,122,927</u>	<u>222,507,259</u>
Less Income Tax / W.W.F		(4,942,459)	(4,450,145)
Net Profit / (Loss) after Tax		<u>242,180,468</u>	<u>218,057,114</u>
Un-Appropriated Profit / (Loss)		874,828,588	658,771,474
Un-Appropriated Profit / (Loss) c/o to Balance Sheet		<u>1,117,009,056</u>	<u>874,828,588</u>

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

ATTESTED
Shrikant S. Puthan
Advocate & Chartered Accountant
Hyderabad.

Chief Executive

Director

147

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 (Rupees)	2018 (Rupees)
Cash flows from operating activities		
Net Profit for the period before Tax	247,122,927	222,507,258
Adjustment for Depreciation	66,211,806	73,766,440
Financial Charges	2,703,265	2,488,541
Operating Profit before changes in working capital	318,038,098	298,744,540
(Increase)/decrease in Current Assets		
Stock-in-Trade	(129,533,741)	(104,199,455)
Accounts Receivables	(126,974,974)	(88,672,828)
Advances, Deposits & Prepayments	(145,729,937)	(-2,522,917)
(Decrease)/increase in Current Liabilities		
Creditors, Accrued & Other Liabilities	39,553,535	3,358,741
Advances from Customers	86,237,728	54,899,182
Financial Charges	(2,703,283)	(2,488,541)
Income Tax paid	(4,942,459)	(4,450,145)
Net cash from Operating Activities	37,844,986	148,486,237
Cash flows from investment activities		
increase in fixed Assets	-	-
Cash flows from financial activities		
Issued, Subscribed & Paid up Capital	-	-
Bank Borrowings	-	-
Loan from Director's	-	-
Net (decrease)/increase in cash and cash equivalents	37,844,986	148,486,237
Cash and cash equivalents at beginning of the year	288,566,047	142,079,810
Cash and cash equivalents at end of the year	326,511,032	290,566,047

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

Chief Executive

Director

ATTESTED
Shobkol Ali Pathan
Advocate & Oath Commissioner
Hyderabad.



M/S

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 2019


	issued, subscribed and paid up capital	Accumulated Profit & (Loss)	Total
Rupees			
Balance as at June 30, 2017	100,000,000	656,771,474	756,771,474
Profit for the year ended June 30, 2018	-	218,357,114	218,057,114
Balance as at June 30, 2018	100,000,000	874,828,588	974,828,588
Profit for the year ended June 30, 2019	-	242,180,468	242,180,468
Balance as at June 30, 2019	100,000,000	1,117,009,056	1,217,009,056

Note: The annexed notes form an integral part of these accounts

Chief Executive

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

Director



149

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

1 STATUS AND NATURE OF BUSINESS

- 1.1 M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD. Was incorporated as a private limited company under the Companies Ordinance, 1984 on 01st January 2008. Principal activity of the Company is manufacturing of various types of pipes & steel products.
- 1.2 These accounts have been prepared up to June 30, 2012. These accounts have been prepared on the assumption that the company would continue as a going concern. The assumption is based on undertaking of continued support of the governing Directors.

2 SIGNIFICANT ACCOUNTING POLICIES

- 2.1 **Statement of Compliance**
These accounts have been prepared in accordance with accounting standards issued by the International Accounting Standards Committee (IASC), Interpretation issued by the Standing Interpretations Committee of the IASC as applicable in Pakistan and the requirements of the Companies Ordinance, 1984.
- 2.2 **Accounting Convention**
These accounts have been prepared under the historical cost convention.
- 2.3 **Taxation**
The company falls in the orbit of Presumptive Tax Regime and all its finished products are being exported. Tax is being deducted at source which is treated as final payment of tax liability.
- 2.4 **Planting Fixed Assets**
a) Fixed assets including all additions are stated at cost. Depreciation is provided under Reducing Balance Method at rates indicated in note B to these accounts.
b) A full year's depreciation is charged on assets acquired during the year, while no depreciation is charged in the year of disposal.
c) Gains or losses on disposal of fixed assets, if any, are taken to profit and loss account currently.
d) Normal repair and maintenance are taken to profit and loss account currently.
e) Plant & Machinery received but not erected is shown as Capital Work in Progress.
- 2.5 **STOCK & SPARES**
a) All stock for export sales and spare sales are valued at lower of cost and net realizable value.
b) These are valued at moving average cost except items-in-transit which are valued at cost accumulated to the balance sheet date.
c) Net realizable value indicates the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.
- 2.6 **Trade Debtors**
Known bad debts, if any are written off, while provisions are made against debts deemed doubtful.
- 2.7 **Revenue Recognition**
Export sales are booked on shipment basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

150

	2017 (Rupees)	2018 (Rupees)
3 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL:		
(Number of Shares)		
<u>1,000,000</u> Ordinary Shares of Rs. 100/- each	<u>100,000,000</u>	<u>100,000,000</u>

3.1 ALLOCATION OF PAID UP CAPITAL:

PARTICULARS	NO. OF SHARES AS ON 31.12.18	PRICE PER SHARES	PAID UP CAPITAL	RATIO OF SHARES	SHARES AS ON 30.06.19
Mr. Haji Sirajuddin Soomro	860,000	100	85,000,000	85%	85,000,000
Mr. Muhammad Qasim	50,000	100	5,000,000	5%	5,000,000
Mr. Saifullah Khalid	50,000	100	5,000,000	5%	5,000,000
Mr. Azam Ali	50,000	100	5,000,000	5%	5,000,000
2013	1,000,000	400	100,000,000		100,000,000
2018	1,320,000	400	100,000,000		100,000,000

	Note	2018 (Rupees)	2019 (Rupees)
4 CREDITORS ACCRUED & OTHER LIABILITIES:			
Trade Creditors		292,894,982	254,288,870
Accrued Liabilities		7,989,550	7,055,505
Workers' Welfare Fund		1,419,281	1,404,219
Others	4.1	70,453,412	70,140,967
		<u>372,657,225</u>	<u>332,889,561</u>
4.1 OTHERS			
Sales Tax Payable		2,383,731	2,081,286
Short Term Borrowings (Free of Interest) (FROM FAMILY & FRIENDS FOR ONE YEAR)		68,050,681	69,059,681
		<u>70,434,412</u>	<u>71,140,967</u>
5 ADVANCE FROM CUSTOMERS			
Security Deposits from Customers		570,896,673	496,118,630
Advance from Customers		90,094,212	78,334,521
		<u>660,990,885</u>	<u>574,453,151</u>

ATTESTED
Shahid Ali Pathan
Advocate & Joint Commissioner
Hyderabad.

151

6 OPERATING FIXED ASSETS:

PARTICULARS	WRITTEN DOWN VALUE			DEPRECIATION		W.D.V.
	As on 01.07.18	Addition (Deduction)	As on 30.06.19	Rate %	For the Year	As on 30.06.19
Plant & Machinery	647,775,073	-	647,775,073	10%	64,777,507	582,997,566
Furniture & Fixtures	68,678	-	68,678	10%	6,868	61,810
Office Equipment	44,108	-	44,108	10%	4,411	39,697
Generator & Electric Installation	6,577,842	-	6,577,842	20%	1,315,568	5,262,274
Air Condition	124,978	-	124,978	20%	24,996	99,982
Motor Vehicles	412,762	-	412,762	20%	82,552	330,210
2018	655,001,456	-	655,001,456		64,211,906	590,789,550
2019	728,769,693	-	728,769,693		73,769,693	655,001,456

2018
(Rupees) 2019
(Rupees)

6.1 ALLOCATION FOR DEPRECIATION:

Cost of Goods Manufactured
Administrative Expenses

65,404,890	72,607,347
907,016	899,093
66,211,906	73,700,440

Note: That the Land & Building used in Hi-Tech Pipe & Engineering Industries (Pvt.) Limited is in the name of Mr. Haji Shajidullah (Director of Hi-Tech Pipe & Engineering Industries (Pvt.) Limited)

7 STOCK - IN - TRADE:

Finished Goods
Work in Progress
Raw Material

627,330,870	541,926,169
143,870,588	125,803,256
114,972,181	80,655,351
886,249,617	770,395,073

8 STORE, SPARES, PARTS & TOOLS:

Tools
Store in Transit & Parts

898,883	305,474
2,380,678	1,918,421
3,279,561	2,421,895

9 GOODS IN TRANSIT:

Goods in Transit

88,751,406	48,437,882
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10 ACCOUNT RECEIVABLE

From Customers

417,102,331	360,137,667
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ATTESTED
Shaukat Ali Pathan
Advocate & Char. Commissioner
Hyderabad.

152

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 (Rupees)	2018 (Rupees)
11 ADVANCES, DEPOSITS & PREPAYMENTS:			
Advance Income Tax		23,587,548	21,748,855
Security Deposits		16,000,000	16,000,000
Advance to Staff		9,672,575	2,359,355
Advance to Supplier		143,954,287	94,352,442
Prepayments		271,847,736	181,642,057
		<u>489,832,846</u>	<u>324,102,709</u>
12 CASH & BANK BALANCES:		<u>328,511,032</u>	<u>288,588,047</u>
13 COST OF GOODS SOLD:			
Opening Stock - Finished Goods		544,928,169	450,172,232
Cost of Manufacturing	13.1	2,591,187,971	2,264,458,817
Closing Stock - Finished Goods		(827,308,872)	(544,928,158)
		<u>2,808,819,276</u>	<u>2,170,704,990</u>
13.1 COST OF GOODS MANUFACTURED:			
Opening Stock Work in Progress		125,803,256	106,992,950
Raw Material Consumed	13.2	1,412,888,189	1,09,887,808
Salaries, Wages & Benefits		87,878,572	78,860,611
Spare Parts & Other Maintenance		17,997,088	18,137,762
Printing Material Consumed		24,288,638	21,779,317
Fuel, Water & Power		965,393,053	865,855,881
Rent, Rates & Taxes		2,183,545	1,996,924
Insurance		8,538,817	8,551,395
Repair & Maintenance of Factory & Electrical Fittings Building		9,278,087	8,319,544
Depreciation	6.1	65,404,993	72,867,347
Printing & Stationery		14,723,625	13,202,490
Closing Work in Progress		(111,976,666)	(123,803,256)
		<u>2,891,187,971</u>	<u>2,264,458,817</u>
13.2 RAW MATERIAL CONSUMED:			
Opening Stock		39,886,851	102,217,597
Purchases		1,427,972,559	1,189,415,460
Closing Stock		(114,872,181)	(99,665,651)
		<u>1,412,888,169</u>	<u>1,189,987,806</u>

ATTESTED
Shaukat Ali Pathan
Auditor & Cash Commissioner
Hyderabad.

153

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019**

	2019 (Rupees)	2018 (Rupees)
14 ADMINISTRATION EXPENSES:		
Salaries Allowances & Other Benefits	46,525,178	40,435,377
Director Remuneration	31,590,250	27,264,602
Bonus to Staff	3,379,801	2,916,877
Electricity Expenses	2,794,703	2,419,836
Telephone & Mobile Cards	2,054,723	1,774,334
Entertainment	1,558,015	1,345,407
Legal & Professional Expenses	634,723	546,110
Property, Water Tax & Provisional	2,152,142	1,868,456
Repair & Maintenance	5,257,988	5,038,817
Printing & Stationery	1,375,853	1,187,920
Petrol & Diesel	14,470,554	12,495,900
Medical Expenses	2,918,115	2,433,553
News Paper	501,104	691,788
Amortization of Office Expenses	1,558,773	1,340,928
Security Guards Salaries	14,804,947	12,784,556
Depreciation	837,010	699,083
General Expenses	13,838,740	12,038,649
	<u>147,429,836</u>	<u>127,513,220</u>
15 SELLING & DISTRIBUTION EXPENSES:		
Selling Staff Salaries	56,362,856	45,032,542
Courier & Communication	10,449,988	8,499,834
Advertisement	6,192,454	5,038,694
Entertainments	1,990,511	1,266,331
Conveyance & Travelling	22,357,086	18,505,356
Misc. Expenses	1,149,018	834,815
	<u>97,071,508</u>	<u>78,958,212</u>
16 FINANCIAL EXPENSES:	<u>2,703,285</u>	<u>2,426,641</u>

17 DATE OF AUTHORISATION FOR ISSUE:

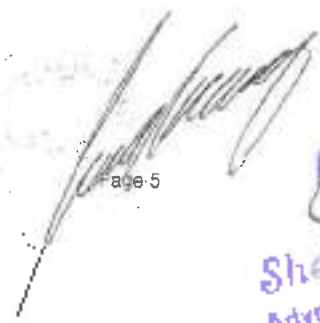
The financial statements were authorized for issue as at August 24, 2019 by the Board of Directors of the Company.

18 GENERAL:

Figures have been rounded off nearest Rupee.

Chief Executive

Director



ATTESTED
Shehkar Ali Pathan
Advocate & Chartered Accountant
Hyderabad.

Provisional Half Yearly Un-Audited Financial

**M/S Hi Tech Pipe & Engineering
Industries (Pvt) Limited**

30-Dec-2019

155

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LIMITED
MANAGEMENT ACCOUNTS

STATEMENT OF PROFIT & LOSS ACCOUNT
FOR 6 MONTHS ENDED DEC 31, 2019

	<u>2019-20</u> <u>Rupees</u>	<u>2019</u> <u>Rupees</u>
Sales / Revenue	550,565,010	385,947,966
Cost of Sales	(451,463,308)	(316,477,332)
Gross Profit	<u>99,101,702</u>	<u>69,470,634</u>
Less: Operating Expenses		
Admin, Selling & Dist. Expenses	<u>81,263,395</u>	<u>56,825,736</u>
	<u>(81,263,395)</u>	<u>(56,825,736)</u>
	<u>17,838,306</u>	<u>12,644,898</u>
Less Financial Expenses	(313,285)	(294,563)
	<u>17,525,021</u>	<u>12,350,335</u>
Less Worker Welfare Fund	(350,500)	(247,007)
Net Profit/(Loss) Before Tax	<u>17,174,521</u>	<u>12,103,328</u>
Less Income Tax	(4,980,611)	(3,509,965)
Net Profit after Tax	<u><u>12,193,910</u></u>	<u><u>8,593,363</u></u>
Profit & (Loss) Appropriation Account:		
Appropriated Profit & (Loss) B/F	224,174,647	215,581,284
Net Profit for the period	12,193,910	8,593,363
Balance Carried Over to Balance Sheet	<u><u>236,368,557</u></u>	<u><u>224,174,647</u></u>

ATTESTED

Shobkolah Pathan
Advocate & Joint Commissioner
Hyderabad.

156

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LIMITED
MANAGEMENT ACCOUNTS
BALANCE SHEET
AS AT DEC 31, 2019

	Dec 31, 2019 Rupees	2019 Rupees		Dec 31, 2019 Rupees	2019 Rupees
AUTHORISED SHARE CAPITAL			NOT CURRENT ASSETS		
1,000,000 Ordinary Shares of Rs. 100 each	<u>100,000,000</u>	<u>100,000,000</u>	FIXED ASSETS		
			Tangible Assets (W.D.V)	721,875,938	721,875,838
ISSUED SUBSCRIBED AND PAID-UP CAPITAL			CURRENT ASSETS:		
1,000,000 Ordinary Shares of Rs. 100 each	100,000,000	100,000,000	Stock in Trade	1,987,364,967	2,040,357,210
RESERVES AND SURPLUS			Trade Debt - Unsecured Considered Good	202,550	184,565
Un-Appropriated Profit/(Loss) Account	236,368,557	211,878,184	Advances-Unsecured	285,442	327,784
	<u>336,368,557</u>	<u>311,876,184</u>	Trade Deposits and Short Term Pre-payments	590,847	648,752
			Other Receivables	425,855	412,550
			Income Tax Refundable Net of Provision	87,485,842	87,485,842
			Cash and Bank Balances	325,859,861	345,878,979
			Other Assets	-	-
				<u>2,402,218,964</u>	<u>2,474,898,478</u>
LOAN TERM LIABILITIES					
Loan from Directors					
CURRENT LIABILITIES:					
Trade and Other Payables	362,213,143	384,256,489			
Short Term Borrowing - Secured	2,396,745,800	2,485,265,489			
Provision for Income Tax Net of Payment	28,744,392	15,468,254			
	<u>2,787,723,335</u>	<u>2,884,990,232</u>			
	<u><u>3,124,081,892</u></u>	<u><u>3,196,888,416</u></u>		<u><u>3,124,081,892</u></u>	<u><u>3,196,856,416</u></u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR DIRECTOR

ATTESTED

Shoukat Ali Patidar
 Advocate & Oath Commissioner
 Hyderabad.

158-226

158



Date: 2.7.2020

Abdul Qadeer Lehri,
Assistant Registrar,
Oil & Gas Regulatory Authority,
Islamabad.

SUBJECT: HI TECH PIPE & ENGINEERING INDUSTRIES (PVT) LTD - APPLICATION FOR GRANT OF LICENSE FOR SALE OF LOW-PRESSURE GAS UNDER OGRA (LICENSE) RULES 2002, (LAGHARI FIELD TANDO MUHAMMAD KHAN).

Ref: to your letter No. OGRA-6(1)-Hi-tech/2019- FG, on dated 3rd June 2020.

Dear Sir,

Kindly find herewith enclosed documents for your above reference letter no. OGRA-6(1)-Hi-tech/2019- FG, on dated 3rd June 2020.

Please consider our submission for above stated subject.

Best Regards.

For & on Behalf of
[Signature]
Hi Tech Pipe & Engineering Industries Pvt Ltd



Karachi Head Office:
B-152-G, Block # 02, PECHS, Karachi-Pakistan
Ph: +921 21 34521236 / 34521232

Factory:
Plot # X-27, Extension Area, S.I.T.E, Kotri Sindh Pakistan
Ph: +921 22 2116500 / 22 2116501
email: info@hitechpipe.com | web: www.hitechpipe.com



159

آئل اینڈ گیس
ریگولیشن اتھارٹی



Oil & Gas
Regulatory Authority

OGRA-6(1)-Hi-tech/21119- FG

June 3, 2020

Enji Sirajuddin Soemro,
Hi-Tech Pipe & Engineering Industries,
72/4, Hamid Plaza Saddar Cantt,
Hyderabad,
0333-2619760
022-2730935

**SUBJECT: HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LTD -
APPLICATION FOR GRANT OF LICENSE FOR SALE OF LOW-
PRESSURE GAS UNDER OGRA (LICENSE) RULES 2002 (LAGHARI
FIELD TANDO MUHAMMAD KHAN)**

Dear Sir,

Reference OGRA's earlier letter of even number dated April 29, 2020 your letter dated May 5, 2020 on the subject.

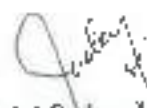
2. It is informed that OGRA vide above-mentioned letter asked for documents/ information required by Gas and Finance departments for processing your request for license. The documents provided by your company in response are still deficient in respect of following documents/ information. the same may kindly be provided please: ✓✓

- a) Information stipulated in rule 4 (3) (b, c, d, e) & 16 of Licensing Rules
- b) Provide list of consumers along with MOU/ GSA executed with them
- c) Details regarding custody transfer point along with applicable maximum pressure
- d) Details of consumer's facilities including its location i.e. whether within lease area or otherwise, pipeline or virtual pipeline
- e) Latest Gas specifications.
- f) Details of relevant equipment
- g) As per Clause G of the Flare Gas Utilization Guidelines, 2016 an assurance that lease holder shall ensure that applicable HSE rules, policies and industry standard practices will be fully complied with.
- h) Details of capital expenditure needed to carry out the regulated activity along with the resource availability as per rule 4(3)(f) Projected Financial statements and feasibility, containing detailed financial health of the activity
- i) Details of the Finance Personnel along with their CV's as per Rule 4 (3)(h) for ascertaining the expertise available with the applicant for carrying out the activity.

Best Regards,

ATTESTED

Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad


(Abdul Qadeer Lehari)
Assistant Registrar
Assistant Registrar
(For & on behalf of the Authority)

157
160

Abdul Qadeer Lehti,
Assistant Registrar,
Oil & Gas Regulatory Authority,
Islamabad.

SUBJECT: HI TECH PIPE & ENGINEERING INDUSTRIES (PVT) LTD -
APPLICATION FOR GRANT OF LICENSE FOR SALE OF LOW-
PRESSURE GAS UNDER OGRA (LICENSE) RULES 2002, (KHASKHELI
LOW PRESSURE GAS FIELD DISTRICT BADIN)

Ref. to your letter No. OGRA-6(1)-Hi-tech/2019-FG, on dated 29th April 2020.

Dear Sir,

Kindly find herewith enclosed documents for your above referenced letter no. OGRA-6(1)-Hi-tech/2019-FG, on dated 29th April 2020.

Please consider our submission for above stated subject.

Best Regards,

For & on Behalf of:

Hi Tech Pipe & Engineering Industries Pvt Ltd



Office:
Islam Area, SITE Kolt, Sindh, Pakistan
22-3870814, Fax: +92 (0) 22-3870808
htpipe.com
htechpipe.com

Karachi Office:
B # 152/G, Block-2, P.E.C.H.S Karachi,
Sindh, Pakistan
Ph: +92 (0) 21-34543740,
Fax: +92 (0) 21-34311258

Badin
72/4, Hand Plot
P.O.
Badin

TESTED

آئل اینڈ گیس
ریگولیشن اتھارٹی



Oil & Gas
Regulatory Authority

April 29, 2020

(TMR)

161

Office of the Registrar (OGR)

101, Sardar Sarbajit Road,
115-116, 1st & 2nd Floor, Engineering Insurance,
12-4, Hazrat Nizamuddin Road,
Hyderabad.

9773 241 2740
020-27733333

SUBJECT: MUTUCH PIPE & ENGINEERING INDUSTRIES PVT LTD
APPLICATION FOR GRANT OF LICENSE FOR SALE OF LOW
PRESSURE GAS UNDER OGRA (LICENSE) RULES 2002. (LAGHARI
FD) LD (ANTO MUHAMMAD KHAN)

Dear Sir,

Please refer to your letter No. NI dated November 06, 2019 on the above subject.

It was noted that initial examination of the application under Rule 4 of the Natural Gas (Licensing) Rules 2002 reveals that your subject application is devoid of the following information / data:

- a) The information stipulated in 4(3)(b)(i), 4(a), 4(b)(i) & 4(d) of Licensing Rules
- b) Present list of consumers along with MGL / GSI executed with them
- c) Custody transfer point along with applicable maximum pressure
- d) Details of consumer's facilities including its location i.e. whether above ground and/or subterranean, pipeline or virtual pipeline
- e) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- f) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- g) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- h) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- i) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- j) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- k) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- l) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- m) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- n) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- o) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- p) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- q) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- r) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- s) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- t) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- u) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- v) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- w) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- x) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- y) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules
- z) Details of contract, agreement, terms & conditions on Form S and RII as per Rules 4(3)(d) & 4(3)(e) of Licensing Rules

It is, therefore, advised to submit the deficient information/data mentioned at para 2 above, in order to proceed further in the matter, please.

Best Regards,



(Abdul Qadeer Khan)
Assistant Registrar
(For & on behalf of the Authority)

24-B, Fazaal-Haq Road, Blue Area, Islamabad. PAK. +92 51 9244000-92 Fax: +92 51 9244310
+92 51 9244310 فیکس: +92 51 9244090-92 فون: +92 51 9244000-92

ATTESTED

Shoukat Ali Pathan
Advocate & Ombudsman
Hyderabad

Rule 4(3) (h):

- Details of the technical and financial and resources available for carrying on the relevant regulated activities.

Remarks:

Hi-Tech & Engineering Industries (Pvt) Ltd possess technical and financial resources to establish, manage and operate the facilities for which the License is applied for. A brief of the same is appended below.

Sr. No	Name	Title/ Designation	Business Address
1.	Sirajuddin Soomro	Chief Executive Officer	72/41 Hamid Plaza Saddar Cantt: Hyderabad Sindh.
2	Muhammad Azam	Director Tech. & Regulatory Affairs	---do---
3.	Muhammad Hassan	Chief Finance Officer	---do---
4.	Mr. Muhammad Alam Soomro	Manager Admin & Logestic	---do---
5.	Mr. Rahool Anwer	Project Engineer	---do---

Beside the above, the Company has a panel of experts in financial / Accountancy and Legal / Corporate Affairs as stated below:

- 1) Auditors: Salabuddin & Co.
- 2) Legal and Corporate Affairs: Sayed Zaffar Abbas Naqvi
H.B.O- B1 Block-B, F.B Area Karachi
- 3) Chartered Accountant: 514-Madina City Mall A.H Karachi

Note: CVs of key technical personnel attached as Appendix-I ?

Rule 4(3) (i):

- Details of the resources and expertise available to handle emergency situation arising out of natural calamities, accidental or criminal acts or omission, specifying, which such resources are available and which are to be procedure.

Whereas, Hi-Tech & Engineering Industries (Pvt) Ltd shall be transporting Low Pressure Gas through existing Skid Tube Container of the two integrated Gas Companies, through 'Third Party Access' arrangements, subject distribution, allocation, which will be approved and a formal application for capacity allocation by the Authority (OCRA), under Rules 5 and 11 of the Low Pressure Gas Regulated Third Party Access Rules, 2012 has already been submitted, for allocation where upon, the responsibility to counter emergency situations shall lie exclusively with the suppliers / shippers (Up-stream of delivery points), who shall bear the responsibility to counter emergency situations arising out of any reasons, including but not limited to those mentioned in the sub-rule 4(3)(i) above.

However, Hi-Tech & Engineering Industries (Pvt) Ltd shall maintain complete liaison with the suppliers of Low pressure Gas, to ensure safe practices with minimum risks involved. The personnel of Hi-Tech & Engineering Industries (Pvt) Ltd shall coordinate with the suppliers in maintenance of the spares, firefighting equipment, shut off valves and protection of other equipment installed at the delivery points, to mitigate risks involved. Complete liaison with the local government shall be ensured to eliminate risk in case of natural calamities, accidental or criminal acts which may pose dangers to the installations. The technical expertise of Hi-Tech & Engineering Industries (Pvt) Ltd will extend all out support to the suppliers of Lower Pressure Gas to handle such emergency situation.

Once the agreement for allocation and transportation of Low Pressure Gas are executed, all necessary metering and safety equipment's will be installed by supplied by suppliers/ shippers (under Rule 4 of NGRTPA Rules, 2012 and thence, augmentation of resources for combating emergency and hazardous situations shall be carried out by the Low Pressure Gas suppliers in close coordination of Hi-Tech & Engineering Industries (Pvt) Ltd. The entities with whom such agreement are being executed are of repute with long standings in similar venture, for whom, such operation will not pose situation of concern.

Rule 4(3) (n):

- > Details of the following Market Data,
- (i) An estimate of the volume low pressure gas.
 - (ii) Number and consumption details of the consumers.
 - (iii) The applicant's total annual peak day Natural Gas.
 - (iv) Total past if applicable and expected curtailments of service by the applicant.

Remarks / Statement:

(i) An estimate of the volume of low pressure gas to be distributed or sold to;	Hi-Tech Pipe & Engineering Industries (Pvt) Ltd in advanced stage of executing GSAs with prospective suppliers of low pressure gas through to Skid Toke Container to the end industries consumers for transporting on Third party Access basis. The expected commencement of supply will be 1 MMcf/d in December, 20
(ii) Number and consumption details of the consumers.	Currently, about 12 industries have given their consent to purchase low pressure gas from the company and more are to follow/ the consumption pattern would be compatible with a quantum of supply from the injection points/ suppliers.
(iii) The applicant's total Annual peak day low pressure gas requirement	The peak day low pressure gas requirement will be compatible with the supplies as mentioned against serial number (i)
(iv) Total past if applicable and expected curtailments of service by the applicant;	Since the applicant is yet to start its operations, there is no history of Gas curtailments in the past. As regards the curtailments in future the same shall be based of force majeure short falls from the suppliers / injection points

Rule 4 (b):

- Details of the sources and quality of supply of Low Pressure Gas forecasts of the available quantity from such sources.

Remarks:

The details of sources indicating proportion from each source is as below [figures / volumes are tentative]

Source / Supplier	Volume of Low Pressure Gas MMcfd	Expected Month of Commencement of Supply
Hi-Tech & Engineering Industries (Pvt) Ltd in advance stage of executing GSAs with prospective supplier (s)	1 MMcfd and if increase	1 MMcfd in _____, 20 .

Hi-Tech & Engineering Industries (Pvt) Ltd are in advance stage of executing GSA with prospective suppliers.

Generalized Quality of Low Pressure Gas anticipated to be procured is attached over-leaf

Rule 4 (c):

- Details of how the applicant proposes to meet the safety and service obligations prescribed by the Authority.

1. Safety

Hi-Tech Pipe & Engineering Industries (Pvt) is committed to make concerted efforts to implement best practices on Health, Safety and Environment (HSE) and attaches paramount importance to this aspect/ Hi-Tech Pipe & Engineering Industries (Pvt), safety of personnel and plants / equipment is of utmost priority.

Whereas, The issue concerns more to the suppliers /shippers / transporters of Low Pressure Gas, who shall manage the installation/ delivery points for Pressure Gas to the gas transported by Skids Tube Container but considering the importance of the issue Hi-Tech Pipe & Engineering Industries (Pvt), shall extend all out coordination to them for successful outcomes of the measures takes to meet the objectives.

Immediately on grant of License and prior to start of operations, Hi-Tech Pipe & Engineering Industries (Pvt) Ltd envisages to prepare a HSE Policy in association with Low Pressure Gas, including, beside others, following components.

- Compliance with all statutory stipulations of the Regulatory Authority, Federal and Provincial government.
- Maintain safe and environmental work-place.
- Infuse sense of accountability at all levels for safety.
- Mitigate or even eliminate possible of emissions.
- Reporting and monitoring of HSE issues.
- Periodic review of HSE and Security policies / plans.
- Review plans to mitigate risk factors.
- Initiate Environmental friendly factors.
- Establish regular contact with law and order agencies, fire-fighting departments, hospitals and ambulance services.
- Foster leadership as far as HSE and Security practices are concerned. As regards the Code of practice on safety for end users of Low Pressure Gas, which predominantly are Industries, their individual Licenses for Production, Storage and Marketing of Low Pressure Gas granted to them by the Regulator (OGRA), under Low Pressure Gas (Production and Marketing) Rules 1992. Cover this aspect and they remain under Regulatory obligation to maintain prescribed safety standards, under the terms of their Licenses

2. Compliance with Service Obligations

The company Hi-Tech Pipe & Engineering Industries (Pvt) Ltd commits to fully comply with the service obligation as set out under performance and Service Standards Regulations, 2003 (of OGRA) applicable to its licenses and also with any other obligations which shall be imposed through the license for which the instant application is being filed.

Karachi Head Office:

B-152-G, Block # G2, PECHS, Karachi-Pakistan

Ph +(92) 21 34521236 / 34521232

Factory:

Plot # X-22, Extension Area, S.I.T.E, Katri Sindh Pakistan

Ph +(92) 22 2116500 / 22 2116501

email: info@hitechpipe.com web: www.hitechpipe.com

Rule 4 (e):

- Technical Specification of the distribution facilities (existing and proposed) or pipelines for the sale of Low Pressure Gas, as a case may be, including without limitation, specification for the design, Construction, operation and maintenance of the facilities or pipeline, as a case may be.

Remarks

The applicant Company Hi-Tech Pipe & Engineering Industries (Pvt) Ltd shall transport gas on basis of Transportation / Access Agreement with the existing integrated Gas companies on basis of OGRA Low Pressure Gas (Third Party Access) Rules, 2012. These Skid Tube Containers (Transportation and Distribution) are constructed operated and maintained in accordance with the OGRA's notified Low Pressure Gas Transportation technical standards, regulation, 2004 and Low Pressure Gas Distribution Technical Standards Regulations, 2004. The equipment and materials used on these systems conform to the specification for materials and equipment imposed by the Authority (OGRA). Therefore, it is construed that the sale of Low Pressure Gas which the instant license is applied for, will be through the system conforming to Technical Specification/ Standards already imposed by the Authority (OGRA)

Karachi Head Office:
B-152-G, Block # 02, PECHS, Karachi-Pakistan
Ph +(92) 21 34521236 / 34521232

Factory:

Plot # X-22, Extension Area, S.I.T.E. Kotri Sindh Pakistan
Ph +(92) 22 2116500 / 22 2116501
email: info@hitechpipe.com web: www.hitechpipe.com



Annexure-I

168

To
The Registrar
Oil & Gas Regulatory Authority
Islamabad

Subject: GRANT OF LICENCE OF THE SALE FLARE GAS/CNG M/S HI TECH PVT LIMITED

Respected sir,


With reference to our case provided detail of our industrial customer and CNG Station are as under

PARA #1


- 1 BRIDGE POWER BATTERIES SITE KOTRI HYDERABAD
- 2 HI TECH PIPE & INDUSTRIES SITE KOTRI HYDERABAD
- 3 MILLENIUM COTTON & GANNING INDUSTRIES MATIARI
- 4 ISLAND TEXTILE MILL SITE KOTRI
- 5 COLGATE PAKISTAN LTD SITE KOTRI
- 6 DIAMOND TEXTILE SITE KOTRI
- 7 DAIRY LAND PVT LIMITED KARACHI
- 8 GUI PAPER MIRPURKHAS
- 9 BAFHAN MEZINE PRODUCTION LTD SITE KOTRI
- 10 FAYAKUN TEXTILE MILL KARACHI

PARA #2

- 1 AL MADINA TRADERS address: Plot No 30 R.S 282 Deh Sari Main waghoh wah Qasimabad Hyderabad
- 2 AL MADINA CNG STATION II Address: Plot No 278 Deh Mirzapur Tapo Qasimabad Main National Highway Hyderabad
- 3 SHAH LATIF CNG STATION address: Plot No. 295, survey No. 416-3 & 417/2 tapo Bhit Shah Taluka Hala
- 4 AL MADINA TRADERS Mirpurkhas address: survey No 108, Main Hyderabad Road Mirpurkhas
- 5 SAFE & SAVE CNG STATION (PSO Outlet) Muslim Petroleum Service Auto Bhan Road Industrial Area Hyderabad
- 6 AJJAZ CNG STATION FATEH CHOWK

 **WAS**

-1-


CERTIFIED TRUE COPY

169

GOVERNMENT OF PAKISTAN
MINISTRY OF INDUSTRIES & PRODUCTION
DEPARTMENT OF EXPLOSIVES
CIRCLE OFFICE, KARACHI

No. HYD-4393/P

132

State Cement Corporation Building,
Main Stadium Road, Dalmia Karachi,
Dated: 09-12-2019.

To,

M/s Hi Tech Pipe & Engg. Industries (Pvt) Ltd.
72/41, Hamid Plaza Saddar, Cantt.,
Hyderabad.

Subject: RENEWAL OF LICENCE NO. HYD-4393/P IN FORM 'A' FOR ESTABLISH AND OPERATE NATURAL GAS STORAGE AND DISTRIBUTION FACILITY IN FORM 'A' UNDER MINERAL AND INDUSTRIAL GASES SAFETY RULES, 2010 UP TO 31.12.2020.

Ref: Your letter No. Nil 11. 2019.


Dear Sirs,

Your above mentioned license along with approved plan is returned herewith duly renewed up to 31. 12. 2020.

Please acknowledge receipt.

Encl. As above

Yours truly,


(MUHAMMAD MUBEEN AHMED)
Deputy Director
For Director General of Explosives
Ph: 34982101

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

قسط ۱۰۰۰
C.P. Order Schedule and Rule 22/2
License for Storage of Mineral Gas for Distribution

No. HYD-42979

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۱۰۰۰

For Rs. 5,000/-

License is hereby granted to M/s. HI-TECH PIPE & ENGINEERING INDUSTRIES, B
NO. 152-G, BLOCK-2, P.F.C.H.S KARACHI valid for storage of Mineral Gas of total volume
cubic feet 3000 Water Level installed on the site described below and as shown in the plan
annexed hereto subject
to the provisions of the Petroleum Act 1934 and Mineral and Industrial Gases Safety Rules
2010 framed thereunder and to the further condition on the back of this license.

The license shall remain in force till 31st December, 2019

[Signature]
For Director General,
Department of Explosives
Government of Pakistan
Islamabad

On 23 10 2019

Plan No. HYD-42979
HYD-42979/1

Dated 04 10 2019

Description of the site referred to above: AT SURVEY NO. 453, DER & TAPA MAHI
LANDO MUHAMMAD KHAN
AND CONSIST OF 09 NOS. COMPRESSORS OF 333 M³/hr at 15 PSIG, 30 NOS OF
STORAGE BOTTLES OF CAPACITY 80 WATER LITERS AND 02 NOS OF FILLED
GAS.

Date of Renewal	Date of Expiry	Signature of the Licensing authority
Renewal upto	31-12-2020	<i>[Signature]</i> For Director General, Department of Explosives

ATTESTED

[Signature]
Shoukat Ali Pathan
Advocate & Oath Commissioner,
Hyderabad.

210

FINANCIAL STATEMENTS

**M/S HI-TECH PIPE & ENGINEERING
INDUSTRIES (PVT.) LIMITED**

JUNE 30, 2019

**SALAHUDDIN & CO.
CHARTERED ACCOUNTANTS**

514 5TH FLOOR, MADINA CITY MALL,
ABDUL KALAM HARBOR ROAD, SABBAR
KARACHI - 74000
TEL. # 3211645, FAX # 021-37014176,
MOB # 333-2311 531
Email: sk@salahuddin.com

ATTESTED **ATTESTED**
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

211



SALAHUDDIN & CO. CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LIMITED, (the Company), which comprise the statement of financial position as at June 30, 2019 and the statement of profit or loss and other comprehensive income 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, statement of profit or loss and other comprehensive income together with the notes forming part thereof conforms 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, 2019 and of the profit (Rs. 242,190,469/-) and other comprehensive income 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.

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 Companies Act, 2017 (XIX of 2017) and for such internal control as management determines 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 are 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 the 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:

ATTESTED
Shoukat Ali Pathan
Chartered Accountant

[Handwritten signature]



SALAHUDDIN & CO. CHARTERED ACCOUNTANTS

212

- 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 the 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 the 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 the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other comprehensive income 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XV II of 1980).

KARACHI.

Dated: August 24, 2019

SALAHUDDIN & CO.
[Chartered Accountants]

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

213

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
BALANCE SHEET
AS AT JUNE 30, 2019

	2019 Rupees	2018 Rupees	Note	2019 Rupees	2018 Rupees
CAPITAL & LIABILITIES				FIXED ASSETS	
AUTHORIZED CAPITAL 100,000 Ordinary Shares of Rs. 100/- each	100,000,000	100,000,000		Tangible Assets (Net) 6 586,741,550 855,000,432	
ISSUED, SUBSCRIBED & PAID UP CAPITAL 100,000 Ordinary Shares of Rs. 100/- each	100,000,000	100,000,000			
Reserves: Un Appropriated Profit - (Loss) Account	1,117,009,058	874,226,538			
	1,217,009,058	974,226,538			
LONG TERM LIABILITIES Loan from Directors	496,873,807	496,873,807			
CURRENT LIABILITIES				CURRENT ASSETS	
Creditors, Accrued & Other Liabilities	372,453,405	332,396,879		7	286,249,617
Advances from Customers	860,990,886	574,453,151		8	2,787,571
	1,233,444,291	907,850,030		9	55,751,408
				10	437,102,931
				11	469,052,848
				12	326,511,032
					2,158,235,103
					1,724,051,466
	2,747,026,340	2,379,054,922			
					2,747,026,340
					2,379,054,922

The attached report forms an integral part of these financial statements.

Chief Executive

Director

ATTESTED
Shoukat Ali Pathan
 Advocate & Oath Commissioner
 Hyderabad.

ATTESTED
Shoukat Ali Pathan
 Advocate & Oath Commissioner
 Hyderabad.

219

**M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2019**

	2019 (Rupees)	2018 (Rupees)
Sales & Receipts		
Consolidated Sales	3,517,444,894	3,053,977,446
Less: Sales Tax & Special Excise Duty	(509,304,510)	(442,828,730)
	<u>3,003,140,384</u>	<u>2,511,150,716</u>
Less Cost of Goods Sold	19 (2,503,813,270)	(2,179,704,880)
Gross Profit	<u>494,327,114</u>	<u>431,448,038</u>
Less: Operating Expenses		
Administration Expenses	14 (247,429,338)	(127,513,220)
Selling & Distribution Expenses	16 97,071,588	78,956,713
Financial Expenses	18 (247,204,187)	(2,468,841)
	<u>(247,204,187)</u>	<u>(298,938,777)</u>
Net Profit / (Loss) before Tax	<u>247,122,927</u>	<u>222,507,259</u>
Less Income Tax / W.W.F	(4,942,458)	(4,150,145)
Net Profit / (Loss) after Tax	<u>242,180,468</u>	<u>218,057,114</u>
Un-Appropriated Profit / (Loss)	374,828,588	656,771,474
Un-Appropriated Profit / (Loss) c/d to Balance Sheet	<u>1,117,008,066</u>	<u>974,828,588</u>

The annexed notes form an integral part of these financial statements

Chief Executive

Director

ATTESTED
Shoukat Ali Pathan
Advocate & Joint Commissioner
Hyderabad.



ATTESTED
[Signature]
Director

215

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019 (Rupees)	2018 (Rupees)
Cash flows from operating activities		
Net Profit for the period before Tax	347,122,027	222,507,259
Adjustment for Depreciation	56,211,906	73,766,443
Financial Charges	2,703,265	2,468,841
Operating Profit before changes in working capital	316,038,098	298,744,540
(Increase)/decrease in Current Assets		
Stock-in-Trade	(123,533,741)	(104,199,495)
Accounts Receivables	(126,974,974)	(98,672,829)
Advances, Deposits & Prepayments	(145,729,337)	(12,522,917)
(Decrease)/increase in Current Liabilities		
Creditors, Accrued & Other Liabilities	59,553,535	5,358,741
Advances from Customers	88,237,728	54,899,182
Financial Charges	(2,703,265)	(2,468,841)
Income Tax paid	(4,842,459)	(4,480,143)
Net cash from Operating Activities	37,844,985	146,486,237
Cash flows from investment activities		
Increase in fixed Assets		
Cash flows from financial activities		
Issued, Subscribed & Paid up Capital	-	-
Bank Borrowings	-	-
Loan from Director's	-	-
Net (decrease)/increase in cash and cash equivalents	37,844,985	146,486,237
Cash and cash equivalents at beginning of the year	288,568,047	142,079,810
Cash and cash equivalents at end of the year	326,511,032	288,568,047

The annexed notes form an integral part of these financial statements

Chief Executive

Director

ATTESTED
 Shoukat Ali Pathan
 Advocate & O.C. Commissioner
 Hyderabad.

ATTESTED
 Shoukat Ali Pathan
 Advocate & O.C. Commissioner
 Hyderabad.

216

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 2019

	Issued, subscribed and paid up capital	Accumulated Profit & (Loss)	Total
Rupees			
Balance as at June 30, 2017	100,000,000	658,771,474	758,771,474
Profit for the year ended June 30, 2018	-	218,057,114	218,057,114
Balance as at June 30, 2018	100,000,000	874,828,588	974,828,588
Profit for the year ended June 30, 2019	-	242,180,488	242,180,488
Balance as at June 30, 2019	100,000,000	1,117,009,076	1,217,009,076

Note: The annexed notes form an integral part of these accounts

Chief Executive

Director

ATTESTED
Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad.

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD.

217

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

1 STATUS AND NATURE OF BUSINESS

- 1.1 M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT.) LTD. Was incorporated as a private limited company under the Companies Ordinance, 1984 on 01st January 2008. Principal activity of the company is manufacturing of various types of pipes & steel products.
- 1.2 These accounts have been prepared up to June 30, 2012. These accounts have been prepared on the assumption that the company would continue as a going concern. This assumption is based on undertaking of continued support of the sponsoring Directors.

2 SIGNIFICANT ACCOUNTING POLICIES

- 2.1 Statement of Compliance
These accounts have been prepared in accordance with accounting standards issued by the International Accounting Standards Committee (IASB), Interpretation issued by the Standing Interpretations Committee of the IASB as applicable in Pakistan and the requirements of the Companies Ordinance, 1984.
- 2.2 Accounting Convention
These accounts have been prepared under the historical cost convention.
- 2.3 Taxation
The company falls in the oval of Presumptive Tax Regime and all its finished products is being exported. Tax is being deducted at source which is treated as final payment of tax liability.
- 2.4 Operating Fixed Assets
a) Fixed assets including all additions are stated at cost. Depreciation is provided under Reducing Balance Method at rates indicated in note 8 to these accounts.
i) A full year's depreciation is charged on assets acquired during the year, while no depreciation is charged in the year of disposal.
ii) Gain or losses on disposal of fixed assets, if any, are taken to profit and loss account currently.
iii) Normal repair and maintenance are taken to profit and loss account currently.
iv) Plant & Machinery rectified but not erected is shown as Capital Work in Progress.
- 2.5 STOCK & SPARES
a) All stock for export sales and sample stock are valued at lower of cost and net realizable value.
b) These are valued at moving average cost except items-in-transit which are valued at cost accumulated to the balance sheet date.
c) Net realizable value indicates the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.
- 2.6 Trade Debtors
Known bad debts, if any are written off, while provisions are made against debts consider doubtful.
- 2.7 Revenue Recognition
Export sales are booked on shipment basis.

Page 1

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Shoukat Ali Pathary
Advocate & Oath Commissioner
Hyderabad

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Shoukat Ali Pathary
Advocate & Oath Commissioner
Hyderabad

218

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

	2019 (Rupees)	2018 (Rupees)
3 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL:		
(Number of Shares)		
1,000,000 Ordinary Shares of Rs. 100/- each	100,000,000	100,000,000

3.1 ALLOCATION OF PAID UP CAPITAL:

PARTICULARS	NO. OF SHARES AS ON 01.07.19	PRICE PER SHARES	PAID UP CAPITAL	RATIO OF SHARES	SHARES AS ON 30.06.19
Mr. Hafeez Sajidul Haque	850,000	100	85,000,000	85%	85,000,000
Mr. Muhammad Qasim	50,000	100	5,000,000	5%	5,000,000
Mr. Saifulah Khalid	50,000	100	5,000,000	5%	5,000,000
Mr. Azam Ali	50,000	100	5,000,000	5%	5,000,000
2019	1,000,000	100	100,000,000		100,000,000
2018	1,000,000	100	100,000,000		100,000,000

Note	2019 (Rupees)	2018 (Rupees)
4 CREDITORS, ACCRUED & OTHERS LIABILITIES:		
Trade Creditors	292,694,882	254,298,878
Accrued Liabilities	7,828,650	7,065,568
Workers' Welfare Fund	1,418,281	1,404,219
Others	70,483,412	70,140,967
4.1	372,425,125	332,909,632
4.1 OTHERS:		
Sales Tax Payable	2,363,734	2,061,288
Short Term Borrowings (Free of Interest)	88,060,881	88,060,881
(FROM FAMILY & FRIENDS FOR ONE YEAR)	70,483,412	70,140,967
5 ADVANCE FROM CUSTOMERS:		
Security Deposits from Customers	570,606,673	496,115,638
Advance from Customers	90,094,212	78,334,521
	660,700,885	574,450,159



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Shoukat Ali Pathan
Advocate & District Commissioner
Hyderabad.

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219

C OPERATING FIXED ASSETS:

PARTICULARS	WRITTEN-DOWN VALUE		DEPRECIATION		W.D.V.
	As on 31.07.18	Addition (Deduction)	As on 30.06.19	Rate %	For the Year
Plant & Machinery	847,775,073	-	847,775,073	10%	84,777,507
Furniture & Fixtures	68,675	-	68,675	10%	6,868
Office Equipment	44,106	-	44,106	10%	4,411
Generator & Electric Installation	8,577,842	-	8,577,842	20%	1,715,568
Air Condition	124,978	-	124,978	20%	24,996
Motor Vehicles	412,782	-	412,782	20%	82,556
2018	866,003,456	-	866,003,456		96,211,808
2019	728,769,899	-	728,769,898		73,786,440

6.1 ALLOCATION FOR DEPRECIATION:

Cost of Goods Manufactured
Administrative Expenses

2019 (Rupees) 2018 (Rupees)

55,404,890	72,967,347
807,316	889,893
56,212,206	73,757,240

Note: That the Land & Building being of Hi-Tech Pipe & Engineering Industries (Pvt.) Limited is in the name of Mr. Ishaq Sirajuddin (Director of Hi-Tech Pipe & Engineering Industries (Pvt.) Limited.

7 STOCK - IN - TRADE:

Finished Goods
Work in Progress
Raw Material

627,300,870	544,826,169
143,978,569	25,803,295
114,972,181	66,885,951
886,249,620	637,385,079

8 STORE, SPARES, PARTS & LOOSE TOOLS:

Tools
Stores in Transit & Parts

696,890	906,474
2,090,678	1,216,421
2,787,568	2,122,895

9 GOODS IN TRANSIT:

Goods in Transit

58,731,406	48,437,962
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10 ACCOUNT RECEIVABLE

From Customers

47,402,831	29,427,857
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(Signature)

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Shoukat Ali Pashan
Advocate & Oath Commissioner
Hyderabad.

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Shoukat Ali Pashan
Advocate & Oath Commissioner
Hyderabad.

220

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

	Note	2019 (Rupees)	2018 (Rupees)
11 ADVANCES, DEPOSITS & PREPAYMENTS:			
Advance Income Tax		25,537,643	21,748,353
Security Deposits		18,000,000	13,000,000
Advance to Staff		8,872,375	8,358,355
Advance to Supplier		143,054,987	84,352,442
Prepayments		274,617,736	181,647,057
		<u>489,832,641</u>	<u>324,102,707</u>
12 CASH & BANK BALANCES:			
		<u>328,511,332</u>	<u>288,593,047</u>
13 COST OF GOODS SOLD:			
Opening Stock - Finished Goods		544,928,168	480,172,232
Cost of Manufacturing	13.1	2,531,187,871	2,284,458,917
Closing Stock - Finished Goods		(627,309,870)	(544,928,169)
		<u>2,508,813,270</u>	<u>2,179,704,880</u>
13.1 COST OF GOODS MANUFACTURED:			
Opening Stock Work in Progress		125,803,256	136,982,955
Raw Material Consumed	13.2	1,412,868,129	1,135,967,808
Salaries, Wages & Benefits		87,878,672	78,800,311
Spare Parts & Other Maintenance		17,997,088	16,137,763
Packing Material Consumed		24,489,538	21,779,317
Fuel, Water & Power		965,393,350	866,656,951
Rent, Rate & Taxes		1,193,545	1,969,924
Insurance		9,508,617	8,561,365
Repair & Maintenance of Factory & Electrical Fringe Building		9,278,087	8,319,544
Depreciation	8.1	65,404,850	72,887,347
Printing & Stationery		14,723,625	13,232,430
Closing Work in Progress		(143,975,598)	(125,803,256)
		<u>2,531,187,871</u>	<u>2,284,458,917</u>
13.2 RAW MATERIAL CONSUMED:			
Opening Stock		93,665,551	102,237,907
Purchases		1,427,072,889	1,193,415,480
Closing Stock		(114,972,181)	(99,665,861)
		<u>1,412,868,169</u>	<u>1,135,967,808</u>

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Advocate & Oath Commissioner
 Hyderabad

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Advocate & Oath Commissioner
 Hyderabad

221

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

	Note	2018 (Rupees)	2017 (Rupees)
14 ADMINISTRATION EXPENSES:			
Salaries, Allowances & Other Benefits		46,525,179	40,435,377
Director Remuneration		3,598,250	27,284,602
Bonus to Staff		3,379,901	2,918,877
Electricity Expenses		2,794,703	2,413,338
Telephone & Mobile Cards		2,054,723	1,774,334
Entertainment		1,558,315	1,345,407
Legal & Professional Expenses		834,725	543,110
Property, Water Tax & Provisional		2,152,142	1,853,459
Repair & Maintenance		5,857,868	5,058,517
Printing & Stationery		1,375,863	1,187,330
Petrol & Diesel		14,470,964	12,495,300
Medical Expenses		2,819,115	2,433,553
News Paper		801,104	881,785
Amortization of Deferred Expenses		1,558,773	1,346,925
Security Guards Salaries		14,904,047	12,794,568
Depreciation	8.1	807,018	599,093
General Expenses		13,938,740	12,238,849
		<u>147,429,334</u>	<u>127,513,220</u>
15 SELLING & DISTRIBUTION EXPENSES:			
Selling Staff Salaries		55,352,859	45,032,542
Dealer & Communication		10,448,858	8,499,834
Advertisement		3,132,454	5,038,694
Entertainment		1,560,911	1,289,321
Conveyance & Traveling		22,357,058	18,125,386
Misc. Expenses		1,146,018	934,815
		<u>97,071,886</u>	<u>78,988,716</u>
16 FINANCIAL EXPENSES:		<u>2,703,265</u>	<u>2,468,847</u>

17 DATE OF AUTHORISATION FOR ISSUE:

The financial statements were authorized for issue as at August 24, 2018 by the Board of Directors of the Company.

18 GENERAL:

Figures have been rounded off to nearest Rupee.

Chief Executive

Director

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Shoukat Ali Pathan
Advocate & Oath Commissioner
Hyderabad

[Handwritten Signature]

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Shoukat Ali Pathan
Advocate
Hyderabad

222

Technical Feasibility / Business Process Flow

1. Six (06) compressors will be used to compress Low Pressure Permit gas to the pressure of 250bars.
2. Eight (08) Boozers will be filled with the CNG and stored in CIE approved CNG storage cylinders.
3. The boozers will be moved from Badin to all over Sindh to transport CNG.
4. Sales meters stations installed at industries will be reduced the pressure up to 15Psi and then Natural Gas will be sold to industrial consumers.

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Hyderabad.

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223

Feasibility Report

1. We have installed six (06) CNG compressors at the cost of 32.4 million.
2. We have installed one gas generator cost of 9.7 million.
3. Complete Camp with boundary walls, staff quarters and office for the work as invest are 15million
4. Filling station, Pipes SS fitting etc worth of 13million.
5. We import six (06) CNG Skid Containers, each containing twelve tubes with length of 40 feet and worth of 210 million.

As the above, the total approximately cost of our proposed will be 280.1 million.

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Advocate & Oath Commissioner
Hyderabad.

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Hyderabad.

224

Provisional Half Yearly Un-Audited Financial

**M/S Hi Tech Pipe & Engineering
Industries (Pvt) Limited**

30-Dec-2019

ATTESTED
Shri. M. K. Pathan
Advocate & Oath Commissioner
Hyderabad

225

M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LIMITED
MANAGEMENT ACCOUNTS

STATEMENT OF PROFIT & LOSS ACCOUNT
FOR 6 MONTHS ENDED DEC 31, 2019

	2019-20 Rupees	2019 Rupees
Sales / Revenue	550,565,010	385,947,966
Cost of Sales	(451,463,308)	(316,477,332)
Gross Profit	<u>99,101,702</u>	<u>69,470,634</u>
Less: Operating Expenses		
Admin, Selling & Dist. Expenses	<u>81,263,395</u> (81,263,395)	<u>56,825,736</u> (56,825,736)
	<u>17,838,306</u>	<u>12,644,898</u>
Less Financial Expenses	(313,285)	(294,563)
	<u>17,525,021</u>	<u>12,350,335</u>
Less Worker Welfare Fund	(350,500)	(247,007)
Net Profit/(Loss) Before Tax	<u>17,174,521</u>	<u>12,103,328</u>
Less Income Tax	(4,980,611)	(3,509,965)
Net Profit after Tax	<u>12,193,910</u>	<u>8,593,363</u>
Profit & (Loss) Appropriation Account:		
Appropriated Profit & (Loss) B/F	224,174,647	215,581,284
Net Profit for the period	<u>12,193,910</u>	<u>8,593,363</u>
Balance Carried Over to Balance Sheet	<u>236,368,557</u>	<u>224,174,647</u>

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 Hyderabad.

226

**M/S HI-TECH PIPE & ENGINEERING INDUSTRIES (PVT) LIMITED
MANAGEMENT ACCOUNTS
BALANCE SHEET
AS AT DEC 31, 2019**

	Dec 31, 2019 Rupees	2018 Rupees		Dec 31, 2019 Rupees	2018 Rupees
AUTHORISED SHARE CAPITAL			NOT CURRENT ASSETS		
1,000,000 Ordinary Shares of Rs. 100 each	100,000,000	100,000,000	FIXED ASSETS		
			Yangible Assets (W.D.V)	721,375,938	721,875,938
ISSUED SUBSCRIBED AND PAID UP CAPITAL			CURRENT ASSETS:		
1,000,000 Ordinary Shares of Rs. 100 each	100,000,000	100,000,000	Stock in Trade	1,987,364,997	2,040,357,210
RESERVES AND SURPLUS			Trade Debtors - Unsecured Considered Good	202,550	184,565
Un-Appropriated Profit/(Loss) Account	238,368,567	211,876,184	Advances - Unsecured	285,442	322,784
	<u>338,368,567</u>	<u>311,876,184</u>	Trade Deposits and Short Term Pre-payments	590,847	548,752
			Other Receivables	426,955	412,550
			Income Tax Refundable Net of Provision	87,485,642	87,455,642
			Cash and Bank Balances	325,859,851	345,078,975
			Other Assets	2,402,215,954	2,474,990,476
LOAN TERM LIABILITIES					
Loan from Directors					
CURRENT LIABILITIES:					
Trade and Other Payables	362,233,143	384,256,490			
Short Term Borrowing - Secured	2,398,745,800	2,485,205,489			
Provision for Income Tax Not of Payment	28,744,392	15,488,254			
	<u>4,789,723,336</u>	<u>4,884,950,232</u>			
	<u>3,124,091,892</u>	<u>3,196,884,416</u>		<u>3,124,091,892</u>	<u>3,196,866,416</u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

ATTESTED
Shoukat Ali Pathan
Advocate & Cash Commissioner
Hyderabad.

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Advocate & Cash Commissioner
Hyderabad.